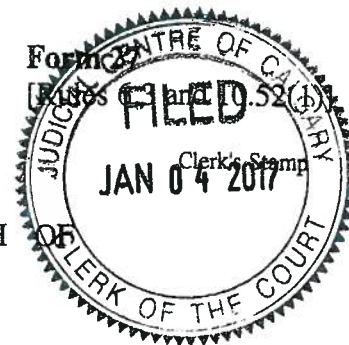


I hereby certify this to be a true copy of
the original Order

Dated this 4 day of Jan, 2017

[Signature]
for Clerk of the Court



COURT FILE NUMBER 1601-07044
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF ALBERTA TREASURY BRANCHES
DEFENDANT POWER ECOSYSTEMS INC.

DOCUMENT **SALE APPROVAL AND VESTING ORDER,
DISTRIBUTION, AND DISCHARGE OF
RECEIVER**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

McMillan LLP

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File No. 243864

DATE ON WHICH ORDER WAS PRONOUNCED: January 3, 2017

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice K. M. Eidsvik

UPON THE APPLICATION of BDO Canada Limited, in its capacity as the Court-appointed receiver (the “**Receiver**”) of all of the current and future undertakings, properties and assets of Power Ecosystems Inc. (the “**Debtor**”), for an Order approving the sale transaction (the “**Transaction**”) contemplated by an asset purchase agreement (the “**APA**”) between the Receiver and MCSAB11 (the “**Purchaser**”), dated December 8, 2016, and appended to the Confidential Supplementary Report (the “**Supplementary Report**”) to the First Report of the Receiver dated

December 21, 2016, filed (the "**First Report**"), and vesting in the Purchaser right, title and interest in and to the property described in the APA (the "**Assets**"), approving the final distribution of proceeds, approval of the Receiver's fees and disbursements, approval of the Receiver's activities and discharge of the Receiver; **AND UPON HAVING READ** the Receivership Order dated May 30, 2016 (the "**Receivership Order**"), the First Report, the Supplementary Report and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, and any other interested party; **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.
2. Unless otherwise indicated, capitalized terms used herein that are not otherwise defined herein shall have the meaning ascribed to such terms in the First Report.

APPROVAL OF TRANSACTION

3. The Transaction is hereby approved, and the execution of the APA 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 or for the conveyance of the Assets to the Purchaser.

VESTING OF PROPERTY

4. Upon the delivery of a Receiver's certificate to the Purchaser substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Assets described in the APA shall vest absolutely in the name of the Purchaser, 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 Receivership Order; 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 (collectively with the Claims, the "**Encumbrances**");

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

5. For the purposes of determining the nature and priority of Claims, the net proceeds from the Transaction (the "**Net Proceeds**") shall stand in the place and stead of the Assets, and from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach

to the Net Proceeds with the same priority as they had with respect to the Assets immediately prior to the closing of the Transaction, as if the Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the closing of the Transaction.

6. 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 any Claims against the Debtor.
7. From and after the closing of the Transaction the Receiver is authorized to discharge from any personal property registry any Encumbrance registered against such Assets, to the extent the security interest is registered against the interest of the Debtor.
8. The Debtor and all persons who claim by, through or under the Debtor in respect of the Assets shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Assets and, to the extent that any such persons remains in possession or control of any of the Assets, they shall forthwith deliver possession thereof to the Purchaser.
9. The Purchaser shall be entitled to hold and enjoy the Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.
10. The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser.
11. Notwithstanding:
 - (a) the pendency of these proceedings;
 - (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Assets in the Purchaser 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 settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) 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 and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to assist and aid the parties in closing the Transaction.

RESTRICTED COURT ACCESS ORDER (SEALING ORDER)

13. Notwithstanding Part 6, Division 4 of the *Alberta Rules of Court*, the Supplementary Report to the First Report shall immediately be sealed by the Clerk of the Court (the "Clerk"), kept confidential and not form part of the public record, and shall not be available for public inspection until the earlier of a) completion of the Transaction approved by this Order, b) June 30, 2017, or c) such later date as may be ordered by further Order of the Court (the "Unsealing Date"). The Clerk is hereby directed to file the Supplementary Report in a sealed envelope with an attached notice that sets out the title of these proceedings, a description of the documents contained therein and a statement that the envelope's contents are sealed pursuant to this Order. The Receiver shall notify the Clerk upon the occurrence of the Unsealing Date and shall request that the Clerk unseal the Supplementary Report such that it forms part of the public record.

APPROVAL OF RECEIVER'S ACTIONS

14. The Receiver's activities as set out in the First Report and the Confidential Supplementary Report are hereby ratified and approved.

APPROVAL OF ACCOUNTS

15. The Receiver's accounts for fees and disbursements, as set out in the First Report, are hereby approved without the necessity of a formal passing of its accounts.
16. The accounts of the Receiver's legal counsel, McMillan LLP, for its fees and disbursements, as set out in the First Report, are hereby approved without the necessity of a formal assessment of its accounts.

DISTRIBUTION OF PROCEEDS FROM PROPERTY SALE

17. Subject to the approval of the Transaction contemplated by the APA, the Receiver is authorized and directed to distribute the proceeds in the estate of the Debtor, after making the payments authorized in paragraphs 14 and 15 of this Order, to Alberta Treasury Branches ("ATB").

DISCHARGE OF THE RECEIVER

18. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any fraud, gross negligence, or willful misconduct on the part of the Receiver, or with leave of the Court. ~~Subject to the foregoing, any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.~~

19. No action or other proceeding shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on Notice to the Receiver, and upon such terms as this Court may direct.
20. Upon the Receiver filing with the Clerk a certificate certified by the Receiver (the "**Discharge Certificate**") confirming that all matters set out in paragraphs 4, 9, 12, 14, 15 and 16 of this Order have been completed then the Receiver shall be discharged as Receiver of the Debtor, provided however, that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver in its capacity as Receiver.
21. The Receiver is authorized and empowered to destroy any and all documents, accounting records, and other papers, records, and information related to the business affairs of Debtor, if not collected by any of the current directors of the Debtor within 6 months of the Receiver filing the Discharge Certificate.

MISCELLANEOUS MATTERS

22. The Receiver and any other interested party is at liberty to apply for further advice, assistance and direction as necessary in order to give full force and effect to the terms of this Order.
23. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
24. Service of this Order on any party not attending this application is hereby dispensed with.



J.C. C.Q.B.A.

be effective with respect to the 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 Assets; (ii) that the conditions to Closing as set out in Article 5 of the PSA 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, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Assets payable on the Closing Date pursuant to the PSA;
2. The conditions to Closing as set out in Article 5 of the PSA have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ on _____.

BDO Canada Limited, in its capacity as Receiver of the undertakings, property and assets of Power Ecosystems Inc. and not in its personal capacity.

Per: _____

Name:

Title: