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| COURT FILE NUMBER | 2303-06543 |
| COURT | COURT OF KING'S BENCH OF ALBERTA |
| JUDICIAL CENTRE | EDMONTON |
| | IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended<br><br>AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF J.W. CARR HOLDINGS LTD., SPRUCE GROVE INDUSTRIAL PARK INC., 272649 ALBERTA LTD., 279896 ALBERTA LTD., GRANDE PRAIRIE PLACE ENTERPRISES (1996) INC., 1170292 ALBERTA LTD. and 627612 ALBERTA LTD. |
| APPLICANT | MICHAEL G. BROADFOOT |
| DOCUMENT | **INTERIM DISTRIBUTION ORDER** |
| ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT: | **Norton Rose Fulbright Canada LLP**<br>400 3rd Avenue SW, Suite 3700<br>Calgary, AB T2P 4H2<br><br>Gunnar Benediktsson \| Miranda Sharpe<br>Telephone: 403.267.8256<br>Facsimile: 403.264.5973<br>Email: gunnar.benediktsson@nortonrosefulbright.com \| miranda.sharpe@nortonrosefulbright.com<br>File Number: 1001236005 |

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**DATE ON WHICH THIS ORDER WAS PRONOUNCED:** November 20, 2023

**LOCATION OF HEARING:** Edmonton, Alberta (via Webex)

**NAME OF JUSTICE WHO MADE THIS ORDER:** The Honourable Justice M. E. Burns

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**UPON** the application of Michael G. Broadfoot (**Broadfoot**), a creditor of J.W. Carr Holdings Ltd.

(**Carr Holdings**), Spruce Grove Industrial Park Inc., 272649 Alberta Ltd. (**272**), 279896 Alberta Ltd., Grande Prairie Place Enterprises (1996) Inc., 1170292 Alberta Ltd. and 627612 Alberta Ltd. (collectively, the **CCAA Entities**); **AND UPON** having read this Honourable Court's initial order dated April 19th, 2023 (as amended, the **ARIO**) in which the CCAA Entities noted hereon obtained protection from creditors pursuant to the *CCAA* and Ernst & Young Inc. (the **Monitor**) was appointed Monitor of the CCAA Entities; **AND UPON** reviewing the application of Broadfoot filed on November 14, 2023 (the **Application**), the supporting affidavit of Michael G. Broadfoot affirmed on November 14, 2023 (the **Broadfoot Affidavit**), the supporting confidential affidavit of Michael G. Broadfoot affirmed on November 14, 2023 (the **Confidential Broadfoot Affidavit)**, and the affidavit of Marjorie Carr dated November 17, 2023; **AND UPON** reviewing the written brief of argument of Broadfoot in support of the Application; **AND UPON** reviewing the 11th report of the Monitor (the **Eleventh Report**); **AND UPON** having heard submissions from counsel for Broadfoot, the CCAA Entities, the Monitor, and any other party that may be present, service of the Application having been effected on the service list as set out in the Affidavit of Service of Calvin Jim dated November 17, 2023;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

1. Service of notice of the Application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of the Application, and to the extent necessary, time for service of the Application is abridged to that actually given.

Broadfoot Loan and Security

2. Broadfoot is a secured creditor of the CCAA Entities, in accordance with the valid loan and security agreements between Broadfoot and the CCAA Entities attached to the Broadfoot Affidavit.

Interim Distributions

3. Subject to paragraph 4 hereof, and in accordance with and in the manner set out at paragraph 49 of the Eleventh Report, the Monitor is hereby authorized and directed to pay

to Broadfoot 82% of the Net Share Sale Proceeds from the sale of shares in R'ohan Well Services Ltd. (the **R'ohan Shares**) as an interim distribution in partial satisfaction of amounts owing to Broadfoot by Carr Holdings.

4. In accordance with and in the manner set out at paragraph 49 of the Eleventh Report, the Monitor shall establish a holdback of $300,000 from the payment to Broadfoot of the 82% of the Net Share Sale Proceeds (the **Holdback**), and shall hold the Holdback in trust pending further order of this Court in respect thereof.

5. Broadfoot, Canadian Western Bank (**CWB**) or the beneficiaries of the Administration Charge (as defined in the ARIO) have leave to apply for relief in the future in respect of the Holdback;

6. This order shall not prejudice or limit Broadfoot or CWB's right to assert a claim to, interest in, or priority in respect of the Holdback, which shall continue to stand in the stead of the R'ohan Shares in the same manner as the Net Share Sale Proceeds in accordance with the R'ohan Sale and Vesting Order.

7. Subject to paragraph 8, and in accordance with and in the manner set out at paragraph 49 of the Eleventh Report, the Monitor is hereby authorized and directed to pay to Broadfoot the net proceeds from the sale of certain assets to Garmun Realty Corp. by 272 as approved by the Honourable Justice G.S. Dunlop's Approval and Vesting Order dated August 24th, 2023 (the **August 24th SAVO**), to the extent remaining after making the distributions set out at paragraphs 9(a)-(e) of the August 24th SAVO, as an interim distribution in partial satisfaction of amounts owing to Broadfoot by 272 (the **Tundra Proceeds**).

8. In accordance with and in the manner set out at paragraph 49 of the Eleventh Report, the Monitor shall establish a holdback of $244,238 from the payment to Broadfoot of the Tundra Proceeds (the **Lien Holdback**), and shall hold the Lien Holdback in trust pending further order of this Court in respect thereof.

9. In accordance with and in the manner set out at paragraph 49 of the Eleventh Report,The Monitor is hereby authorized and directed to pay to Broadfoot the net proceeds from the sale of certain assets to 1432185 B.C. Ltd. by 272 as approved by the Honourable Justice J.T. Neilson's Approval and Vesting Order dated September 14th, 2023 (**the September**

**14th SAVO**), to the extent remaining after the distributions set out at paragraphs 9(a)-(e) of the September 14th SAVO, as an interim distribution in partial satisfaction of amounts owing to Broadfoot by 272.

10. In accordance with and in the manner set out at paragraph 49 of the Eleventh Report, the Monitor is hereby authorized and directed to pay to Broadfoot the net proceeds from the sale of a real estate property with a civic address of 822-96 Avenue, Fort Saskatchewan, Alberta (the **Fort Saskatchewan Property**) as approved by this Honourable Court, in first priority and in advance of any Court-ordered charges or payments to any other creditors, as an interim distribution in partial satisfaction of amounts owing to Broadfoot by Carr Holdings.

Allocation

11. These distributions and this order are without prejudice to any position taken by any party in an allocation as directed under paragraph 46 of the ARIO.

Sealing Order

12. The Clerk of the Court is hereby directed to seal the Confidential Broadfoot Affidavit on the Court file until March 1, 2024 or until a futher order from the Court extends or shortens the date.

13. The Clerk of the Court is hereby directed to seal the Confidential Broadfoot Affidavit in an envelope setting out the style of cause in the within proceeding and labelled:

**THIS ENVELOPE CONTAINS CONFIDENTIAL DOCUMENTS. THESE CONFIDENTIAL DOCUMENTS ARE SEALED ON COURT FILE NO 2303-06543 PURSUANT TO THE ORDER ISSUED BY HONOURABLE JUSTICE M. E. BURNS ON NOVEMBER 20, 2023. THESE CONFIDENTIAL DOCUMENTS ARE NOT TO BE ACCESSED BY ANY PERSON UNTIL MARCH 1, 2024 OR FURTHER ORDER FROM THE COURT.**

14. This Order may be served electronically on the service list in respect of these CCAA Proceedings, and such service shall be deemed good and sufficient for all purposes in respect of all persons entitled to service thereof.

The Honourable Justice M. E. Burns

APPROVED AS TO FORM AS BEING THE ORDER MADE:

Ernst & Young Inc.

Per: _____

Sean Collins

Counsel for Ernst & Young Inc.

J.W. Carr Holdings Ltd.

Per: _____

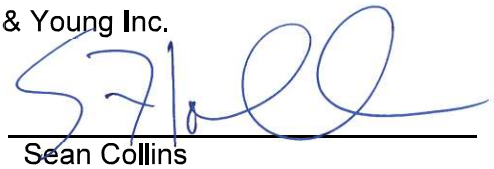
Jeff Lee

Counsel for J.W. Carr Holdtings Ltd.

The Honourable Justice M. E. Burns

APPROVED AS TO FORM AS BEING THE ORDER MADE:

Ernst & Young Inc.

Per: 

Sean Collins

Counsel for Ernst & Young Inc.

J.W. Carr Holdings Ltd.

Per:

Jeff Lee

Counsel for J.W. Carr Holdtings Ltd.