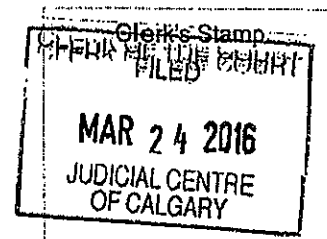


COURT FILE NUMBER 1501-15223
COURT Court of Queen's Bench of Alberta
(In Bankruptcy and Insolvency)
JUDICIAL CENTRE Calgary
PLAINTIFF **CENTURY SERVICES LP,
by its General Partner CENTURY SERVICES INC.**
DEFENDANTS **CHRIS MECHANICAL SERVICES LTD., DUFFY
HOLDINGS LTD. and DUFFY BUILDING
CORPORATION**
DOCUMENT **AUCTION APPROVAL AND VESTING ORDER
(Sale by Receiver)**
ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS
DOCUMENT **Fasken Martineau DuMoulin LLP
Barristers and Solicitors
3400 First Canadian Centre
350 – 7 Avenue SW
Calgary, Alberta T2P 3N9**



Attention: Travis Lysak and Theodore Fong
Telephone: (403) 261- 5350
Facsimile: (403) 261-5351
Email: tlysak@fasken.com / tfong@fasken.com
File No.: 261990.17929

DATE ON WHICH ORDER WAS PRONOUNCED: March 23, 2016
NAME OF JUDGE WHO MADE THIS ORDER: Justice C. M. Jones
LOCATION OF HEARING: Calgary, Alberta

UPON the application of FTI Consulting Canada Inc. in its capacity as the receiver and manager (the "Receiver") of the undertaking, property and assets of the Defendant Chris Mechanical Services Ltd. (the "Debtor") for an order (i) approving the Offer-Guarantee NMG dated February 26, 2016 (the "Auction Agreement") between the Receiver and Hilco Acquisitions Canada, ULC (the "Auctioneer"), which is appended to the First Report of the Receiver dated March 8, 2016 (the "Report"), and the transactions contemplated thereby; (ii)

providing for the vesting of the Debtor's right, title and interest in and to the Chris Mechanical Equipment, as defined in the Report and listed in the attached **Schedule "A"** (referred to herein as the "**Assets**"), in any person or persons who purchase any of the Assets pursuant to the Auction Agreement (a "**Purchaser**"); and (iii) authorizing the Receiver to disburse and distribute the sale proceeds in respect of the Assets; **AND UPON HAVING READ** the Report; **AND HAVING READ** such other material in the pleadings and proceedings as deemed necessary; **AND UPON HEARING** the submissions of counsel for the Receiver and counsel to other interested parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE AND DEFINITIONS

1. The time for service of the notice of application for this Order is hereby abridged and service of the Application and supporting materials is deemed good and sufficient.

APPROVAL OF RECEIVER'S ACTIONS & AUCTION AGREEMENT

2. The actions of the Receiver to date, as reported in the Report, are hereby approved.
3. The Auction Agreement (including all schedules attached thereto) is hereby approved.
4. Subject to the provisions of this Order and the Receivership Order granted by Justice C.M. Jones on December 18, 2015 (the "**Receivership Order**"), the Receiver is hereby authorized and directed to take any and all actions as may be necessary or desirable to implement the Auction Agreement. Without limiting the foregoing, the Receiver is authorized to execute any other agreement, contract, deed or any other document, or take any other action, which could be required or useful to give full and complete effect to the Auction Agreement.

MARKETING AND SALE OF ASSETS

5. The Assets bearing reference numbers 39, 51, 54, and 56 in the attached Schedule "A" shall be removed from the Auction Sale and the Receiver and Auctioneer shall be at liberty to renegotiate the Auction Agreement to account for the removal of these Assets from the Asset Sale.

6. If prior to the occurrence of any Asset Sale respecting the Asset bearing reference number 84 in the attached Schedule "A" (the "Trailer"), any party is able to establish that it is the owner of the Trailer, then:
 - (a) the Trailer shall be removed from the Auction Sale and returned to the owner; and
 - (b) the Receiver and Auctioneer shall be at liberty to renegotiate the Auction Agreement to account for the removal of the Trailer from the Asset Sale.

7. The Auctioneer is authorized to market and sell the Assets in accordance with the terms of the Auction Agreement (the "Asset Sales"). The Asset Sales shall be free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively the "Claims") including, without limiting the generality of the foregoing:
 - (a) any encumbrances or charges created by the Receivership Order; and
 - (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system (collectively the "Encumbrances");

ASSET SALE AND VESTING

8. Upon the Auctioneer completing the sale of any of the Assets to a Purchaser, and upon receipt of the purchase price by the Auctioneer and delivery by the Auctioneer of a bill of sale or similar evidence of purchase to such Purchaser (the "**Purchaser Bill of Sale**"):
 - (a) all of the Debtor's right, title and interest in and to the Assets shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all Claims, and all of the Encumbrances affecting or relating to such Assets shall be expunged and discharged as against such Assets;

- (b) the Debtor and all persons who claim by, through or under the Debtor in respect of the Assets, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Assets and, to the extent that any such persons remain in possession or control of any of the Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee); and
 - (c) the Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.
- 9. Nothing herein shall discharge the obligations of the Auctioneer pursuant to the Auction Agreement or otherwise, or the rights or claims of the Receiver in respect thereof including, without limitation, the obligations of the Auctioneer to account for and remit the proceeds of the Asset Sales (the “**Sale Proceeds**”) to the Receiver.
- 10. For the purposes of determining the nature and priority of Claims, the monies payable to the Receiver under the Auction Agreement from the Asset Sales shall stand in the place and stead of the Assets, and from and after the delivery of the Purchaser Bill of Sale, all Claims shall attach to the net Sale Proceeds from the Asset Sales with the same priority as they had with respect to the Assets immediately prior to the sale, as if the 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.
- 11. From and after the closing of sale of any of the Assets to a Purchaser, the Receiver is authorized to take all such steps as may be necessary to effect the discharge of any security registration or registrations relating to the Claims registered against the Assets, including Encumbrances, as may be necessary, provided that the Receiver shall not be authorized to effect any discharge that would have the effect of releasing any collateral other than the Assets, and the Receiver shall be authorized to take any further steps by way of further application to this Court.

12. Notwithstanding (i) the pendency of these receivership proceedings; (ii) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to such applications; (iii) any assignment in bankruptcy made in respect of the Debtor; or (iv) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances contained in any existing agreement, lease, sub-lease, offer to lease or other arrangement which binds the Debtor, and notwithstanding any provision to the contrary in any such agreement (a “**Third Party Agreement**”):
- (a) the vesting of the 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 Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) 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; and
 - (b) the vesting of the Assets in the Purchaser (or its nominee) pursuant to this Order shall not create nor be deemed to constitute a breach by the Debtor of any Third Party Agreement, and the Purchaser shall not have liability to any person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation, execution, delivery or performance of the transactions contemplated herein.

NET SALE PROCEEDS

13. The Receiver is authorized to disburse and distribute the Sale Proceeds to Century Services Corp. (the “**Century Interim Distribution**”), net of standard deductions related to the Asset Sales, less an amount to be held back by the Receiver, in its sole discretion, in order to complete remaining administrative tasks in the receivership proceedings. The

Century Interim Distribution shall not exceed the total debt owed to Century Services Corp.

LIMITATION OF LIABILITY

14. Subject to the Receivership Order, nothing in this Order shall require the Receiver to occupy or to take control, or to otherwise manage all or any part of the Assets. The Receiver shall not, as a result of this Order, be deemed to be in possession of any of the Assets within the meaning of environmental legislation or pursuant to the terms of the *Bankruptcy and Insolvency Act* (Canada).
15. No action lies against the Receiver by reason of this Order or to the performance of any act authorized by this Order.

MISCELLANEOUS MATTERS

16. 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 as 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.
17. This Order must be served only upon those interested parties attending or represented at the within Application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.

18. The Receiver, the Auctioneer (or its nominee) and any other interested party shall be at liberty to apply for further advice, assistance and directions 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 Asset Sales.

"C. J. Jones"

J.C.C.Q.B.A.

**SCHEDULE "A" TO THE
AUCTION APPROVAL AND VESTING ORDER
(Sale by Receiver)**

SCHEDULE III

**FTI Consulting Canada Inc. in its capacity as Receiver of CHRIS MECHANICAL SERVICES LTD. and not
in its personal capacity (the "Receiver")**

Ref #	Unit #	Description
1		Pallet racking , parts 40' storage container
2		Assorted plywood boxes, pallets , container
3		(2) Steel storage racks c/w steel on the ground, reel
4		2007 Mack model 688S tandem axle coil tubing rig, tilt cab, twin steer, vin: 1M2K197C87M036298 c/w single or double reel capacity, crane, tank, control panel, 40k injector, quick connect hydraulics, hydraulic tool changer, P2 style pumping system, knuckle boom
5		2005 Mack model 688S tandem axle coil tubing rig, tilt cab, twin steer, vin: 1M2K197CX5M027731 c/w single or double reel capacity, Hiab model 0331 crane, Hurricane model 908-85 compressor, tank, control panel, 40k injector, quick connect hydraulics, hydraulic tool changer, P2 style pumping system, knuckle boom
6	C-4	2006 Peterbuilt model 378 tri-axle tractor, 18 speed transmission, 18 speed transmission, Vin: 1XP-FDBOX-7-N675721
7	C-5	2006 Peerless tri-axle goose neck coil tubing trailer c/w hydraulically lifted control cab, 80,000 lbs coiled tubing injector, double reel s/n 2PLCO47357BF12840 2006 Peterbuilt model 378 tandem axle tractor, 18 speed transmission, Vin: 1NP-FXBEX-4-7D686482

- C-2 2006 Peerless tri-axle goose neck coil tubing trailer c/w National model 647E hydraulic powered crane & related support equipment, s/n 2PLC046397BF13197
- 8 (5) Lista Parts cabinets, job site tool storage box, shelving c/w contents
- 9 SE039 Caterpillar electric powered forklift, three stage mast, cushion tires,
- 10 ME012 Hyd-Mech model S-20A horizontal metal cutting bandsaw, s/n 8B0109016
- 11 Fume exhauster, (3) Miller 350P welder, (3) Miller welder, Lincoln welder, floor type drill press, steel table,
- 12 Coiled tubing injector CoCo Series
- 13 SE039 Clark propane powered forklift, enclosed cab, two stage mast
- 14 CoCo Goose neck unit
- 15 SE008 Sandblasting cabinet
- 16 SE006 Hotsy pressure washer
- 17 Coiled tubing injector CoCo Series
- 18 Chainfalls, steel, ladders, tables
- 19 SE011 Enclosed Parts Cleaning chamber
- 20 SE048 GMC 3500 pick-up
- 21 Grey shelving & assorted tools, bins & parts
- 22 SE015 Heavy duty shop press c/w electric powered hydraulic power pack

- 23 Coiled tubing injector CoCo Series
- 24 Assorted control gauges etc
- 25 SE073 GBC model UNI 70B hydraulic tube
bender on cart
- 26 Arbour press c/w stand
- 27 Lista nine drawer storage cabinet c/w
solvent cleaning tank
- 28 ME015 Whacheon FMT 12" x 40" c.c. engine
lathe, s/n 0-0007-74
- 29 ME016 Andrychow Dalimpex 12" x 72" c.c.
engine lathe, s/n n/a
- 30 ME017 Tos model SN 500N engine lathe, 16"
x 72" c.c., Newall two axis DRO
controller, s/n n/a
- 31 ME013 Summit 20" x 120" c.c. engine lathe,
4.5" spindle bore, two axis DRO
controller
- 32 Coiled tubing injector CoCo Series
- 33 SE070 (3) Burr King tumbler sanders
- 34 ME002 Jones Shipman surface grinder, drill
press, drill bit grinder & tooling on
carts
- 35 ME001 1978 Tos model FNK25 milling
machine c/w dro controller & vise, s/n
24011
- 36 ME010 First milling machine, s/n 80101416
- 37 Trak model DPM CNC milling
machine, s/n 012BF12203
- 38 ME009 EL 9 Engraver c/w cart
- 39 SE046 Snowblower & lawnmower

- 40 (7) shop tool carts & (3) Lista storage cabinets
- 41 ME003 2005 Haas model SL-20TARL vertical machining center, 3/60/208/230 volts, 8" chuck, ten station turret, tailstock, chip conveyor c/w APL auto parts loader, s/n 69923
- 42 ME004 2008 Haas model SL-30T turning center, 12 station turret, live tooling, tailstock, 12" chuck, 3/60/208/230 volts, s/n 3081663
- 43 ME006 2005 Haas model Minimill vertical machining center, 3/60/208/240 volts, s/n 41539
- 44 ME005 2004 Haas model TL-2 turning center, 3/60/208/240 volts, s/n 67644
- 45 ME046 2008 Haas model VF-4B vertical machining center, 20 hp, TSC system, 1000 IPM, (24) station tool changer, 3/60/208/240 volts, s/n 1067276
- 46 ME007 2012 Haas model VF-4 vertical machining center, 20 hp, TSC system, 1000 IPM, (24) station tool changer, 40 taper tooling, 3/60/195/260 volts, s/n 1093904
- ME041 Haas 4th axis rotary table
- 47 ME008 2012 Haas model VF-7/50 vertical machining center, (24) station tool changer, 3/60/195/260 volts, s/n 1094720
- ME042 2012 Haas 4th axis rotary head
- 48 ME014 2012 Haas model ST40 turning center, 3/60/195/260 volts, s/n 3092967
- 49 Office furnishings

- 50 **Rofin Starmark laser unit**
- 51 **Barbecue**
- 52 **Grey shelving c/w assorted parts**
- 53 **Intimus unit**
- 54 **Ricoh wide format printer**
- 55 **Assorted office equipment**
- 56 **Ricoh model MP CW 2200 SP copier**
- 57 **Server rack c/w contents**
- 58 **Hotsy pressure washer**
- 59 **Paint booth / Mudu blast booth**
- 60 **MJ 5080G Oven**
- 61 SE012 **Porn hydraulic testing unit**
- 63 SE001 **(2) Shop floor vice's**
- 64 **(2) Roller stand**
- 65 **(12) Extension cords**
- 66 **(14) Welding screens**
- 67 **(2) Mobile scaffolding**
- 68 SE018 **Hydraulic test bench for high pressure**
- 69 SE019 **Swivel test bench**
- 70 SE020 **Hydraulic test bench for low pressure**
- 71 **Transfer pump**
- 72 **(20) Blue shop carts**
- 73 **O/A set c/w cart**

- 74 (24) Fire extinguishers
- 75 Chain assembly press
- 76 Assorted vices, dollies, banding carts, pallet jack,
- 77 Forklift man cage
- 78 Delta chop saw
- 79 Tablesaw
- 80 Battery charger
- 81 Ridgid bandsaw
- 82 Belt sander
- 83 SE049 Tandem axle 20' long bed flat deck trailer
- 84 SE050 Tandem axle 12' long dump trailer
- 85 SE052 Gantry A-frame on castors
- 86 Bench grinder, drill bit sharpner, water tank, pressure washer, bottle cage, gas cans, ladders, battery charger,
- 87 Shrink fast heat gun
- 88 Welding table
- 89 Time clock, barrel lifter, tester units