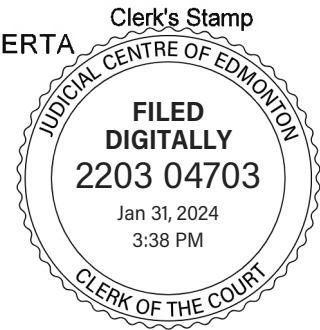


COURT FILE NUMBER 2203 04703
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON
PLAINTIFF **BANK OF MONTREAL**
DEFENDANTS **608772 ALBERTA LTD. o/a
BIRCHWOOD AUTOBODY,
DARRELL PAYNE, VERA PAYNE,
BRETT PAYNE, and 1943969
ALBERTA LTD.**



DOCUMENT **SALE APPROVAL AND VESTING ORDER**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Dentons Canada LLP
2500 Stantec Tower
10220 – 103 Avenue NW
Edmonton, Alberta T5J 0K4
Phone: (780) 423-7284/7169
Fax: (780) 423-7276
File No. 528401-23
Attention: Dean A. Hitesman/Kurtis P. Letwin

DATE ON WHICH ORDER WAS PRONOUNCED: January 26, 2024
LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta
NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice D. Mah

UPON THE APPLICATION by MNP Ltd., in its capacity as Court-appointed receiver and manager (the "**Receiver**") of the current and future assets, undertakings, and properties of 608772 Alberta Ltd., operating as Birchwood Auto Body, and 1943969 Alberta Ltd. (collectively, the "**Debtor**"), for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver as Vendor, and AAA Exchange Edmonton Ltd., operating as Subserious Autoworks, as Purchaser (the "**Purchaser**") dated December 6, 2023, and appended to the First Report of the Receiver dated January 8, 2024 (the "**Receiver's First Report**"), and vesting the Debtor's right, title, and interest in and to the lands and equipment described in the Sale Agreement (the "**Purchased Assets**") in the Purchaser;

AND UPON HAVING READ the Receivership Order dated May 3, 2022 (the "**Receivership Order**"), the Receiver's First Report, and upon it appearing that service has been effected;

AND UPON HEARING the submissions of counsel for the Receiver and any other interested parties that may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

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

APPROVAL OF ACTIVITIES

- [2] The Receiver's activities as set out in the Receiver's First Report, including the Confidential Appendices, are hereby approved.

APPROVAL OF TRANSACTION

- [3] The Transaction is hereby approved and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

VESTING OF PROPERTY

- [4] Upon the delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in Schedule "A" hereto (the "**Receiver's Closing Certificate**"), all of the Debtor's right, title, and interest in and to the Purchased Assets listed in Schedule "B" shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered, or filed and whether secured, unsecured, or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:

- a) any encumbrances or charges created by the Receivership Order;

- b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- c) any liens or claims of lien under the *Prompt Payment and Construction Lien Act*; and
- d) those Claims listed in Schedule "C" hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in Schedule "D" (collectively, "**Permitted Encumbrances**")),

and for greater certainty, this Court orders that all Claims including Encumbrances, other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

[5] Upon delivery of the Receiver's Closing Certificate, and upon the pronouncement of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and a filed copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

- (a) the Registrar of Land Titles ("**Land Titles Registrar**") for the Purchased Assets (specifically the Lands as outlined in Schedule "B") defined below shall and is hereby authorized, requested and directed to forthwith:
 - (i) cancel existing Certificates of Title 032 089 435 for the Purchased Assets (specifically the Lands as outlined in Schedule "B");
 - (ii) issue a new Certificate of Title for the Purchased Assets (specifically the Lands as outlined in Schedule "B") in the name of the Purchaser (or its nominee), namely AAA Exchange Edmonton Ltd, or nominee;
 - (iii) transfer to the New Certificate of Title the existing instruments listed in Schedule "D", to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in Schedule "D"; and

- (iv) discharge and expunge the Encumbrances listed in Schedule "C" to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Purchased Assets (specifically the Lands as outlined in Schedule "B");

- [6] In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims, including Encumbrances but excluding Permitted Encumbrances.
- [7] No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.
- [8] Upon delivery of the Receiver's Closing Certificate together with a filed copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7, notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.
- [9] For the purposes of determining the nature and priority of Claims, net proceeds from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from the sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.

- [10] Except as expressly provided for in the Sale Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
- [11] The Receiver, to the extent able and necessary, is hereby authorized and directed, without further order of this Honourable Court and without further notice to any persons, to take all necessary steps within its power to execute all documents and instruments necessary to effect any or all of the discharges relating to the Claims and the applicable registrars and other persons in control or otherwise supervising such offices of the corresponding registrations or recordings shall forthwith remove and discharge all such registrations or recordings.
- [12] Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
- [13] The Purchaser (or its nominee(s)) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets, as applicable, for its own use and benefit without any interference of or by the Debtor, or any person claiming by, through or against the Debtor.
- [14] Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
- [15] The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).

MISCELLANEOUS MATTERS

- [16] Notwithstanding:
- a) the pendency of these proceedings and any declaration of insolvency made herein;
 - b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3 as amended (the

"BIA"), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;

- c) any assignment in bankruptcy made in respect of the Debtor; and
- d) the provisions of any federal or provincial statute,

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

[17] The Receiver, the Purchaser (or its nominee), and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

[18] This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Receiver, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

[19] Service of this Order shall be deemed good and sufficient by:

- (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;
 - (iv) the Purchaser or the Purchaser's solicitors; and
- (b) Posting a copy of this Order on the Receiver's website at:

<https://www.bowragroup.com/client/608772-alberta-ltd/>

- [20] Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.



Justice of the Court of Queen's Bench of Alberta

SCHEDULE A**Form of Receiver's Certificate**

Clerk's Stamp:

COURT FILE NUMBER	2203 04703
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PLAINTIFF	BANK OF MONTREAL
DEFENDANTS	608772 ALBERTA LTD. o/a BIRCHWOOD AUTO BODY, DARRELL PAYNE, VERA PAYNE, BRETT PAYNE, and 1943969 ALBERTA LTD.
DOCUMENT	<u>RECEIVER'S CERTIFICATE</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Dentons Canada LLP 2500 Stantec Tower 10220 – 103 Avenue NW Edmonton, Alberta T5J 0K4 Ph. (780) 423-7284/7169 Fx. (780) 423-7276 File No.: 528401-24 Attention: Dean A. Hitesman/Kurtis P. Letwin

RECITALS

- A. Pursuant to an Order of the Honourable Justice S. Hillier of the Court of King's Bench of Alberta, Judicial District of Edmonton (the "**Court**") dated May 3, 2022, MNP Ltd., as successor to the The Bowra Group Inc., was appointed as the receiver (the "**Receiver**") of the undertakings, property and assets of 608772 Alberta Ltd, operating as Birchwood Auto Body, and 1943969 Alberta Ltd. (collectively, the "**Debtor**").
- B. Pursuant to an Order of the Court dated January 26, 2024, the Court approved the agreement of purchase and sale dated December 6, 2023 (the "**Sale Agreement**") between the Receiver as vendor, and AAA Exchange Edmonton Ltd., operating as Subserious Autoworks, or nominee, as purchaser (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title, and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the purchase price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the

Receiver.

C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the purchase price for the Purchased Assets payable on the closing date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver on the ____ day of _____, 2024.

MNP Ltd., in its capacity as Court-appointed Receiver of the current and future undertakings, property and assets of 608772 Alberta Ltd., operating as Birchwood Auto Body, and 1943969 Alberta Ltd., and not in its personal capacity.

Per: _____

Name:

Title:

SCHEDULE B

THE PURCHASED ASSETS

The Lands

PLAN 7620533
BLOCK 19
LOT 1
EXCEPTING THEREOUT ALL MINES AND
MINERALS
AREA : 0.202 HECTARES (0.5 ACRES) MORE OR
LESS

The Personal Property and Equipment

As outlined in Schedule "A" of the Sale Agreement

SCHEDULE C

The Lands

<u>Registration Number</u>	<u>Date Registered</u>	<u>Particulars</u>
162 063 379	March 2, 2016	Mortgage Mortgagee: Bank of Montreal

The Personal Property and Equipment

<u>Registration Number</u>	<u>Date Registered</u>	<u>Particulars</u>
12060132337	June 1, 2012	Security Interest Registration Secured Party: Bank of Montreal
16021913922	February 19, 2016	Security Interest Registration Secured Party: Bank of Montreal
21071225190	July 12, 2021	Land Charge Secured Party: Bank of Montreal
16021914576	February 19, 2016	Security Interest Registration Secured Party: Bank of Montreal
21071225162	July 12, 2021	Land Charge Secured Party: Bank of Montreal

SCHEDULE D**The Lands**

<u>Registration Number</u>	<u>Date Registered</u>	<u>Particulars</u>
762 011 893	January 21, 1976	Zoning Regulations

The Personal Property and Equipment

Not Applicable