



Clerk's stamp:

ESTATE NUMBER 24-2536824

COURT COURT OF QUEEN'S BENCH OF ALBERTA IN
BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE EDMONTON

PROCEEDING IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF R.D.E. VENTURES INC.

DOCUMENT **APPLICATION (Interim Distribution among other relief)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **BLAKE, CASSELS & GRAYDON LLP**
3500, 855 – 2nd Street S.W.
Calgary, AB T2P 4J8
Attention: Kelly J. Bourassa / James Reid
Telephone: 403-260-9697 / 403-260-9731
Facsimile: 403-260-9700
Email: kelly.bourassa@blakes.com
james.reid@blakes.com

NOTICE TO RESPONDENT

This application is made against you. You are a 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	<u>October 27, 2020</u>
Time	<u>10:00 a.m.</u>
Where	<u>Edmonton Law Courts (via Webex)</u>
Before Whom	<u>The Honourable Justice D.L. Shelley</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. FTI Consulting Canada Inc., in its capacity as the receiver and manager (the "**Receiver**") over certain assets, properties, and undertakings (the "**Property**") of R.D.E. Ventures Inc. (the "**Debtor**") as particularly described in Schedule "A" to the Receivership Order (defined below), seeks an order substantially in the form attached hereto as Schedule "**A**":

- (a) abridging the time for service of this application and declaring that this application is properly returnable today, if necessary, and further service of this Application, other than to those listed on the Service List attached hereto as Schedule "B" is hereby dispensed with;
- (b) approving the actions, conduct and activities of the Receiver as outlined in the Second Report of the Receiver dated October 19, 2020 (the "**Second Report**");
- (c) approving the Receiver's interim statement of receipts and disbursements for the period from August 16, 2019 to October 16, 2020;
- (d) authorizing and directing the Receiver to release to the estate of the Debtor for distribution to National Bank of Canada (the "**NBC**"), the funds held back pursuant to paragraph 6 of the First Interim Distribution Order (defined below) in respect of the property claim by Allspec Asphalt Inc. ("**Allspec**");
- (e) declaring that the deemed trust claim of the Canada Revenue Agency (the "**CRA**") in the amount of \$399,164.47 as against the Property (the "**CRA Claim**") is valid and enforceable;
- (f) authorizing and directing the Receiver to make an interim distribution to the CRA in the amount of the CRA Claim from the funds subject to the CRA Holdback (defined below);
- (g) authorizing and directing the Receiver to make an interim distribution or interim distributions to NBC, from the remaining funds of the Debtor's estate; and
- (h) such further and other relief as counsel may request and this Honourable Court may deem appropriate.

Grounds for making this application:

2. On August 16, 2019, the Property became subject to these receivership proceedings pursuant to an Order of the Honourable Justice J.H. Goss (the "**Receivership Order**").

Release of the AllSpec Holdback

3. Pursuant to an interim distribution order granted by the Honourable Justice J.S. Little on February 19, 2020 (the "**First Interim Distribution Order**"), the Receiver was authorized and directed to holdback \$206,000 (the "**Allspec Holdback**") from the funds available for distribution pending the resolution of a property claim made by Allspec.
4. The Receiver has reviewed the information provided by Allspec, as well as the books and records of the Debtor, and determined that there is a significant amount owing from Allspec to the Debtor, such that the Allspec Holdback can be released to the Debtor's estate for distribution to NBC.

Payment of the CRA Claim

5. The First Interim Distribution Order directed the Receiver to holdback \$400,000 (the "**CRA Holdback**") of the funds available for distribution pending the Receiver's review of the validity, enforceability and priority of the CRA Claim.
6. The Receiver and its counsel have reviewed the documentation provided by the CRA in respect of the CRA Claim, and are of the view that the CRA Claim is valid and in priority to all other creditors of the Debtor.

Interim Distribution to NBC

7. NBC has valid and enforceable first priority security over the proceeds of sale of the Property.
8. Such further and other reasons as counsel may request and this Honourable Court may deem just.

Material or evidence to be relied on:

9. The Receiver intends to rely upon the following materials:
 - (a) the Receivership Order, filed;
 - (b) the First Report, filed;
 - (c) the Second Report, filed;

- (d) such further and other materials as counsel may advise and this Honourable Court may permit.

Applicable rules:

10. The Receiver will rely upon and refer to the Alberta *Rules of Court* during the making of the Application.

Applicable Acts and Regulations:

11. The Receiver will rely upon and refer to the provisions of the *Bankruptcy & Insolvency Act*, RSC 1985, c B-3, as amended.

Any irregularity complained of or objection relied on:

12. None.

How application is proposed to be heard or considered:

13. Oral submission by counsel at an application to be heard via Webex before the Honourable Madam Justice D.L. Shelley on October 27, 2020.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant 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"
Form of Order
(see attached)

Clerk's stamp:

ESTATE NUMBER 24-2536824
COURT COURT OF QUEEN'S BENCH OF ALBERTA IN
BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE EDMONTON
PROCEEDING IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF R.D.E. VENTURES INC.
DOCUMENT **INTERIM DISTRIBUTION ORDER (among other relief)**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

BLAKE, CASSELS & GRAYDON LLP
3500, 855 – 2nd Street S.W.
Calgary, AB T2P 4J8
Attention: Kelly J. Bourassa / James Reid
Telephone: 403-260-9697 / 403-260-9731
Facsimile: 403-260-9700
Email: kelly.bourassa@blakes.com
james.reid@blakes.com

DATE ON WHICH ORDER WAS PRONOUNCED: October 27, 2020
LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton Law Courts
NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice D.L. Shelley

UPON THE APPLICATION by FTI Consulting Canada Inc., in its capacity as the receiver and manager (the "**Receiver**") over certain assets, properties, and undertakings (the "**Property**") of R.D.E. Ventures Inc. (the "**Debtor**") as further described in Schedule "A" to the Receivership Order (as defined below) for an Order for an interim distribution of proceeds, approval of the Receiver's fees and disbursements, and approval of the Receiver's activities, among other relief;

AND UPON having read the Application, the Second Report of the Receiver dated October 19, 2020, filed (the "**Second Report**"), and the Interim Distribution Order of the Honourable Justice Little dated February 19, 2020 (the "**First Interim Distribution Order**");

AND UPON having read the Affidavit of Service of Lindsay Farr sworn October [●], 2020, filed;

AND UPON hearing counsel for the Receiver, counsel for the National Bank of Canada, and counsel for other interested parties in attendance at the Application,

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of this Application and supporting materials is hereby abridged, if necessary, and the Application is properly returnable today and any requirement for service of the Application upon any party not served is hereby dispensed with.

ACCOUNTS & ACTIVITIES OF RECEIVER

2. The actions, conduct and activities of the Receiver as set out in the Second Report are hereby ratified and approved.
3. The Receiver's accounts for fees and disbursements, as set out in the Second Report, are hereby approved without the necessity of a formal passing of its accounts.
4. The Receiver's statement of receipts and disbursements from the period of August 16, 2019 to October 16, 2020, as set out in the Second Report, are hereby ratified and approved.

INTERIM DISTRIBUTION

5. The Receiver is authorized and directed to release to the estate of the Debtor for distribution in accordance with paragraph 9 of this Order, the funds held back pursuant to paragraph 6 of the First Interim Distribution Order in respect of the property claim by Allspec Asphalt Inc., as further described in the Second Report.
6. The deemed trust claim of the Canada Revenue Agency (the "**CRA**") in the amount of \$399,164.47 (the "**CRA Claim**"), as further described in the Second Report, is declared valid and enforceable.

7. The Receiver is authorized and directed to make an interim distribution to the CRA in the amount of \$399,164.47 in full satisfaction of the CRA Claim, as further described in the Second Report.
8. The distribution in respect of the CRA Claim set out in paragraph 7 above does not prejudice any rights the Receiver may have in law and in equity to seek contribution from other creditors of the Debtor in respect of the CRA Claim.
9. The Receiver is hereby authorized and directed, at such time as it determines appropriate, to make an interim distribution or interim distributions to the National Bank of Canada, from the remaining funds of the Debtor's estate, as further described in the Second Report.

GENERAL

10. Service of this Order on the persons in attendance at the Application by e-mail, facsimile, registered mail, courier, or personal delivery shall constitute good and sufficient service of this Order, and no persons, other than those in attendance at the Application, are entitled to be served with a copy of this Order.

J.C.Q.B.A.

Schedule "B"

Service List

(see attached)

COURT FILE NUMBER 24-2536824

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

PROCEEDING IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF R.D.E. VENTURES INC.

SERVICE LIST

Party	Telephone	Fax	Role
BLAKE, CASSELS & GRAYDON LLP 3500, 855 – 2 nd Street SW Calgary, AB T2P 4J8 KELLY BOURASSA E-mail: kelly.bourassa@blakes.com JAMES REID E-mail: james.reid@blakes.com	 403-260-9697 403-260-9731	403-260-9700	Counsel to FTI Consulting Canada Inc.
FTI CONSULTING CANADA INC. Suite 1610, 520 - 5th Avenue SW Calgary AB T2P 3R7 ROBERT KLEEBAUM E-mail: robert.kleebaum@fticonsulting.com THOMAS POWELL E-mail: Tom.Powell@fticonsulting.com	 403-454-6035 604-484-9525	403-232-6116	Receiver for R.D.E. Ventures
DENTONS CANADA LLP 10220 103 Avenue NW Suite 2500, Stantec Tower Edmonton, Alberta T5J 0K4 DEAN HITESMAN E-mail: dean.hitesman@dentons.com	 780-423-7284	780-423-7276	Counsel for the Bowra Group Inc.
McCARTHY TETREAUULT LLP 421 7 th Avenue SW Calgary, AB T2P 4K9 SEAN COLLINS E-mail: scollins@mccarthy.ca	 403-260-3531	403-260-3501	Counsel for National Bank of Canada

Party	Telephone	Fax	Role
BURNET, DUCKWORTH & PALMER LLP 2400, 525 - 8th Avenue SW Calgary, AB T2P 1G1 RYAN ALGAR E-mail: ralgar@bdplaw.com	403-260-0100 403-260-0126	403-260-0332	Counsel to Element Fleet Management Inc.
THE BOWRA GROUP INC. TD Tower Suite 1411 – 10088 102 Avenue Edmonton, AB T5J 2Z1 KRISTIN GRAY E-mail: kgray@bowragroup.com DOUG CHIVERS E-mail: dchivers@bowragroup.com	780-666-9804 780-705-1717	780-705-1946	Proposal Trustee under the NOI Proposal
BORDEN LADNER GERVAIS LLP P.O. Box 48600 1200 Waterfront Centre, 200 Burrard St. Vancouver, BC V7X 1T2 LISA HIEBERT E-mail: LHiebert@blg.com DIRK LAUDAN E-mail: DLaudan@blg.com	604-687-5744 604-632-3425 604-640-4154	604-687-1415	Counsel to Trisura Guarantee Insurance Company
TRISURA GUARANTEE INSURANCE COMPANY Bay Adelaide Centre 333 Bay Street, Suite 1610 Toronto, Ontario M5H 2R2 VICTOR A. BANDIERA E-mail: victor.bandiera@trisura.com	416-607-2123		
WOLVERINE ENERGY AND INFRASTRUCTURE INC. Suite 400, 2207 - 4 Street SW Calgary, AB T2S 1X1 JOHN PAUL SMITH E-mail: jsmith@wnrgi.com	403-264-8731 403-669-3749		

Party	Telephone	Fax	Role
<p>CANADA REVENUE AGENCY National Insolvency Office 10-9700 Jasper Ave NW Edmonton, AB T5J 4C8</p> <p>A.J. LAROCQUE</p> <p>GEORGE BODY E-mail: George.Body@justice.gc.ca</p>	587-489-2699	866-219-0311	
<p>PILLAR CAPITAL CORP. Suite 920, 602 – 12 Avenue SW Calgary, AB T2R 1J3</p> <p>E-mail: ppsa@pillarcapitalcorp.com</p>			
<p>ESSEX LEASE FINANCIAL CORPORATION 10768 – 74 Street SE Calgary, AB T2C 5N6</p> <p>E-mail: info@elfc.ca</p>	403-693-4060	403-236-9076	
<p>BRANDT TRACTOR LTD. P.O. Box 3856, Highway #1 East Regina, SK S4P 3R8</p>	306-791-5950	306-791-5945	
<p>ALLSPEC ASPHALT INC. 110 Manitoba Court Spruce Grove, Alberta T7X 3Y9</p> <p>DEAN EASTMAN E-mail: dean.eastman@rdgroup.ca</p> <p>ROB STEWART E-mail: rstewart@rdstewartgroup.com</p>	780-554-3190	780-962-9758	