

DRCOURT FILE NO.: 2101-00809
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
APPLICANT BANK OF MONTREAL

Clerk's Stamp

RESPONDENTS METRO PAVING AND ROADBUILDING LTD., METRO PAVING LTD.,
METRO PARS CORPORATION and GRASSLANDS OF BEISEKER
DEVELOPMENT CORPORATION

DOCUMENT **NOTICE OF APPLICATION**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Cassels Brock & Blackwell LLP
Suite 3810, Bankers Hall West
888 3rd Street SW
Calgary, Alberta, T2P 5C5
Telephone: (403) 351-2921
Facsimile: (403) 648-1151
Email: joliver@cassels.com / dmarechal@cassels.com
File No.: 28677-31

Attention: Jeffrey Oliver / Danielle Marechal

NOTICE TO THE RESPONDENTS:

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the master/judge.

To do so, you must be in Court when the application is heard as show below:

Date: March 26, 2021
Time: 2:00 p.m.
Where: Edmonton Law Courts Building, Edmonton, Alberta (via WebEx)
Before Whom: The Honourable Mr. Justice D.R. Mah

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. BDO Canada Limited ("**BMO**") in its capacity as receiver and manager (in such capacity, the "**Receiver**") of the assets, properties and undertakings of Metro Paving and Roadbuilding Ltd. ("**Roadbuilding**"), Metro Paving Ltd. ("**Paving**"), Metro Pars Corporation ("**Pars**") and Grasslands

of Beiseker Development Corporation (“**Grasslands**” and together with Roadbuilding, Paving and Pars, the “**Companies**”), seeks the following:

- (a) An Order substantially in the form of Schedule “A” hereto:
 - (i) if necessary, abridging the time for service of this Application and supporting First Report (the “**Report**”) of the Receiver and declaring service to be good and sufficient;
 - (ii) approving the conduct and activities of the Receiver as set forth in the Report;
 - (iii) approving the Receiver’s interim statement of receipts and disbursements;
 - (iv) approving the accounts of the Receiver and its counsel;
 - (v) approving the surrender of Paving’s participating life insurance policy number B459051-0 (the “**Policy**”) with The Canada Life Assurance Company (“**Canada Life**”) and directing that Canada Life pay the proceeds of the Policy to the Receiver; and
 - (vi) approving the proposed marketing and sale of certain of the Companies’ real estate assets (the “**Sales Process**”) on terms that are substantially similar to the listing proposals attached as Appendices “G” and “H” to the Confidential Supplement and submitted by Jones Lang LaSalle Real Estate Services Inc. (“**JLL**”) and Royal LePage Mission (“**Royal LePage**”);
- (b) An Order substantially in the form of Schedule “B” hereto sealing the confidential supplement to the Report (the “**Confidential Supplement**”).
- (c) An Order substantially in the form of Schedule “C” hereto approving
 - (i) an auction services agreement (the “**Auction Agreement**”) between the Receiver and Corporate Assets Inc. (the “**Auctioneer**”), on terms that are substantially similar to the auction proposal submitted by the Auctioneer on February 19, 2021 in the form attached as Appendix “C” to the Confidential Supplement;
 - (ii) approving the sale of the Equipment (as defined below) in accordance with the terms of the Auction Agreement; and
- (d) such further and other relief as this Honourable Court deems just.

Grounds for making this application:

Background

2. Roadbuilding is a construction company which provided services including roadbuilding, excavation, gravel based, asphalt paving and related construction services.
3. Paving and Pars are holding companies whose primary assets are respectively, a commercial property and construction equipment.
4. Grasslands is a land development company whose primary asset is a subdivision of real property.
5. On January 20, 2021, the Court of Queen's Bench of Alberta pronounced an order (the "**Receivership Order**") appointing BDO as Receiver over the Companies' assets, undertakings and properties (collectively, the "**Property**").

Approval of Auction Agreement

6. The Receiver is in possession of a number of pieces of rolling stock and large paving and excavation construction equipment, an asphalt plant, smaller equipment, tools, and miscellaneous office furniture (the "**Equipment**").
7. The Receiver determined that the best course of action to maximize realizations and reduce costs and expenditures was to pursue a one to two-day public auction (the "**Auction Sale**") of the Equipment.
8. The Receiver conducted an expedited sales process by contacting auctioneers with experience with liquidating equipment of a similar nature to express interest, review the Equipment and submit proposals.
9. The Receiver is of the view that the Auction Proposal submitted by the Auctioneer is superior to all other bids received for, *inter alia*, the following reasons:
 - (a) the Auction Proposal will provide the highest realization of the Equipment and contains a net minimum guarantee ("**NMG**"), which provides a level of certainty for creditors of the Companies;
 - (b) there is the potential for additional recovery should the auction proceeds under the Auction Proposal exceed the NMG threshold; and

- (c) the Auctioneer is an experienced liquidator and the Receiver is of the view that the most efficient way of realizing on the Equipment is through a liquidating auction conducted by a professional liquidator acting as agent for the Receiver.
10. Subject to the approval of this Honourable Court, the Receiver plans to enter into the Auction Agreement with the Auctioneer on terms that are substantially similar to those contained in the Auction Proposal.
11. The Receiver is of the view that the sales process for the Equipment is fair, reasonable, transparent and will provide for the highest realizations for the Equipment in the circumstances given the nature of the Equipment and the ability to reach potential buyers.

Approval of SISP

12. The Companies have multiple real estate assets, which the Receiver has classified into three categories: (i) the commercial property held by Paving and located in Calgary, Alberta (the "**Calgary Property**"); (ii) real estate assets held by Grasslands (the "**Grasslands Property**"), Pars (the "**Hussar Property**") and Paving (the "**Sundre Property**" and together with the Grasslands Property and the Hussar Property, the "**Ancillary Properties**"); and (iii) real estate assets indirectly held by Paving through its 100% shareholding in Metro Recreation Properties Ltd. (the "**Investment Properties**").
13. Given the variance in the types of real estate assets, the Receiver is of the view that the best course of action to maximize realizations for the Calgary Property and Ancillary Properties is to utilize a licensed real estate broker to list the properties.
14. The Receiver has solicited listing proposals from several commercial realty brokerages. The Receiver has selected JLL to list the Calgary Property and Royal LePage to list the Ancillary Properties, on the basis that the Receiver has determined that the distinct nature of the property types require specific brokers with experience in the respective markets in order to ultimately maximize net sales proceeds for the estate.
15. The Receiver is of the view that the Sales Process represents a public and transparent process under which potential purchasers will be marketed to and provided with the opportunity to provide offers to purchase.
16. The Receiver will require the real estate brokers to canvass their respective markets for a minimum of six weeks.

17. The Sales Process will balance the need to complete a sale within a reasonable timeframe, with the goal of adequately exposing the Calgary Property and Ancillary Properties to the marketplace.

Sealing Order

18. The Receiver seeks an Order directing the sealing of the Confidential Supplement (the “**Sealing Order**”).
19. The Sealing Order is necessary, as the Confidential Supplement includes commercially sensitive information, including information relating to the auction proposals and real estate proposals received by the Receiver in relation to the Equipment, Calgary Property and Ancillary Properties. Disclosure of the information contained in the Confidential Supplement could cause irreparable prejudice to creditors and other stakeholders of the Companies’ in the event that the transaction contemplated by the Auction Agreement does not close.
20. If the transactions contemplated under the Auction Agreement and Sales Process do not close, the Equipment, Calgary Property and Ancillary Properties would be subject to further marketing and the Receiver’s ability to obtain the highest and best price could be severely compromised by the information contained in the Confidential Supplement being in the public domain. There are no reasonable alternative measures, and the benefits of the Sealing Order would outweigh any negative effects on the interests of the public.

Canada Life Policy

21. Paving has the Policy insuring the life of its owner which had a net surrender value of approximately \$168,000 as at March 1, 2021.
22. The sole beneficiary under the Policy declined to purchase the Policy and the Receiver proceeded to surrender the Policy on March 1, 2021 in order to avoid any additional premiums and the accrual of interest on such amounts.
23. Canada Life accepted the Receiver’s application for cash surrender, but proceeded to advise the Receiver of its position that the collapse of the Policy constituted a sales transaction requiring court approval pursuant to paragraph 3(l) of the receivership order granted by this Honourable Court on January 20, 2021 (the “**Receivership Order**”).
24. The Receiver has taken the position that the surrender of the Policy does not qualify as a transaction requiring approval under the Receivership Order and has advised Canada Life of same. However, if by the date of the hearing of this application Canada Life has not yet communicated its intention to pay out the proceeds of the Policy, the Receiver will request that

this Honourable Court approve the Receiver's surrender of the life insurance Policy and directing that Canada Life pay the proceeds of the Policy to the Receiver.

Actions of the Receiver

25. The Receiver's actions and activities as described in the Report and the Confidential Supplement are lawful and proper and consistent with the Receiver's powers and duties under the Receivership Order.

Approval of Professional Fees

26. The accounts of the Receiver for the period commencing January 12, 2021 to February 28, 2021 total approximately \$152,829 before GST.
27. The accounts of counsel to the Receiver for the period commencing January 13, 2021 to February 28, 2021 total approximately \$101,503 before GST.
28. The invoices rendered by the Receiver and its counsel are reasonable and were validly incurred in accordance with the provisions of the Receivership Order.

Material or evidence to be relied on:

29. Receivership Order pronounced January 20, 2021;
30. First Report of the Receiver dated March 15, 2021;
31. Confidential Supplement to the First Report of the Receiver dated March 15, 2021; and
32. Such further and other materials as counsel may advise and this Honourable Court may permit.

Applicable rules:

33. The *Alberta Rules of Court*, including Rules 1.2, 1.3, 1.4, 6.1, 6.2, 6.3 and 6.47; and
34. Such further and other rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

35. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, and in particular section 243 thereof;
36. *Judicature Act*, RSA 2000, c J-2, as amended, and in particular section 13(2) thereof;

37. *Personal Property Security Act*, RSA 2000, c P-7; and
38. Such further and other acts and regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

39. None.

How the application is proposed to be heard or considered:

40. Via WebEx.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and time shown at the beginning of this form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

SCHEDULE "A"

COURT FILE NO.: 2101-00809

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINITIFF BANK OF MONTREAL

DEFENDANTS METRO PAVING AND ROADBUILDING LTD., METRO PAVING LTD.,
METRO PARS CORPORATION and GRASSLANDS OF BEISEKER
DEVELOPMENT CORPORATION

Clerk's Stamp

DOCUMENT **ORDER APPROVING SALES PROCESS, ACTIONS OF RECEIVER,
ETC.**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY
FILING THIS
DOCUMENT

Cassels Brock & Blackwell LLP
Suite 3810, Bankers Hall West
888 3rd Street SW
Calgary, Alberta, T2P 5C5
Telephone: (403) 351-2921
Facsimile: (403) 648-1151
Email: joliver@cassels.com / dmarechal@cassels.com
File No.: 28677-31

Attention: Jeffrey Oliver / Danielle Marechal

DATE ON WHICH ORDER WAS PRONOUNCED: March 26, 2021

NAME OF JUSTICE WHO MADE THIS ORDER: Justice D.R. Mah

LOCATION OF HEARING: Edmonton, Alberta

UPON THE APPLICATION OF BDO Canada Limited, in its capacity as receiver and manager (in such capacity, the "**Receiver**") of the assets, undertakings and properties of Metro Paving and Roadbuilding Ltd. ("**Roadbuilding**"), Metro Paving Ltd. ("**Paving**"), Metro Pars Corporation ("**Pars**") and Grasslands of Beiseker Development Corporation ("**Grasslands**" and together with Roadbuilding and Pars, the "**Companies**") for an Order, among other things, (i) approving of the conduct and activities of the Receiver; (ii) approving the Receiver's interim statements of receipts and disbursements; (iii) approving the professional fees and disbursements; (iv) approving the surrender of Paving's participating life insurance policy number B459051-0 (the "**Policy**") with the Canada Life Assurance Company ("**Canada Life**") and payment of the proceeds to the Receiver; and (v) approving the proposed marketing and sale of certain of the Companies' real estate assets on terms substantially similar to the listing proposals submitted by Jones Lang LaSalle Real Estate Services Inc. ("**JLL**") and Mr. John Corcoran of

Royal LePage Mission (“**Royal LePage**”); **AND UPON HAVING** read the Receivership Order pronounced on January 20, 2021, the First Report of the Receiver dated March 15, 2021 (the “**Report**”), the Confidential Supplement to the Report dated March 15, 2021 (the “**Confidential Supplement**”) and the Affidavit of Service of Richard Kay, sworn March 15, 2021; **AND UPON HEARING** counsel for the Receiver, counsel to the Bank of Montreal and all other interested parties present;

IT IS HEREBY ORDERED THAT:

1. Service 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.
2. Terms not otherwise defined herein shall have the meaning ascribed to them in the Report.

Approval of Sales Process

3. The Sales Process is hereby approved, and the Receiver is authorized but not obliged to enter into listing agreements with each of JLL and Royal LePage on terms that are substantially similar to those contained in the Appendices “G” and “H” to the Confidential Supplement.
4. The Receiver is hereby authorized to take such additional steps and execute such additional documents as may be necessary or desirable to implement the Sales Process and do all things as are reasonably necessary to conduct and give full effect to the Sales Process and carry out its obligations thereunder.

Canada Life Policy

5. The surrender of the Policy is hereby approved and Canada Life is directed to pay the proceeds of the Policy to the Receiver forthwith.

Actions of the Receiver

6. The Receiver’s activities as set out in the Receiver’s Report and Confidential Supplement, including without limitation the Statement of Receipts and Disbursements as attached to the Receiver’s Report, are hereby ratified and approved.

Approval of Professional Fees

7. The Receiver’s accounts for fees and disbursements for the period of January 12, 2021 to February 28, 2021, as set out in the Receiver’s Report are hereby approved without the necessity of a formal assessment of its accounts.

8. The accounts of the Receiver's legal counsel, Cassels Brock & Blackwell LLP, for its fees and disbursements for the period of January 13, 2021 to February 28, 2021, as set out in the Receiver's Report are hereby approved without the necessity of a formal assessment of its accounts.

Service

9. Service of this order shall be deemed good and sufficient by serving same on the persons listed on the service list in these proceedings and by posting a copy of it on the Receiver's website at: <http://www.bdo.ca/en-ca/extranets/metrogroupofcompanies>.
10. Service of this order on any party not listed on the service list for this application is hereby dispensed with.

J.C.Q.B.A

SCHEDULE "B"

COURT FILE NO.: 2101-00809

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINITIFF BANK OF MONTREAL

DEFENDANTS METRO PAVING AND ROADBUILDING LTD., METRO PAVING LTD.,
METRO PARS CORPORATION and GRASSLANDS OF BEISEKER
DEVELOPMENT CORPORATION

Clerk's Stamp

DOCUMENT **SEALING ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Cassels Brock & Blackwell LLP
Suite 3810, Bankers Hall West
888 3rd Street SW
Calgary, Alberta, T2P 5C5

Telephone: (403) 351-2921
Facsimile: (403) 648-1151
Email: joliver@cassels.com / dmarechal@cassels.com

File No.: 28677-31

Attention: Jeffrey Oliver / Danielle Marechal

DATE ON WHICH ORDER WAS PRONOUNCED: March 26, 2021

NAME OF JUSTICE WHO MADE THIS ORDER: Justice D.R. Mah

LOCATION OF HEARING: Edmonton, Alberta

UPON THE APPLICATION OF BDO Canada Limited, in its capacity as receiver and manager (in such capacity, the "**Receiver**") of the assets, undertakings and properties of Metro Paving and Roadbuilding Ltd. ("**Roadbuilding**"), Metro Paving Ltd. ("**Paving**"), Metro Pars Corporation ("**Pars**") and Grasslands of Beiseker Development Corporation ("**Grasslands**" and together with Roadbuilding and Pars, the "**Companies**") for an Order, among other things, (i) authorizing the Receiver to enter into an auction services agreement (the "**Auction Agreement**") with Corporate Assets Inc. (the "**Auctioneer**") on terms that are substantially similar to the auction proposal submitted by the Auctioneer on February 19, 2021 (the "**Auction Proposal**"); (ii) authorizing the Auctioneer to conduct an auction in accordance with terms substantially similar to the Auction Proposal (the "**Auction**"); and (iii) approving the proposed marketing and sale (the "**Sales Process**") of certain of the Companies' real estate assets on terms substantially similar to the listing proposals submitted by Jones Lang LaSalle Real Estate Services Inc. and Mr. John Corcoran of Royal LePage Mission; **AND UPON HAVING** read the Receivership Order

pronounced on January 20, 2021, the First Report of the Receiver dated March 15, 2021 (the “**Report**”), the Confidential Supplement to the Report dated March 15, 2021 (the “**Confidential Supplement**”) and the Affidavit of Service of Richard Kay, sworn March 15, 2021; **AND UPON HEARING** counsel for the Receiver, counsel to the Bank of Montreal and all other interested parties present;

IT IS HEREBY ORDERED THAT:

1. Service 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.

Sealing Order

2. The Confidential Supplement shall be sealed on the Court file, notwithstanding Division 4 of Part 6 of the *Alberta Rules of Court*, Alta Reg 124/2010, until the Receiver files a certificate evidencing its discharge in this proceeding.
3. The Confidential Supplement shall, until the earlier of: (i) the filing of Receiver’s certificate(s) confirming that the Auction Agreement and the Sales Process have been completed to the satisfaction of the Receiver; (ii) the discharge of the Receiver; or (iii) further Order of this Honourable Court, be sealed and kept confidential, to be shown only to a Justice of the Court of Queen’s Bench of Alberta, and accordingly, shall be filed with the Clerk of the Court who shall keep the Confidential Supplement in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED IN COURT FILE NO. 2101-00814. THE CONFIDENTIAL MATERIALS ARE SEALED PURSUANT TO THE SEALING ORDER ISSUED BY THE HONOURABLE MR. JUSTICE D.R. MAH ON MARCH 26, 2021.

4. The Receiver is empowered and authorized, but not directed, to provide the Confidential Supplement (or any portion thereof, or information contained therein) to any interested party, entity or person that the Receiver considers reasonable in the circumstances, subject to confidentiality arrangements satisfactory to the Receiver.
5. Any party may apply to set aside paragraph 2 of this order upon providing the Receiver and all other interested parties with 5 days notice of such application.
6. Service of this order shall be deemed good and sufficient by serving same on the persons listed on the service list in these proceedings and by posting a copy of it on the Receiver’s website at: <http://www.bdo.ca/en-ca/extranets/metrogroupofcompanies>.

7. Service of this order on any party not listed on the service list for this application is hereby dispensed with.

J.C.Q.B.A

SCHEDULE "C"

COURT FILE NO.: 2101-00809
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINITIFF BANK OF MONTREAL

Clerk's Stamp

DEFENDANTS METRO PAVING AND ROADBUILDING LTD., METRO PAVING LTD.,
METRO PARS CORPORATION and GRASSLANDS OF BEISEKER
DEVELOPMENT CORPORATION

DOCUMENT **ORDER APPROVING AUCTION AGREEMENT**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Cassels Brock & Blackwell LLP
Suite 3810, Bankers Hall West
888 3rd Street SW
Calgary, Alberta, T2P 5C5
Telephone: (403) 351-2921
Facsimile: (403) 648-1151
Email: joliver@cassels.com / dmarechal@cassels.com
File No.: 28677-31

Attention: Jeffrey Oliver / Danielle Marechal

DATE ON WHICH ORDER WAS PRONOUNCED: March 26, 2021
NAME OF JUSTICE WHO MADE THIS ORDER: Justice D.R. Mah
LOCATION OF HEARING: Edmonton, Alberta

UPON THE APPLICATION OF BDO Canada Limited, in its capacity as receiver and manager (in such capacity, the "**Receiver**") of the assets, undertakings and properties of Metro Paving and Roadbuilding Ltd. ("**Roadbuilding**"), Metro Paving Ltd. ("**Paving**"), Metro Pars Corporation ("**Pars**") and Grasslands of Beiseker Development Corporation ("**Grasslands**" and together with Roadbuilding and Pars, the "**Companies**") for an Order, among other things, (i) authorizing the Receiver to enter into an auction services agreement (the "**Auction Agreement**") with Corporate Assets Inc. (the "**Auctioneer**") on terms that are substantially similar to the auction proposal submitted by the Auctioneer on February 19, 2021 (the "**Auction Proposal**"); and (ii) authorizing the Auctioneer to conduct an auction in accordance with terms substantially similar to the Auction Proposal (the "**Auction**"); **AND UPON HAVING** read the Receivership Order pronounced on January 20, 2021, the First Report of the Receiver dated March 15, 2021 (the "**Report**"), the Confidential Supplement to the Report dated March 15, 2021 (the "**Confidential**

Supplement") and the Affidavit of Service of Richard Kay, sworn March 10, 2021; **AND UPON HEARING** counsel for the Receiver, counsel to the Bank of Montreal and all other interested parties present;

IT IS HEREBY ORDERED THAT:

1. Service 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 Auction Agreement

2. The Receiver is hereby authorized but not obliged to enter into the Auction Agreement on terms that are substantially similar to those contained in the Auction Proposal.
3. 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 Auction.
4. Upon:
 - (a) the Auctioneer completing a sale to a purchaser (each a "**Purchaser**") at the Auction of the Companies' property (each a "**Purchased Asset**");
 - (b) receipt by the Auctioneer from such Purchaser of the purchase price determined at the Auction; and
 - (c) delivery by the Auctioneer to such Purchaser of a bill of sale or similar evidence of purchase and sale (each, a "**Purchaser's Bill of Sale**"),

(each an "**Auction Transaction**" and collectively, the "**Auction Transactions**")

all of the Companies' right, title and interest in and to the Purchased Assets purchased by such Purchaser at the Auction and described in such Purchaser's Bill of Sale shall vest absolutely in the name of such 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, judgments, 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, the "**Claims**") including, without limiting the generality of the foregoing:

- (i) any encumbrances or charges created by the Receivership Order; and

- (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act*, RSA 2000, c P-7 or any other personal property registry system;

and, for greater certainty, this Court orders that all of the encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

5. From and after the closing of each of the Auction Transactions (including the payment of the purchase price by the Purchaser to the Auctioneer), the Receiver or the Auctioneer are authorized to discharge from the Personal Property Registry any claim registered against any of the personal property being purchased by the Purchaser, to the extent the security interest is registered against the interest of the Companies.
6. Upon the completion of all of the Auction Transactions to the satisfaction of the Receiver, the Receiver shall file a certificate substantially in the form attached hereto as Schedule "A" certifying that the Auction Transactions have closed.
7. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets at the Auction (to be held in a trust account by the Receiver) shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Purchaser's Bill of Sale all Claims and Encumbrances shall attach to 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 their sale at Auction, 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 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.
8. The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Auction Transaction, have no liability of any kind whatsoever in respect of any Claims against the Companies.
9. The Companies and all persons who claim by, through or under the Companies in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, 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 or other Claim whatsoever in respect of or to the Purchased Assets and, to the extent that any such persons or entities remain in 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 Purchases Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

10. The Purchaser (or its nominee) shall be entitled to enter into and upon and/or hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Companies, or any person claiming by or through or against the Companies.

Miscellaneous Matters

11. 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*, RSC 1985 c B-3 (the "**BIA**") in respect of the Companies and any bankruptcy order issued pursuant to such applications;
 - (c) any assignment in bankruptcy made in respect of the Companies; and
 - (d) the provisions of any federal statute:

the vesting of each of the Purchased Assets in its respective Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Companies and shall not be void or voidable by creditors of the Companies, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, 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.

12. 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 Auction Transactions.
13. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or 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 orders 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.

14. Service of this order shall be deemed good and sufficient by serving same on the persons listed on the service list in these proceedings and by posting a copy of it on the Receiver's website at: <http://www.bdo.ca/en-ca/extranets/metrogroupofcompanies>.
15. Service of this order on any party not listed on the service list for this application is hereby dispensed with.

J.C.Q.B.A