

COURT FILE NUMBER

1703-21274

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

EDMONTON

PLAINTIFF

ROYAL BANK OF CANADA

DEFENDANTS

1679775 ALBERTA LTD., REID-BUILT  
HOMES LTD., REID WORLDWIDE  
CORPORATION, BUILDER'S DIRECT  
SUPPLY LTD., REID BUILT HOMES  
CALGARY LTD., REID INVESTMENTS LTD.,  
REID CAPITAL CORP., and EMILIE REID

IN THE MATTER OF THE RECEIVERSHIP  
OF 1679775 ALBERTA LTD., REID-BUILT  
HOMES LTD., REID WORLDWIDE  
CORPORATION, BUILDER'S DIRECT  
SUPPLY LTD., REID BUILT HOMES  
CALGARY LTD., REID INVESTMENTS LTD.,  
and REID CAPITAL CORP.

APPLICANT

ALVAREZ & MARSAL CANADA INC., in its  
capacity as Court-appointed Receiver and  
Manager of the current and future assets,  
undertakings and properties of 1679775  
ALBERTA LTD., REID-BUILT HOMES LTD.,  
REID WORLDWIDE CORPORATION,  
BUILDER'S DIRECT SUPPLY LTD., REID  
BUILT HOMES CALGARY LTD., REID  
INVESTMENTS LTD., and REID CAPITAL  
CORP.

DOCUMENT

**SALE APPROVAL AND VESTING ORDER  
(LANDSTAR/AEGEAN/CLASS ACT)**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF PARTY  
FILING THIS DOCUMENT

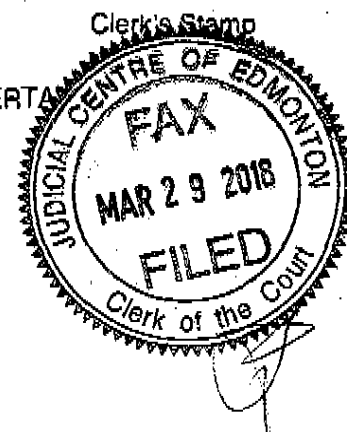
**Norton Rose Fulbright Canada LLP**  
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Calgary, Alberta T2P 4H2

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Email: howard.gorman@nortonrosefulbright.com /  
aditya.badami@nortonrosefulbright.com

Attention: Howard A. Gorman, Q.C. / Aditya M. Badami

**DATE ON WHICH ORDER WAS PRONOUNCED: March 28, 2018****LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta****NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Mr. Justice R. A. Graesser**

**UPON THE APPLICATION** by Alvarez & Marsal Canada Inc., in its capacity as Court-appointed receiver and manager (the **Receiver**) of the current and future assets, undertakings, and properties of 1679775 Alberta Ltd., Reid-Built Homes Ltd., Reid Worldwide Corporation, Builder's Direct Supply Ltd., Reid Built Homes Calgary Ltd., Reid Investments Ltd., and Reid Capital Corp. (**Reid Capital**), (collectively, the **Debtors**), for an order approving the sale transaction (the **Transaction**) contemplated by an agreement of purchase and sale (the **Sale Agreement**) between the Receiver as Vendor, and Landstar Holdings Inc., Aegean Real Estate Corporation, and Class Act Investments Inc. as Purchasers (the **Purchasers**) made as of March 22, 2018, and appended to the Third Report of the Receiver dated March 23, 2018 (the **Report**), and vesting Reid Capital's right, title, and interest in and to the assets described in the Sale Agreement (the **Shares and Units**) in the Purchasers;

**AND UPON HAVING READ** the Receivership Order dated November 2, 2017 (the **Receivership Order**), and the Report, and upon it appearing that service has been effected; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchasers, and any other interested parties that may be present;

**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 TRANSACTION**

- [2] The Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchasers.

**VESTING OF ASSETS**

- [3] Upon the delivery of a Receiver's certificate to the Purchasers substantially in the form set out in Schedule "A" hereto (the **Receiver's Certificate**), all of Reid Capital's right, title, and interest in and to the Shares and Units described in the Sale Agreement shall vest absolutely in the name of the Purchasers, 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:

- (i) any encumbrances or charges created by or defined in: (a) the Receivership Order; or (b) any other Orders granted in the Receivership Proceedings;
- (ii) all charges, security interests or claims evidenced by registration, filing, or publication pursuant to any of the following: (a) the *Personal Property Security Act* (Alberta and British Columbia); or (b) any other personal property registry system; and
- (iii) for greater certainty, this Court orders that all of the Claims affecting or relating to the Assets are hereby expunged and discharged as against the Assets.

- [4] The Receiver, to the extent able and necessary, is hereby authorized and directed, without further order of this Honourable Court and without further notice to any persons, to take all necessary steps within its power to execute all documents and instruments necessary to effect any or all of the discharges relating to the Claims and the applicable registrars and other persons in control or otherwise supervising such offices of the corresponding registrations or recordings shall forthwith remove and discharge all such registrations or recordings. Presentment of this Order and the Receiver's Certificate shall be the sole and sufficient authority for any persons in control or otherwise supervising such offices of the corresponding registrations or recordings to discharge the registrations of the Claims as aforesaid.
- [5] For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Shares and Units shall stand in the place and stead of the Shares and Units, and from and after the delivery of the Receiver's Certificate all Claims shall attach to the net proceeds from the sale of the Shares and Units with the same priority as they had with respect to the Shares and Units immediately prior to the sale, as if the Shares and Units had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
- [6] The Purchasers shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against Reid Capital, the Receiver, or any of the Debtors.
- [7] Reid Capital and all persons who claim by, through or under Reid Capital or any of the Debtors in respect of the Shares and Units, shall stand absolutely barred and foreclosed from all estate, right, title, and interest in or to the Shares and Units and, to the extent that any such persons remain in possession or control of any of the Shares and Units, they shall forthwith deliver possession thereof to the Purchasers.

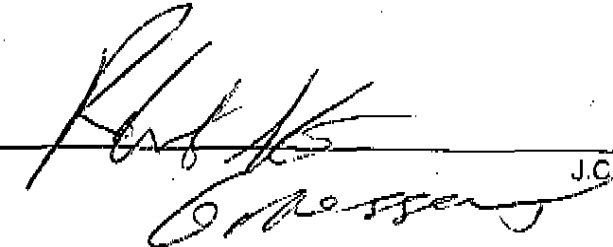
- [8] The Purchasers shall be entitled to the Shares and Units for their own use and benefit without any interference of or by Reid Capital or any one of the Debtors, or any person claiming by or through or against any or all of the Debtors.
- [9] The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchasers.
- [10] Notwithstanding:
- (i) The pendency of these proceedings;
  - (ii) Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act (Canada)* in respect of Reid Capital and any bankruptcy order issued pursuant to any such applications; and
  - (iii) Any assignment in bankruptcy made in respect of the Reid Capital,
- the vesting of the Purchased Assets in the Purchasers pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of Reid Capital (or any of the Debtors) and shall not be void or voidable by creditors of the Reid Capital (or any of the Debtors), 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.
- [11] The Receiver, the Purchasers, and any other affected 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 Transaction.

#### MISCELLANEOUS MATTERS

- [12] This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada 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.
- [13] 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.

- [14] Service of this Order on any party not attending this application is hereby dispensed with.

  
J.C.Q.B.A.

**SCHEDULE A****Form of Receiver's Certificate**

COURT FILE NUMBER

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Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

EDMONTON

PLAINTIFF

ROYAL BANK OF CANADA

DEFENDANTS

1679775 ALBERTA LTD., REID-BUILT HOMES LTD., REID WORLDWIDE CORPORATION, BUILDER'S DIRECT SUPPLY LTD., REID BUILT HOMES CALGARY LTD., REID INVESTMENTS LTD., REID CAPITAL CORP., and EMILIE REID

IN THE MATTER OF THE RECEIVERSHIP OF 1679775 ALBERTA LTD., REID-BUILT HOMES LTD., REID WORLDWIDE CORPORATION, BUILDER'S DIRECT SUPPLY LTD., REID BUILT HOMES CALGARY LTD., REID INVESTMENTS LTD., and REID CAPITAL CORP.

DOCUMENT

RECEIVER'S CERTIFICATE

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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Email: howard.gorman@nortonrosefulbright.com /  
aditya.badami@nortonrosefulbright.com

Attention: Howard A. Gorman, Q.C. / Aditya M. Badami

**RECITALS**

- A. Pursuant to an Order of the Honourable Justice Hillier of the Court of Queen's Bench of Alberta, Judicial District of Edmonton (the **Court**) dated November 2, 2017, Alvarez & Marsal Canada Inc. was appointed as the receiver (the **Receiver**) of the undertakings, property and assets of 1679775 Alberta Ltd., Reid-Built Homes Ltd., Reid Worldwide Corporation, Builder's Direct Supply Ltd., Reid Built Homes Calgary Ltd., Reid Investments Ltd., and Reid Capital Corp. (**Reid Capital**).

- B. Pursuant to an Order of the Court dated March 28, 2018, the Court approved the agreement of purchase and sale made as of March 22 2018 (the **Sale Agreement**) between the Receiver as vendor, and Landstar Holdings Inc., Aegean Real Estate Corporation, and Class Act Investments Inc. as purchasers (the **Purchasers**) and provided for the vesting in the Purchasers of Reid Capital's right, title, and interest in and to the Shares and Units, which vesting is to be effective with respect to the Shares and Units upon the delivery by the Receiver to the Purchasers of a certificate confirming (i) the payment by the Purchasers of the Purchase Price for the Shares and Units; (ii) that the conditions to Closing as set out in Article 3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchasers; and (iii) the Transaction has been completed to the satisfaction of the Receiver.
- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

**THE RECEIVER CERTIFIES** the following:

1. The Purchasers has paid and the Receiver has received the Purchase Price for the Shares and Units payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchasers; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at [Time] on [Date].

**ALVAREZ & MARSAL CANADA INC.,**  
in its capacity as Court-appointed  
Receiver and Manager of the current  
and future assets, undertakings and  
properties of 1679775 ALBERTA  
LTD., REID-BUILT HOMES LTD., REID  
WORLDWIDE CORPORATION,  
BUILDER'S DIRECT SUPPLY LTD.,  
REID BUILT HOMES CALGARY LTD.,  
REID INVESTMENTS LTD., and REID  
CAPITAL CORP., and not in its  
personal capacity.

Per: \_\_\_\_\_

Name: Todd Martin / Tom Powell,  
Alvarez & Marsal Canada Inc.

Title: Managing Director / Senior  
Director