



COURT FILE NUMBER 2501-02733
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COOPERATIVES ACT,
SA 2001, c C-28.1

AND IN THE MATTER OF THE RECEIVERSHIP
OF PICTURE BUTTE FEEDER COOPERATIVE

APPLICANT PICTURE BUTTE FEEDER COOPERATIVE
DOCUMENT RESTRUCTURING OFFICER ORDER

I hereby certify this to be a true copy of
the original order

Dated this 26 day of Feb, 2025

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

CASSELS BROCK & BLACKWELL LLP

3810, Bankers Hall West

888 3rd St SW

Calgary, AB T2P 5C5

Attention: Jeffrey Oliver / Danielle Marechal

P: 403 351 2922 / 403 351 2921

E: joliver@cassels.com / dmarechal@cassels.com

File No. 061429-00005

for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED: **February 21, 2025**
LOCATION OF HEARING: **Edmonton Law Courts, Edmonton, Alberta**
NAME OF JUSTICE WHO GRANTED THIS ORDER: **The Honourable Justice Mah**

UPON the application of Picture Butte Feeder Cooperative (the "**Cooperative**"); **AND UPON** having read the Originating Application, the Affidavit of Tony Ankermann, sworn February 18, 2025, filed, the Confidential Affidavit of Tony Ankermann sworn on February 18, 2025 and the Affidavit of Service of Angeline Gagnon, sworn February 21, 2025, to be filed; **AND UPON** reading the consent of Alvarez & Marsal Canada Inc. to act as receiver-manager (the "**Restructuring Officer**") of the Cooperative, filed; **AND UPON** hearing counsel for the Cooperative, counsel for the proposed Restructuring Officer, counsel for the primary secured creditor of the Cooperative being a syndicate of lenders for whom the Bank of Montreal is the administrative agent (the "**Lenders**"), counsel for and any other counsel or other interested parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service

1. The time for service of the notice of application for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this application is properly returnable today.

Appointment

2. Pursuant to section 299(1) of the *Cooperatives Act*, SA 2001, c C-28.1 (the "**Cooperatives Act**") and section 13(2) of the *Judicature Act*, RSA 2000, c.J-2, Alvarez & Marsal Canada Inc. is hereby appointed Restructuring Officer, without security, of all of the Cooperative's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**").

Restructuring Officer's Powers

3. The Restructuring Officer is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Restructuring Officer is hereby expressly empowered and authorized to do any of the following where the Restructuring Officer considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, which shall include the Restructuring Officer's ability to abandon, dispose of, or otherwise release any interest in any of the Cooperative's real or personal property, or any right in any immovable;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) to manage, operate and carry on the business of the Cooperative, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Cooperative. In conducting the business of the Cooperative, the Restructuring Officer shall use best efforts to rectify any existing non-compliance by the Cooperative with the *Feeder Associations Guarantee Act*, SA 2009, c F-11.1 ("**FAGA**") and the *Feeder Associations Guarantee Regulation*, Alta Reg 13/2012 ("**FAGR**") and to conduct any operations of the Cooperative in accordance with the FAGA and FAGR;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, Restructuring Officers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Restructuring Officer's powers and duties, including without limitation those conferred by this Order. Without limiting the foregoing, the Restructuring Officer is expressly empowered and authorized to continue to retain Cassels Brock & Blackwell LLP ("**Cassels**") on behalf of the Cooperative, and to instruct Cassels on behalf of the Cooperative, in addition to engaging independent legal counsel;
- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Cooperative or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Cooperative and to exercise all remedies of the Cooperative in collecting such monies, including, without limitation, to enforce any security held by the Cooperative;
- (g) to settle, extend or compromise any indebtedness owing to or by the Cooperative;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Restructuring Officer's name or in the name and on behalf of the Cooperative, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Cooperative;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Cooperative, the Property or the Restructuring Officer, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Restructuring Officer to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to report to, meet with and discuss with such affected Persons (as defined below) as the Restructuring Officer deems appropriate all matters relating to the Property and the Receivership, and to share information, subject to such terms as to confidentiality as the Restructuring Officer deems advisable;
- (l) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Restructuring Officer for registration this

Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Restructuring Officer in its capacity as Restructuring Officer of the Cooperative and not in its personal capacity;

- (m) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Restructuring Officer, in the name of the Cooperative;
- (n) to exercise any shareholder, partnership, joint venture or other rights which the Cooperative may have;
- (o) to the extent not otherwise provided for herein, exercise any rights of the Cooperative or the Cooperative's board of directors;
- (p) subject to the terms of the Minister's Order dated January 27, 2025 (the "**Minister's Order**") and issued to the Cooperative by the Minister of Agriculture and Irrigation, to take any steps or other actions necessary to reorganize the affairs of the Cooperative and/or address any concerns raised by Alberta Agriculture and Irrigation ("**AAI**") in the Cooperative Inspection Report dated November 18, 2024 and the Minister's Order and by any other applicable provincial ministry, including without limitation:
 - i. revising and/or developing a corporate governance structure for the Cooperative;
 - ii. developing internal policies and procedures to be followed by the Cooperative;
 - iii. calling and supervising the election of a new board of directors of the Cooperative; and
 - iv. undertaking a review of all existing members of the Cooperative to ensure all members meet eligibility requirements;
- (q) to appoint a local supervisor and one or more administrator in accordance with sections 8(1) of the FAGR; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Restructuring Officer takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Cooperative, and without interference from any other Person (as defined below).

4. Notwithstanding anything to the contrary in paragraph 3 of this Order, the Restructuring Officer shall comply with section 303 of the *Cooperatives Act* and shall:
 - (a) take the property of the Cooperative into custody and control in accordance with the terms of this Order;
 - (b) open and maintain a bank account as Restructuring Officer of the Cooperative for the money of the Cooperative coming under the Restructuring Officer's control, or in the alternative, transfer any of the Cooperatives existing accounts into the name of the Restructuring Officer;
 - (c) keep detailed accounts of all transactions carried out as Restructuring Officer;
 - (d) keep accounts of the administration as Restructuring Officer and make them available to current directors during usual business hours;
 - (e) at least once in every 6-month period after the appointment of the Restructuring Officer, prepare financial statements of the administration, as far as is feasible, in the form required by section 228 of the *Cooperatives Act*;
 - (f) on completion of the duties of the Restructuring Officer, render a final account of the administration; and
 - (g) if section 233 of the *Cooperatives Act* would otherwise apply, file with the Executive Director (as defined in the *Cooperatives Act*) a copy of any financial statement not later than 15 days after it is prepared and any final account of the administration not later than 15 days after it is rendered.
5. The Restructuring Officer shall conduct an inventory and reconciliation of the livestock and other property of the Cooperative and provide a report to the Lenders.

Duty to Provide Access and Co-operations to the Restructuring Officer

6. (i) The Cooperative, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Restructuring Officer of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Restructuring Officer, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Restructuring Officer upon the Restructuring Officer's request.
7. All Persons shall forthwith advise the Restructuring Officer of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Cooperative, and any computer programs, computer tapes, computer disks or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Restructuring Officer or permit the Restructuring Officer to make, retain and take away copies thereof and grant to the Restructuring Officer unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph or in paragraph 9 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Restructuring Officer due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
8. Paragraphs 6 and 7 of this Order do not apply to AAI with respect to AAI's internally produced records relating to AAI's inspection of, and other compliance activities with respect to, the Cooperative (collectively, the "**AAI Records**"). Nothing in this Order shall require AAI to deliver the AAI Records to the Restructuring Officer or grant the Restructuring Officer access to the AAI Records.
9. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Restructuring Officer for the purpose of allowing the Restructuring Officer to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Restructuring Officer in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Restructuring Officer. Further, for the purposes of

this paragraph, all Persons shall provide the Restructuring Officer with all such assistance in gaining immediate access to the information in the Records as the Restructuring Officer may in its discretion require including providing the Restructuring Officer with instructions on the use of any computer or other system and providing the Restructuring Officer with any and all access codes, account names, and account numbers that may be required to gain access to the information.

10. Notwithstanding anything to the contrary in paragraphs 7 and 9 of this Order, Kevin Serfas, Shane Schooten, John Schooten & Sons Custom Feedyard Ltd. o/a Preferred Livestock, 2247971 Alberta Ltd., Schooten & Sons Feedyard Ltd., Shakris Holdings Ltd., S & C Schooten Farming Ltd., Serfas Farms Ltd., Kejen Farms Ltd. and MDS Farms Ltd. (collectively, the **"Serfas/Schooten Parties"** and individually, a **"Serfas/Schooten Party"**) shall only be required to comply with the disclosure requirements in paragraphs 7 and 9 of this Order upon the request in writing of the Restructuring Officer to the Serfas/Schooten Parties (or any one of them) (each a **"Request"** and collectively, the **"Requests"**). All Requests must be provided by the Restructuring Officer or its counsel directly to counsel to the relevant Serfas/Schooten Party, provided that such person has retained counsel. If a Serfas/Schooten Party has not retained counsel, then the Requests can be made to the Serfas/Schooten Party directly. Counsel for the Restructuring Officer and the applicable Serfas/Schooten Party shall agree upon whether the form of response to such Requests is by way of affidavit or through counsel. To the extent that a Serfas/Schooten Party objects to providing any information pursuant to a Request, or counsel cannot agree as to the form of response to a Request, then such Serfas/Schooten Party, the Restructuring Officer, or any other interested party may apply to this Court for direction on the Request on not less than 5 days' notice to the Restructuring Officer, Serfas/Schooten Party and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
11. Any Serfas/Schooten Party may apply to this Court to seek the protections afforded by sections 294 and 296 to 298 of the *Cooperatives Act* on not less than 5 days' notice to the Restructuring Officer and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

No Proceedings Against the Restructuring Officer

12. No proceeding or enforcement process in any court or tribunal (each, a **"Proceeding"**), shall be commenced or continued against the Restructuring Officer except with the written consent of the Restructuring Officer or with leave of this Court.

No Proceedings Against the Cooperative or the Property

13. No Proceeding against or in respect of the Cooperative or the Property shall be commenced or continued except with the written consent of the Restructuring Officer or with leave of this Court

and any and all Proceedings currently under way against or in respect of the Cooperative or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph; (ii) prevent the Lenders commencing legal action or enforcement action against the Cooperative or the Property in the ordinary course, upon providing the Cooperative, the Restructuring Officer and AAI 14 days written notice of its intention to issue demand for payment; and (iii) affect a Regulatory Body's investigation in respect of the Cooperative or an action, suit or proceeding that is taken in respect of the Cooperative by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "**Regulatory Body**" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

No Exercise of Rights of Remedies

14. Notwithstanding section 33(4)(b) of the FAGR, all rights and remedies of any Person (including without limitation the members of the Cooperative), whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights, rights to the return of any member security deposits and payment of any equity) against or in respect of the Cooperative or the Restructuring Officer or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:
 - (a) empower the Cooperative to carry on any business that the Cooperative is not lawfully entitled to carry on;
 - (b) prevent the filing of any registration to preserve or perfect a security interest;
 - (c) prevent the registration of a claim for lien;
 - (d) prevent the Lenders commencing legal action or enforcement action against the Cooperative or the Property in the ordinary course, upon providing the Cooperative and the Restructuring Officer 14 days written notice of its intention to issue demand for payment; or
 - (e) exempt the Cooperative from compliance with statutory or regulatory provisions relating to health, safety or the environment.
15. Nothing in this Order shall prevent any party from taking an action against the Cooperative where such an action must be taken in order to comply with statutory time limitations in order to preserve

their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Restructuring Officer at the first available opportunity.

No Interference with the Restructuring Officer

16. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Cooperative, except with the written consent of the Cooperative and the Restructuring Officer, or leave of this Court.

Director Resignations

17. Without any further action required by any party, all current directors of the Cooperative shall be deemed to have resigned upon the pronouncement of this Order.

Continuation of Services

18. All persons having:

- (a) statutory or regulatory mandates for the supply of goods and/or services; or
- (b) oral or written agreements or arrangements with the Cooperative, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Cooperative,

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Cooperative or exercising any other remedy provided under such agreements or arrangements. The Cooperative shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Cooperative in accordance with the payment practices of the Cooperative, or such other practices as may be agreed upon by the supplier or service provider and each of the Cooperative and the Restructuring Officer, or as may be ordered by this Court.

19. Provided that the Lenders provide the Cooperative and the Restructuring Officer 14 days written notice of their intention to discontinue or otherwise terminate the First Amended and Restated Credit Agreement dated October 19, 2022 between the Lenders and the Cooperative (among others), paragraph 18 shall not apply to the Lenders following the expiry of the 14 day notice period.

Restructuring Officer to Hold Funds

20. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Restructuring Officer from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Restructuring Officer (the **"Post Receivership Accounts"**) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Restructuring Officer to be paid in accordance with the terms of this Order or any further order of this Court. Insofar as is practicable, the Restructuring Officer may continue to utilize the existing cash management system of the Cooperative. Notwithstanding anything to the contrary in this paragraph 20, the Restructuring Officer shall maintain any existing security deposit (as such term is defined in the FAGR) held by the Cooperative in a separate security deposit account in accordance with section 32 of FAGR.

Employees

21. Subject to employees' rights to terminate their employment, all employees of the Cooperative shall remain the employees of the Cooperative until such time as the Restructuring Officer, on the Cooperative's behalf, may terminate the employment of such employees. The Restructuring Officer shall not be liable for any employee-related liabilities, including any successor employer liabilities, as described in greater detail within this Order.
22. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c. 5, the Restructuring Officer shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a **"Sale"**). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Restructuring Officer, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Cooperative, and shall return all other personal information to the Restructuring Officer, or ensure that all other personal information is destroyed.

Limitations on Environmental Liabilities

23. (a) Notwithstanding anything in any federal or provincial law, the Restructuring Officer is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- i. before the Restructuring Officer's appointment; or
 - ii. after the Restructuring Officer's appointment unless it is established that the condition arose or the damage occurred as a result of the Restructuring Officer's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Restructuring Officer from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Restructuring Officer to remedy any environmental condition or environmental damage affecting the Property, the Restructuring Officer is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
- i. if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Restructuring Officer, if the order is in effect when the Restructuring Officer is appointed, or during the period of the stay referred to in clause ii below, the Restructuring Officer:
 - A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
 - ii. during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Restructuring Officer, if the order is in effect when the Restructuring Officer is appointed, by:
 - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Restructuring Officer to contest the order; or

- B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- iii. if the Restructuring Officer had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

Restructuring Officer's Protections

- 24. In addition to the rights and protections afforded to the Restructuring Officer in this Order, or any other Order granted by the Court or as an officer of this Court, as a result of its appointment or the carrying out the provisions of this Order the Restructuring Officer shall incur no liability or obligation in its capacity as Restructuring Officer that exceeds an amount for which it may obtain full indemnity from the Property, save and except for gross negligence or wilful misconduct on its part. Without limiting the foregoing, Alvarez & Marsal Canada Inc. shall incur no liability in its personal or corporate capacity, as a result of its appointment or the carrying out the provisions of this Order.
- 25. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Restructuring Officer under any applicable law.
- 26. Notwithstanding anything to the contrary in this Order, the Restructuring Officer shall have no liability whatsoever relating to the Cooperative's failure to comply with the FAGA and FAGR prior to the date of this Order, or for any continuing non-compliance of the Cooperative following the date of this Order to the extent such non-compliance was existing as at the date of this Order. The failure or the inability of the Restructuring Officer to comply with the FAGA and FAGR shall not automatically constitute gross negligence or wilful misconduct.
- 27. The exercise by the Restructuring Officer of any of its powers in this order, the performance by the Restructuring Officer of any of its duties, or the employment by the Restructuring Officer of any person in connection with its appointment and the performance of its powers and duties shall not constitute the Restructuring Officer as an employer, successor employer, or related employer of the employees of the Cooperative or any employee caused to be hired by the Cooperative or by the Restructuring Officer within the meaning of any provincial, federal or municipal legislation, other relevant legislation, regulation, common law, or rule of law or equity governing employment, pensions, or labour standards for any purpose whatsoever or expose the Restructuring Officer to any liability to any individual arising from or relating to their employment or previous employment by the Cooperative.
- 28. Without limiting the provisions of this Order, all employees and consultants of the Cooperative shall remain employees or consultants of the Cooperative, until such time as the Restructuring Officer, on the Cooperative' behalf, may terminate the employment of such employees or other contractual

or consulting agreements. Nothing in this Order shall, in and of itself, cause the Restructuring Officer to be liable for any employee-related liabilities or duties, including, without limitations, wages, severance pay, termination pay, vacation pay and pension or benefit amounts.

29. The Restructuring Officer is not and shall not be or be deemed to be a principal, director, officer, or employee of the Cooperative.
30. The Cooperative shall cooperate fully with the Restructuring Officer and any directions it may provide pursuant to this Order and shall provide such assistance as the Restructuring Officer may reasonably request from time to time to enable the Restructuring Officer to carry out its duties and powers as set out in this Order, or any other Order of this court or applicable law, generally.

Professional Accounts

31. The Restructuring Officer, counsel to the Restructuring Officer and counsel to the Cooperative shall be paid their reasonable fees and disbursements (including any pre-Receiverhip fees and disbursements), in each case, incurred at their standard rates and charges, by (or on behalf of) the Cooperative as part of the costs of these proceedings. The Cooperative, or the Restructuring Officer on behalf of the Cooperative, is hereby authorized and directed to pay the accounts of the Restructuring Officer, counsel for the Restructuring Officer and counsel for the Cooperative on a bi-weekly basis.
32. The Restructuring Officer, counsel to the Restructuring Officer and counsel to the Cooperative shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$750,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Restructuring Officer and such counsel, both before and after the making of this Order in respect of these proceedings and the Administration Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person.
33. The Restructuring Officer and its legal counsel shall pass their accounts from time to time.
34. Prior to the passing of its accounts, the Restructuring Officer shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Restructuring Officer or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

Funding of the Receivership

35. The Restructuring Officer shall be at liberty and it is hereby empowered to borrow, from the Lenders unless the Lenders decline to provide funding in which case the Restructuring Officer may seek funding from another party, by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Restructuring Officer by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the **"Restructuring Officer's Borrowings Charge"**) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Administration Charge.
36. Neither the Restructuring Officer's Borrowings Charge nor any other security granted by the Restructuring Officer in connection with its borrowings under this Order shall be enforced without leave of this Court.
37. The Restructuring Officer is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the **"Restructuring Officer 's Certificates"**) for any amount borrowed by it pursuant to this Order.
38. The monies from time to time borrowed by the Restructuring Officer pursuant to this Order or any further order of this Court and any and all Restructuring Officer 's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Restructuring Officer's Certificates.
39. The Restructuring Officer shall be authorized to repay any amounts borrowed by way of Restructuring Officer's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

Limitation on Restructuring Officer's Liability

40. In addition to the rights and protections afforded the Restructuring Officer under any applicable legislation and this Order, the Restructuring Officer shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Restructuring Officer by any applicable legislation.

Allocation

41. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Administration Charge amongst the various assets comprising the Property

General

42. The Restructuring Officer may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
43. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Restructuring Officer will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Restructuring Officer's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
44. Nothing in this Order shall prevent the Restructuring Officer from acting as a monitor or trustee in bankruptcy of the Cooperative.
45. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Restructuring Officer 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 and to provide such assistance to the Restructuring Officer, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Restructuring Officer in any foreign proceeding, or to assist the Restructuring Officer and its agents in carrying out the terms of this Order.
46. The Restructuring Officer be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Restructuring Officer is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
47. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Restructuring Officer and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

Filing

48. The Restructuring Officer shall establish and maintain a website in respect of these proceedings at www.alvarezandmarsal.com/picturebutte (the "**Restructuring Officer's Website**") and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publicly available; and
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Restructuring Officer, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
49. 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 or otherwise served with notice of 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; and
 - (b) posting a copy of this Order on the Restructuring Officer's Website
- and service on any other person is hereby dispensed with.
50. 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"

RESTRUCTURING OFFICER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Alvarez & Marsal Canada Inc., the receiver-manager (the "**Restructuring Officer**") of all of the assets, undertakings and properties of Picture Butte Feeder Cooperative, appointed by Order of the Court of King's Bench of Alberta and Court of King's Bench of Alberta (collectively, the "**Court**") dated the 21 day of February, 2025 (the "**Order**") made in action number [●], has received as such Restructuring Officer from the holder of this certificate (the "**Lender**") the principal sum of \$[●], being part of the total principal sum of [●] that the Restructuring Officer is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [●] after the date hereof at a notional rate per annum equal to the rate of [●] per cent above the prime commercial lending rate of [●] from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Restructuring Officer pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, and the right of the Restructuring Officer to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at [●].
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Restructuring Officer to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Restructuring Officer to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Restructuring Officer does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20____

ALVAREZ & MARSAL CANADA INC., solely in its capacity as Restructuring Officer of the Property (as defined in the Order), and not in its personal capacity

Per: _____

Name:

Title: