

COURT FILE NUMBER 2401-07573
COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY
IN THE MATTER OF THE
RECEIVERSHIP OF TODD BAILEY

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANT FOOTHILLS TRUCK SALES & SERVICES LTD. and TODD BAILEY

APPLICANT BDO CANADA LIMITED in its capacity as Receiver certain property of
TODD BAILEY

**DOCUMENT APPLICATION FOR APPROVAL AND VESTING ORDER, FINAL
DISTRIBUTION, APPROVAL OF RECEIVER'S FEES AND
DISBURSEMENTS, APPROVAL OF RECEIVER'S ACTIVITIES,
SEALING ORDER AND DISCHARGE OF RECEIVER**

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 403-351-2922
Facsimile 403-648-1151
E-mail: dmarechal@cassels.com /djorgenson@cassels.com

File No. 028688-36

Attention: Danielle Marechal/Danica Jorgenson

NOTICE TO RESPONDENTS: See Service List attached hereto as **Schedule "A"**.

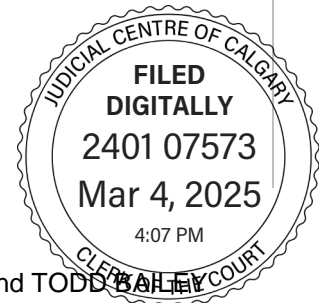
This application is made against you. You are a respondent. You have the right to state your side of this matter before the Court.

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

Date: March 12, 2025
Time: 2:00 p.m.
Where: Calgary Courts Centre, Calgary, AB (via Webex)
Before Whom: The Honourable Justice M.H. Bourque

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

Clerk's Stamp



Remedy claimed or sought:

1. BDO Canada Limited ("**BDO**") in its capacity as receiver (in such capacity, the "**Receiver**") of certain property of Todd Bailey (the "**Debtor**"), seeks the following:
 - a. an approval and vesting order substantially in the form attached hereto as **Schedule "B"**, among other things:
 - i. if necessary, abridging the time for service of this application (the "**Application**") and supporting the First Report of the Receiver dated March 2, 2025 (the "**First Report**"), and declaring service to be good and sufficient;
 - ii. approving the listing agreement (the "**Listing Agreement**") between the Receiver and Re/Max Real Estate (Central) ("**Re/Max**") and the Sales Process (as defined in the First Report) conducted by the Receiver and Re/Max;
 - iii. approving the Agricultural Sale Agreement dated February 14, 2025 (the "**Sale Agreement**") between the Receiver and Dale McAuley and Rosemarie McGinn (the "**Purchaser**"), and the transaction contemplated thereby (the "**Proposed Transaction**"); and
 - iv. granting such other relief as is necessary to give effect to the Transaction;
 - b. a restricted court access order (the "**Sealing Order**") sealing the Confidential Supplement to the Receiver's First Report dated March 3, 2025 (the "**Confidential Supplement**") until the filing of the Receiver's Certificate (as defined in the Sale Agreement) or further order of this Court substantially in the form attached hereto as **Schedule "C"**;
 - c. a discharge order substantially in the form attached hereto as **Schedule "D"**, among other things:
 - i. approving a final distribution to Royal Bank of Canada ("**RBC**");
 - ii. approving the accounts of the Receiver and its legal counsel, Cassels Brock & Blackwell LLP ("**Cassels**"), for professional fees and disbursements as set out in the First Report, without the necessity of formal passing of its accounts;
 - iii. approving and ratifying the activities of the Receiver including the First Report and the statement of receipts and disbursements set out in the First Report;

- iv. releasing the Receiver from liability, other than any liability arising out of fraud, gross negligence or willful misconduct on the part of the Receiver, or with leave of the Court and staying, extinguishing and barring any claims against the Receiver in connection with the performance of its duties in the receivership proceedings subject to the foregoing; and
 - v. discharging the Receiver upon filing of a certificate certifying that all outstanding receivership matters have been completed;
- d. such further and other relief as this Honourable Court may deem appropriate in the circumstances.

Grounds for making this application:

Background

2. Royal Bank of Canada ("**RBC**") extended credit facilities to Foothills Truck Sales & Services Ltd. (the "**Borrower**"). The Debtor provided a limited guarantee in favour of RBC, which guaranteed all obligations of the Borrower to RBC up to the maximum amount of \$2, 300,000. The guarantee was secured by a first collateral mortgage on the Lands (as defined below) in favour of RBC in the principal amount of \$2,300,000 (the "**Mortgage**").
3. On July 5, 2024, upon application by RBC, this Honourable Court granted a receivership order (the "**Receivership Order**"), appointing BDO as receiver and manager of the following property of the Debtor:
 - (a) the real property of the Debtor, including all current and future improvements and fixtures, legally described as:

MERIDAN 5 RANGE 2 TOWNSHIP 18 SECTION 33 QUARTER NORTHWEST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS EXCEPING THEREOUT;
PLAN NUMBER HECTARES (ACRES) MORE OR LESS ROAD 0011043 1.815 4.48
EXCEPTING THEREOUT ALL MINES AND MINERALS AND THE RIGHT TO WORK THE
SAME; and

(the "**Lands**")
 - (b) all present and future rents reserved or payable under leases relating to the Lands, and all present and future leases relating the Lands and the benefits and advantages derived therefrom.

(collectively, the “**Property**”).

4. The Receivership Order empowers and authorizes, but does not obligate, the Receiver to among other things, market any or all of the Property for sale and to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business with the approval of the Court in respect of any transaction in which the purchase price exceeds \$100,000.
5. Capitalized terms not otherwise defined herein shall have the meaning given to such terms in the First Report.

The Sale Process Undertaken by the Receiver

6. The Receiver issued a Request for Proposal (“**RFP**”) to three realtors, seeking proposals from real estate agents interested in assisting the Receiver in the marketing and selling of the Lands. All three realtors submitted proposals to the Receiver.
7. Following consultation with RBC and Mr. Brokop, the Receiver engaged Steven Sklenka, from Re/Max Real Estate (Central) (“**Re/Max**” or the “**Realtor**”) as the exclusive listing agent for the Lands and entered into a listing agreement with Re/Max.
8. The Receiver and Re/Max ran a Sale Process for the Property as described in the First Report. The key aspects of the Sale Process include:
 - (a) the Sale Process commenced in September 2024;
 - (b) the Lands were listed for sale through Multiple Listing Service or realtor.ca, and other advertising and member websites by Re/Max, as well as the Realtor’s specific website; and
 - (c) Re/Max facilitated showings and responded to inquiries of interested parties and their realtors.
9. The Sale Process undertaken by the Receiver was fair and reasonable in the circumstances because the Sales Process was conducted efficiently, with integrity and provided sufficient exposure of the Property to the market.

Sale Agreement

10. As a result of the Sales Process, the Receiver negotiated and entered into the Sale Agreement on February 14, 2025. The Material Terms of the Sale Agreement further particularized in the First Report and the Confidential Supplement.

11. The Receiver is of the view that the Sale Agreement and Proposed Transaction are fair and reasonable because, among other things:
- (a) the Sale Agreement is commercially fair and reasonable;
 - (b) the purchase price under the Sale Agreement is the highest offer submitted to the Receiver;
 - (c) Re/Max, the Receiver's sale agent, is an experienced real estate agent and has recommended that the Receiver proceed with the Proposed Transaction;
 - (d) RBC, as the senior secured creditor, is supportive of the Proposed Transaction; and
 - (e) given the substantial marketing efforts undertaken to date, it is unlikely that further efforts would yield a more favourable outcome.

Actions of the Receiver

12. The Receiver's actions, conduct and activities are described in the First Report, and include, but are not limited to:
- (a) obtaining an insurance policy on the Lands in the name of the Receiver;
 - (b) conducting the Sales Process and entering into the Sale Agreement; and
 - (c) completing various other administrative and operational tasks in relation to the execution of its duties.
13. The Receiver has acted diligently since its appointment and has undertaken those activities described further in the First Report, which actions are lawful, proper and consistent with the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 and the Receiver's powers and duties under the Receivership Order.
14. The receipts and disbursements of the Receiver as described in the First Report, are commensurate with the work performed, commercially fair and reasonable and should be approved.

Approval of Professional Fees

15. The accounts of the Receiver and its legal counsel, Cassels Brock & Blackwell LLP ("**Cassels**"), for the period ending February 28, 2015, total approximately \$52,463 and \$22,750 respectively, excluding GST.

16. Estimated professional fees of the Receiver and Cassels required to completion of the administration of the receivership (including unbilled work-in-progress to date), are approximately \$15,000 and \$40,000 respectively, excluding GST.
17. The invoices rendered by the Receiver and its counsel to date and estimate of professional fees to completion of the administration of the receivership, are reasonable, validly incurred and in accordance with the provisions of the Receivership Order.

Proposed Final Distribution

18. RBC is anticipated to experience a shortfall, as such there will be no funds available for distribution to any other creditors.
19. After payment of the remaining costs of administration including the Professional Fees and any amounts secured by any Court ordered charges or statutory priority claims that rank in priority to the RBC Secured Debt (including the Receiver's Borrowings, which are estimated to be in the principal amount of \$50,000 as at February 28, 2025), the Receiver is seeking the approval of this Honourable Court to (without further Order of this Court):
 - (a) pay any additional taxes that have accrued;
 - (b) pay Re/Max real estate commissions arising from the Transaction; and
 - (c) remit the remaining net proceeds of the Transaction to RBC up to the amount of the indebtedness owed to RBC, as set out in the First Report.
20. The Receiver's legal counsel has conducted an independent review of RBC's security over the Property, which has confirmed, subject to the standard and customary assumptions and qualifications that the Mortgage constitutes to and in favour of RBC a fixed and specific mortgage and charge as against the Lands.
21. The Receiver believes the Proposed Final Distribution is just and appropriate in the circumstances.

Temporary Sealing

22. The Confidential Supplement contain commercially sensitive informational and confidential information being the confidential details regarding the Sales Process, confidential details regarding the Sale Agreement, and an unredacted copy of the Projected Statement of Receipts and Disbursements to the conclusion of the receivership (the "**Confidential Information**").

23. The relief sought for temporary sealing is appropriate with respect to the Confidential Supplement because, among other things:
- (a) in the event that the Sale Agreement does not close, disclosure of the Confidential Information would be detrimental to subsequent marketing efforts for the Property;
 - (b) reasonable alternative measures will not prevent the risk; and
 - (c) the benefits of the sealing order to the process and all stakeholders outweigh the deleterious effects on the rights and interests of the public in accessing this information at this time.

Discharge

24. Since its appointment, the Receiver has performed its mandate as receiver under the Receivership Order.
25. All matters pertaining to the administration of the receivership over all the Property will have been substantially finalized, apart from closing the Proposed Transaction. Upon the completion of the Proposed Transaction, there will be no remaining Property in the Receiver's control to be realized upon and the Receiver will file a discharge certificate for the Debtor.
26. The Receiver has acted honestly and in good faith and has dealt with the property, assets, and undertakings and carried out the Receiver's mandate in a commercially reasonable manner.
27. The Receiver submits that there are no other matters outstanding preventing the discharge of the Receiver and that a discharge as against the Debtor is appropriate

Material or evidence to be relied on:

28. Receivership Order, pronounced by the Honourable Justice K.M. Horner on July 5, 2024;
29. First Report of the Receiver dated March 4, 2025;
30. Confidential Supplement to the First Report of the Receiver dated March 4, 2025;
31. Affidavit of Service, to be filed;
32. Such further and other materials as counsel may advise and this Honourable Court may permit.

Applicable rules:

33. *Rules 1.2, 1.3, 1.4, 6.1, 6.2, 6.3 and 6.47.*

Applicable Acts and regulations:

- 34. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3.
- 35. *Judicature Act*, RSA 2000, c J-2..
- 36. 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:

- 37. None

How the application is proposed to be heard or considered:

- 38. On the Commercial List – Remotely (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 at the time shown at the beginning of the 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"
Service List

COURT FILE NUMBER	2401-07573
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	ROYAL BANK OF CANADA
DEFENDANT	FOOTHILLS TRUCK SALES & SERVICES LTD. and TODD BAILEY
DOCUMENT	Service List (updated March 3, 2025)

PARTY	METHOD OF DELIVERY	ROLE / INTEREST
CASSELS BROCK & BLACKWELL LLP Suite 3810, Bankers Hall West 888 3rd Street SW Calgary, AB T2P 5C5 Canada Jeffrey Oliver / Danielle Marechal Email: Joliver@cassels.com Dmarechal@cassels.com	Email	Counsel to the Receiver
BDO CANADA LIMITED 110, 5800 – 2 St SW Calgary, AB T2H 0H2 Kevin E. Meyler Email: kmeyler@bdo.ca	Email	Receiver
BURNET, DUCKWORTH & PALMER LLP 2400, 525 – 8 Avenue SW Calgary, AB T2P 1G1 David LeGeyt Karim Ismail Email: dlegeyt@bdplaw.com kismail@bdplaw.com	Email	Counsel to the Plaintiff
FOOTHILLS TRUCK SALES & SERVICES LTD. c/o Agent for Service Todd Leslie Bailey PO Box 45 Longview, AB T0L 1H Email: sales@foothillstrucks.ca admin@foothillstrucks.ca	Email	Defendant

PARTY	METHOD OF DELIVERY	ROLE / INTEREST
TODD BAILEY PO Box 45 Longview, AB T0L 1H0 Email: sales@foothillstrucks.ca ;	Email	Defendant
STITCHWORKS SIGNS INC. c/o Agent for Service Wilson Laycraft 650, 211 – 11 th Avenue SW Calgary, AB T2R 0C6 Ronald S. Girvitz Email: ronsg@wilcraft.com	Email	Creditor
WORKPRO RENTALS LTD. Email: info@businessalberta.ca c/o Agent for Service Todd Leslie Bailey 144133 – 530 Avenue W Longview, AB T0L 1H0 Email: sales@foothillstrucks.ca	Email	Creditor
CANADA REVENUE AGENCY Surrey National Verification and Collection Centre 9755 King George Boulevard Surrey BC V3T 5E1	Courier	Potential Interested Party
CANADA REVENUE AGENCY c/o Surrey National Verification and Collection Centre 9755 King George Blvd Surrey, BC V3T 5E1	Courier	Potential Interested Party
DEPARTMENT OF JUSTICE CANADA Prairie Regional Office — Edmonton 300 Epcor Tower 10423 101 St NW Edmonton, AB T5H 0E7 Email: agc_pgc_alberta@justice.gc.ca	Email	Potential Counsel to Canada Revenue Agency
OFFICE OF THE SUPERINTENDENT OF BANKRUPTCY Harry Hays Building 220 4th Ave SE, Suite 478 Calgary AB T2G 4X3 Email: osbservice-bsfservice@ised-isde.gc.ca	Email	Interested Party

PARTY	METHOD OF DELIVERY	ROLE / INTEREST
CRESCENT POINT ENERGY CORP. VP, Land & Corporate Development Calgary 2000, 585 – 8 th Avenue SW Calgary, AB T2P 1G1	Courier	LTO Registrant
ATCO GAS AND PIPELINES LTD. 6 th Floor, 909 – 11 th Avenue SW Calgary, AB T2R 1L8 Land Department		LTO Registrant
PLAINS MIDSTREAM CANADA ULC 1400, 607 – 8 th Avenue SW Calgary, AB T2A 0A7		LTO Registrant
HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA, AS REPRESENTED BY MINISTER OF TRANSPORTATION AND UTILITIES 3 rd Floor, 909 – 3 rd Avenue North Lethbridge, AB T1H 0H5 Alec Waters	Courier	LTO Registrant
ALBERTA JUSTICE LEGAL SERVICES DIVISION CIVIL LITIGATION TEAM 9 th Floor, Peace Hills Trust Tower 10011 – 109 Street Edmonton, AB T5J 3S8 Shaheer Meenai Email: Shaheer.Meenai@gov.ab.ca	Email	<i>Counsel for His Majesty the King in Right of Alberta</i>
CANADIAN WESTERN NATURAL GAS COMPANY LIMITED 909 – 11 th Avenue SW Calgary, AB T2P 0A7 John M. Willsher Marshall McCarthy	Courier	LTO Registrant
RANAHAH RESOURCES LIMITED 410, 333 – 5 Avenue SW Calgary, AB T2P 3B6 Surface Land Department	Courier	LTO Registrant

PARTY	METHOD OF DELIVERY	ROLE / INTEREST
MILLER THOMSON LLP 43 rd Floor, 525 – 8 th Avenue SW Eighth Avenue Place East Calgary, AB T2P 1G1 Nicole Taylor-Smith Email: ntaylorsmith@millerthomson.com	Email	Counsel for Business Development Bank of Canada
WILSON LAYCRAFT Suite 650, 211 – 11 th Avenue SW Calgary, AB T2R 0C6 Richard Harrison Email: rharrison@wilcraft.com		<i>Counsel for Erwin Brokop and 866565 Alberta Ltd.</i>
CARSCALLEN LLP Centrium Place 900, 332 – 6 th Avenue SW Calgary, AB T2P 0B2 Grant Cameron Email: cameron@carscallen.com	Email	<i>Counsel for Automotive Finance Corporation</i>

Schedule "B"
Approval and Vesting Order

COURT FILE NUMBER 2401-07573

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY
IN THE MATTER OF THE RECEIVERSHIP
OF TODD BAILEY

APPLICANT BDO CANADA LIMITED in its capacity as Receiver certain property of
TODD BAILEY

RESPONDENT TODD BAILEY

DOCUMENT SALE APPROVAL AND VESTING ORDER

ADDRESS FOR
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OF PARTY
FILING THIS
DOCUMENT

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

Telephone 403-351-2922

Facsimile 403-648-1151

E-mail: dmarechal@cassels.com /djorgenson@cassels.com

File No. 028688-36

Attention: Danielle Marechal/Danica Jorgenson

DATE ORDER WAS GRANTED: **March 12, 2025**

LOCATION WHERE ORDER WAS GRANTED: **Calgary, AB**

NAME OF JUSTICE WHO MADE THIS ORDER: **Justice Bourque**

UPON THE APPLICATION of BDO Canada Limited in its capacity as the Court-appointed receiver and manager (the **"Receiver"**) of certain property of Todd Bailey (the **"Debtor"**) for, among other things, approval of the sale transaction (the **"Transaction"**) contemplated by an agricultural sale agreement (the **"Sale Agreement"**) between Dale McAuley and Rosemarie McGinn (collectively, the **"Purchaser"**) and the Receiver dated February 14, 2025 and appended as and appended as Appendix B to the Confidential Supplement to the Receiver's First Report dated March 4, 2025 (the **"Confidential Supplement"**) and vesting in the Purchaser or its nominee, the Debtor's right, title and interest in and to the property described in the Sale Agreement (the **"Property"**); **AND UPON** having read the Receiver's First Report dated March 4, 2025 (the **"First Report"**) and the Confidential Supplement; **AND UPON** hearing submissions of counsel for the Receiver, counsel for any other interested parties in attendance who wished to make submissions; **AND UPON** being satisfied that it is appropriate to do so, **IT IS ORDERED THAT:**

Service of Application

1. Service of Notice of this Application for this order (the “**Order**”) 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 Sale Process

2. The Sale Process as outlined in the First Report of the Receiver is hereby ratified and approved.
3. The Listing Agreement dated September 25, 2024 between the Receiver and Re/Max Real Estate (Central) is hereby ratified and approved.

Approval of the Transaction

4. The Transaction is hereby approved and 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 completion of the Transaction and conveyance of the Property to the Purchaser (or its nominee).

Vesting of Property

5. Upon 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 Property listed in **Schedule “B”** hereto 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 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 *Builders’ Lien Act* (Alberta); and

- d. those Claims listed in **Schedule "B"** 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 "C"** (collectively, **"Permitted Encumbrances"**),

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

- 6. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy 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 certified 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 Property subject only to the Permitted Encumbrances. Without limiting the foregoing:

- (a) the Registrar of Land Titles (**"Land Titles Registrar"**) for the lands defined below shall and is hereby authorized, requested and directed to forthwith:

- i. cancel existing Certificate of Title No 201 076 087 for those lands and premises legally described as:

MERIDIAN 5 RANGE 2 TOWNSHIP 18 SECTION 33 QUARTER NORTH WEST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS EXCEPTING
THEREOUT; PLAN NUMBER HECTARES (ACRES) MORE OR LESS ROAD
0011043 1.815 4.48 EXCEPTING THEREOUT ALL MINES AND MINERALS AND
THE RIGHT TO WORK THE SAME

(the **"Lands"**)

- ii. issue a new Certificate of Title for the Lands in the name of the Purchaser or its nominee (the **"New Certificate of Title"**);
- 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 Certificates 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 Lands.

7. 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 Property of any Claims including Encumbrances but excluding Permitted Encumbrances.
8. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Property is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.
9. Upon delivery of the Receiver's Closing Certificate together with a certified 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 and 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.
10. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Property (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Property 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 Property and may be asserted against the net proceeds from 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. 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 Property 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.
11. Except as expressly provided for in the Sale Agreement 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.

12. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Property, and all persons or entities having any Claims of any kind whatsoever in respect of the Property, 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 Property, and to the extent that any such persons or entities remain in the possession or control of any of the Property, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Property, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
13. 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 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.
16. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Debtor was entitled

Miscellaneous Matters

17. This 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 Property 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.

- 18. 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.
- 19. 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.

Service of Order

- 20. This Order shall be served on the Service List (attached as Schedule "A" to the Application) and may be effected by facsimile, electronic mail, personal delivery or courier.
- 21. Additionally, the Receiver shall post a copy of this Order on its website for no less than 6 months at: <http://www.bdo.ca/foothills>.

Justice of the Court of King's Bench of Alberta

Schedule "A"
Form of Receiver's Certificate

COURT FILE NUMBER	2401-07573	Clerk's Stamp
COURT	COURT OF KING'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
	IN THE MATTER OF THE RECEIVERSHIP OF TODD BAILEY	
APPLICANT	BDO CANADA LIMITED in its capacity as Receiver certain property of TODD BAILEY	
RESPONDENT	TODD BAILEY	

DOCUMENT

RECEIVER'S CERTIFICATE

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 403-351-2922

Facsimile 403-648-1151

E-mail: dmarechal@cassels.com / djorgenson@cassels.com

File No. 028688-36

Attention: Danielle Marechal/Danica Jorgenson

RECITALS

- A. Pursuant to an Order of the Honourable K. M. Horner of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated July 5, 2024, BDO Canada Limited was appointed as the receiver (the "**Receiver**") certain property of Todd Bailey. (the "**Debtor**").
- B. Pursuant to an Order of the Court dated March 12, 2025 the Court approved the agricultural sale agreement made as of February 14, 2025 (the "**Sale Agreement**") between the Receiver and Dale McAuley and Rosemarie McGinn (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Property, which vesting is to be effective with respect to the Property 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 Property; (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 Property 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.
4. This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

**BDO Canada Limited, in its capacity
as Receiver of certain property of
Todd Bailey and not in its personal
capacity.**

Per; _____
Name: Kevin Meyler
Title: Senior Vice President

Schedule "B"
Property

- a. the real property of the Debtor, including all current and future improvements and fixtures, legally described as:

MERIDIAN 5 RANGE 2 TOWNSHIP 18 SECTION 33 QUARTER NORTH WEST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS EXCEPTING
THEREOUT; PLAN NUMBER HECTARES (ACRES) MORE OR LESS ROAD 0011043
1.815 4.48 EXCEPTING THEREOUT ALL MINES AND MINERALS AND THE RIGHT TO
WORK THE SAME

(the "**Lands**"); and

- b. all present and future rents reserved or payable under the leases relating to the Lands and all present and future leases related to the Lands and the benefits and advantages derived therefrom

(collectively , the "**Property**").

Schedule "C"
Encumbrances

Instrument Number	Registration Date	Instrument
221 039 142	24/02/2022	Mortgage
241 206 930	09/08/2024	Receivership Order
241 243 502	18/09/2024	Caveat re Purchaser Interest

Schedule "D"
Permitted Encumbrances

Instrument Number	Registration Date	Instrument
4871GB	21/09/1949	Caveat re Mines and Mineral Lease Interest
2151L	23/01/1962	Public Utilities Board Order
3405IS	03/04/1963	Caveat re Easement
2558KB	23/01/1968	Public Utilities Board Order
8348KF	26/02/1969	Caveat re Utility Right of Way
761 012 470	03/02/1976	Caveat re Lease Interest
761 012 471	03/02/1976	Caveat re Easement
771 078 003	15/06/1977	Caveat re Easement
771 078 004	15/06/1977	Caveat re Lease Interest
771 078 005	15/06/1977	Caveat re Lease Interest
781 100 872	27/06/1978	Caveat re Order
861 144 486	03/09/1986	Caveat re Right of Way Agreement
971 161 531	06/06/1997	Caveat re Roadway
981 284 419	15/09/1998	Caveat re Utility Right of Way
001 309 427	30/10/2000	Caveat re Surface Lease
001 336 823	23/11/2000	Caveat re Right of Way Agreement

**Schedule “C”
Sealing Order**

COURT FILE NUMBER	2401-07573	<div>Clerk's Stamp</div>
COURT	COURT OF KING'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
	IN THE MATTER OF THE RECEIVERSHIP OF TODD BAILEY	
PLAINTIFF	ROYAL BANK OF CANADA	
DEFENDANT	FOOTHILLS TRUCK SALES & SERVICES LTD. and TODD BAILEY	
APPLICANT	BDO CANADA LIMITED in its capacity as Receiver certain property of TODD BAILEY	

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 403-351-2922

Facsimile 403-648-1151

E-mail: dmarechal@cassels.com / djorgenson@cassels.com

File No. 028688-36

Attention: Danielle Marechal/Danica Jorgenson

DATE ORDER WAS GRANTED:	March 12, 2025
LOCATION WHERE ORDER WAS GRANTED:	Calgary, AB
NAME OF JUSTICE WHO MADE THIS ORDER:	Justice Bourque

UPON THE APPLICATION of BDO Canada Limited in its capacity as the Court-appointed receiver and manager (the “**Receiver**”) of certain undertakings, property and assets of Todd Bailey (the “**Debtor**”), seeking among other things: (i) an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale between the Receiver and Dale McAuley and Rosemarie McGinn dated February 14, 2024; and (ii) an order sealing the Confidential Supplement to the Receiver’s First Report dated March 3, 2025 (the “**Confidential Supplement**”); **AND UPON** having read the First Report of the Receiver dated March 3, 2025 (the “**First Report**”) and the Confidential Supplement; **AND UPON** hearing the submissions of counsel for the Receiver, counsel for the Debtor, and counsel for any other

interested parties in attendance who wished to make submissions; **AND UPON** being satisfied that it is appropriate to do so;

IT IS ORDERED THAT:

Service of the Application

1. Service of Notice of this Application for this order (the “**Order**”) is 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 the Confidential Supplement

2. The Confidential Supplement shall be sealed on the Court file notwithstanding Division 4, Part 6 of the *Alberta Rules of Court*, Alta Reg 124/2010 until the earlier of:
 - (a) the filing of a Receiver’s Certificate confirming that the Transaction has been completed to the satisfaction of the Receiver;
 - (b) further order of this Honourable Court;(collectively, the “**Unsealing Date**”).
3. Until the Unsealing Date, the Confidential Supplement shall be sealed and kept confidential, to be shown only to a Justice of the Court of King’s Bench of Alberta, and accordingly, shall be filed with the Clerk of the Court who shall keep the Confidential Affidavit 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. 2401-07573. THE CONFIDENTIAL AFFIDAVIT IS SEALED PURSUANT TO THE SEALING ORDER ISSUED BY THE HONOURABLE JUSTICE BOURQUE ON MARCH 12, 2025.

4. Any person may apply to set aside paragraph 2 of this Order upon providing the Receiver and all other interested parties with seven (7) days’ notice in accordance with the *Alberta Rules of Court*, Alta Reg 124/2010 and this Order

Service of Order

5. This Order shall be served on the Service List (attached as Schedule “A” to the Application) and may be effected by facsimile, electronic mail, personal delivery or courier.

COURT FILE NUMBER	2401-07573	Clerk's Stamp
COURT	COURT OF KING'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
	IN THE MATTER OF THE RECEIVERSHIP OF TODD BAILEY	
APPLICANT	BDO CANADA LIMITED in its capacity as Receiver certain property of TODD BAILEY	
RESPONDENT	TODD BAILEY	
DOCUMENT	ORDER APPROVING ACTIONS AND PROFESSIONAL FEES OF THE RECEIVER, APPROVING FINAL DISTRIBUTION AND DISCHARGE OF THE RECEIVER	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Cassels Brock & Blackwell LLP Suite 3810, Bankers Hall West 888 3 rd Street SW Calgary, Alberta, T2P 5C5 Telephone 403-351-2922 Facsimile 403-648-1151 E-mail: dmarechal@cassels.com / djorgenson@cassels.com File No. 028688-36 Attention: Danielle Marechal/Danica Jorgenson	
DATE ORDER WAS GRANTED:	March 12, 2025	
LOCATION WHERE ORDER WAS GRANTED:	Calgary, AB	
NAME OF JUSTICE WHO MADE THIS ORDER:	Justice Bourque	

UPON THE APPLICATION of BDO Canada Limited in its capacity as the Court-appointed receiver and manager (the **"Receiver"**) of certain assets, undertakings and property of Todd Bailey (the **"Debtor"**) for, among other things, an order for the approval of the Receiver's fees and disbursements, approval of the Receiver's activities, approval of a proposed distribution and discharge of the Receiver and an order approving the sales transaction (the **"Transaction"**) contemplated by an agricultural sale agreement between Dale McAuley and Rosemarie McGinn (collectively, the **"Purchaser"**) and the Receiver dated February 14, 2025 (the **"Sale Agreement"**); **AND UPON** having read the Receiver's First Report dated March 4, 2025 (the **"First Report"**) and the Confidential Supplement to the First Report of the Receiver dated March 4, 2025 (the **"Confidential Supplement"**); **AND UPON** hearing submissions of counsel for

the Receiver, counsel for any other interested parties in attendance who wished to make submissions; **AND UPON** being satisfied that it is appropriate to do so, **IT IS ORDERED THAT:**

Service of Application

1. Service of Notice of this Application for this order (the “**Order**”) 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.

Capitalized Terms

2. Capitalized terms used herein but not otherwise defined in this Order shall have the meaning given to such terms in the First Report.

Conduct, Activities and Professional Fees of the Receiver

3. The accounts of the Receiver and its legal counsel for fees and disbursements for the period ending February 28, 2205, as set out in the First Report, are hereby approved without the necessity of a formal passing of the Receiver and its legal counsel's accounts.
4. The estimated professional fees and disbursements of the Receiver and its legal counsel required to completion of the administration of the receivership, as set out in the First Report are hereby approved without the necessity of a formal passing of the Receiver and its legal counsel's accounts.
5. The Receiver's actions, conduct and activities as set out in the First Report are hereby ratified and approved.
6. The Interim Statement of Receipts and Disbursements, as attached to the First Report, and the Projected Statement of Receipts and Disbursements, as attached to the Confidential Supplement, are hereby ratified and approved.

Proposed Final Distribution

7. After payment of the professional fees referenced in paragraphs 3 and 4 herein and any other remaining costs of administration, and any amounts secured by any Court ordered charges or statutory priority claims that rank in priority to the RBC Secured Debt the Receiver is authorized and directed to distribute all remaining proceeds of the Property as follows:
 - a. to pay to Re/Max any commission payable in accordance with the terms of the Listing Agreement; and

- b. to distribute the remaining funds held by the Receiver to RBC up to the amount of the RBC Secured Debt (as set defined in the First Report).

Discharge

8. 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 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.
9. No action or other proceedings 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.
10. Upon the Receiver filing with the Clerk of the Court a Receiver's Certificate substantially in the form attached hereto as **Appendix "A"**, confirming that all matters set out in paragraph 6 of this Order have been completed, the Receiver shall be discharged as Receiver, 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.

Service of Order

11. This Order shall be served on the Service List (attached as Schedule "A" to the Application) and may be effected by facsimile, electronic mail, personal delivery or courier.
12. Additionally, the Receiver shall post a copy of this Order on its website for no less than 6 months at: <http://www.bdo.ca/foothills>.

Appendix “A”

COURT FILE NUMBER 2401-07573

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE RECEIVERSHIP
OF TODD BAILEY

APPLICANT BDO CANADA LIMITED in its capacity as Receiver certain property of
TODD BAILEY

RESPONDENT TODD BAILEY

DOCUMENT RECEIVER'S DISCHARGE CERTIFICATE

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 403-351-2922

Facsimile 403-648-1151

E-mail: dmarechal@cassels.com / djorgenson@cassels.com

File No. 028688-36

Attention: Danielle Marechal/Danica Jorgenson

RECITALS

- A. Pursuant to an Order of the Honourable K. M. Horner of the Court of Queen’s Bench of Alberta, Judicial District of Calgary (the “**Court**”) dated July 5, 2024, BDO Canada Limited (“**BDO**”) was appointed as the receiver (the “**Receiver**”) certain property of Todd Bailey.
- B. Pursuant to an Order of the Court dated March 12, 2025 (the “**Discharge Order**”), BDO was discharged as Receiver, to be effective upon the filing of a certificate confirming the completion of all matters set out in paragraph 6 of the Discharge Order, provided that, notwithstanding its discharge:
- a. BDO shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership; and

- b. BDO shall continue to have the benefit of the provisions of all orders made in this proceeding, including all approvals, protections and stays of proceeding in favour of BDO in its capacity as Receiver.

THE RECEIVER CERTIFIES the following:

1. The remaining matters outstanding to complete the administration of the receivership described in paragraph 6 of the Discharge Order have been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

**BDO Canada Limited, in its capacity
as Receiver of certain property of
Todd Bailey and not in its personal
capacity.**

Per; _____
Name: Kevin Meyler
Title: Senior Vice President

6. Additionally, the Receiver shall post a copy of this Order on its website for no less than 6 months at: <http://www.bdo.ca/foothills>

Justice of the Court of King's Bench of Alberta

Schedule "C"
Discharge Order