

**DUPLICATE
ORIGINAL**

COURT NUMBER 23-1927123

ESTATE NUMBER 23-1927123

COURT FILE NUMBER 1590 of 2014

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

IN THE MATTER OF THE PROPOSAL OF SYSTEM BUILT DEVELOPMENTS INC.
pursuant to Subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3

ORDER
(Payment of Trust Funds and Interim Distribution)

Before the Honourable Mr. Justice R.S. Smith in Chambers the 6th day of March, 2015.

On the Application of Jeffrey M. Lee, Q.C., and Mike Russell, counsel on behalf of System Built Developments Inc. ("**SBDI**"); and upon hearing from Mike Russell on behalf of SBDI and counsel present on behalf of any other interested parties; and on reading the Notice of Application on behalf of SBDI dated March 4, 2015, the Fifth Report of the Proposal Trustee and a proposed draft of this Order, all filed;

The Court orders:

Validation and Abridgment of Service

1. Service of the Notice of Application on behalf of System Built Developments Inc. and the materials filed in support thereof (collectively, the "**Application Materials**") by electronic mail or facsimile upon those parties listed on the Service List established in these proceedings shall be and is hereby deemed to be good and valid and, further, shall be and is hereby abridged, such that service of such Application Materials shall be and is hereby deemed to be timely and sufficient.

Payment to the Proposal Trustee of Funds Held By McKercher LLP and Release of McKercher LLP

2. Pursuant to subsection 60(2) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "**BIA**"), the law firm of McKercher LLP shall be and is hereby authorized and directed to forthwith pay to Deloitte Restructuring Inc., the Trustee appointed pursuant to the notice of intention to make a proposal to creditors (the "**NOI**") pursuant to section 50.4 of the BIA filed by SBDI in these proceedings (the "**NOI Trustee**"), the amount of \$500,000.00 currently being held in trust by McKercher LLP for SBDI, plus any and all accrued interest on such amount held by McKercher LLP in trust for SBDI on the date of such payment (collectively, the "**Funds**").
3. Upon payment of the Funds by McKercher LLP to the NOI Trustee in accordance with such Order, no person shall advance any claim whatsoever against McKercher LLP in relation to such payment of the Funds without prior Order of this Court.

Approval of Interim Distribution in Satisfaction of Priority Charges

4. Pursuant to paragraphs 1 and 2 of the Interim Financing and Administrative Charge Approval Order dated November 28, 2014, the NOI Trustee shall be and is hereby authorized and directed to forthwith distribute from the Funds the following amounts in full satisfaction of the following priority charges, namely:
 - (a) \$300,847.70 to Canada Revenue Agency in regard to its claim against SBDI for unpaid employee source deductions (the "**CRA Claim**");
 - (b) \$27,500.00 to 101217277 Saskatchewan Ltd. in regard to repayment of the Interim Financing secured by the Interim Financing Charge (as that term is defined in the Interim Financing and Administrative Charge Approval Order); and
 - (c) up to the maximum amount of \$100,000.00 in regard to payment of the reasonable professional fees of the NOI Trustee and legal counsel to SBDI (the law firm of MacPherson Leslie & Tyerman LLP) secured by the Administrative Charge (as that term is defined in the Interim Financing and Administrative Charge Approval Order), subject to the review and approval by the NOI Trustee of all invoices in relation to such professional fees and without prejudice to the right of any interested party to apply on notice at a later date for taxation or assessment of any such professional fees.
5. Upon the making of the respective priority payments contemplated in the preceding paragraph 4 hereof (collectively, the "**Priority Payments**"), the CRA Claim, the Interim Financing Charge and the Administrative Charge shall no longer form a charge on any property of SBDI (including, without limitation, the Funds).
6. The balance of the Funds after payment of the Priority Payments shall be held by the NOI Trustee in trust for the benefit of the proposal estate and shall not be disbursed by the NOI Trustee without further Order of this Court.

ISSUED at Saskatoon, in the Province of Saskatchewan, this 6th day of March, 2015.



(Deputy) Local Registrar

CONTACT INFORMATION AND ADDRESS FOR SERVICE

Name of firm:	MacPherson Leslie & Tyerman LLP
Name of lawyer in charge of file:	Jeffrey M. Lee, Q.C. and Mike Russell
Address of legal firms:	1500 - 410 22nd Street, Saskatoon SK S7K 5T6
Telephone number:	(306) 975-7100
Fax number:	(306) 975-7145
E-mail address:	JMLee@mlt.com / MRussell@mlt.com
File No:	58502.1