

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL
No.: 500-11-055122-184
Date: November 12, 2018

PRESIDING: THE HONOURABLE CHANTAL CORRIVEAU, J.S.C.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, C C-36, AS AMENDED:

LE GROUPE SMI INC./THE SMI GROUP INC., LE GROUPE S.M. INC./THE S.M. GROUP INC.; CLAULAC INC., SMi CONSTRUCTION INC., ÉNERPRO INC. AND LE GROUPE S.M. INTERNATIONAL (CONSTRUCTION) INC./S.M. INTERNATIONAL GROUP (CONSTRUCTION) INC.

CCAA Debtors

-and-

LE GROUPE S.M. INTERNATIONAL S.E.C./THE S.M. GROUP INTERNATIONAL LP, ÉNERPRO S.E.C./ENERPRO LP, LE GROUPE S.M. (ONTARIO) INC./THE S.M. GROUP (ONTARIO) INC., AMÉNATECH INC., LABO S.M. INC., LES CONSULTANTS INDUSTRIELS S.M. INC./S.M. INDUSTRIAL CONSULTANTS INC., LES CONSULTANTS S.M. INC./S.M. CONSULTANTS INC., FACILIO EXPERTS CORP., LE GROUPE S.M. INTERNATIONAL INC./THE S.M. GROUP INTERNATIONAL INC., CSP CONSULTANTS EN SÉCURITÉ INC./CSP SECURITY CONSULTING INC., LE GROUPE S.M. INTERNATIONAL (S.A.) INC./THE S.M. GROUP INTERNATIONAL (S.A.) INC., LE GROUPE S.M. INTERNATIONAL (CONSTRUCTION) EURL, SM SAUDI ARABIA CO LTD., THE S.M. GROUP INTERNATIONAL SARL, THE S.M. GROUP INTERNATIONAL ALGÉRIE EURL, S.M. UNITED EMIRATES GENERAL CONTRACTING LLC, COMMANDITÉ SMi-ÉNERPRO FONDS VERT INC./SMi-ENERPRO GREEN FUND GP INC. AND SMi-ÉNERPRO FONDS VERT S.E.C./SMi-ENERPRO GREEN FUND LP

CCAA Mises-en-cause

-and-

SERVICES DE PERSONNEL S.M. INC.

Debtor

-and-

**ALARIS ROYALTY CORP.
INTEGRATED PRIVATE DEBT FUND V LP**

Applicants

-and-

DELOITTE RESTRUCTURING INC.

Monitor / Proposed Receiver

-and-

LGBM INC.

Chief Restructuring Officer

ORDER APPOINTING A RECEIVER

- [1] **ON READING** the *Joint Application to Approve and Implement a Transaction* (the "**Application**"), of the Applicants, Alaris Royalty Corp. and Integrated Private Debt Fund V LP ("**IAM**"), brought on behalf of the CCAA Debtors and the CCAA Mises-en-cause (collectively, the "**Debtors**"), as well as the affidavit and the exhibits in support thereof;
- [2] **SEEING** the Report of the Monitor / Proposed Receiver, Deloitte Restructuring Inc. dated November 6, 2018;
- [3] **SEEING** the service of the Application;
- [4] **SEEING** the submissions of the attorneys present at the hearing of the Application and the testimony of the witnesses heard;
- [5] **SEEING** the provisions of the *Bankruptcy Insolvency Act* ("**BIA**") and the *Companies' Creditors Arrangement Act* ("**CCAA**");
- [6] **SEEING** that it is appropriate to appoint a receiver to the property of Les Services De Personnel S.M. inc. (the "**Debtor**") as per the reasons contained in a separate judgment rendered this days in this file;

WHEREFORE THE COURT:

- [7] **GRANTS** the Application;

SERVICE

- [8] **ORDERS** that any prior delay for the presentation of the Application is hereby abridged and validated so that the Application is properly returnable today and hereby dispenses with further service thereof.
- [9] **PERMITS** service of the present Order (this “**Order**”) at any time and place and by any means whatsoever.

NOTICE UNDER SECTION 244 BIA

- [10] **DECLARES** that for the purposes of this Order, IAM is deemed to have sent a notice of intention to enforce security to the Debtor in accordance with section 244 (1) BIA and dispenses IAM with any further notice requirements in that regard;

APPOINTMENT AND TERMINATION OF CCAA PROCEEDINGS

- [11] **ORDERS** that upon the filing of the “Preliminary Closing Certificate” provided for at paragraph 13 of the Approval Vesting, Distribution and Priority Charges Order dated November 12, 2018 (the “**Certificate**”):
- (a) the Debtor shall no longer be a Mise-en-cause in the CCAA proceedings commenced pursuant to the Initial Order rendered on August 24, 2018 in court file number 500-11-055122-184 (as amended on September 21, 2018, and November 12, 2018 the “**Initial Order**”) and shall no longer benefit from the provisions of the Initial Order;
 - (b) Deloitte Restructuring Inc. shall be appointed to act as receiver (the “**Receiver**”) to the Property of the Debtor, until one of the following events comes to pass:
 - (i) the filing of an assignment in bankruptcy in respect of the Debtor; or
 - (ii) the issuance of any order by the Court terminating the mandate of the Receiver;
- [12] **DECLARES** that this Order and its effects shall survive the filing by the Debtor of a notice of intention to make a proposal or of a proposal pursuant to the terms of the BIA, the issuance of an initial order in regard of the Debtor pursuant to the terms of the CCAA or the bankruptcy of the Debtor unless the Court orders otherwise.

RECEIVER’S POWERS

- [13] **AUTHORIZES** the Receiver to exercise the following powers:

13.1. Powers related to the possession of the Property

- (a) to take possession of all of the property of the Debtor, of every nature and kind whatsoever, wherever situated, and regardless of whose possession it may be in (the “**Property**”) and to exercise the following powers listed hereinafter in the place and stead of the Debtor in respect of the Property;

13.2. Powers related to the preservation of the Property

- (b) all the powers necessary for the preservation and for the protection of the Property;
- (c) all the powers necessary to control the Property, the place of business and the premises occupied by the Debtor;
- (d) all the powers necessary to grant the Receiver access, at all times, to the place of business and to the premises of the Debtor, to the Property, and to change the locks granting access to such premises and places of business of the Debtor;
- (e) all the powers necessary to grant the Receiver access to all the accounting records of the Debtor, as well as to any document, contract, register of any nature or kind whatsoever, wherever they may be situated and regardless of the medium on which they may be recorded (the “**Records**”), as well as the powers necessary to make copies of all the Records necessary or useful to the execution of the Receiver’s functions;
- (f) all the powers necessary to undertake an analysis of the Debtor’s Records;

13.3. Powers related to the Debtor’s operations

- (g) carry on, all or any part of the Debtor’s operations in accordance with past and current practices;
- (h) all the powers necessary to control the Debtor’s receipts and disbursements;
- (i) all the powers necessary to collect all the accounts receivable and all the other claims of the Debtor and to transact in respect of same, as well as to sign any document for this purpose;
- (j) all powers necessary to enter into or perform any contract or agreement in the name of the Debtor and to take any other action that is necessary or appropriate for the conclusion or performance of any such contracts or agreements.

- (k) all the powers necessary to open any required bank account, pursuant to the terms and conditions the Receiver may determine, with any chartered Canadian bank, or any other financial institution, the whole, in order to cash any item payable to the Debtor, and to issue any payment which, in the opinion of the Receiver, is necessary or useful to the Debtor's operations;

13.4. Power to make an assignment in bankruptcy in respect of the Debtor

- (l) to file an assignment in bankruptcy in respect of the Debtor pursuant to the BIA and to take any actions and execute any documents that are necessary or desirable to give effect to such assignment.
- [14] **AUTHORIZES** the Receiver to retain the services of any lawyer, or of any person or business in order to appropriately fulfil its functions;
- [15] **DECLARES** that the Receiver may provide creditors and other relevant stakeholders with information in response to requests made by them in writing. A copy of such requests must be sent to the Applicant's attorney. Where the Receiver has been advised by the Applicants that information is confidential, proprietary or competitive, the Receiver shall not provide such information to any person without the consent of the Applicants unless otherwise directed by this Court.

DEBTOR'S DUTIES

- [16] **ORDERS** the Debtor, its directors, officers, employees, agents and representatives to forthwith provide the Receiver with access to the Property, to the places of business and to the premises of the Debtor, as well as to the Records;
- [17] **ORDERS** the Debtor, its directors, officers, employees, agents and representatives to cooperate with the Receiver in the exercise of the powers that are granted pursuant to the terms of this Order;

NON-INTERFERENCE WITH THE RECEIVER, THE DEBTOR AND THE PROPERTY

- [18] **ORDERS** that subject to any other order rendered by the Court, which may only be rendered after a prior notice has been duly sent to the Receiver and to the Applicants, no proceeding, seizure, revendication, or any other enforcement process shall be commenced or enforced against the Property;
- [19] **ORDERS** that no person shall interrupt, modify, terminate or fail to execute its obligations pursuant to any contract, agreement, license or permit entered into

with the Debtor without the prior consent of the Receiver or without the authorization of the Court;

CONTINUATION OF SERVICES

- [20] **ORDERS** that any person having an oral or written agreement with the Debtor, as well as any supplier of goods or services to the Debtor is hereby restrained until further order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services, as may be required by the Receiver and that the Receiver shall be authorized to continue use of the Debtor's current premises, telephone numbers, facsimile numbers, internet addresses, domain names and other services, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver, in accordance with the normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court;

EMPLOYEES

- [21] **AUTHORIZES** the Receiver to continue to engage the services of the Debtor's employees until the Receiver, acting for and on behalf of the Debtor, terminates the employment of such employees. The Receiver shall not be liable for any employee related liabilities, including any successor-employer liabilities as provided for in sections 14.06(1.2) of the BIA other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) and 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*;

PROTECTION OF PERSONAL INFORMATION

- [22] **DECLARES** that upon filing of the Certificate, the Receiver may, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, disclose personal information on identifiable individuals, which information it has in its possession or under its responsibility, to interested parties, including 11054872 Canada Inc., Thornhill G.P. and 11054953 Canada Inc., as well as to their advisors, but only to the extent desirable or required, and only upon condition that the persons to whom such personal information is disclosed shall undertake to maintain and protect the privacy of such information and limit the use of such information pursuant to confidentiality agreements entered into with the Receiver;

LIMITATION OF LIABILITY

- [23] **DECLARES** that subject to the powers granted to the Receiver pursuant to the terms of paragraph [13] of this Order, nothing herein contained shall require the

Receiver to occupy or to take control, or to otherwise manage all or any part of the Property. The Receiver shall not, as a result of this Order, be deemed to be in possession of any of the Property within the meaning of environmental legislation, the whole pursuant to the terms of the BIA;

- [24] **DECLARES** that the powers of the Receiver shall be exercised pursuant to its sole discretion and judgment;
- [25] **DECLARES** that section 215 of the BIA applies *mutatis mutandis*, and hence that no action lies against the Receiver by reason of its appointment or the execution of the powers granted by the Court, except by leave of the Court. The entities related to the Receiver or belonging to the same group as the Receiver shall benefit from the protection arising under the present paragraph;

FEES

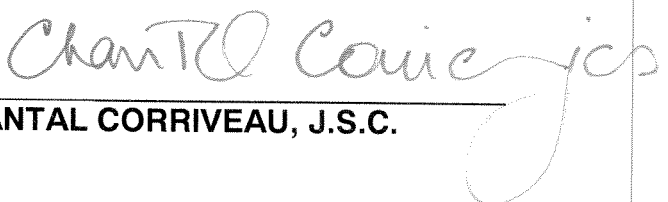
- [26] **AUTHORIZES** the Receiver to collect the payment of its fees and disbursements and those of its attorneys, with the consent of the Applicants;

GENERAL

- [27] **DECLARES** that this Order, the Application and the affidavit filed in support thereof do not, in and of themselves, constitute a default or failure to comply by the Debtor under any statute, regulation, license, permit, contract, permission, covenant, agreement, undertaking or any other written document or requirement;
- [28] **DECLARES** that the Receiver is at liberty to serve any notice, circular or any other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to persons or other appropriate parties at their respective given address as last shown in the Records; the documents served in this manner shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three (3) business days after mailing if delivered by ordinary mail;
- [29] **DECLARES** that the Receiver may serve any court materials in these proceedings on all represented parties, by emailing a PDF or other electronic copy of such materials to counsels' email addresses, provided that the Receiver shall deliver "hard copies" of such materials upon request to any party as soon as practicable thereafter;
- [30] **DECLARES** that any party interested in these proceedings may serve any court material in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses, provided that such party shall deliver a "hard copy" on paper of such PDF or electronic materials to the Debtor's and the Receiver's counsel and to any other party who may request such delivery;

- [31] **DECLARES** that, unless otherwise provided herein, ordered by this Court, or provided by the BIA, no document, order or other material need be served on any person in respect of these proceedings, unless such person has served a notice of appearance on the solicitors for the Debtor and the Receiver and has filed such notice with the Court;
- [32] **DECLARES** that any interested Person may apply to this Court to vary or rescind this Order or seek other relief upon five (5) days notice to the Receiver, the Applicants and any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order;
- [33] **DECLARES** that this Order and all other orders in these proceedings shall have full force and effect in all provinces and territories in Canada;
- [34] **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 this Order;
- [35] **ORDERS** the provisional execution of the present Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever;

THE WHOLE WITHOUT LEGAL COSTS.


CHANTAL CORRIVEAU, J.S.C.