

COURT FILE NUMBER **Q.B. No. 1401 OF 2019**

Clerk's Stamp

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE **SASKATOON**

APPLICANT **HARMON INTERNATIONAL
(ORIGINAL RESPONDENT) INDUSTRIES INC.**

RESPONDENT **PILLAR CAPITAL CORP.
(ORIGINAL APPLICANT)**

**IN THE MATTER OF THE RECEIVERSHIP OF
HARMON INTERNATIONAL INDUSTRIES INC.**

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DRAFT ORDER
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BEFORE the Honourable Mr. Justice R. W. Elson, a Judge of the Court of Queen's Bench for Saskatchewan, in chambers the ____ day of October, 2020.

ON THE APPLICATION of counsel on behalf of the Applicant, and on reading the Affidavit of Calvin Moneo, the Affidavit of Victor Moneo and Draft Order, all filed:

THE COURT ORDERS THAT:

1. Service of notice of this application and supporting materials is hereby declared to be good, timely and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that time actually given.

Redemption and Termination of Appointment of the Receiver

THE COURT DECLARES THAT:

2. The total amount owing by the Applicant to the Respondent Pillar Capital Corp. for principal and interest on its mortgage loan (the "Mortgage Loan") as of October 14, 2020 is \$_____;
3. The total amount owing to BDO Canada Limited (the "Receiver") on account of the Receiver's Charge and the Receiver's Borrowings Charge as of October 14, 2020 is \$_____;

THE COURT ORDERS THAT:

4. The Applicant has the right to redeem the Mortgage Loan and pay out the amount owing to the Respondent Pillar Capital Corp. pursuant to Paragraph 2;
5. The Applicant has the right to redeem and pay out the Receiver's Charge and the Receiver's Borrowing Charge by payment to the Receiver in the amount set out in Paragraph 3;
6. Being satisfied that the Applicant has unconditional financing in place to make the payments required to be made in Paragraphs 4 and 5 to W Law Group LLP as counsel for Pillar Capital Corp. and MLT Aikins LLP as counsel for the Receiver, the appointment of BDO Canada Limited as receiver of the Applicant pursuant to the Receivership Order made by this Honourable Court and issued on January 17, 2020, and the Order issued October 2, 2020, shall be terminated;

Discharge of the Receiver

7. All activities, actions and proposed courses of action of the Receiver (collectively, the "**Actions of the Receiver**") to date in relation to the discharge of its duties and mandate as receiver of the Property pursuant to the Orders of this Honourable Court in these proceedings (collectively, the "**Receiver's Mandate**"), as such Actions of the Receiver are more

particularly described in the Final Report and all of the Receiver's other reports filed in these proceedings, as well as the statement of receipts and disbursements contained in the Final Report, shall be and are hereby approved and confirmed.

8. Upon the Receiver filing a certificate, in substantially the form attached to this Order as **Schedule A**, certifying that it has completed the Receiver's Mandate, the Receiver shall be discharged as Receiver of the Property, provided that notwithstanding its discharge herein:

- (a) the Receiver shall remain Receiver for the performance of such routine administrative tasks as may be required to complete the administration of the receivership herein; and
- (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in these proceedings, including all approvals, protections and stays of proceedings in favour of BDO Canada Limited in its capacity as Receiver.

9. It is hereby adjudged and declared that, based upon the evidence that is currently before this Honourable Court in regard to the Actions of the Receiver:

- (a) the Receiver has acted honestly and in good faith, and has dealt with the Property and carried out the Receiver's Mandate in a commercially reasonable manner;
- (b) the Receiver has satisfied all of its duties and obligations pursuant to the Receiver's Mandate;
- (c) the Receiver shall not be liable for any act or omission arising from, relating to or in connection with its discharge of the Receiver's Mandate, save and except for any liability arising out of fraud, gross negligence or willful misconduct on the part of the Receiver;
- (d) the Receiver has never had and shall not in the future have any liability in regard to any act or omission of the Debtor, including, without limitation, in relation to the business of the Debtor, payment of and/or accounting for any taxes (including,

without limitation, goods and services tax) on revenues earned or any indebtedness or obligations whatsoever or howsoever incurred by the Debtor; and

(e) no person shall commence an action or proceeding asserting a claim against the Receiver arising from, relating to or in connection with its discharge of the Receiver's Mandate without first obtaining an Order of this Honourable Court (on notice to the Receiver) granting such person leave to commence such action or proceeding, and any such action or proceeding commenced without such leave being obtained is a nullity.

10. Subject to the foregoing, any claims against the Receiver in connection with the Receiver's Mandate are hereby stayed, extinguished and forever barred.
11. Notwithstanding the discharge of the Receiver, the Receiver is hereby granted leave to apply to this Court for such further advice, direction or assistance as may be necessary to give effect to the terms of this Order.
12. This Order shall have full force and effect in all Provinces and Territories in Canada, outside Canada and against all Persons against whom it may be enforceable.
13. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States 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 or to assist the Receiver and its agents in carrying out the terms of this Order.

Discharge of Original Order

14. Pursuant to section 109 of *The Land Titles Act, 2000*, SS 2000, the Saskatchewan Registrar of Titles shall be and is hereby directed to discharge the Court Order registered as Instrument Register #123831705.

15. A copy of this Order shall be served on all parties on the service list attached to the Notice of Application filed in this matter;
16. There shall be no order as to costs.

ISSUED at the City of Saskatoon, in the Province of Saskatchewan, this _____ day of October, 2020.

(Seal)

LOCAL REGISTRAR

CONTACT INFORMATION AND ADDRESS FOR SERVICE

This document was prepared and delivered by:

Leland Kimpinski LLP
Lawyer in charge of file: Ryan A. Pederson
336 6th Avenue North
Saskatoon, SK S7K 2S5

Telephone: (306) 653-6474
Facsimile: (306) 653-7008
E-mail: rpederson@lelandlaw.ca

The Plaintiff's address for service is as above.

SCHEDULE A

FORM OF RECEIVER'S DISCHARGE CERTIFICATE

COURT FILE NUMBER Q.B. 268 of 2018

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

APPLICANT PILLAR CAPITAL CORP.

RESPONDENT HARMON INTERNATIONAL INDUSTRIES INC.

IN THE MATTER OF THE RECEIVERSHIP OF
HARMON INTERNATIONAL INDUSTRIES INC.

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

1. Pursuant to an Order of the Honourable Mr. Justice R.W. Elson dated January 17, 2020 (the "**Receivership Order**"), Hardie & Kelly Inc. was appointed as receiver (the "**Receiver**") of the property, assets and undertaking of Harmon International Industries Inc. (the "**Debtor**").
2. Pursuant to an Order issued October 2, 2020, BDO Canada Limited was substituted in place of Hardie & Kelly Inc. as Receiver.
3. Pursuant to the Discharge Order of the Court dated October _____, 2020, BDO Canada Limited was discharged as the Receiver of the Debtor, to be effective upon the filing by the Receiver with the Court of a Receiver's Discharge Certificate confirming that the Receiver's Mandate (as that term is defined in the Discharge Order) has been completed to the satisfaction of the Receiver.

THE RECEIVER HEREBY CERTIFIES THAT:

1. The Receiver's Mandate has been completed to the satisfaction of the Receiver.

**BDO Canada Limited, in its capacity as Receiver of
the undertaking, property and assets of Harmon**

International Industries Inc., and not in its personal capacity.

Per: _____

Name:

Title: