

Clerk's Stamp

~~COURT FILE NUMBER~~ ~~1901-17453~~

~~COURT~~ ~~COURT OF QUEEN'S BENCH OF ALBERTA~~

~~JUDICIAL CENTRE~~ ~~CALGARY~~

~~APPLICANT(S)~~ ~~IN THE MATTER OF THE COMPANIES'~~
~~CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c.~~
~~C-36, AS AMENDED~~

~~AND IN THE MATTER OF THE COMPROMISE OR~~
~~ARRANGEMENT OF IEC LTD., AUDEAMUS-~~
~~CAPITAL CORP., AND THOSE OTHER-~~
~~APPLICANTS SET OUT ON THE ATTACHED-~~
~~SCHEDULE "A"~~

~~DOCUMENT~~ ~~AMENDED AND RESTATED CCAA INITIAL ORDER~~

<u>COURT FILE NUMBER</u>	<u>1901-17453</u>
<u>COURT</u>	<u>COURT OF QUEEN'S BENCH OF ALBERTA</u>
<u>JUDICIAL CENTRE</u>	<u>CALGARY</u>
<u>APPLICANT(S)</u>	<u>IN THE MATTER OF THE COMPANIES' CREDITORS</u> <u>ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED</u> <u>AND IN THE MATTER OF THE COMPROMISE OR</u> <u>ARRANGEMENT OF IEC LTD., AUDEAMUS CAPITAL CORP.,</u> <u>AND THOSE OTHER APPLICANTS SET OUT ON THE</u> <u>ATTACHED SCHEDULE "A"</u>
<u>DOCUMENT</u>	<u>AMENDED AND RESTATED CCAA INITIAL ORDER</u>

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~~Email: christian.popowich@codehunterllp.com~~

Counsel for the Applicants, LP Stay Parties, and Non-Applicant Stay Parties listed in Schedule “F” hereto

~~DATE ON WHICH ORDER WAS PRONOUNCED: December 19, 2019~~

~~NAME OF JUDGE WHO MADE THIS ORDER: Madam Justice K.M. Horner~~

~~LOCATION OF HEARING: Calgary, Alberta~~

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UPON the application of IEC Ltd. (“**IEC**”), Audeamus Capital Corp. (“**Audeamus**”) and the other Persons listed in Schedule “**A**” hereto (IEC, Audeamus and the other Persons listed in

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– 2 – Schedule “**A**” hereto collectively, the “**Applicants**”); **AND UPON** having read the Application filed on ~~December 17~~, 2019 (the “**Application**”), the Originating Application filed on December 10, 2019 (the “**Originating Application**”), the Affidavit of Riaz Mamdani, sworn on December 10, 2019 (the “**Initial Affidavit**”), the second Affidavit of Riaz Mamdani, sworn on December ~~16~~, 2019 the (“**Second Affidavit**”), the third Affidavit of Riaz Mamdani, sworn on December 19, 2019 (the “Third Affidavit”), and the Affidavit of Service of Katie Doran, sworn

on December ~~17~~,18, 2019; **AND UPON** reading the pre-filing Report of Hardie & Kelly Inc., in its capacity as proposed monitor of the Applicants (the “**Monitor**”), dated December 10, 2019 and the First Report of the Monitor, dated December ~~18~~,17, 2019; **AND UPON** being advised that the secured creditors who are likely to be affected by the charges created herein have been provided notice of this application; **AND UPON** hearing counsel for the Applicants, the Monitor and various other Persons present; **AND UPON** reviewing the initial order granted in the within proceedings pursuant to the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) by the Honourable Madam Justice K.M. Horner on December 10, 2019 (the “**Initial Order**”);

IT IS HEREBY ORDERED AND DECLARED THAT:-

DEFINED TERMS

1. Capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Initial Order or the Initial Affidavit, as applicable.

SERVICE

2. The time for service of the Application for this Amended and Restated Order (the “**Order**”) and the portion of the Originating Application for the Additional Relief (as defined in paragraph 12 of the Originating Application) is hereby abridged, deemed good and sufficient and the Application is properly returnable today.

APPLICATION

3. The Applicants are companies to which the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the “**CCAA**”) applies. For greater certainty, the LP Stay Parties and the Non-Applicant Stay Parties (each as defined below) shall enjoy the benefits and the protections provided herein and as subject to the restrictions as hereinafter set out.

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PLAN OF ARRANGEMENT

4. The Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (the “**Plan**”).

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POSSESSION OF PROPERTY AND OPERATIONS

5. The Applicants shall:

- (a) remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”);
- (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of their business (the “**Business**”) and Property;
- (c) be authorized and empowered to continue to retain each of Strategic Realty Management Corporation, Strategic Team Partnership and Strategic Maintenance Ltd. (the “**Related Party Assistants**”) and to employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively with the Related Party Assistants, the “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order; and
- (d) implement the central cash management system as described in the Second Affidavit (the “**Cash Management System**”) and that any present or future lender shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any

~~4~~ claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. ~~6~~.—To the extent permitted by law, the Applicants shall be entitled but not required to make the following advances or payments of the following expenses, incurred prior to or after the Initial Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
- (b) the reasonable fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges, including for periods prior to the date of the Initial Order provided that in respect of the Related Party Assistants, such fees and disbursements are approved by the Monitor; and
- (c) with the consent of the Monitor, obligations owing for goods and services supplied to the Applicants prior to the date of the Initial Order (other than obligations owing to any of the Related Party Assistants) if, in the opinion of the relevant Applicant and after consultation with the Monitor, the supplier or vendor of such goods or services is necessary for the operation or preservation of the Business or the Property; provided that in respect of a Co-~~Owned~~ Property (as hereinafter defined), no payments in excess of \$10,000 shall be made without the consent of the applicable Co-~~Owner~~ HoldCo (as hereinafter defined).

7. ~~7~~.—Except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after the Initial Order, and in carrying out the provisions of the Initial Order and this Order, which expenses shall include, without limitation:

- (a) ~~(a)~~—all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance, maintenance and security services; provided

that any such expenses and capital expenditures exceeding \$10,000 shall be approved by the Monitor; and

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(b) ~~(b)~~ — payment for goods or services actually supplied to the Applicants following the date of the Initial Order.

8. ~~8.~~ — The Applicants shall remit, in accordance with legal requirements, or pay:

(a) ~~(a)~~ — any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority that are required to be deducted from employees' wages, including, without limitation, amounts in respect of:

- (i) employment insurance,
- (ii) Canada Pension Plan,
- (iii) Quebec Pension Plan, and
- (iv) income taxes,

but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of the Initial Order, unless otherwise ordered by the Court;

(b) ~~(b)~~ — all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of the Initial Order, or where such Sales Taxes were accrued or collected prior to the date of the Initial Order but not required to be remitted until on or after the date of the Initial Order; and

(c) ~~(c)~~ — any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of taxes, assessments or levies of any nature or kind which are entitled

at law to be paid in priority to claims of secured creditors and that are attributable to or in respect of the carrying on of the Business by the Applicants.

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9. ~~9.~~ Except as specifically permitted in this Order, the Applicants are hereby directed, until further order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of the date of the Initial Order;
- (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and
- (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

10. ~~10.~~ The Applicants shall, subject to such requirements as are imposed by the CCAA have the right to:

- (a) permanently or temporarily cease, downsize or shut down any portion of their business or operations and to dispose of redundant or non-material assets not exceeding \$50,000 in any one transaction or \$500,000 in the aggregate, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to the Applicants (within the meaning of section 36(5) of the CCAA), shall require authorization by this Court in accordance with section 36 of the CCAA;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate on such terms as may be agreed upon

between the Applicants and such employee, or failing such agreement, to deal with the consequences thereof in the Plan;

- (c) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor (as defined below) or further Order of the Court, their arrangements or agreements of any nature whatsoever with whomsoever, whether oral or written, as the Applicants deem appropriate, in accordance with section 32 of the CCAA; and

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- (d) ~~(d)~~ pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

NO PROCEEDINGS AGAINST THE APPLICANTS, THE LP STAY PARTIES, THE NON APPLICANT STAY PARTIES OR THE PROPERTY

- 11. Until and including March 31, 2020, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Applicants, the limited partnerships listed in Schedule “**B**” hereto (collectively, the “**LP Stay Parties**”), the persons listed in Schedule “**C**” hereto (the “**Non-Applicant Stay Parties**”) or the Monitor, or affecting the Business or the Property, or the business of or assets, properties or undertakings of either the LP Stay Parties or the Non-Applicant Stay Parties, except with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business, the Property, the LP Stay Parties, the Non-Applicant Stay Parties and their business or assets, properties or undertakings, are hereby stayed and suspended pending further order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

12. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Applicants, the Monitor, the LP Stay Parties, the Non-Applicant Stay Parties or affecting the Business or the Property, or the business of or assets, properties or undertakings of either the LP Stay Parties or the Non-Applicant Stay Parties, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:

(a) ~~(a)~~ empower the Applicants, the LP Stay Parties or the Non-Applicant Stay Parties to carry on any business that they are not lawfully entitled to carry on;

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- (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA;
 - (c) prevent the filing of any registration to preserve or perfect a security interest or encumbrance;
 - (d) prevent the filing of any caution, caveat or similar registration on title in respect of a Co-Owner HoldCo’s beneficial interest in respect of a Property;
 - (e) prevent the registration of transfers/warranty deeds of legal title in respect of a Co-Owner HoldCo’s interest in respect of a Property; or
 - (f) exempt the Applicants, the LP Stay Parties or the Non-Applicant Stay Parties from compliance with statutory or regulatory provisions relating to health, safety or the environment.
13. During the Stay Period, the LP Stay Parties and the Non-Applicant Stay Parties shall conduct their business only in the ordinary course of business without the approval of

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the Monitor and the Court. In addition, the LP Stay Parties, the Non-Applicant Stay Parties and the Related Party Assistants shall give the Monitor full access to their property, premises, books, records, data, including data in electronic form and other financial documents to the extent that is necessary to allow the Monitor to adequately assess the Property and Business of the Applicants or the LP Stay Parties and Non-Applicant Stay Parties' property, business and financial affairs to allow the Monitor to report to the Court; provided that the Monitor shall not disclose any information relating to a Co-Owned Property or a Co-Owner HoldCo (collectively, the "Co-Owner Information") without the prior written consent of the Co-Owner HoldCo.

14. Nothing in this Order shall prevent any party from taking an action against the Applicants, the LP Stay Parties or the Non-Applicant Stay Parties 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.

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NO INTERFERENCE WITH RIGHTS

15. ~~15.~~ During the Stay Period, 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 Applicants, except with the written consent of the applicable Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

16. ~~16.~~ During the Stay Period, 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 Applicants, 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 Business or the Applicants,

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 Applicants or exercising any other remedy provided under such agreements or arrangements. The Applicants shall be entitled to the continued use of their 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 the Initial Order are paid by the Applicants in accordance with the payment practices of the Applicants, or such other practices as may be agreed upon by the supplier or service provider and each of the relevant Applicant and the Monitor, or as may be ordered by this Court.

NON-~~DEROGATION~~ OF RIGHTS

17. ~~17.~~—Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of the Initial Order, nor shall any person be under any obligation on or after the date of the Initial Order to advance or re-~~advance~~ any monies or otherwise extend any credit to the Applicants.

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PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

18. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph 14 of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date of the Initial Order and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for

the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS CHARGE

19. The Applicants shall indemnify their directors and officers (including, without limitation, the ~~Consultant~~CRO (as defined herein)) against obligations and liabilities ~~that they may incur~~owing to the Crown in Right of Canada, any Province thereof or any other taxation authority and that are incurred as directors and or officers of the Applicants after the date of the Initial Order except to the extent that, with respect to any officer or director, the obligation was incurred as a result of the director's or officer's gross negligence or wilful misconduct.
20. The directors and officers of the Applicants (including, without limitation, the ~~Consultant~~CRO) shall be entitled to the benefit of and are hereby granted a charge (the ~~"D & O Charge"~~) on the Property and the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of any LP Stay Party (collectively, the ~~"LP Property"~~) which charge shall not exceed an aggregate amount of \$~~2,000,000~~50,000 as security for the indemnity provided in paragraph 19 of this Order. The D & O shall have the priority set out in paragraphs ~~3537~~ and ~~3739~~ hereof.

~~KEIP~~INTERIM LENDER CHARGE

21. ~~The Key Employee Incentive Plan described in the Confidential Exhibit "•" of the Second Affidavit (the "KEIP") is hereby authorized and approved and the Applicants are authorized and directed to make the payments contemplated in the KEIP. Directors and officers of the Applicants shall have no liability for the payments contemplated in the KEIP (and for certainty, any and all claims under the KEIP shall be secured solely by the KEIP Charge and shall not be secured, directly or indirectly, by the Directors' Charge).~~Any individual Applicant, on behalf of its LP Stay Party, may borrow funds under a credit facility from any Person who has a first registered mortgage on the Property of the individual Applicant (each, an "Interim Lender") in order to finance that Applicant's working capital requirements and other general corporate purposes and capital expenditures after the date of the Initial Order and strictly in accordance with the

Cash Management System (the “Interim Lender Advances”). The Interim Lender Advances shall bear interest at the same rate set forth in the mortgage, loan or credit agreement in effect between the relevant Applicant and the Interim Lender dated as of the date of the Initial Order.

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22. The ~~beneficiaries of the KEIP are~~Interim Lender shall be entitled to the benefits of and is hereby granted a charge (the “~~KEIP~~Interim Lender's Charge”) on the ~~Property and the LP interest that the relevant debtor Applicant has in any of the~~ Property to secure all ~~principal and interest~~ obligations ~~under the KEIP, up to the maximum amount of \$500,000-~~The KEIPowing for Interim Lender Advances incurred on or after the date of this Order, which charge shall not exceed the aggregate amount advanced on or after the date of this Order. The Interim Lender's Charge shall not secure any obligation existing before this the date this Order is made. The Interim Lender's Charge shall have the priority set out in paragraphs ~~35 and 37~~ and 39 hereof.
23. The Interim Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicant under the Bankruptcy and Insolvency Act of Canada (the “BIA”), with respect to any of the Interim Lender Advances.

INTER-~~E~~NTITY CHARGE

24. ~~23.~~ Subject to paragraph 7(a) of this Order the Applicants, on behalf of LP Stay Parties, may borrow funds from or loan funds to any of the other Applicants after the date of the Initial Order and strictly in accordance with the Cash Management System (“~~Inter-~~E~~ntity Advances~~”). In respect of Co-Owned Properties, Inter-Entity Advances shall not be made unless the Inter-Entity Advance is for the purpose of transferring funds between Applicants that have the same Co-Owner Hold Co. The accounts and records of the Applicants shall constitute, in the absence of manifest error, *prima facie* evidence of the balance of the Inter-~~E~~ntity Advances.
25. ~~24.~~ The Inter-~~E~~ntity Advances shall bear interest that at the same rate as the first registered mortgage on the real property interest of the Applicant that makes the

Inter-Entity Advance and shall be secured by a charge in favour of the relevant creditor Applicant on the interest that the relevant debtor Applicant has in any of the Property (the “**Inter-Entity Charge**”). The Inter-Entity Charge shall have the priority set out in paragraphs [3537](#) and [3739](#) hereof.

APPLICANT SET-OFF

[26.](#) ~~25.~~ Neither the Applicants nor the LP Stay Parties shall assert set-off, netting, consolidation or similar type defences on any claims that become owing on the Inter-Entity Advances against claims that were owing between any of the Applicants or the LP Stay Parties on or before the date of the Initial Order.

APPOINTMENT OF CRO

[27.](#) The letter agreement between Neil Narfason Professional Corporation (the “CRO”) and the Applicants, dated November 18, 2019 (the “Letter Agreement”) be and is hereby approved and the CRO is authorized to provide the Restructuring Services (as such term is defined in the Letter Agreement) to the Applicants. The CRO shall incur no liability or obligation as a result of the provision of the Restructuring Services, save and except for any gross negligence or willful misconduct on the part of it or any of its employees.

APPOINTMENT OF MONITOR

[28.](#) ~~26.~~ Hardie & Kelly Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property, Business, and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide

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~~—12—~~ the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor’s functions.

29. ~~27.~~—The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements, Business and dealings with the Property;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Applicants;
- (c) advise the Applicants in its development of the Plan and any amendments to the Plan;
- (d) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (e) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form and other financial documents of the Applicants to the extent that is necessary to adequately assess the Property, Business, and financial affairs of the Applicants or to perform its duties arising under this Order;
- (f) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (g) hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Applicants and any other Person;
- (h) engage with the Co-Owner HoldCo's with respect to all matters relating to a Co-Owned Property when and as required, including reviewing and disseminating Applicant-prepared information relating to a Co-Owned Property;

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(i) subject to further order and direction of the Court, review, investigate and provide a full reconciliation and report on all transfers among the Applicants and between the Applicants and the LP Stay Parties, the Non-Applicant Stay Parties, the Related Party Assistants, any other member of the Strategic Group (as defined in the Initial Affidavit) together with such other persons as the Monitor may recommend and as may be ordered by the Court;

(j) monitor the receipts, disbursements and operations of the Persons listed in Schedule "D" hereto (collectively, the "Related Property Owners") and report to this Court at such times and intervals as the Monitor may deem appropriate with respect to the receipts, disbursements and operations of the Related Party Owners. Each of the Related Party Owners shall give the Monitor full access to their property, premises, books, records, data, including data in electronic form and other financial documents to the extent that is necessary to allow the Monitor to adequately assess the receipts, disbursements and operations of the Related Party Owners and to allow the Monitor to report to the Court; provided that the Monitor shall not disclose any Co-Owner Information without the prior written consent of the Co-Owner HoldCo; and

(k) ~~(j)~~ perform such other duties as are required by this Order or by this Court from time to time.

30. ~~28.~~ The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by

applicable environmental legislation or regulation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order be deemed to be in possession of any of the Property within the meaning of any federal or provincial environmental legislation.

31. ~~29.~~The Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential and in the case of the Co-Owner Information, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant or such Co-Owner, as applicable, may agree.

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32. ~~30.~~In addition to the rights and protections afforded the Monitor under the CCAA or as an Officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

33. ~~31.~~The Monitor, counsel to the Monitor, and counsel to the Applicants shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these CCAA proceedings), in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Monitor and its legal counsel shall pass their accounts from time to time.

34. ~~32.~~The ~~Consultant~~CRO, the Monitor, counsel to the Monitor, if any, and the Applicants' counsel, as security for the professional fees and disbursements incurred both before and after the granting of the Initial Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property and the ~~LP~~Property current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of any LP Stay Party

(collectively, the "LP Property"), which charge shall not exceed an aggregate amount of \$1,000,000 as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs ~~35~~37 and ~~37~~39 hereof.

CO-OWNERS

35. ~~33.~~ Each of the Persons listed in Schedule "D" hereto (collectively, the "**Co-Owner HoldCo's**") has an undivided beneficial interest in the assets, properties and undertakings listed in Schedule "D" hereto (collectively, the "**Co-Owned Properties**") in the percentage amount listed in Schedule "D" hereto (the "**Co-Owner Beneficial Interest**"). The Co-Owner Beneficial Interest and any legal interest of the Co-Owner HoldCo in the Co-Owned Properties (the "**Co-Owner Legal Interest**") does not and shall not form part of the Property, and the Co-Owner Beneficial interest and the Co-Owner Beneficial Interest shall not form part of any sale process in respect of the Property.

36. ~~34.~~ The Applicants shall continue to deposit revenues in respect of each Co-Owned Property in the account maintained by the Applicant in accordance with the terms of the applicable Co-Owners Agreement and applicable Property Management Agreement.

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VALIDITY AND PRIORITY OF CHARGES

37. ~~35.~~ The priorities of the Charges granted herein (collectively, the "**Charges**") as between them, shall be as follows:

First – Administration Charge (to the maximum amount of \$1,000,000);

Second – the Inter-Entity Charge and the Interim Lender's Charge, *pari passu* with one another, but only in respect of the borrowers' interest in and to the Property;

Third – ~~Directors~~D & O Charge (to the maximum amount of \$~~2,000,000~~); ~~Fourth – KEIP Charge (to the maximum amount of \$500,000)~~50,000);

38. ~~36.~~–The filing, registration or perfection of the Charges shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

39. ~~37.~~–The Charges shall constitute a charge on the Property and the LP Property such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person.

40. ~~38.~~–Except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property or the LP Property that rank in priority to, or *pari passu* with the Charges, unless the Applicants also obtain the prior written consent of the Monitor and the other beneficiaries of the Charges affected thereby, or further order of this Court.

41. ~~39.~~–The Charges shall not be rendered invalid or unenforceable and the rights and remedies of the charges entitled to the benefit of the Charges (collectively, the “**Chargees**”) thereunder shall not otherwise be limited or impaired in any way by:

- (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
- (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;

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- (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;

- (d) the provisions of any federal or provincial statutes; or

- (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:
 - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof shall create or be deemed to constitute a new breach by the Applicants of any Agreement to which they are parties;
 - (ii) none of the Chargers shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
 - (iii) the payments made by the Applicants pursuant to this order do not and will not constitute fraudulent preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, settlements or other challengeable, voidable or reviewable transactions under any applicable law.

PAYMENT OF MORTGAGE OBLIGATIONS

42. Any Applicant may, with the consent of the Monitor, make payment of all or a portion of the principal and interest owing to any Person with a mortgage, security interest, lien, charge or other encumbrance registered against its Property.

ALLOCATION

43. ~~40.~~—The Additional Relief sought at paragraph 12(e) (Charges Allocation) be and is adjourned *sine die*. The Applicants or any interested Person may, subject to the Litigation Protocol (as defined herein), apply to this Court on notice to any other party likely to be affected for an order to allocate Charges amongst the various assets comprising the Property and the LP Property.

NOTICE

44. ~~41.~~ The Monitor shall establish a case website (the “**Website**”) in respect of the within proceedings at ~~[https://relieffromdebt.ca/iec-audeamus.](https://relieffromdebt.ca/iec-audeamus)~~ [https://relieffromdebt.ca/iec-audeamus.](https://relieffromdebt.ca/iec-audeamus)

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~~—17—~~

45. ~~42.~~ Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Applicants and the Monitor by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to the service list (the “**Service List**”) to be maintained by the Monitor. The Monitor shall post and maintain an up-~~to~~-date form of the Service List on the Website.

CASE MANAGEMENT

46. ~~43.~~ The Honourable Madam Justice K.M. Horner, or such other Justice of the Court of Queen’s Bench of Alberta who may be designated by the Honourable Madam Justice K.M. Horner (the “**Case Management Justice**”), shall supervise and manage the within CCAA proceedings involving the Applicants and the Property. Other than in instances where there is an immediate and material risk to any of the Applicants, Property or the LP Property or where an action must be taken in order to comply with statutory time limitations in order to preserve rights at law, all applications involving the Applicants, the Property and the LP Property shall be heard by either the Case Management Justice or by another Justice of the Court of Queen’s Bench of Alberta designated by the Case Management Justice.

LITIGATION PROTOCOL

47. ~~44.~~ Subject to paragraph ~~45~~48 of this Order and any further order that may be made by the Case Management Justice, other than in instances where there is an immediate and material risk to any of the Applicants, the Property or the LP Property or where an action must be taken in order to comply with statutory time limitations in order to preserve rights at law, all subsequent applications involving the Applicants, the Property and the

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LP Property in the within CCAA proceedings (each, a “**Subsequent Application**”) shall be subject to the following procedure (the “**Litigation Protocol**”):

- (a) other than the Monitor, any Person who files an application in the within proceedings shall serve such Subsequent Application and associated supporting evidence on the Service List at least eight (8) business days prior to the hearing date of such Subsequent Application (the “**Application Record**”);
- (b) other than the Monitor, any Person opposing the relief sought in any Application Record shall serve a brief summary specifying the nature of the objection(s) and

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~~18~~ the associated responding evidence on the Service List at least four (4) business days prior to the hearing of such Subsequent Application (the “**Opposing Application Record**”);
(c) ~~(e)~~ upon review of the Application Record and the Opposing Application Record, the Case Management Justice may:

- (i) hear the Subsequent Application as filed;
- (ii) provide direction to service list as to any or all procedural matters in respect of the Subsequent Application including, without limitation, the conduct of cross-examination, the filing of written briefs of argument and the date and time of the hearing of the Subsequent Application;
- (iii) require an attendance of Persons with an interest in the Subsequent Application to determine any or all procedural matters in respect of the Subsequent Application; or
- (iv) take any further action as may be required to ensure the fair and efficient hearing of the Subsequent Application, as the Case Management Justice deems fit and appropriate in the circumstances.

48. ~~45.~~ Any Person who intends to file a Subsequent Application may agree to a litigation schedule with the Monitor and with any Persons that are reasonably anticipated to have an interest in the Subsequent Application and thereafter seek approval of such litigation schedule from the Case Management Justice for the hearing of such Subsequent Application.

APPLICANT AND LP STAY PARTY TENANTS

49. ~~46.~~ Any Person who leases a real property interest from the Applicants or the LP Stay Parties (each, a “Lease”) shall continue to pay all rent due to the relevant Applicant or LP Stay Party pursuant to the terms and conditions of the Lease.

ADJOURNMENT OF KEIP RELIEF

50. The relief sought by the Applicants in respect of the Key Employee Incentive Plan described in the Confidential Exhibit “A” of the Second Affidavit (the “KEIP”) be and is hereby adjourned sine die.

GENERAL

51. ~~47.~~ The Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

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52. ~~48.~~ Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Monitor 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 Monitor’s reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.

53. ~~49.~~ Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager or a trustee in bankruptcy of the Applicants, the Business or the Property.

54. ~~50.~~ 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 Applicant, the Monitor and their respective 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 Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the

Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

55. ~~51.~~ Each of the Applicants and the Monitor be at liberty and are 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 Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

56. ~~52.~~ Subject to the Litigation Protocol, any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order.

57. ~~53.~~ This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

~~Justice of the Court of Queen's Bench of Alberta~~

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Justice of the Court of Queen's Bench of Alberta

~~A-1~~
SCHEDULE ~~A~~ SCHEDULE "A"
APPLICANTS

Part 1 – GP Applicants

1112--1124 Capital Corp.
20/20 Capital Corp.
411 Ltd.
534 Capital Corp.
550 Capital Corp.
744 (2011) Capital Corp.
808 Capital Corp.
926 Capital Corp.
Airdrie Gateway Block 2 Capital Corp.
Airways Business Plaza Capital Corp.
Aura Capital Corp.
Avenida Village Ltd.
Blackfoot Centre Ltd.
Bonavista Square Ltd.
Center Street GP Ltd.
Centre 1000 Capital Corp.
Centre Eleven Capital Corp.
Centro 2102 Capital Corp.
Deerfoot 17 Corp.
Deerfoot Court (2011) Capital Corp.
First Street Plaza GP Ltd.
Glenmore Commerce Court Capital Corp.
Inglewood 9th Avenue GP Ltd.
Kensington Building Capital Corp.
Louise Block Capital Corp.
Macleod Place Ltd.
Mayfield Capital Corp.
Mission Centre Inc.
Airdrie Creekside Capital Corp.
Torode Strategic 1129 GP Ltd.
One Six Capital Corp.
Parallel Centre Ltd.
Paramount Building Ltd.
Parkwood/Eastgate Capital Corp.
Pegasus Business Park Ltd.
Stony Plain Capital Corp.
Petro Fina Capital Corp.
Petro West Ltd.
Place 9--6 Ltd.
Shelbourne Place Ltd.
Stella Place Capital Corp.
Strategic Centre Ltd.
Sundance Place Ltd.

Sundance Place II Ltd.
Sunpark Place Ltd.

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Airdrie Gateway Block 3 Capital Corp.
Wesley Church Building Inc.
Willow Park Capital Corp.
Part 2 – GP HoldCos

411 Capital Corp.
1445122 Alberta Ltd.
1220 Kensington Road Corp.
Macleod Place Holding Corp.

~~B-1~~
SCHEDULE ~~B~~ SCHEDULE "B"
LP STAY PARTIES

- 1112-1124 Limited Partnership
- 20/20 Limited Partnership
- 411 Limited Partnership
- 534 Limited Partnership
- 550 Limited Partnership
- 744 (2011) Limited Partnership
- 808 Limited Partnership
- 926 Limited Partnership
- Airdrie Gateway Block 2 Limited Partnership
- Airways Business Plaza Limited Partnership
- Aura Limited Partnership
- Avenida Village Limited Partnership
- Blackfoot Centre Limited Partnership
- Bonavista Square Limited Partnership
- Center Street Limited Partnership
- Centre 1000 Limited Partnership
- Centre Eleven Limited Partnership
- Centro 2102 Limited Partnership
- Deerfoot 17 Limited Partnership
- Deerfoot Court (2011) Limited Partnership
- First Street Plaza (2006) Limited Partnership
- Glenmore Commerce Court Limited Partnership
- Inglewood 9th Avenue Limited Partnership
- Kensington Building Limited Partnership
- Louise Block Limited Partnership
- Macleod Place Limited Partnership
- Mayfield Limited Partnership
- Mission Centre Limited Partnership
- Airdrie Creekside Limited Partnership
- Torode Strategic 1129 Limited Partnership
- One Six Limited Partnership
- Parallel Centre Limited Partnership
- Paramount Building Limited Partnership
- Parkwood/Eastgate Limited Partnership
- Pegasus Business Park Limited Partnership
- Stony Plain Limited Partnership
- Petro Fina Building Limited Partnership
- Petro West Limited Partnership
- Place 9-6 Limited Partnership
- Shelbourne Place Limited Partnership
- Stella Place Limited Partnership
- Strategic Centre Limited Partnership
- Sundance Place II 1000 Limited Partnership
- Sundance Place II 3000 Limited Partnership
- Sundance Place II 4000 Limited Partnership

Sundance Place II 6000 Limited Partnership
Sundance Place Limited Partnership
Sunpark Place Limited Partnership

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Airdrie Wesley Willow Park Limited Partnership	Gateway Church	Block Building	3	Limited Limited	Partnership Partnership

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~~SCHEDULE "C"~~
SCHEDULE C
NON-APPLICANT STAY PARTIES

Duncan Retail Capital Corp.
Duncan Retail Limited Partnership
Strategic Atlantic Ltd.
Strategic Atlantic Limited Partnership
Strategic Realty Management Corporation
Strategic Team Partnership
Strategic Maintenance Ltd.

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SCHEDULE D
RELATED PROPERTY OWNERS

12-10 Limited Partnership
12-10 Capital Corp.
1800 / Missao Limited Partnership
1800/Missao Capital Corp.
Circle Square (SE) Limited Partnership
Strategic Edmonton GP Ltd.
Lakeridge (143) Limited Partnership
Lakeridge (143) GP Corp.
Village Square Mall Limited Partnership
Village Square Mall Ltd.
34 Avenue Limited Partnership
34 Avenue Capital Corp.
Capital Limited Partnership
Capital Corp.
Cube Limited Partnership
Cube Capital Corp.
e11even Limited Partnership
e11even Capital corp.
Watt Common Limited Partnership
Watt Common Capital GP

~~D-1~~
SCHEDULE ~~E~~ SCHEDULE "D"
CO-OWNERSHIP

Co-Owner	Co-Owned Property ¹	Co-Owner % Interest
9827838 Canada Inc.	20/20 Property	40%
10460010 Canada Inc.	5/5 Property	35%
10460010 Canada Inc.	926 Property	35%
10460010 Canada Inc.	Acqua Property	35%
10460010 Canada Inc.	Aura Property	35%
10460010 Canada Inc.	Avenida Village Property	35%
10460010 Canada Inc.	Blackfoot Centre Property	35%
10460010 Canada Inc.	Bonavista/Avenida Place Property	35%
10460010 Canada Inc.	Mission 17 Property	35%
10460010 Canada Inc.	Centro Property	35%
10460010 Canada Inc.	Glenmore Commerce Court Property	35%
10460010 Canada Inc.	Inglewood 1410 Property	35%
10480240 Canada Inc.	Kensington Terrace Property	35%
10460010 Canada Inc.	Mission Centre Property	35%
10460010 Canada Inc.	ONE6 Property	35%
10460010 Canada Inc.	Parallel Centre Property	35%
10460010 Canada Inc.	Entro Residential Property	35%
10460010 Canada Inc.	Petro Fina Property	35%
10460010 Canada Inc.	Place 9-6 Property	35%
10460010 Canada Inc.	Stella Place Property	35%
10108014 Canada Inc.	Sundance 1000 Property	65%
10108014 Canada Inc.	Sundance 3000 Property	65%
10108014 Canada Inc.	Sundance 4000 Property	65%
10108014 Canada Inc.	Sundance 6000 Property	65%
10108014 Canada Inc.	Sundance Place Property	65%

~~† Co-Owned Properties are as defined in the Initial Affidavit.~~

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¹ Co-Owned Properties are as defined in the Initial Affidavit.

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~~SCHEDULE "E"~~
~~SCHEDULE F~~

PERSONS REPRESENTED BY CODE HUNTER LLP

20/20 Capital Corp.

~~20/20 Limited Partnership~~

~~Petro West Ltd.~~

~~Petro West Limited Partnership~~

~~20/20 Limited Partnership~~

~~Aura Capital Corp.~~

~~Aura Limited Partnership~~

~~Bonavista Square Ltd.~~

~~Bonavista Square Limited Partnership~~

~~Stony Plain Capital Corp.~~

~~Stony Plain Limited Partnership~~

~~Petro West Ltd.~~

~~Petro West Limited Partnership~~

~~Airdrie Gateway Block 3 Capital Corp.~~

~~Airdrie Gateway Block 3 Limited Partnership~~

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Legend:	
	<u>Insertion</u>
	Deletion
	Moved from
	<u>Moved to</u>
	Style change
	Format change
	Moved deletion
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	355
Deletions	274
Moved from	3
Moved to	3
Style change	0
Format changed	0
Total changes	635