



Clerk's Stamp:

COURT FILE NUMBER 2301 - 08305
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, RSC 1985, c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF WALLACE & CAREY INC.,
LOUDON BROS LIMITED, and CAREY MANAGEMENT
INC.

DOCUMENT

APPLICATION

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

MILLER THOMSON LLP
Barristers and Solicitors
3000, 700 – 9th Avenue SW
Calgary, AB, T2P 3V4

Attention: James W. Reid / Pavin Takhar
Phone: 403-298-2418 / 403-298-2432
Email: jwreid@millerthomson.com /
ptakhar@millerthomson.com

NOTICE TO RESPONDENT(S):

This application is made against you. You are a 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	<u>November 25, 2024</u>
Time	<u>2:00 p.m.</u>
Where	<u>Calgary Courts Centre (via WEBEX)</u>
Before Whom	<u>The Honourable Justice B. E. C. Romaine</u>

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

Remedy claimed or sought:

1. The Applicant, Wallace & Carey Inc. ("**Wallace & Carey**" or the "**Applicant**") pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36 (the "**CCA**"), seeks an order substantially in the form attached hereto as **Schedule "A"**, including, without limitation:
 - (a) abridging the time for service of the Application and the supporting material, if necessary, and deeming service thereof to be good and sufficient;
 - (b) authorizing and approving the transaction (the "**Transaction**") contemplated under the Bill of Sale and General Conveyance Agreement (the "**Sale Agreement**") between Wallace & Carey and 7-Eleven Distribution Canada Corp. (the "**Purchaser**");
 - (c) authorizing and directing the Applicant and Monitor to take all steps reasonably required to carry out the terms of the Sale Agreement;
 - (d) upon closing of the Transaction, vesting title to the assets attached at Schedule "A" of the Sale Agreement (the "**Purchased Assets**") in and to the Purchaser; and
 - (e) granting such further and other relief as counsel may advise and this Honourable Court deems just and appropriate.

Grounds for making this application:

Background

2. On June 22, 2023, the Applicant, along with Loudon Bros. Limited ("**Loudon Bros**"), and Carey Management Inc. ("**CMI**", and together with Wallace & Carey and Loudon Bros, the "**Companies**") obtained protection from their creditors under the CCA pursuant to an Initial Order of this Court (the "**Initial Order**") and KSV Restructuring Inc. was appointed monitor over the Companies (in such capacity, the "**Monitor**"). The Initial Order was amended and restated on June 30, 2023 (the "**ARIO**").
3. On August 23, 2023, the Court granted an order (the "**SISP Order**"), among other things, approving the Companies engagement of Alvarez & Marsal Canada Securities ULC (the "**Financial Advisor**") as financial advisor, and authorizing the Companies, with the assistance of the Financial Advisor and the oversight of the Monitor, to conduct a sale and investment solicitation process (the "**SISP**").

4. On November 17, 2023, the Court granted an approval and vesting order related to the SISP Order. The approval and vesting order approved a transaction with 7-Eleven Canada, Inc. ("**7-Eleven**") as purchaser (the "**SISP Transaction**").
5. The SISP Transaction contemplates that Wallace & Carey will continue to provide services to 7-Eleven pursuant to a transition services agreement among Wallace & Carey, CMI, 7-Eleven, and the Monitor (the "**TSA**") for a period of at least 15 months.

Sale Agreement

6. The Purchased Assets consist of four serial numbered goods.
7. The Purchased Assets are located in British Columbia. There are no serial numbered registrations in the British Columbia Personal Property made against the Purchased Assets.
8. Pursuant to the terms of the TSA, the Companies granted 7-Eleven an exclusive and irrevocable right to acquire any or all of the Optioned Purchased Assets (as defined in the TSA) on terms to be agreed upon between 7-Eleven and the Monitor (the "**Option**").
9. 7-Eleven has exercised its Option to purchase the Purchased Assets.
10. The Purchaser is a subsidiary of 7-Eleven.
11. The Monitor implemented a fair valuation to determine the purchase price for the Purchased Assets.
12. The price to be paid for the Purchased Assets is commercially reasonable and in the best interests of the Applicant's stakeholders.
13. The Companies are permitted under the ARIO to sell their assets up to the maximum amount of \$500,000 in any one transaction without Court approval. The Purchaser requests that the Applicant obtain an approval and vesting order in respect of the Purchased Assets so they may be sold free and clear of any encumbrances including any Court approved charges.
14. The Transaction is conditional on Court approval.

Material or evidence to be relied on:

15. Supplement to the Thirteenth Report of the Monitor, to be filed.
16. The pleadings and proceedings in the within action.
17. Such further and other materials as counsel may advise and this Honourable Court may permit.

Applicable Rules:

18. *Alberta Rules of Court*, Alta Reg 124/2010 including but not limited to rules 1.1-1.3, 6.3(1), 6.9(1)(b), 6.10 and 11.27.
19. Such further and other Rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

20. *Companies' Creditor Arrangement Act*, RSC 1985, c. C-36, including but not limited to s 36.
21. Such further and other Acts as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

22. None.

How the application is proposed to be heard or considered:

23. On the Commercial List, via WebEx before the Honourable Justice B. E. C. Romaine.

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"
Proposed Form of the Order

COURT FILE NUMBER 2301 - 08305

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OF ARRANGEMENT OF WALLACE & CAREY INC., LOUDON BROS. LIMITED, and CAREY MANAGEMENT INC.

APPLICANT WALLACE & CAREY INC, LOUDON BROS LIMITED, and CAREY MANAGEMENT INC.

Clerk's Stamp

DOCUMENT **APPROVAL AND VESTING ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT MILLER THOMSON LLP
Barristers and Solicitors
525 - 8 Ave SW, 43rd Floor
Calgary, AB T2P 1G1

Attention: James W. Reid / Pavin Takhar

Telephone: 403.298.2418 / 403.298.2432
Fax: 403.262.0007
Email: jwreid@millerthomson.com / ptakhar@millerthomson.com

File No.: 0221652.0006

DATE ON WHICH ORDER WAS PRONOUNCED:	November 25, 2024
LOCATION WHERE ORDER WAS PRONOUNCED:	Calgary, Alberta
NAME OF JUSTICE WHO MADE THIS ORDER:	The Honourable Justice B. E. C. Romain

UPON THE APPLICATION by Wallace & Carey Inc. (the "**Applicant**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an

order, approving the sale transaction contemplated by the bill of sale and general conveyance agreement dated as of November 21, 2024 (the “**Sale Agreement**”) among the Applicant and 7-Eleven Distribution Canada Corp. (the “**Purchaser**”) for the sale of certain serial numbered goods of the Applicant (the “**Transaction**”), a copy of the Agreement which is attached as Appendix “A” to the Supplement to the Thirteenth Report of KSV Restructuring Inc. (the “**Monitor**”) in its capacity as Court-appointed Monitor dated November 22, 2024 (the “**Supplemental Report**”) and vesting in the Purchaser (or its nominee) the Applicant’s right, title and interest in and to the assets described in the Sale Agreement (the “**Purchased Assets**”);

AND UPON HEARING the submissions of counsel for the Applicant, the Purchaser, the Monitor, and such other parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

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

APPROVAL OF TRANSACTION

2. The Sale Agreement and Transaction are hereby approved and execution of the Sale Agreement by the Applicant is hereby authorized and approved, with such amendments to the Sale Agreement as the Applicant and the Purchaser may agree to with the consent of the Monitor. The performance by the Applicant of its obligations under the Sale Agreement are hereby authorized and approved. The Applicant is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

VESTING OF PROPERTY

3. Upon delivery of a Monitor’s certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule “A”** hereto (the “**Monitor’s Closing Certificate**”), all of the Applicant’s right, title and interest in and to the Purchased Assets listed in **Schedule “B”** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear

of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, “**Claims**”) including, without limiting the generality of the foregoing:

- (a) any encumbrance or charges created by the Amended and Restated Initial Order dated June 30, 2023, or any other Order granted in these proceedings;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (British Columbia) or any other personal property registry system; and
- (c) those Claims listed in **Schedule “C”** hereto (all of which are collectively referred to as the “Encumbrances”, which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule “D”** (collectively, “**Permitted Encumbrances**”);

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

4. Upon delivery of the Monitor’s Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, “**Governmental Authorities**”) are hereby authorized, requested and directed to accept delivery of such Monitor’s Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

- (a) the Registrars of the Alberta and British Columbia Personal Property Registry (the “**PPR Registrars**”) shall and are hereby directed to forthwith cancel and

discharge any registrations at the Alberta and British Columbia Personal Property Registries, respectively, (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Applicant in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.

5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Monitor's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Applicant of the Sale Agreement.
7. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Monitor) shall stand in the place and stead of the Purchased Assets from and after delivery of the Monitor's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
8. Upon completion of the Transaction, the Applicant and all persons who claim by, through or under the Applicant in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined

from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

9. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Applicant, or any person claiming by, through or against the Applicant.
10. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Applicant.
11. The Monitor is directed to file with the Court a copy of the Monitor's Closing Certificate forthwith after delivery thereof to the Applicant and Purchaser (or its nominee).
12. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20 of the British Columbia *Personal Information Protection Act*, the Applicant is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in Applicant's records pertaining to the Applicant's past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Applicant was entitled.

MISCELLANEOUS MATTERS

13. Notwithstanding:
 - (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3, as amended (the "BIA"), in respect of the Applicant, and any bankruptcy order issued pursuant to any such applications;

- (c) any assignment in bankruptcy made in respect of the Applicant; and
- (d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

- 14. The Applicant, the Monitor, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
- 15. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Applicant, the Monitor and their agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Monitor, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.
- 16. 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;
 - (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;
 - (iv) the Purchaser or the Purchaser's solicitors; and

(b) Posting a copy of this Order on the Monitor's website at:
<https://www.ksvadvisory.com/experience/case/wallace-and-carey>

and service on any other person is hereby dispensed with.

17. 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 King's Bench of Alberta

SCHEDULE "A"
FORM OF MONITOR'S CLOSING CERTIFICATE

COURT FILE NUMBER 2301 - 8305
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, RSC 1985, c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OF
ARRANGEMENT OF WALLACE & CAREY INC., LOUDON
BROS LIMITED, and CAREY MANAGEMENT INC.

APPLICANT WALLACE & CAREY INC.

DOCUMENT **MONITOR'S CLOSING CERTIFICATE**

ADDRESS FOR SERVICE
AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

RECITALS

Pursuant to an Order of the Honourable Justice Campbell of the Court of King's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated June 22, 2023, KSV Restructuring Inc. was appointed as the monitor (the "**Monitor**") of the undertakings, property and assets of Wallace & Carey Inc. ("**W&C**" or the "**Applicant**").

Pursuant to an Order of the Court dated November 25, 2024, the Court approved the bill of sale and general conveyance agreement made as of November 21, 2024 (the "**Sale Agreement**") between the Applicant and 7-Eleven Distribution Canada Corp. (the "**Purchaser**"), and approved in form and substance by the Monitor, and provided for the vesting in the Purchaser of the Applicant's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing of the Sale Agreement have been

satisfied or waived by the Monitor and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.

Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE MONITOR CERTIFIES the following:

The Purchaser (or its nominee) has paid and the Monitor has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;

The conditions to Closing of the Sale Agreement have been satisfied or waived by the Applicant and the Purchaser (or its nominee); and

The Transaction has been completed to the satisfaction of the Monitor.

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

KSV Restructuring Inc. Limited, in its capacity as Monitor of Wallace & Carey Inc. and not in its personal or corporate capacity

Per:
Name:
Title:

SCHEDULE "B"
PURCHASED ASSETS

Unit #	Type	VIN
T10	Single-Temp	1GRAA96257W703346
KEL-D44	Day Cab	1XKADP9X2DR963327
KEL-T2	Great Dane 38 ' Trailer W Railgate	1GRAA96267W700312
KEL-T6	Great Dane 38 ' Trailer W Railgate	1GRAA7626DB706988

**SCHEDULE "C"
ENCUMBRANCES**

NIL.

SCHEDULE "D"
PERMITTED ENCUMBRANCES

NIL.