

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.)

WEDNESDAY, THE 27TH

JUSTICE HAINEY)

DAY OF MAY, 2020)



IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF DEL EQUIPMENT INC.

Applicant

AUCTION APPROVAL ORDER

THIS MOTION, made by Del Equipment Inc. (the "**Applicant**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order (this "**Order**"), among other things, approving the auction services agreement entered into between the Applicant and Infinity Asset Solutions Inc. (the "**Auctioneer**") dated as of May 19, 2020 (the "**Auction Services Agreement**") and the transaction contemplated thereby, was heard this day by videoconference in light of the COVID-19 crisis.

ON READING the affidavit of Douglas Lucky sworn May 19, 2020 (the "**Lucky Affidavit**"), and the Exhibits thereto, the Fourth Report (the "**Fourth Report**") of MNP Ltd. in its capacity as monitor of the Applicant (the "**Monitor**"), and on hearing the submissions of counsel for the Applicant, the Monitor, and those other parties present as indicated on the counsel sheet, and on reading the affidavit of service of Andrew Harnes sworn May 22, 2020:

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Applicant's Notice of Motion, the Motion Record and the Fourth Report is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that capitalized terms used herein and not otherwise defined have the meanings given to them in the Initial Order of this Court made in the within proceedings dated October 22, 2019 (as amended, the "**Initial Order**"), the Lucky Affidavit, or the Auction Services Agreement, as applicable.

APPROVAL OF THE AUCTION SERVICES AGREEMENT

3. **THIS COURT ORDERS** that the Auction Services Agreement and the transactions contemplated thereunder are hereby approved, authorized and ratified and that the execution of the Auction Services Agreement by the Applicant is hereby approved, authorized and ratified with such minor amendments as the Applicant (with the consent of the Monitor) and the Auctioneer may agree to in writing. Subject to the provisions of this Order, the Applicant is hereby authorized and directed to take any and all actions as may be necessary or desirable to implement the Auction Services Agreement and the transactions contemplated therein. Without limiting the foregoing, the Applicant is authorized to execute any other agreement, contract, deed or any other document, or take any other action, which could be required or be useful to give full and complete effect to the Auction Services Agreement.

THE AUCTION

4. **THIS COURT ORDERS** that, subject to receipt of the Guaranteed Amount by the Applicant, the Auctioneer is authorized to conduct the Auction in accordance with this Order and the Auction Services Agreement.
5. **THIS COURT ORDERS** that the Auctioneer, in its capacity as agent of the Applicant, is authorized and directed to market and sell the Assets on a "final sale" and "as is, where is" basis.
6. **THIS COURT ORDERS** that upon delivery by the Auctioneer of an executed bill of sale or receipt to the purchaser of one or more of the Assets (individually, the "**Purchaser**" and collectively, the "**Purchasers**"), any and all of the right, title and interest of the Applicant and all other Persons in such Assets shall vest absolutely in the Purchaser free and clear of all liens, claims, encumbrances, security interests, mortgages,

charges, trusts, deemed trusts, executions, levies, financial, monetary or other claims, whether or not such claims have attached or been perfected, registered or filed and whether secured, unsecured, quantified or unquantified, contingent or otherwise, whensoever and howsoever arising, and whether such claims arose or came into existence prior to or following the date of this Order (in each case, whether contractual, statutory, arising by operation of law, in equity or otherwise) (all of the foregoing, collectively "Claims"), including, without limitation, the Administration Charge, the Directors' Charge, the DIP Lender's Charge and the Success Fee Charge and any other charges granted by this Court in these proceedings (collectively, the "CCAA Charges"), and (ii) all Claims, charges, security interests or liens evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal or movable property registration system (all of such Claims, charges (including the CCAA Charges), security interests and liens collectively referred to herein as "Encumbrances"), which Encumbrances, subject to this Order, will attach instead to the Guaranteed Amount and any other amounts received or to be received by the Applicant under the Auction Services Agreement, in the same order and priority as they existed as at the date hereof.

7. **THIS COURT ORDERS** that the Applicant is hereby authorized to self-liquidate the assets located at the Montreal Branch and is hereby authorized and directed to take any and all actions as may be necessary or desirable to implement such self-liquidation, including, without limiting the foregoing, to execute any agreement, contract, deed, bill of sale or any other document in connection with such self-liquidation.

MISCELLANEOUS

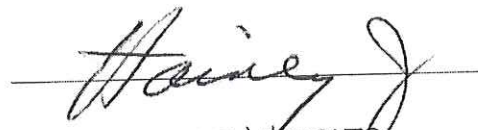
8. **THIS COURT ORDERS** that, notwithstanding:
- (a) the pendency of these proceedings;
 - (b) any application for a bankruptcy or receivership order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "BIA") or other applicable legislation in respect of the Applicant and any bankruptcy or receivership order issued pursuant to any such application;

- (c) any assignment in bankruptcy made in respect of the Applicant; and
- (d) any provisions of any federal or provincial legislation,

the Auction Services Agreement and the transactions provided for and contemplated therein shall be binding on any trustee in bankruptcy or receiver that may be appointed in respect of the Applicant or its property and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

GENERAL

- 9. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.
- 10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or any other foreign jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor and their respective 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 Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.
- 11. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and are 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.



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ON / BOOK NO:
LE / DANS LE REGISTRE NO:

MAY 28 2020

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PER / PAR:

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1985, c. C-36, AS AMENDED
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Court File No: CV-19-629552-00CL

Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

AUCTION APPROVAL ORDER

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