



Clerk's stamp:

COURT FILE NUMBER

24-2345671

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

EDMONTON

I hereby certify this to be a true copy of the original.

Christina Lupp
for Registrar in Bankruptcy

IN THE MATTER OF THE BANKRUPTCY OF
DG WEB DEVELOPMENTS INC.

DOCUMENT

APPROVAL AND VESTING ORDER,
SEALING ORDER AND DISTRIBUTION
ORDER

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT

Susy Trace
DLA Piper (Canada) LLP
Barristers and Solicitors
1201 Scotia 2 Tower
10060 Jasper Avenue
Edmonton, AB T5J 4E5
Phone: 780-429-6831
Fax: 780-702-4359
Email: Susy.Trace@dlapiper.com
File No.: 043950-00065

DATE ON WHICH ORDER WAS PRONOUNCED:

August 15, 2018

LOCATION OF ORDER:

Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER:

THE HONOURABLE JUSTICE S.D.
HILLIER

UPON THE APPLICATION by BDO Canada Limited, in its capacity as trustee in bankruptcy (the "Trustee") of DG Web Developments Inc. ("DG"); AND UPON AND HAVING READ the filed Application, the filed First Report of the Trustee dated August 2, 2018 (the "First Report"), and the unfiled Confidential Supplement to the First Report of the Trustee dated August 2, 2018 (the "Confidential Supplement"); AND UPON finding that the Offer to Purchase and Interim

Agreement entered into by the Trustee as vendor and Howihold Ltd. (or its nominee) as purchaser (the "**Purchaser**") dated May 22, 2018 and appended as Exhibit "4" to the Confidential Supplement (the "**Offer**") is a fair and reasonable offer for the purchase of the Property (as hereinafter defined); **AND UPON HAVING READ** the Affidavit of Service respecting the notice of this Application, filed; **AND UPON HEARING** the submissions of counsel for the Trustee, counsel for the Purchaser, and Counsel for ATB Financial; **AND UPON NOTING** no one appearing for any other person on the service list, although properly served;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this Application and all 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 the time for service of this Application is abridged to that actually given.

APPROVAL OF ACTIVITIES

2. The Trustee's activities as set out in the First Report and the Confidential Supplement are hereby ratified and approved.

SALE OF THE PROPERTY

3. The Trustee is hereby authorized to sell the property legally described as:

PLAN 8521448
BLOCK 1
LOT 8A
EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "**Property**")

in accordance with the terms of the Offer made between the Trustee and the Purchaser and appended as Exhibit "4" to the Confidential Supplement (the "**Transaction**").

4. The Transaction is hereby approved, and the execution of the Offer by the Trustee is hereby authorized and approved. The Trustee is authorized, without further Order of this Honourable Court to agree to such further minor amendments to the Offer as the Trustee and the Purchaser may agree to.

5. The Trustee 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 or for the conveyance of the Property to the Purchaser.
6. Upon the delivery of a Trustee's Certificate to the Purchaser substantially in the form attached as **Schedule "A"** to this Order (the "**Trustee's Certificate**"), and subject only to the Permitted Encumbrances listed in **Schedule "B"** to this Order (the "**Permitted Encumbrances**"), all of DG's right, title and interest in and to the Property shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively the "**Claims**") including, without limiting the generality of the foregoing:
 - (a) any encumbrances or charges created by the bankruptcy of DG; and
 - (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and

for greater certainty, this Court orders that all of the encumbrances, other than the Permitted Encumbrances affecting or relating to the Property are hereby expunged and discharged as against the Property.

7. Upon receipt of the Trustee's Certificate and a filed certified copy of this Order, together with any applicable registration fees, the Registrar of Land Titles of Alberta (the "**Registrar**") is hereby authorized, requested, and directed to cancel the existing Certificate of Title Number 082 277 789 for the Property, and to issue a new Certificate of Title for the Property in the name of the Purchaser (or its nominee), and to register such transfers, discharges, discharge statements of conveyances, as may be required to convey clear title to the Property to the Purchaser (or its nominee), which Certificate of Title shall be subject only to the Permitted Encumbrances as defined in Schedule "B" to this Order.

8. This Order shall be registered by the Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c. L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

CLOSING OF THE SALE TRANSACTION

9. The closing of the Transaction shall be effected in accordance with the terms of the Offer and such amendments to the Offer as may be agreed to in writing between the Purchaser and the Trustee.
10. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Property shall stand in place and stead of the Property, and from and after the delivery of the Trustee's Certificate to the Purchaser, all Claims and encumbrances shall attach to the net proceeds from the sale of the Property with the same priority as they had with respect to the Property immediately prior to the sale, as if the Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
11. The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against DG.
12. DG and all persons who claim by, through or under DG in respect of the Property, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Property and, to the extent that any such persons remain in possession or control of the Property, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
13. Upon delivery of the Trustee's Certificate to the Purchaser, the Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Property for its own use and benefit without any interference of or by DG, or any person claiming by or through or against the DG.
14. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Trustee or DG.

15. The Trustee shall file with the Court a copy of the Trustee's Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).

DISTRIBUTION TO ATB FINANCIAL

16. The Trustee is authorized and directed to release to ATB Financial the net sale proceeds from the sale of the Property after paying any applicable GST owing as a result of the sale of the Property, realtor commissions, and any amounts owing to the City of Edmonton for outstanding property taxes owing up to the date of closing of the sale of the Property, and paying the reasonable fees and disbursements of the Trustee and its legal counsel incurred in conducting the sales process and closing the Transaction as agreed to by ATB and the Trustee.

MISCELLANEOUS MATTERS

17. The Trustee, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and directions 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 Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Trustee 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 orders as to provide such assistance to the Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Trustee and its agents in carrying out the terms of this Order.

SEALING

19. The Confidential Supplement shall be sealed on the Court File until the Trustee files the Trustee's Certificate, notwithstanding Division 4 of Part 6 of the *Alberta Rules of Court* (the "**Sealing Order**").
20. The Clerk of this Honourable Court shall file the Confidential Supplement in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED BY BDO CANADA LIMITED IN ITS CAPACITY AS TRUSTEE IN BANKRUPTCY OF DG WEB DEVELOPMENTS INC.; and

THE CONFIDENTIAL MATERIALS ARE SEALED PURSUANT TO AN ORDER ISSUED BY JUSTICE S.D. HILLIER AND SHALL REMAIN SEALED UNTIL A TRUSTEE'S CERTIFICATE IS FILED INDICATING THAT THE TRANSACTION AS DEFINED IN THE ORDER OF JUSTICE HILLIER DATED AUGUST 15, 2018 HAS CLOSED.

SERVICE OF THIS ORDER

21. This Order must be served only upon those interested parties attending or represented at hearing of this application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected on the next business day following the transmission or delivery of such documents.
22. Service of this Order on any party not attending this Application is hereby dispensed with.

"S.D. Hillier"

Justice of the Court of Queen's Bench of Alberta

SCHEDULE "A"

TRUSTEE'S CERTIFICATE

Clerk's Stamp

COURT FILE NUMBER **24-2345671**

COURT **COURT OF QUEEN'S BENCH OF ALBERTA**

JUDICIAL CENTRE **EDMONTON**

IN THE MATTER OF THE BANKRUPTCY OF DG WEB DEVELOPMENTS INC.

DOCUMENT **TRUSTEE'S CERTIFICATE**

ADDRESS FOR SERVICE Susy Trace
AND DLA Piper (Canada) LLP
 Barristers and Solicitors
CONTACT INFORMATION OF 1201 Scotia 2 Tower
PARTY FILING THIS 10060 Jasper Avenue
DOCUMENT Edmonton, AB T5J 4E5
 Phone: 780-429-6831
 Fax: 780-702-4359
 Email: Susy.Trace@dlapiper.com
 File No.: 043950-00065

RECITALS

- A. On March 9, 2018, DG Web Developments Inc. ("**DG**") was deemed bankrupt by operation of law pursuant to Section 50.4(8) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 and BDO Canada Limited was appointed as the trustee in bankruptcy of DG (the "**Trustee**");

B. Pursuant to an Order of the Honourable Justice S.D. Hillier of this Honourable Court dated August 15, 2018, this Honourable Court approved the Offer to Purchase and Interim Agreement made as of May 22, 2018 (the "**Purchase Agreement**") between the Trustee and Howihold Ltd. or Nominee (the "**Purchaser**"), and provided for the vesting in the Purchaser of all of DG's right, title and interest in and to the property legally described as:

PLAN 8521448
BLOCK 1
LOT 8A
EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "**Property**")

- C. The sale and vesting of the Property in the Purchaser (or its nominee) is to be effective upon the delivery by the Trustee to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Property; (ii) the conditions to Closing as set out in the Purchase Agreement have been satisfied or waived by the Trustee and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Trustee; and
- D. Unless otherwise defined herein, terms with initial capitals have the meanings set out in the Purchase Agreement.

THE TRUSTEE CERTIFIES the following:

1. The Purchaser has paid and the Trustee has received the Purchase Price for the Property payable on the Closing Date pursuant to the Purchase Agreement;
2. The conditions to closing as set out in the Purchase Agreement have been satisfied or waived by the Trustee and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Trustee.

This Certificate was delivered by the Trustee at 12:00 p.m. on _____, 2018.

**BDO Canada Limited in its
capacity as Trustee of in**

**bankruptcy of DG Web
Developments Inc., and not in its
personal capacity**

Per:

**Name: David Lewis, CPA, CIRP,
LIT
Title: Vice-President**

SCHEDULE "B"

PERMITTED ENCUMBRANCES

REGISTRATION NUMBER	DATE D/M/Y	PARTICULARS
593LN	27/05/1959	UTILITY RIGHT OF WAY GRANTEE – THE CITY OF EDMONTON. "PART"