

I hereby certify this to be a true copy of the original Order of which it purports to be a copy.

COURT FILE NUMBER 25-2299607

Dated this 12 day of Oct 2017

COURT

COURT OF QUEEN'S BENCH OF ALBERTA
Registrar at Calgary
Bankruptcy Division of the
Court of Queen's Bench of Alberta

JUDICIAL CENTRE

CALGARY

APPLICANT

IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF 1031084 ALBERTA
LTD.

DOCUMENT

**ORDER (TO APPROVE ADMINISTRATIVE
CHARGE / ADMINISTRATIVELY CONSOLIDATE
PROCEEDINGS)**

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

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DATE ON WHICH ORDER WAS PRONOUNCED:

October 11, 2017

LOCATION OF HEARING OR TRIAL:

Calgary, Alberta

NAME OF MASTER/JUDGE WHO MADE THIS ORDER:

Justice C.M. Jones

UPON THE APPLICATION of 1031084 Alberta Ltd. ("**Alberta Co**") and 623735 Saskatchewan Ltd. ("**Saskatchewan Co**" and Alberta Co and Saskatchewan Co collectively referred to as the "**Debtors**"), **AND UPON** having read the Affidavit of Danny Mysak, sworn on October 5, 2017 (the "**Affidavit**"), filed; **AND UPON** having read the First Report of the proposal trustee, KPMG Inc. (the "**Proposal Trustee**"), filed; **AND UPON** having read the Affidavit of Service of Katie Doran, sworn October 5, 2017 (the "**Service Affidavit**"), filed; **AND UPON** hearing counsel to the Debtors, counsel to the Proposal Trustee, and counsel present for other parties who may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of the corresponding Application and the Affidavit is abridged to the date parties were served, the Application is properly returnable today, service of the Application and the Affidavit on the parties listed in and in the manner described in the Affidavit of Service,

is validated, good and sufficient and no other persons are entitled to service of the Affidavit or the Application.

2. The Notice of Intention Proceedings of Saskatchewan Co, commenced on October 3, 2017 as Estate No. 23-2299690 in the Province of Saskatchewan pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), be and are hereby administratively consolidated into the within proceeding. In particular and without limitation:

- (a) Saskatchewan Co shall be added as a party to the within proceedings and all further filings in the within proceedings shall identify Saskatchewan Co as a party in the style of cause; and
- (b) this Honourable Court shall have jurisdiction to hear applications pertaining to the Debtors under the BIA, the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") or any other similar or analogous federal legislation and to administer the recapitalization, restructuring or reorganization of the Debtors or the disposition of the assets of the Debtors under the either the BIA and/or the CCAA, as applicable.


3. The Proposal Trustee (including in its capacity as trustee in bankruptcy, if applicable), counsel to the Proposal Trustee (including in its capacity as counsel for the trustee in bankruptcy, if applicable) and counsel to the Debtors, shall be entitled to the benefit of and are hereby granted a charge (the "**Administrative Charge**") on all of the Debtors' property, assets and undertaking (collectively, the "**Property**") as security for professional fees and disbursements incurred at their standard rates and charges, both before and after October 2, 2017, in respect of these proceedings. Subject to paragraph 5 of this Order, the Administrative Charge shall rank in priority to all other security interests, trusts, deemed trusts, liens, encumbrances and claims of secured creditors, statutory or otherwise, in an amount not to exceed \$300,000.

4. The filing, registration or perfection of the Administrative Charge as against the Property shall not be required, and the Administrative Charge shall be valid and enforceable against the Property for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administrative Charge coming into existence and notwithstanding any failure to file, register, record or perfect the Administrative Charge. The

Administrative Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Administrative Charge thereunder shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA or any bankruptcy order made pursuant to such motions or applications; (c) the filing of any assignments for the general benefit of creditors made or deemed to have been made pursuant to the BIA; or (d) the provisions of any federal or provincial statutes.

5. Any claim of Element Financial Corporation or Steelcase Financial Services Ltd. that is secured by way of valid, enforceable and properly perfected purchase money security interest to specific items or classes of Property (each, a "**PMSI Claim**") shall rank in priority to the Administrative Charge. For greater certainty, the priority afforded to any PMSI Claims shall extend only to the specific items or classes of Property that are subject to the valid, enforceable and properly perfected PMSI Claim and not to the Property as a whole.

6. Service of this Order by email, facsimile, registered mail, courier or personal delivery to the persons listed on the Service List shall constitute good and sufficient service of this Order, and no persons other than those listed on the Service List are entitled to be served with a copy of this Order.



J.C.Q.B.A.