

Clerk's stamp:

COURT FILE NUMBER 2001-04485

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF SANDTON CREDIT SOLUTIONS MASTER FUND IV, LP

DEFENDANTS ACCEDE ENERGY SERVICES LTD., ACCEDE FIRE & SAFETY LTD., 1537723 ALBERTA LTD. and ACCESS VALVE LTD.

APPLICANT FTI CONSULTING CANADA INC., in its capacity as the Court-Appointed Receiver of ACCEDE ENERGY SERVICES LTD., ACCEDE FIRE & SAFETY LTD., 1537723 ALBERTA LTD. and ACCESS VALVE LTD.

DOCUMENT **APPLICATION (Interim Distribution)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **MLT AIKINS LLP**  
2100, 222 - 3 Ave SW  
Calgary, Alberta T2P 0B4

**Attention: Ryan Zahara**  
Counsel for the Receiver, FTI CONSULTING CANADA INC.  
Phone: 403.693.5420  
Fax: 403.508.44349  
File: 0052752.00002

**NOTICE TO RESPONDENTS (SERVICE LIST APPENDED AS SCHEDULE "A"):**

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

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

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

Date: July 6, 2020  
Time: 2:00 p.m.  
Where: Calgary Court Centre, 601- 5 Street S.W., Calgary, Alberta  
Before Whom: The Honourable Justice B.E.C. Romaine, In Chambers

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. An Order abridging the time for service of notice of this Application and deeming service of this notice of Application and materials in support thereof good, valid, timely and sufficient.
2. An Order substantially in the form attached hereto as **Schedule "B"** approving, among other things, the following:
  - a. an interim distribution of proceeds received from the sale of assets and shares of the Debtors (as defined below); and
  - b. approval of the actions and activities of FTI Consulting Canada Inc., in its capacity as receiver (the "**Receiver**"),  
  
in respect of the receivership of Accede Energy Services Ltd., Accede Fire & Safety Ltd., 1537723 Alberta Ltd. and Access Valve Ltd. ("**Debtors**").
3. An Order granting such other and further relief as the circumstances may require and as this Honourable Court shall deem appropriate.

**Grounds for Making the Application:**

4. By way of a Receivership Order granted on March 23, 2020 (the "**Receivership Order**"), the Receiver was appointed over all of the assets, undertakings, and properties of the Debtors (collectively, the "**Assets**").
5. On June 25, 2020, the Court granted Sale Approval and Vesting Orders (the "**Sale Approval and Vesting Orders**") approving two different sales of the assets and one sale of shares to three separate purchasers: 2268197 Alberta Ltd., 1128775 Alberta Ltd. and Captive Rentals Ltd (collectively, the "**Purchasers**"). Each of those sales has closed and the Receiver has sent the Receiver's Certificates in for filing with the Court.

6. The Receiver has collected all of the funds associated with the sale of assets and the shares from the Purchasers. The Receiver has not yet received the funds to be paid in accordance with the terms of the Auction Services Agreement (the “**ASA**”) entered into with McDougall Auctioneers Ltd. (“**McDougall**”). Upon receipt of any funds payable to the Receiver in accordance with the terms of the ASA, the Receiver anticipates including those amounts in the proposed interim distribution.
7. The Receiver proposes to hold back funds to cover any amounts necessary for any priority charges, the fees and expenses of the Receiver and the fees and expenses of its legal counsel necessary to complete the administration of the Debtors’ estates.
8. The grounds contained in the second report (the “**Second Report**”) of the Receiver dated June 30, 2020.

**Material or Evidence To Be Relied Upon:**

- (a) This Notice of Application, filed;
- (b) The First Report of the Receiver, including any confidential supplements thereto filed;
- (c) The Second Report of the Receiver, filed;
- (d) The Affidavit of Service, to be filed;
- (e) The Receivership Order filed on March 23, 2020;
- (f) The Sale Approval and Vesting Orders, all filed on June 26, 2020;
- (g) The inherent jurisdiction of this Honourable Court to control its own process; and
- (h) Such further and other material as counsel may advise and this Honourable Court may permit.

**Applicable Rules:**

- (a) Rules 11.27 and 13.5 and Part 6, Division 4 of the Alberta *Rules of Court*.

**Applicable Acts and Regulations:**

- (a) The *Judicature Act*, R.S.A. 2000, c. J-2, as amended, specifically section 8.

**How the Application is Proposed to be Heard or Considered:**

- (a) In person before the Honourable Justice B.E.C. Romaine.

**WARNING TO THE RESPONDENTS:**

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

**SCHEDULE "A"**  
**SERVICE LIST**  
**(as at June 30, 2020)**



<p><b>FTI CONSULTING CANADA INC.</b> 520 5<sup>th</sup> Ave SW Suite 1610 Calgary, Alberta T2P 3R7</p> <p><b>DERYCK HELKAA</b> <b>DUSTIN OLVER</b></p> <p>Email: <a href="mailto:deryck.helkaa@fticonsulting.com">deryck.helkaa@fticonsulting.com</a> <a href="mailto:dustin.olver@fticonsulting.com">dustin.olver@fticonsulting.com</a> <a href="mailto:Lindsay.shierman@fticonsulting.com">Lindsay.shierman@fticonsulting.com</a></p>	403.454.6041	403.232.6116	Receiver
<p><b>CANADA REVENUE AGENCY</b> Surrey National Verification and Collection Centre 9755 King George Boulevard Surrey, BC V3T 5E1</p>	866.891.7403	866.219.0311	
<p><b>ACCEDE ENERGY SERVICES LTD.</b> c/o Registered Office 27312 Township Road 394, Unit 12 Lacombe, Alberta T4L 0E3 Email:<a href="mailto:ghansen@accedeenergy.com">ghansen@accedeenergy.com</a></p> <p><b>FASKEN MARTINEAU DUMOULIN LLP</b></p> <p><b>TRAVIS LYSAK</b> Email: <a href="mailto:tlysak@fasken.com">tlysak@fasken.com</a></p>	403.261.5501	403.261.5351	Counsel for Defendants
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<p><b>1537723 ALBERTA LTD.</b>  c/o Registered Office  855-2 Street SW Suite 3500  Calgary, Alberta  T2P 4J8  Email: <a href="mailto:ghansen@accedeenergy.com">ghansen@accedeenergy.com</a></p> <p><b>FASKEN MARTINEAU DUMOULIN LLP</b></p> <p><b>TRAVIS LYSAK</b>  Email: <a href="mailto:tlysak@fasken.com">tlysak@fasken.com</a></p>	<p>403.261.5501</p>	<p>403.261.5351</p>	<p>Counsel for Defendants</p>
<p><b>ACCESS VALVE LTD.</b>  c/o Registered Office  855-2 Street SW Suite 3500  Calgary, Alberta  T2P 4J8  Email: <a href="mailto:ghansen@accedeenergy.com">ghansen@accedeenergy.com</a></p> <p><b>FASKEN MARTINEAU DUMOULIN LLP</b></p> <p><b>TRAVIS LYSAK</b>  Email: <a href="mailto:tlysak@fasken.com">tlysak@fasken.com</a></p>	<p>403.261.5501</p>	<p>403.261.5351</p>	<p>Counsel for Defendants</p>
<p><b>2268197 Alberta Ltd.</b>  c/o Registered Office  855-2 Street SW Suite 3500  Calgary, Alberta  T2P 4J8</p> <p><b>GUARD BUSINESS LAW</b></p> <p>Lyle Guard  Email: <a href="mailto:lyleg@guardlaw.ca">lyleg@guardlaw.ca</a></p>	<p>403.671.0666</p>		<p>Counsel to 2268197 Alberta Ltd.</p>
<p><b>1128775 Alberta Ltd.</b>  c/o Registered Office  855-2 Street SW Suite 3500  Calgary, Alberta  T2P 4J8</p> <p><b>BIAMONTE LLP</b></p> <p><b>RICHARD BIAMONTE</b>  Email: <a href="mailto:rbiamonte@biamonte.com">rbiamonte@biamonte.com</a></p>	<p>780.425.5800</p>	<p>780.426.1600</p>	<p>Counsel to 1128775 Alberta Ltd.</p>



<b>CAPTIVE RENTALS LTD.</b> 114 Scheneider Street PO Box 478 Estevan, Saskatchewan S4A 2A4  Attention: Chad Farr Email: <a href="mailto:farrz93@hotmail.com">farrz93@hotmail.com</a>	306.636.6868	306.636.210	Purchaser
<b>MCDUGALL AUCTIONEERING LTD.</b> 610 North Service Rd. Emerald Park, SK S4L 3G7  <b>CHAD GUAY</b> Email: <a href="mailto:chad@mcdougallauction.com">chad@mcdougallauction.com</a>			Auction House – Asset Purchase
<b>WEST GROVE CAPITAL ADVISORS LTD.</b> Suite 300, 407-2 <sup>nd</sup> Street SW Calgary, AB T2P 2Y3  <b>BRUCE MACLENNAN CAM SHERBAN</b>  Email: <a href="mailto:bmaclennan@centuryservices.com">bmaclennan@centuryservices.com</a> <a href="mailto:cam.sherban@westgrovecapital.com">cam.sherban@westgrovecapital.com</a>			Selling Agent
<b>SISSON ENTERPRISES CORP.</b> Lot 26, 26308 TWP Rd, 525A Acheson, Alberta T7X 5A6			
<b>TANKS DIRECT</b> Lot 26, 26308 TWP Rd, 525A Acheson, Alberta T7X 5A6			
<b>ATB FINANCIAL</b> 100, 4911 51 Street Red Deer, Alberta T4N 6V4	403.314.2698	403.341.08969	Creditor

<b>CANADIAN WESTERN BANK</b> 5407 Discovery Way Leduc, Alberta T9E 8N4  Canadian Western Bank Suite 285, 4000 Glenmore Court SE Calgary, AB T2C 5R8	780.986.9858	780.986.0179	Creditor
<b>1800982 Alberta Ltd.</b> RR1 Site 2 Box 10 Bentley, Alberta T0C 0J0			Creditor
<b>CAM CLARK LEASING LTD.</b> 417 Lantern St. Red Deer County, Alberta T4E 0A5  Email: <a href="mailto:dan.peterson@camclarkford.com">dan.peterson@camclarkford.com</a>			Creditor
<b>MGM Lease</b> 3010 50 Avenue Red Deer, Alberta T4R 1M5  Email: <a href="mailto:jhallick@mgmfordlincoln.com">jhallick@mgmfordlincoln.com</a> <a href="mailto:eturnbull@mgmfordlincoln.com">eturnbull@mgmfordlincoln.com</a>			Creditor
<b>Thomas E. Plupek Barrister &amp; Solicitor</b> #300, 10209- 97 Street Edmonton, AB T5J 0L6  <b>TOM PLUPEK</b> Email: <a href="mailto:thomasplupeklaw@gmail.com">thomasplupeklaw@gmail.com</a>	780.453.4387	780.424.7379	Counsel for Jamie Moench
<b>KAL TIRE, A CORPORATE PARTNERSHIP</b> 1540 Kalamalka Lake Road Vernon, B.C. V1T 6V2  Email : <a href="mailto:absecparties@avssystems.ca">absecparties@avssystems.ca</a>			Creditor

**SCHEDULE "B"**

**Proposed Form of Order**