

Clerk's Stamp

COURT FILE NUMBER
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
APPLICANT ROYAL BANK OF CANADA
RESPONDENTS MGT MANAGEMENT INC.,
MGT AGGREGATE PRODUCTS INC.
and
MICHAEL TOMLINSON

DOCUMENT **ORIGINATING APPLICATION**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
McMillan LLP
#1700, 421 – 7th Avenue SW
Calgary, AB T2P 4K9
Attention:
Kourtney Rylands
Telephone: (403) 355.3326
Fax: (403) 531.4720
Email: kourtney.rylands@mcmillan.ca

Preet Saini
Telephone: (403) 531.4716
Fax: (403) 531.4720
Email: preet.saini@mcmillan.ca
File No. 289096

**NOTICE TO RESPONDENTS: MGT MANAGEMENT INC.,
MGT AGGREGATE PRODUCTS INC. and
MICHAEL TOMLINSON**

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

You have the right to state your side of this matter before the Justice.

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

Date: **December 2, 2022**
 Time: **2:00PM**
 Where: **Calgary Courts Centre**
 Before Whom: **The Honourable Justice Hollins**

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

Relief claimed or sought:

1. The Applicant, Royal Bank of Canada (“**RBC**” or the “**Bank**”), seeks:
 - (a) An order substantially in the form attached as Schedule “A”:
 - (i) abridging, if necessary, the time for service of this application and deeming service good and sufficient;
 - (ii) appointing BDO Canada Limited (“**BDO**”) as receiver and manager, or in the alternative, as receiver, over certain of the assets, undertakings and property (the “**Property**”) of the respondents, MGT Management Inc. (“**MGT Management**”) and MGT Aggregate Products Inc. (“**MGT Aggregate**”) together with MGT Management collectively referred to as the “**Borrowers**”) by way of an order substantially in the form of the Receivership Order attached as Schedule “A” hereto (the “**Receivership Order**”), which appointment shall be effective immediately upon the filing of a Receiver Certificate attached as Schedule “A” to the Receivership Order.
 - (b) A consent order granting judgment in favour of the Applicant attached as Schedule “B” hereto in the amount of \$1,169,890.16 inclusive of per diem interest of \$218.65 calculated from March 3, 2022 to the date the consent order is sought to be pronounced and all fees, costs, expenses, legal fees and professional fees (the “**Consent Judgment for the MGT Management Personal Guarantees**”) as against Michael Tomlinson (the “**Personal Guarantor**”).
 - (c) A consent order granting judgment in favour of the Applicant attached as Schedule “C” hereto in the amount of \$255,139.30 inclusive of per diem interest of \$36.09 calculated from March 3, 2022 to the date the consent order is sought to be pronounced and all fees, costs, expenses, legal fees and professional fees as against the Personal Guarantor (the “**Consent Judgment for the MGT Aggregate Personal Guarantees**”) and collectively with the Consent Judgment

for the MGT Management Personal Guarantees, the “**Consent Judgments**”).

2. awarding costs of this application to the applicant, Royal Bank of Canada, on an appropriate scale; and
3. such further and other relief as counsel may advise and this Honourable Court deems just.

Grounds for making this application:

I. Parties

4. MGT Management is an Ontario corporation extra-provincially registered in Alberta.
5. MGT Aggregate is an Alberta corporation. MGT Management and MGT Aggregate operate a limestone quarry in Clearwater, Alberta.
6. A corporate search indicates that Michael Tomlinson, the Personal Guarantor, is the sole director and shareholder of MGT Management and MGT Aggregate. MGT Management, MGT Aggregate and the Personal Guarantor are hereby collectively referred to as the “**Debtors**”.

II. MGT Management Loan and Security Agreements

7. By a loan agreement and amendment dated July 2, 2021, and August 10, 2021, respectively, between RBC and MGT Management, which were confirmed, accepted and agreed to by MGT Management (collectively, the “**MGT Management Loan Agreement**”), RBC agreed to advance funds to MGT Management and did advance funds by way of a revolving demand facility (the “**MGT Management Demand Facility**”) on the terms and conditions set out in the MGT Management Loan Agreement, particulars of which include, among others:
 - (a) MGT Management shall provide as security for the borrowing and all other obligations of MGT Management to RBC, among others
 - (i) a general security agreement executed by MGT Management providing a first ranking security interest in all personal property of MGT Management;
 - (ii) the MGT Management Personal Guarantees and the MGT Corporate Guarantee as defined within; and

- (iii) a security agreement (chattel mortgage) executed by MGT Management providing a first ranking security interest in nine specific personal properties of MGT Management (collectively, the “**MGT Management Security Agreements**”);
 - (b) an event of default occurs upon failure of MGT Management to pay any principal, interest or other amount when due and failure of MGT Management, or any guarantor, to observe any covenant, condition or provision of the MGT Management Loan Agreement among others;
 - (c) Upon an event of default, RBC shall in its sole discretion demand immediate repayment in full of any amounts outstanding, together with accrued interest and any other indebtedness; and
 - (d) MGT Management shall pay all fees (including legal fees), costs and expenses incurred by the Bank in connection with the administration, operation, termination, enforcement or protection of its rights in connection with the MGT Management Loan Agreement and any security granted thereunder.
8. All sums payable to RBC by MGT Management pursuant to the MGT Management Loan Agreement are herein collectively referred to as the “**MGT Management Indebtedness**”.

III. MGT Aggregate Loan and Security Agreements

9. By amended and restated loan agreement dated July 2, 2021 between RBC and MGT Aggregate, which was confirmed, accepted and agreed to by MGT Aggregate (the “**MGT Aggregate Loan Agreement**” and together with the MGT Management Loan Agreement, the “**Loan Agreement**”), RBC agreed to extend and did extend various credit facilities to MGT Aggregate, on the terms and conditions set out in the MGT Aggregate Loan Agreement, particulars of which include, among others:
- (a) MGT Aggregate shall provide as security for the borrowing and all other obligations of MGT Aggregate to RBC, among others:
 - (i) a general security agreement executed by MGT Aggregate providing a first ranking security interest in all personal property of MGT Aggregate to RBC;
 - (ii) the MGT Aggregate Personal Guarantees and the MGT Corporate Guarantee as defined within; and
 - (iii) a general security agreement executed by MGT Management providing a first ranking security interest in all personal property of MGT

Management to RBC (collectively, the “**MGT Aggregate Security Agreement**” and together with the MGT Management Security Agreement, the “**Security Agreements**”);

- (b) an event of default occurs upon failure of MGT Aggregate to pay any principal, interest or other amount when due and failure of MGT Aggregate, or any guarantor, to observe any covenant, condition or provision of the MGT Aggregate Loan Agreement among others;
 - (c) Upon an event of default, RBC shall in its sole discretion, demand immediate repayment in full of any amounts outstanding, together with accrued interest and any other indebtedness; and
 - (d) MGT Aggregate shall pay all fees (including legal fees), costs and expenses incurred by the Bank in connection with the administration, operation, termination, enforcement or protection of its rights in connection with the MGT Aggregate Loan Agreement and any security granted thereunder.
10. All sums payable to RBC by MGT Aggregate pursuant to the MGT Aggregate Loan Agreement are herein collectively referred to as the “**MGT Aggregate Indebtedness**”.

IV. Indebtedness

- 11. As of October 14, 2022, MGT Management is indebted to RBC in the amount of \$971,697.77, for outstanding principal and interests owing on the MGT Management Loan Agreement, not including amounts owing under the MGT Aggregate Corporate Guarantee, and exclusive of legal fees, costs and enforcement expenses.
- 12. As of October 14, 2022, MGT Aggregate is indebted to RBC in the amount of \$177,316.93 for outstanding principal and interests owing on the MGT Aggregate Loan, not including amounts owing under the MGT Management Corporate Guarantee, and exclusive of legal fees, costs and enforcement expenses.
- 13. All sums payable to RBC by the Debtors, including but not limited to the MGT Management Indebtedness and the MGT Aggregate Indebtedness, as set out above are hereinafter collectively referred to as the “**Indebtedness**”.

V. Events of Default and Demand of MGT Management and MGT Aggregate

- 14. On or before March 4, 2022, the Debtors committed events of default under the Loan and Security Agreements, including but not limited to by failing to pay all sums of money when

due and borrowing in excess of the credit facilities provided by the Loan and Security Agreements (the “**Specified Defaults**”).

15. Under the terms of each of the Loan Agreements, an event of default that occurs under one Loan Agreement, also triggers a cross-default under the other Loan Agreement.
16. Under the terms of each of the Loan Agreements, upon the occurrence of any event of default, the Bank is entitled to exercise various remedies, one of which is the appointment of a receiver or a receiver manager.
17. On or about March 4, 2022, RBC, made demand of the Debtors in accordance with the terms of the Loan and Security Agreements, for payment of all debts and liabilities owing by MGT Management and MGT Aggregate to the Bank as at March 4, 2022, plus interest, costs, fees, and expenses accruing thereon from and after March 4, 2022 (the “**Demands**”). RBC also delivered Notices of Intention to Enforce Security to each of the Borrowers pursuant to section 244 of the Bankruptcy and Insolvency Act (the “**Notices**”).
18. The Debtors failed to make payment of the indebtedness to RBC in response to the Demands made on or about March 4, 2022.

VI. Forbearance Agreement

19. To permit the Debtors to repay the indebtedness for all amounts owing to RBC as specified in the Demands and thereafter, RBC entered into a forbearance agreement with the Debtors dated April 11, 2022, which was subsequently amended by amending agreements dated July 6, 2022, July 13, 2022 and July 27, 2022 (collectively, the “**Forbearance Agreement**”).
20. Terms of the Forbearance Agreement include, but are not limited to, the following:
 - (a) RBC agrees to forbear exercising any of its rights and remedies and shall not take any steps to enforce its rights and remedies against the Debtors until the earlier of September 30, 2022 (which date was originally July 15, 2022 and subsequently extended at the request of the Debtors) and the occurrence of a Termination Event (the “**Forbearance Period**”);
 - (b) A Termination Event includes, but is not limited, to the following:
 - (i) the occurrence or notice of any default or Event of Default under any of the Loan and Security Agreements, other than the Specified Default;
 - (ii) failure by any of the Debtors to perform or defaults under any of the Covenants of the Debtors set out in the Forbearance Agreement;

- (iii) the receipt by RBC of a demand letter, notice of seizure or requirement for payment from, or the initiation of any other type of collection or enforcement action against either of the Borrowers by any secured party, lien claimant, other encumbrancer, judgment creditor or a person asserting similar rights in any property, Canada Revenue Agency or any other federal or provincial governmental agency or body;
 - (iv) the purchase order issued by Edco Aggregates Ltd. to MGT Management Inc. being terminated or amended in any way without the prior written consent of the Bank (the “**Edco Purchase Order**”); or
 - (v) the Bank determining, in its sole and absolute discretion, that an adverse change has occurred in the financial or operational affairs of the Borrowers or the Personal Guarantor or the Bank determines that any collateral subject to the Bank’s security is in jeopardy.
- (c) Covenants of the Debtors include, but are not limited to, the following:
- (i) MGT Management and MGT Aggregate shall remit when due and in accordance with legal principles, the CRA Payables as defined in the Forbearance Agreement, which includes premiums payable in respect of employment insurance, Canada Pension Plan, income taxes with respect to employees and goods and services sales taxes among others; and
 - (ii) in each month during the Forbearance Period, MGT Management and MGT Aggregate shall within 5 business days at the end of each month, provide RBC with the CRA Disclosure as defined in the Forbearance Agreement evidencing all such remittances of the CRA Payables are made to the Canada Revenue Agency among others;
21. In consideration of the Bank’s forbearance, the Debtors waived all defences that they may have to any claims made by the Bank for repayment of the Indebtedness in addition, but not limited to the following:
- (a) The Borrowers consented to the appointment of a receiver and manager, or in the alternative, a receiver over all of their assets and undertakings upon the expiry or termination of the Forbearance Agreement in the form of a consent receivership order; and
 - (b) The Debtors consented to judgment for the Indebtedness and executed consent judgments to be held in trust by RBC’s counsel and only filed upon the expiry or termination of the Forbearance Period. Specifically, the Personal Guarantor executed consent judgments, which are the subject of this application, with respect

to the amounts owing by the Personal Guarantor under the MGT Management Personal Guarantees and the MGT Aggregate Personal Guarantees (collectively, the “**Personal Guarantees**”).

VII. Previous and Continuing Termination Events

22. On July 13, 2022, the Bank gave notice to the Debtors that a Termination Event had occurred under the Forbearance Agreement with respect to the Debtor’s failure to make required filings with respect to Accrued CRA Payables (as defined in the Forbearance Agreement). At that time, the Bank provided the Debtors with the necessary steps to cure the Termination Event in question including that a payment of \$250,000 be made to the Bank not later than July 14, 2022.
23. On or about July 14, 2022, the Debtors made a payment of \$250,000 in trust (the “Trust Funds”) to their counsel that was intended to be released to the Bank in relation to the Indebtedness.
24. On July 20, 2022, the Bank discovered that the Source Deductions Liability (as defined by the Forbearance Agreement) of both MGT Management and MGT Aggregate was calculated at \$254,549.37.
25. On July 27, 2022, notwithstanding the above Termination Event, the Bank instructed counsel for the Debtors to release the Trust Funds back to the Debtors on conditions including, but not limited to, the following:
 - (a) The Borrowers make a permanent repayment of the Source Deductions Liability for both companies to Canada Revenue Agency (the “CRA”), inclusive of an additional payment of \$4,549.37 to the CRA, with evidence of same provided to the Bank within one business day; and
 - (b) The Borrowers make a payment for \$100,000 to RBC by no later than August 15, 2022.
26. On or about August 25, 2022 the Debtors made a payment of \$100,000 (the “**Payment**”) to the Bank in respect of the MGT Management Indebtedness. The Payment is the only payment that the debtors have made to the Bank in relation to the Indebtedness since the commencement of the Forbearance Agreement.
27. On September 26, 2022 the Debtors wrote to the Bank requesting that the Forbearance Agreement be extended beyond September 30, 2022.
28. On September 30, 2022 the Debtors failed to make further payment as required under the terms of the Forbearance Agreement.
29. On October 4, 2022 the Bank advised the Debtors that additional Termination Events had occurred and were continuing to occur under the terms of the Forbearance Agreement (the “**Default Letter**”), including but not limited to the failure to make a \$300,000 payment to

RBC and the failure to make ongoing payments to the Canada Revenue Agency for source deductions. RBC also confirmed by way of written correspondence to the Debtors that the Forbearance Period expired on September 30, 2022 in light of the additional Termination Events and would grant no further extensions.

30. Since the delivery of the Default Letter, the Bank and the Debtors have engaged in discussions regarding the repayment of the Indebtedness, but no resolution has been reached by the parties to date.
31. On October 11, 2022, RBC also received a demand from the Workers Compensation Board of Alberta (“WCB”) demanding the payment of \$33,890.50 on account of amounts owing by MGT Management to WCB (the “**WCB Demand**”).
32. RBC attempted to assist the Debtors to meet their obligations under the Forbearance Agreement; however, the Debtors have continually failed to satisfy their obligations.

VIII. The Guarantees

Regarding MGT Management Indebtedness

33. The Personal Guarantor granted two guarantees and postponements of claim dated April 10, 2015 and February 18, 2016 pursuant to which the Personal Guarantor guaranteed the payment to the Bank of all debts and liabilities of MGT Management in the amounts of \$897,375 and \$320,000 respectively, together with interest thereon from the date of demand for payment at a rate equal to RBC’s prime rate plus 5.00% (the “**MGT Management Personal Guarantees**”).
34. MGT Aggregate granted a guarantee and postponement of claim dated May 15, 2017 pursuant to which MGT Aggregate guaranteed the payment to the Bank of all debts and liabilities of MGT Management in the amount of \$1,725,000 together with interest thereon from the date of demand for payment at a rate equal to RBC’s prime rate plus 5.00% (the “**MGT Management Corporate Guarantee**”).

Regarding MGT Aggregate Indebtedness

35. The Personal Guarantor also granted two guarantees and postponements of claim dated February 18, 2016 and February 23, 2017, pursuant to which the Personal Guarantor guaranteed the payment to the Bank of all debts and liabilities of MGT Aggregate in the amounts of \$321,533 and \$350,000 respectively, together with interest thereon from the date of demand for payment at a rate equal to RBC’s prime rate plus 5.00% (the “**MGT Aggregate Personal Guarantees Guarantee**”).

36. MGT Management granted a guarantee and postponement of claim dated February 24, 2017 pursuant to which MGT Management guaranteed the payment to the Bank of all debts and liabilities of the MGT Aggregate in the amount of \$650,000 together with interest thereon from the date of demand for payment at a rate equal to RBC's prime rate plus 5.00% (the "**MGT Aggregate Corporate Guarantee**").
37. The Debtors failed to make full payment of amounts due and owing to RBC in response to the Demands made on or about March 4, 2022 and upon the expiration of the Forbearance Period on September 30, 2022.
38. The MGT Management Indebtedness and the MGT Aggregate Indebtedness remain outstanding under one or more of the MGT Management Guarantees and the MGT Aggregate Guarantees is a just debt, due and owing.

IX. Consent Judgment for the MGT Management Personal Guarantees

39. Pursuant to the Forbearance Agreement, with respect to the MGT Management Personal Guarantees, the Forbearance Period has expired as of September 30, 2022 following the occurrence of additional Termination Events. As a result, the Applicant is entitled to enter the Consent Judgment for the MGT Management Personal Guarantees that were executed by the Personal Guarantor as part of the Forbearance Agreement.
40. Since the Forbearance Agreement was entered into, the Debtors made payment for \$100,000 towards the MGT Management Indebtedness.
41. The Bank has incurred fees, costs, expenses, legal fees and professional fees in the amount of \$123,915.62 as at September 30, 2022 in relation to the MGT Management Indebtedness.
42. The Consent Judgment for the MGT Management Personal Guarantees ought to be granted in the amount of \$1,169,890.16 inclusive of payments made by the Debtors, per diem interest of \$218.65 calculated from March 3, 2022 to the date the consent order is sought or to be pronounced and all fees, costs, expenses, legal fees and professional fees as at the date of the consent order.

X. Consent Judgment for the MGT Aggregate Personal Guarantees

43. Pursuant to the Forbearance Agreement, with respect to the MGT Aggregate Personal Guarantees, the Forbearance Period has expired as of September 30, 2022 following the occurrence of additional Termination Events. As a result, the Applicant is entitled to enter the Consent Judgment for the MGT Aggregate Personal Guarantees that were executed by the Personal Guarantor as part of the Forbearance Agreement.

44. Since the Forbearance Agreement was entered into, no payments were made by the Debtors to the Applicant in relation to the MGT Aggregate Indebtedness.
45. The Bank has incurred fees, costs, expenses, legal fees and professional fees in the amount of \$24,585.56 as at September 30, 2022 in relation to the MGT Aggregate Indebtedness.
46. The Consent Judgment for the MGT Aggregate Personal Guarantees ought to be granted in the amount of \$255,139.30 inclusive of per diem interest of \$36.09 calculated from March 3, 2022 to the date the consent order is sought to be pronounced and all fees, costs, expenses, legal fees and professional fees as at the date of the consent order.

XI. The Appointment of a Receiver of MGT Management and MGT Aggregate

47. Pursuant to the MGT Management Loan Agreement and Security Agreements, the MGT Aggregate Loan and Security Agreements and the Forbearance Agreement, RBC is entitled to appoint a receiver upon the occurrence of and during the continuance of any default or termination event by the Debtors.
48. The appointment of a receiver of the Property of MGT Management and MGT Aggregate is appropriate to provide for an orderly disposition of the Property.
49. Pursuant to the Forbearance Agreement, MGT Management and MGT Aggregate executed a consent order to appoint a receiver attached as Schedule "A" to this Originating Application.
50. The Indebtedness remains unpaid.
51. MGT Management and MGT Aggregate are insolvent and incapable of repaying RBC.
52. The appointment of a receiver over the Property is just, equitable, convenient and necessary to preserve RBC's Security.
53. BDO has consented to act as interim receiver and receiver and manager over the Property.

Affidavit or other evidence to be used in support of this application:

54. The Affidavit of Natalia Naraine, sworn November 21, 2022;
55. The inherent jurisdiction of this Honourable Court; and
56. Such further and other material and evidence as counsel may advise and this Honourable Court may permit.

Applicable Rules:

57. Rules 1.2, 1.3, 1.4, 3.72, 6.3, 6.47, 6.9 11.27 and 13.5(2) of the *Alberta Rules of Court*; and
58. Such further and other rules as counsel may advise.

Applicable Acts and regulations:

59. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, and particularly s. 243 thereof;
60. *Business Corporations Act*, RSA 2000, c B-9;
61. *Judicature Act*, RSA 2000, c J-2, as amended, and particularly s. 13(2) thereof;
62. *Personal Property Security Act*, RSA 2000, c P-7, as amended, and particularly s. 65(7) thereof; and
63. All of the foregoing legislation stated without limitation and such other rules, acts, and regulations as counsel may advise and that this Honourable Court may permit.

Any irregularity complained of or objection relied on:

64. None are anticipated.

How the application is proposed to be heard or considered:

65. Orally.

WARNING

You are named as a respondent because you have made or are expected to make an adverse claim in respect of this originating application. If you do not come to Court either in person or by your lawyer, the Court may make an order declaring you and all persons claiming under you to be barred from taking any further proceedings against the applicant(s) and against all persons claiming under the applicant(s). You will be bound by any order the Court makes, or another order might be given or other proceedings taken which the applicant(s) is/are entitled to make without any further notice to you. If you want to take part in the application, you or your lawyer must attend in Court on the date and at the 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"

Clerk's Stamp:



COURT FILE NUMBER

COURT

JUDICIAL CENTRE OF

APPLICANT:

RESPONDENT(S):

DOCUMENT

CONTACT INFORMATION OF

PARTY FILING THIS

DOCUMENT:

COURT OF QUEEN'S BENCH OF ALBERTA

CALGARY

ROYAL BANK OF CANADA

MGT MANAGEMENT INC. and MGT

AGGREGATE PRODUCTS INC.

CONSENT RECEIVERSHIP ORDER

McMillan LLP

#1700, 421 – 7th Ave SW

Calgary, AB T2P 4K9

Attention: Kourtney Rylands/Preet Saini

Telephone: (403) 35.-3326/(403) 531.4716

Fax: (403) 531.4720

Email: RBCOS@mcmillan.ca

File No. 289096

DATE ON WHICH JUDGMENT WAS PRONOUNCED:

LOCATION WHERE THIS ORDER WAS PRONOUNCED:

NAME OF JUDGE WHO GRANTED THIS ORDER:

UPON the application of Royal Bank of Canada (“RBC”) in respect of MGT MANAGEMENT INC. and MGT AGGREGATE PRODUCTS INC. (the “Debtors”); AND UPON having read the Application, the Affidavit of _____; and the Affidavit of Service of _____, filed; AND UPON reading the consent of _____ to act as interim receiver and receiver and manager (the “Receiver”) of the Debtors, filed; AND UPON noting the consent endorsed hereon of the Debtors; AND UPON hearing counsel for RBC, counsel for the proposed Receiver and any other counsel or other interested parties present; **IT IS HEREBY ORDERED AND DECLARED THAT:**

SERVICE

1. The time for service of the notice of application for this order (the “Order”) is hereby abridged and deemed good and sufficient.

APPOINTMENT

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the “BIA”), and sections 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, 99(a) of the *Business Corporations Act*, R.S.A. 2000, c.B-9, and 65(7) of the *Personal Property Security Act*, R.S.A. 2000, c.P-7 _____ is hereby appointed Receiver, without security, of all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “Property”).

RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, which shall include the Receiver's ability to abandon, dispose of or otherwise release any interest in any of the Debtors' real property, or any right in any immovable, and any license or authorization issued by the Alberta Energy Regulator, or any other

similar government authority, in respect of such interest in real property or immovable, including pursuant to section 14.06(4) of the BIA;

- (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such

proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;

- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.

- (m) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for

registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtors and not in its personal capacity;

- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtors, and without interference from any other Person (as defined below).

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. (i) The Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “Persons” and each being a “Person”) shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property

(excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.

5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

8. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph; and (ii) affect a Regulatory Body’s investigation in respect of the Debtors or an action, suit or proceeding that is taken in respect of the Debtors by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. “**Regulatory Body**” means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

NO EXERCISE OF RIGHTS OF REMEDIES

9. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtors or the Receiver or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:
- (a) empower the Debtors to carry on any business that the Debtors is not lawfully entitled to carry on;
 - (b) prevent the filing of any registration to preserve or perfect a security interest;
 - (c) prevent the registration of a claim for lien; or
 - (d) exempt the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment.

10. Nothing in this Order shall prevent any party from taking an action against the Applicant where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

NO INTERFERENCE WITH THE RECEIVER

11. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, except with the written consent of the Debtors and the Receiver, or leave of this Court

CONTINUATION OF SERVICES

12. All persons having:

- (a) statutory or regulatory mandates for the supply of goods and/or services; or
- (b) oral or written agreements or arrangements with the Debtors, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtors

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtors or exercising any other remedy provided under such agreements or arrangements. The Debtors shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Debtors in accordance with the payment practices of the Debtors, or such other practices as may be agreed upon by the supplier or service provider and each of the Debtors and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever,

including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post Receivership Accounts**”) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

14. Subject to employees’ rights to terminate their employment, all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtor’ behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47 (“**WEPPA**”).

15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- (i) before the Receiver's appointment; or
 - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
- (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:
 - A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
 - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,

- A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
 - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

LIMITATION ON THE RECEIVER'S LIABILITY

17. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

RECEIVER'S ACCOUNTS

18. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for their professional fees and disbursements incurred both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA.
19. The Receiver and its legal counsel shall pass their accounts from time to time.
20. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and

charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$50,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver's Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.
22. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
23. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “A” hereto (the “**Receiver's Certificates**”) for any amount borrowed by it pursuant to this Order.
24. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

25. The Receiver shall be allowed to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

ALLOCATION

26. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property.

GENERAL

27. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
28. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
29. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.
30. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction 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 this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
31. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is

authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.
33. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

FILING

34. The Receiver shall establish and maintain a website in respect of these proceedings to be made publicly available and shall post there as soon as practicable:
 - (a) all materials prescribed by statute or regulation to be made publicly available; and
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
35. Service of this Order shall be deemed good and sufficient by:
 - (a) serving the same on:
 - (i) the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;and
 - (b) posting a copy of this Order on the Receiver's Website

and service on any other person is hereby dispensed with.

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

Justice of the Court of Queen's Bench of Alberta

ALL OF THE FOREGOING CONSENTED AND AGREED TO THIS _____ DAY OF _____, 2022 BY:

Rowanoak Law Office LLP

Per: 

Name: Harry W. Sawchuk

Counsel for MGT Management Inc. and MGT Aggregate Products Inc.

MCMILLAN LLP

Name: Kourtney Rylands

Counsel for Royal Bank of Canada

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

37. THIS IS TO CERTIFY that _____, the interim receiver and receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of **MGT MANAGEMENT INC.** and **MGT AGGREGATE PRODUCTS INC.** appointed by Order of the Court of Queen's Bench of Alberta and Court of Queen's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "**Court**") dated the ____ day of _____, _____ (the "**Order**") made in action numbers _____, _____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ that the Receiver is authorized to borrow under and pursuant to the Order.
38. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [**daily**] [**monthly not in advance on the** _____ **day of each month**] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
39. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
40. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
41. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
42. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

43. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

_____, solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: _____
Name:
Title:

Schedule "B"

COURT FILE NUMBER

Clerk's Stamp

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS MGT MANAGEMENT INC., MGT AGGREGATE PRODUCTS INC., and MICHAEL TOMLINSON

DOCUMENT CONSENT JUDGMENT AGAINST MICHAEL TOMLINSON

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT McMillan LLP #1700, 421 – 7th Ave SW Calgary, AB T2P 4K9

Attention: Kourtney Rylands/Preet Saini Telephone: (403) 355.3326/(403) 531.4716 Fax: (403) 531.4720 File No. 289096

DATE ON WHICH JUDGMENT WAS PRONOUNCED: _____

LOCATION WHERE THIS ORDER WAS PRONOUNCED: _____

NAME OF MASTER WHO GRANTED THIS JUDGMENT: _____

UPON the application of the plaintiff, Royal Bank of Canada ("RBC"); AND UPON NOTING the consent of the Defendant, Michael Tomlinson., as guarantor, ("M. Tomlinson") to the granting of Judgment in this Action in the Judicial District of Calgary; AND UPON REVIEWING the affidavit confirming any payments made to the outstanding indebtedness and received by RBC between the dates indicated below and setting out the fees, costs, expenses, and legal fees on a solicitor and own client basis incurred by RBC;

IT IS HEREBY ORDERED AS FOLLOWS:

- 1. RBC shall be granted final judgment against M. Tomlinson in the amount of
a. \$1,086,064.44 plus per diem interest of \$218.65, at the rate of the Bank's Prime Interest Rate of 2.70% plus 5.00%, on the amount of \$1,086,064.44, calculated between March 3, 2022 and to the date of this Consent Judgment, being _____ as of _____, (the "Principal and Interest"), less all payments of \$ _____ made towards the Principal and Interest

and received by RBC against the Principal and Interest between March 3, 2022 and the date of this Consent Judgment, (the “**Judgment Amount**”). For further clarity, the Judgment Amount as of the date of this Consent Judgment is _____; and

- b. all fees, costs, expenses, legal fees and professional fees in the amount of \$ _____ (the “**Fees**”). For further clarity the Fees as of the date of this Consent Judgment are _____.
2. This Consent Judgment may be consented to electronically or by facsimile, and may be executed in counterparts, each of which shall be considered effective as an original signature.

M.C.Q.B.A

CONSENTED TO this ____ day of _____, 2022
McMillan LLP

CONSENTED TO this 18th day of April, 2022
Rowanoak Law Office LLP



Per: **Kourtney Rylands/Preet Saini**
Counsel for RBC

Per: **Harry W. Sawchuk**
Counsel for M. Tomlinson

Schedule “C”

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

ROYAL BANK OF CANADA

DEFENDANTS

MGT AGGREGATE PRODUCTS INC., MGT MANAGEMENT INC., and MICHAEL TOMLINSON

DOCUMENT

CONSENT JUDGMENT AGAINST MICHAEL TOMLINSON

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

McMillan LLP
#1700, 421 – 7th Ave SW
Calgary, AB T2P 4K9

Attention: Kourtney Rylands/Preet Saini
Telephone: (403) 355.3326/(403) 531.4716
Fax: (403) 531.4720
File No. 289096

DATE ON WHICH JUDGMENT WAS PRONOUNCED: _____

LOCATION WHERE THIS ORDER WAS PRONOUNCED: _____

NAME OF MASTER WHO GRANTED THIS JUDGMENT: _____

UPON the application of the plaintiff, Royal Bank of Canada (“RBC”); **AND UPON NOTING** the consent of the Defendant, Michael Tomlinson., as guarantor, (“**M. Tomlinson**”) to the granting of Judgment in this Action in the Judicial District of Calgary; **AND UPON REVIEWING** the affidavit confirming any payments made to the outstanding indebtedness and received by RBC between the dates indicated below and setting out the fees, costs, expenses, and legal fees on a solicitor and own client basis incurred by RBC;

IT IS HEREBY ORDERED AS FOLLOWS:

1. RBC shall be granted final judgment against M. Tomlinson in the amount of
 - a. \$220,665.08 plus per diem interest of \$36.09, at the rate of the Bank’s Prime Interest Rate of 2.70% plus 5.00%, on the amount of \$220,665.08 , calculated between March 3, 2022 and to the date of this Consent Judgment, being _____ as of _____, (the “**Principal and Interest**”), less all payments of \$ _____ made towards the Principal and Interest

and received by RBC against the Principal and Interest between March 3, 2022 and the date of this Consent Judgment, (the “**Judgment Amount**”). For further clarity, the Judgment Amount as of the date of this Consent Judgment is _____; and

b. all fees, costs, expenses, legal fees and professional fees in the amount of \$ _____ (the “**Fees**”). For further clarity the Fees as of the date of this Consent Judgment are _____.

2. This Consent Judgment may be consented to electronically or by facsimile, and may be executed in counterparts, each of which shall be considered effective as an original signature.

M.C.Q.B.A

CONSENTED TO this ____ day of _____, 2022
McMillan LLP

CONSENTED TO this 18th day of April, 2022
Rowanoak Law Office LLP

Per: **Kourtney Rylands/Preet Saini**
Counsel for RBC


Per: **Harry W. Sawchuk**
Counsel for M. Tomlinson