

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
No. 500-11-045124-134
DATE: 26 of February 2015

BEFORE : ~~Mme Chantal Flamand, registraire~~
Maître, Registrar

IN THE MATTER OF THE RECEIVERSHIP OF:

ROMATEC INC.

Debtor

and

PAUL DARCHE

Applicant

and

RICHTER ADVISORY GROUP INC.

Trustee

and

THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS

Mis en cause

ORDER FOR THE APPOINTMENT OF A RECEIVER AND APPROVAL AND
VESTING ORDER

- [1] **HAVING REVIEWED** the Applicant's *Motion for the Appointment of a Receiver and Approval and Vesting Order* (hereinafter the "**Motion**"), the affidavit, and the exhibits filed in support of the Motion;
- [2] **CONSIDERING** that the Motion has been served;

- [3] **CONSIDERING** the submissions, representations and arguments of the attorneys;
- [4] **CONSIDERING** that it is appropriate to issue an order appointing a Receiver and approving the envisaged transaction (hereinafter the "**Transaction**") under the terms of the offer (hereinafter the "**Offer**") submitted by Valtrol Equipment Limited (hereinafter the "**Purchaser**"), copy of which has been filed with the Court, under seal, in support of the Motion, exhibit R-10, and which Offer vests in and to the Purchaser, the assets described in the Offer (the "**Assets Purchased**");

FOR THESE REASONS, THE COURT:

- [5] **GRANTS** the Motion;

SERVICE

- [6] **ORDERS** that any delay for the presentation of the Motion be and is hereby abridged and the Motion be accepted as validly presentable at the moment fixed for its presentation and hereby dispenses with any supplementary service;
- [7] **PERMITS** the service of this Order at any time, any place, and by any means whatsoever;

APPOINTMENT

- [8] **APPOINTS** Richter Advisory Group Inc., trustee, to act as Receiver (the "**Receiver**") for the Assets Purchased from Romatec Inc. (hereafter the "**Debtor**"), and this, until one of the following events occur :
- (a) the sale of all the Assets Purchased; or
 - (b) any order of the Court ends the mandate of the Receiver;

APPROVAL OF THE SALE

- [9] **ORDERS** and **DECLARES** that the Transaction is approved and that the execution of any document by the Receiver giving effect to the Transaction is hereby authorized and approved, along with all changes, modifications, amendments, deletions or minor additions that may be agreed upon, but only with the approval of the Receiver;

EXECUTION OF DOCUMENTS

- [10] **AUTHORIZES** the Receiver and the Purchaser to accomplish any and all acts, sign any and all documents necessary to execute any agreement, contract, act, disposition, transaction, or undertaking, stipulated in the Offer or resulting therefrom, along with any other related document or act that may be necessary or useful in order to give full effect to the Offer and the present Order;

AUTHORIZATION

- [11] **ORDERS** and **DECLARES** that the present Order the only authorization necessary in order to proceed with the Transaction and that no other supplementary or additional authorization from shareholders or any regulatory authority, as the case may be, is required in relation to Transaction and-or the present Order;

VESTING OF THE ASSETS PURCHASED

- [12] **ORDERS** and **DECLARES** that upon issue of the Certificate of Appointment of Receiver, appended as Annexe A to the present Order (hereafter the "**Certificate**"), all the rights, titles and interests in and to the Assets Purchased are entirely and exclusively vested in and to the Purchaser, free and clear of any claims, responsibilities, liabilities (direct or indirect, absolute or conditional), obligations, prior claims, rights of retention, charges, hypothecs, deemed trust, judgements, writs of seizure or execution, notices of sale, options, adverse claims, levies, rights of first refusal or other pre-emptive rights in favour of third parties, restrictions on transfer of title, or other claims or encumbrances contractual rights in relation to the property, or other security interests, whether or not they have been perfected registered, published or filed, guaranteed or not, or other (collectively the "**Securities**"), including, without limitation, all Securities created by order of the Court and all charges or securities evidenced by registration, publication or filing under the terms of the *Civil Code of Quebec* or any other applicable legislation relating to moveable and immovable property, and for greater certainty, **ORDERS** all the **Securities** affecting or relating to the Assets Purchased are hereby annulled and cancelled with regards to or as against the Assets Purchased, and this having effect in each case, as of the date and time on the Certificate;
- [13] **DECLARES** that upon delivery of the Certificate, the Transaction shall be deemed concluded and shall have the same effects as a sale under judicial authority under the terms of the *Code of Civil Procedure* and a forced sale under the dispositions of the *Civil Code of Quebec*;
- [14] **ORDERS** that the Receiver file with the Court a copy of the Certificate immediately after the issuance of the Certificate;
- [15] **ORDERS** that upon the delivery of the Certificate, all claims of the Debtor be assigned in favour of the Purchaser and **ORDERS** that the remittance of a copy of the present judgement and a copy of the Certificate to the persons indebted to the Debtor and third persons constitutes sufficient evidence of the assignment of the Debtor's claims in accordance with Section 1641 of the *Civil Code of Quebec*.

EMPLOYEES

- [16] **ORDERS** that the Debtor shall, at its sole cost and expense, terminate the employment of all employees of the Debtor with effect as of the close of business on the day immediately preceding the Closing Date and shall be responsible for all claims of and liabilities to its Employees which arise in respect of or relate to such termination and/or their employment by the Debtor, including without limitation, all wages, bonuses, vacations, sick leave, vacation pay and other remuneration and

benefits for all of the employees earned or accrued up to Closing Time whether or not paid or payable before or after Closing and further including all severance pay, termination pay and amounts payable under any applicable legislation. The Purchaser shall not be deemed to be an employer nor constitute a successor employer of these employees.

- [17] **ORDERS** that the Receiver shall in no way be responsible for any such claim by an employee, including as an employer or successor employer, as prescribed by section 14.06(1.2) of the BIA, other than in relation to any amount that the Receiver may accept, in writing, to pay in regards to the obligations set forth in sections 81.4(5) and 81.6(3) of the BIA;

INVALIDATION AND CANCELLATION OF THE SECURITIES

- [18] **ORDERS** that the Registrar of the Register of Personal and Movable Real Rights, upon presentation of the required form as well as a certified copy of the present Order and the Certificate, cancel of the hypothecs registered under the numbers 14-0758569-0001, 14-0230258-0001, 14-0201570-0002, 13-0381782-0001, 07-0502226-0001 et 94-0133905-0002 in relation to the Assets Purchased in order to permit the transfer of the Assets Purchased to the Purchaser, free and clear of these hypothecs;
- [19] **ORDERS** that the Registrar of the Personal Property Security Registration System of Ontario, the Registrar of the Personal Property Security Registration System of Alberta and the Registrar of the Personal Property Security Registration System of Nova Scotia, upon presentation of the required form as well as a certified copy of the present Order and the Certificate, to cancel all of the hypothecs registered and granted by the Debtor in relation to the Assets Purchased in order to permit the transfer of the Assets Purchased to the Purchaser, free and clear of these hypothecs;

NET PROCEEDS

- [20] **ORDERS** that all proceeds from the sale of the Assets Purchased (the "**Net Proceeds**") be remitted to the Receiver and be distributed in conformity with applicable law;
- [21] **ORDERS** that in order to determine the nature and priority of the Securities, the Net Proceeds from the sale of the Assets Purchased shall replace the Assets Purchased and that from and after the issuance of the Certificate, all Securities shall attach to and be realized on the Net Proceeds with the same priority they had immediately before the sale with regards to the Assets Purchased, as if the Assets Purchased had never been sold and had remained in the possession or control of the person who had possession or control of them immediately before the sale;

VALIDATION OF THE TRANSACTION

- [22] **ORDERS** that with regards to the Debtor, the Purchaser, and the Receiver, and notwithstanding:
- (i) The pendency of the present proceedings;

- (ii) any petition for a receiving now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* ("BIA") and any order issued pursuant to any such petition; or
- (iii) the dispositions of any provincial or federal law;

the vesting of the Assets Purchased described in the present Order, as well as the execution of the Transaction described in the Offer and authorized pursuant to the terms of the present Order, shall bind any trustee in bankruptcy that may be appointed, and that such vesting of the Assets Purchased cannot be cancelled, nor shall it constitute or be deemed a preferential treatment, an assignment of assets, a fraudulent transfer or conveyance, a transfer at undervalue or another revisable or reviewable transaction under the terms of the BIA or any applicable federal or provincial law;

LIMITATION OF LIABILITY

- [23] **DECLARES** that, subject to other orders of this Court, nothing in the present Order requires that the Receiver occupy, control or otherwise manage any part of the Assets Purchased. The Receiver shall not, within the terms of the present Order, be presumed to be in possession of any of the Assets Purchased within the meaning of any environmental law, the whole in accordance with the terms of the BIA;
- [24] **DECLARES** that no legal recourse or suit may be taken against the Receiver in relation to the present Order or any act performed as a result of, or in relation to, the present Order, without prior authorization of the Court. The entities related to the Receiver or belonging to the same group as the Receiver shall benefit from the same protection provided by the present paragraph;
- [25] **ORDERS** that the Receiver benefit fully from the protection granted by section 14.06 of the *Bankruptcy and Insolvency Act*;

HONORAIRES

- [26] **ORDERS** that the Receiver's fees in the amount of \$ 35 000 plus sales taxes and disbursements be paid in priority from the proceeds of the transaction, including the legal fees for an independent opinion on the validity of the securities;
- [27] **ORDERS** that the Receiver shall not be held liable for any claims arising from Secured Creditors in relation to the performance of the Receiver's obligations under the present Order or any other claim that may be brought against the Receiver without prior authorization of the Court;

GENERAL

- [28] **ORDERS** that the Purchaser or the Receiver be authorized to undertake all necessary measures to give full effect to the cancellation of the registrations of the Securities as against the Purchased Assets as contemplated herein, at the sole and whole cost of the Purchaser;

- [29] **ORDERS** that the Offer be kept confidential and under seal until either : a) the closing of the Transaction, or b) a subsequent order from the Court;
- [30] **DECLARES** that this Order has full effect and shall be applied and enforceable in all provinces and territories of Canada;
- [31] **DECLARES** that the Receiver or Purchaser shall be authorized to apply as they may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement the Order. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Receiver or Purchaser as may be deemed necessary or appropriate for that purpose;
- [32] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order;
- [33] **ORDERS** the provisional execution of the present Order notwithstanding appeal or any obligation to furnish a security or provision for costs;

THE WHOLE WITHOUT COSTS.

COPIE CONFORME



COPIE CONFORME

Me Yannick Crack
THERRIEN COUTURE
SOCIÉTÉ EN NOM COLLECTIF À RESPONSABILITÉ LIMITÉE
Attorneys for the Applicant, Paul Darche

**Maitre
Registrar**

ANNEX "A"

CERTIFICATE OF APPOINTMENT OF RECEIVER

CANADA

**PROVINCE OF QUÉBEC
DISTRICT OF SAINT-HYACINTHE**

**SUPERIOR COURT
(Commercial Division)**

NO : 750-11-003795-140

IN THE MATTER OF THE RECEIVERSHIP OF:

ROMATEC INC.

Debtor

- and -

PAUL DARCHE

Applicant

- and -

RICHTER ADVISORY GROUP INC.

Receiver

- and -

**THE REGISTRAR OF THE REGISTER OF
PERSONAL AND MOVABLE REAL RIGHTS**

Mis en cause

CERTIFICATE OF THE RECEIVER

PREAMBLE:

CONSIDERING that the Superior Court of Quebec (hereinafter the "**Court**") rendered an Order (hereinafter the "**Order**" dated the ___ of February, 2015 with regards to Romatec Inc. (hereinafter the "**Debtor**");

CONSIDERING that in accordance with the Order, Richter Advisory Group Inc. (hereinafter the "**Receiver**") has been appointed Receiver with regards to certain assets of the Debtor;

CONSIDERING that in accordance with the Order, the Court, *inter alia*, authorized and approved the execution, by the Receiver, of the transaction contemplated in the offer (hereinafter the "**Offer**") submitted by Valtrol Equipment Limited (hereinafter the "**Purchaser**"), to be entered into between the Receiver and the Purchaser, copy of which has been filed with the Court, and all transactions therein contained (hereinafter the "**Transaction**"), including all modifications, changes, amendments, deletions, or additions that may be agreed upon with the Receiver;

CONSIDERING that the Order foresees the delivery of the Certificate of the Receiver when (a) the Transaction has been signed; (b) the compensation (as defined in the Offer) has been paid to the Purchaser; and (c) all of the conditions in order to close the Transaction have been satisfied or waived by the foregoing parties.

THE RECEIVER CERTIFIES THE FOLLOWING:

- (a) *the purchase Contract has been signed;*
- (b) *the compensation (as defined in the Offer), that was to be paid at the closing of the Transaction, has been paid; and*
- (c) *all conditions relating to the closing of the Transaction have been satisfied or waived by the parties.*

This certificate was delivered by the Receiver on the ____ of _____ 2015 at _____.

Richter Advisory Group Inc., receiver to the Assets of
Romatec Inc.

Name: _____

Stéphane De Broux, CPA, CA, CIRP