

COURT FILE NUMBER 2201-02699
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF NATIONAL BANK OF CANADA
DEFENDANTS BALANCED ENERGY OILFIELD SERVICES (USA) INC., BALANCED ENERGY HOLDINGS INC., MICHELLE THOMAS, NEIL SCHMEICHEL, DARREN MILLER, and CODY BELLAMY



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DOCUMENT **ORDER**
(Approval of Accounts and Activities, Approval of Fees, and Discharge of Receiver)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **Osler, Hoskin & Harcourt LLP**
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DATE ON WHICH ORDER WAS PRONOUNCED: May 1, 2023

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam Justice B.E.C. Romaine

UPON THE APPLICATION of FTI Consulting Canada Inc., in its capacity as receiver and manager (the “**Receiver**”) of Balanced Energy Oilfield Services (USA) Inc. (“**BUSA**”) and Balanced Energy Holdings Inc. (“**BEH**”) (collectively the “**Balanced Group**” or the “**Debtor**”); **AND UPON** reviewing the Third Report of the Receiver, dated April 24, 2023 (the “**Third Report**”) and other Reports previously filed by the Receiver in this Action; **AND UPON** hearing from counsel for the Receiver and counsel for any other interested party appearing at the hearing

of the Application; **AND UPON** reviewing the Affidavit of Service of Elena Pratt, sworn April 25, 2023;

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, 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 actually given;

APPROVAL OF RECEIPTS, DISBURSEMENTS AND ACCOUNTS

2. The Receiver's accounts for fees and disbursements, as set out in the Receiver's Third Report are hereby approved without the necessity of a formal passing of its accounts.
3. The accounts of the Receiver's legal counsel Osler, Hoskin & Harcourt LLP ("**Osler**"), for its fees and disbursements, as set out in the Receiver's Report are hereby approved without the necessity of a formal assessment of its accounts.
4. The accounts of the Receiver's US legal counsel Munsch Hardt Kopf & Harr, P.C. for its fees and disbursements, as set out in the Receiver's Report are hereby approved without the necessity of a formal assessment of its accounts.
5. The Receiver's activities as set out in the Receiver's Third Report and in all of its other reports filed herein, and the Statement of Receipts and Disbursements as set out in the Receiver's Third Report, are hereby ratified and approved.
6. The Receiver is directed and authorized to maintain a holdback of \$150,000 (the "**Holdback**") to cover: (i) professional fees of the Receiver and Osler to complete the administration of the Receivership; (ii) the Deemed Trust CRA Claim as further described in the Third Report (until such time as BEH is assigned into bankruptcy or the CRA consents to the release of this portion of the Holdback, at which time this portion of the Holdback may be released); (iii) the remaining costs to complete the administration of these Receivership proceedings including storage costs (collectively, the "**Holdback Expenses**").

7. The Receiver is authorized and directed to distribute all remaining funds apart from the Holdback, to National Bank of Canada (“**National Bank**”).
8. In the event any residual funds remain in the Holdback following payment of the Holdback Expenses, the Receiver is authorized and directed to distribute any such residual funds to National Bank.
9. Paragraph 3 of the Receivership Order granted in these proceedings on March 7, 2022 is hereby amended by adding the following paragraph 3(t):
 - (t) if the Receiver deems it advisable to do so, to assign any of the Debtors into bankruptcy pursuant to the provisions of section 49 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended;

DISCHARGE OF THE RECEIVER

10. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any fraud, gross negligence or willful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.
11. No action or other proceedings shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on Notice to the Receiver, and upon such terms as this Court may direct.
12. The Receiver is hereby authorized and permitted to deliver to the current or former directors of the Debtor at his/her own expense copies of any corporate record in the possession and control of the Receiver relating to the Debtor. In the event corporate records remain in the possession and control of the Receiver 30 days following the Receiver providing notice of this Order by posting a copy of same on its website, the Receiver is

hereby authorized and directed to destroy or dispose of such records in whatever manner the Receiver deems appropriate.

13. Upon the Receiver filing with the Clerk of the Court a sworn Affidavit of a licensed Trustee employed by the Receiver confirming that all outstanding matters required in administration of this Receivership have been completed, then the Receiver shall be discharged as Receiver of the Debtor, provided however, that notwithstanding its discharge herein: (a) the Receiver shall remain Receiver for the performance of such incidental duties 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 this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver in its capacity as Receiver.

MISCELLANEOUS

14. The Receiver has leave to reapply to this Honourable Court for such further advice and directions as may be necessary.
15. 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.
16. Service of this Order on any party not attending this application is hereby dispensed with.



J.C.Q.B.A.