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Clerk's stamp:

C21061

COURT FILE NUMBER 2301 - 08305

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANTS IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF WALLACE & CAREY INC., LOUDON BROS LIMITED, and CAREY MANAGEMENT INC.

DOCUMENT **AFFIDAVIT NO. 3 OF PATRICK CAREY**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT MILLER THOMSON LLP  
Barristers and Solicitors  
3000, 700 – 9<sup>th</sup> Avenue SW  
Calgary, AB, T2P 3V4

Attention: James W. Reid / Pavin Takhar

Phone: 403-298-2418 / 403-298-2432

Email: [jwreid@millerthomson.com](mailto:jwreid@millerthomson.com) / [ptakhar@millerthomson.com](mailto:ptakhar@millerthomson.com)

File No.: 0221652.0006

**AFFIDAVIT NO. 3 OF PATRICK CAREY**

**Sworn on February 11, 2024**

I, Patrick Carey, of the City of Calgary, in the Province of Alberta, **MAKE OATH AND SAY THAT:**

1. This Affidavit is made in support of the application (the "**Application**") by Wallace & Carey Inc. ("**Wallace & Carey**"), Loudon Bros. Limited ("**Loudon Bros**"), and Carey Management Inc. ("**CMI**", and together with Wallace & Carey, and Loudon Bros, the "**Applicants**" or the "**Companies**") returnable February 23, 2024 before the Court of King's Bench of Alberta (the "**Court**").
2. Wallace & Carey is a family-owned business founded in 1921. Prior to filing for creditor protection under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 ("**CCAA**"), Wallace & Carey was servicing more than 7,000 customers across the country and had grown to become one of Canada's largest independent wholesale distribution and logistics companies.
3. Wallace & Carey has owned and operated Loudon Bros since 2011. Loudon Bros was Thunder Bay's leading foodservice wholesaler and distributor, serving convenience stores, grocery stores, restaurants, foodservice providers, not-for-profits, and various retail sector businesses throughout Northwestern Ontario. Loudon Bros. ceased operations in late 2023.
4. Wallace & Carey and Loudon Bros (the "**Logistics Companies**") represent the Applicants' logistics business, while CMI is a holding company with ten subsidiaries, including Wallace & Carey.
5. CMI is the sole shareholder of Wallace & Carey. CMI provides management services to the Logistics Companies.
6. I am the sole director of CMI, Wallace & Carey and Loudon Bros.
7. I have personal knowledge of the matters described in this Affidavit, except where I state that my knowledge is based upon information and belief, in which case I believe the statements to be true.

## I. NATURE OF APPLICATION AND OVERVIEW OF RELIEF SOUGHT

8. This Affidavit is sworn in support of the Application for an order:
- (a) extending the stay period (the "Stay Period") up to and including May 31, 2024, or such other date as the Court may consider appropriate; and
  - (b) granting such further and other relief as counsel may advise and this Honourable Court deems just and appropriate.

## II. BACKGROUND

### A. Circumstances Leading to the CCAA Filing

9. The Logistics Companies faced unprecedented challenges due to the COVID-19 global pandemic, the resulting supply chain disruptions and lockdowns, and the subsequent inflationary pressures and interest rate increases, all as set out in detail in the Affidavit No. 1 of Brian M. Birnie sworn June 21, 2023.

10. The Logistics Companies fell into arrears with many of their creditors, and could not meet their obligations to creditors generally as they become due.

11. On June 22, 2023, the Applicants obtained a CCAA Initial Order in these proceedings, which order was amended and restated on June 30, 2023 (the "ARIO").

### B. Circumstances since the ARIO

12. Both prior to and following the ARIO, the Applicants experienced significant liquidity challenges. After the commencement of the within proceedings, due to certain prepayment terms required by their vendors and suppliers, such liquidity challenges became even more pronounced.

13. The Logistics Companies were unable to meet the "fill rate" requirements of certain of their customers during these proceedings, resulting in the loss of many of their major customers.

14. Due to the decreased customer base, the Logistics Companies downsized their business during the CCAA proceedings.

15. This downsizing included the discontinuation of the operations of Loudon Bros, which is now completed. On November 3, 2023, the Court approved the sale of Loudon Bros' real property,

which transaction closed on November 17, 2023. That was the final material step in the wind-down of the Loudon Bros business.

16. The Applicants were required to commence a sale and investment solicitation process (“**SISP**”) due to the liquidity and cash flow challenges faced by the Applicants and in the absence of a viable restructuring plan.

17. On August 23, 2023, the Court granted an Order approving the Applicants’ form of SISP (the “**SISP Order**”) and approved the Applicants’ engagement of Alvarez & Marsal Canada Securities ULC (the “**Financial Advisor**”) as financial advisor to conduct the SISP under the oversight of the Monitor.

18. Following the SISP, 7-Eleven Canada, Inc. (the “**Purchaser**”) and the Applicants entered into a purchase and sale agreement (the “**Sale Agreement**”). The Sale Agreement was for the sale of the Applicants’ personal property and equipment assets located in Alberta and British Columbia and the intellectual property, technology, software and systems relating to the entire Logistics Companies’ logistics/distribution business across Canada (the “**Transaction**”). The Applicants are continuing to operate in various provinces across Canada, including BC, Alberta, Saskatchewan, Manitoba and Ontario.

19. Pursuant to the Sale Agreement and concurrent with the closing of the Transaction, the Applicants and the Purchaser have entered into a transition services agreement (“**TSA**”) pursuant to which the Applicants will continue to provide logistics services to the Purchaser in accordance with the terms and conditions contained therein. Pursuant to the TSA, the Purchaser is required to fund substantially all of the Applicants costs from and after the effective closing time, being 12:01 a.m. on November 19, 2023.

20. On November 17, 2023, the Court granted an Order approving the Applicants entering into the Sale Agreement and TSA and approving the Transaction. The Transaction closed on November 21, 2023.

C. A&M Enterprise Ltd.

21. On November 9, 2023, the Court granted an Order, among other things, requiring A&M Enterprise Ltd. (“**A&M**”) to pay \$497,521.26 to Wallace & Carey for paid but undelivered post-filing product, and directing that the Freshslice entities take certain actions, including for its agent to direct franchisees to pay outstanding invoices (the “**Freshslice Order**”).

22. In addition to the Freshslice Order, the Court also granted a costs award against A&M (the "**Costs Award**").

23. Copies of the Freshslice Order and Costs Award are attached hereto and marked as Exhibits "A" and "B", respectively.

24. A&M applied to stay the Freshslice Order while it pursued an application for leave to appeal. On December 12, 2024, the Honourable Justice Sidnell dismissed A&M's application to stay the Freshslice Order and awarded the Applicants \$20,000.00 in costs and the Monitor \$5,000 in costs (the "**Stay Dismissal Order**"). A copy of the Stay Dismissal Order is attached hereto and marked as Exhibit "C".

25. A&M did apply for leave to appeal the Freshslice Order, and on January 24, 2024, the Court of Appeal of Alberta denied such application (the "**Court of Appeal Order**"). Pursuant to the Court of Appeal Order, A&M is required to pay costs related to the appeal. A copy of the Court of Appeal Order is attached hereto as Exhibit "D".

26. There have not been any payments made to date by A&M in respect of the Costs Award, the Stay Dismissal Order and the Court of Appeal Order.

27. The Applicants intend to pursue A&M for its costs awards. The Applicants have since registered the Stay Dismissal Order with the Supreme Court of British Columbia to pursue civil enforcement remedies.

*D. Freshslice Litigation and Franchisee Indebtedness*

28. As at February 2, 2024, Wallace & Carey was owed approximately \$413,443.38 (the "**Freshslice Franchisee A/R**") from various franchisees of RF Franchising Ltd. (the "**Franchisor**").

29. The Franchisor is managed by Freshslice Holdings Ltd. ("**Freshslice Holdings**", and together with the Franchisor, "**Freshslice**").

30. Wallace & Carey intends to collect these accounts receivable owing by Freshslice and its franchisees through litigation.

31. Wallace & Carey has scheduled time before the Court on March 6, 2024 to seek an order to compel payment of the Freshslice Franchisee A/R from the Freshslice franchisees.

32. Following any order that may be obtained, the Applicants expect they will then need to enforce against this order to collect the accounts receivable.

E. Megabox Inc. and 0903219 BC Ltd. Litigation

33. Wallace & Carey pre-purchased products from Megabox Inc. ("**Megabox**") and 0903219 BC Ltd. ("**Pizza Club**") pursuant to various purchase orders.

34. These purchase orders are and remain unfulfilled notwithstanding a demand for fulfilment or return of payment (the "**Unfulfilled POs**"). A copy of the demand letter is attached hereto and marked as **Exhibit "E"**.

35. The Applicants intend to seek a return of all money spent on the Unfulfilled POs.

36. The Applicants have scheduled time before the Court on March 6, 2024 to seek return of payment for the Unfulfilled POs.

F. Dakin News Systems Inc. Litigation

37. Wallace & Carey is owed approximately \$747,878.69 from Dakin News Systems Inc. dba INS News ("**INS News**") pursuant to a supply relationship between the parties.

38. INS News has neglected or refused to pay its outstanding accounts payable to Wallace & Carey (the "**INS Dispute**").

39. Wallace & Carey developed a litigation schedule to manage and deal with the INS Dispute (the "**Litigation Schedule**").

40. On February 7, 2024, this Honourable Court approved the Litigation Schedule. A copy of the litigation schedule order is attached hereto and marked as **Exhibit "F"**.

41. On April 16, 2024, Wallace & Carey has scheduled an Application to deal with all matters related to the INS Dispute.

G. 7-Eleven Canada, Inc. Transaction

42. The term of the TSA is fifteen months from the closing date for the Wallace & Carey business in Alberta and British Columbia, and nine months from the closing date for the Wallace & Carey business east of Alberta. Each transition services period is subject to two 90-day extensions at the option of the Purchaser.

43. The Applicants remain subject to the TSA for at least twelve months for the western Canada businesses and six months for the eastern Canada businesses, excluding any extensions.

44. Pursuant to the Sale Agreement, there were certain assets excluded from the Transaction.

45. The Monitor's Ninth Report filed in connection with these proceedings (the "**Monitor's Report**") will summarize the status of realizations of the Excluded Assets, as that term is defined in the Sale Agreement.

### III. EXTENSION OF STAY PROCEEDINGS

46. The Applicants are seeking an extension of the Stay Period up to and including May 31, 2024. The requested extension of the Stay Period is necessary and appropriate in the circumstances to, among other things:

- (a) enforce the Costs Award, Stay Dismissal Order, the Court of Appeal Order, and all other ancillary orders as against A&M;
- (a) continue litigation with Freshslice;
- (b) continue litigation with Megabox and Pizza Club;
- (c) continue litigation with INS News;
- (d) pursue other outstanding accounts receivables and realize upon the Excluded Assets; and
- (e) continue to provide services to the Purchaser pursuant to the terms of the TSA, as approved by the Court.

47. The Applicants have been acting and continue to act in good faith and with due diligence. Since the Stay Period was last extended by this Honourable Court on November 29, 2023, the Applicants have been working diligently to (in addition to the items specifically listed above), among other things:

- (a) operate Wallace & Carey in the ordinary course, as appropriate in the circumstances of these proceedings;
- (b) prepare financial models with the assistance of the Monitor and the Purchaser;

- (c) continue and pursue litigation for the benefit of all stakeholders;
- (d) pursue accounts receivables collections;
- (e) manage current operations and product flow to current customers;
- (f) assist the Monitor with realizing on the Excluded Assets; and
- (g) provide services to the Purchaser in accordance with the terms of the TSA.

48. The Applicants seek an extension of the Stay Period up to and including May 31, 2024, or such other date as this Court may consider appropriate.

49. The proposed extension of the Stay Period will allow the Applicants to operate in the normal course in order to carry out their obligations under the TSA, as approved and directed by the Court, advance the ongoing litigation, continue to assist the Monitor realize on the Excluded Assets for the benefit of its creditors, as more fully detailed above and in the Monitor's Report.

50. I understand the Monitor supports the extension of the Stay Period as sought by the Applicants and it will file a Ninth Report, which will include, among other things, a cash flow forecast demonstrating that the Applicants will have sufficient funds to continue their operations and fund the CCAA proceeding up to and including May 31, 2024.

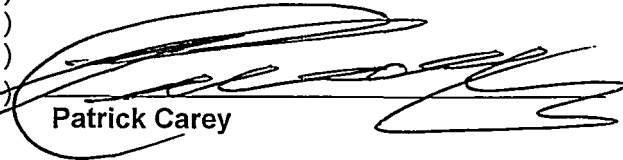
**IV. CONCLUSION**

51. I swear this Affidavit in support of the Application.

SWORN BEFORE me at the City of Calgary, )  
 in the Province of Alberta, this 11th day of )  
 February, 2024. )  
 )  
 )  
 )  
 )  
 )  
 )

  
 \_\_\_\_\_  
 A Commissioner for Oaths in and for Alberta

**Pavin Takhar**  
 Barrister & Solicitor practicing in and for the Province of Alberta

  
 \_\_\_\_\_  
**Patrick Carey**



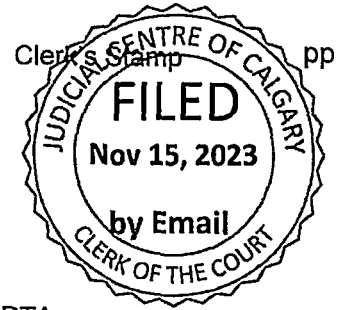
THIS IS EXHIBIT "A" REFERRED TO IN THE  
AFFIDAVIT OF PATRICK CAREY SWORN  
BEFORE ME THIS 11<sup>th</sup> DAY OF FEBRUARY,  
2024



A COMMISSIONER FOR OATHS IN AND  
FOR THE PROVINCE OF ALBERTA

**Pavin Takhar**

Notary & Solicitor practicing in and for the Province of Alberta



COURT FILE NUMBER 2301 - 08305  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, RSC 1985, c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OR  
ARRANGEMENT OF WALLACE & CAREY INC., LOUDON  
BROS LIMITED, and CAREY MANAGEMENT INC.

DOCUMENT

ORDER

I hereby certify this to be a true copy of  
the original Order

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

MILLER THOMSON LLP  
3000, 700 - 9th Avenue S.W.  
Calgary, AB, Canada T2P 3V4

Dated this 30 day of November, 2023  
[Signature]  
for Clerk of the Court

Attention: James W. Reid / Gavin Finlayson

Telephone: 403.298.2418 / 416-595-8619

Fax: 403.262.0007

E-mail: [jwreid@millerthomson.com](mailto:jwreid@millerthomson.com) /  
[gfinlayson@millerthomson.com](mailto:gfinlayson@millerthomson.com)

File No.: 0221652.0006

DATE ON WHICH ORDER WAS PRONOUNCED: November 9, 2023  
NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice E.J. Sidnell  
LOCATION OF HEARING: Calgary Courts Centre via WebEx

**UPON** the application of Wallace & Carey Inc., ("**Wallace & Carey**"), Loudon Bros Limited,  
and Carey Management Inc. (collectively, the "**Applicants**");

**AND UPON** having read the Application, the Affidavit No. 2 of Eric Rolheiser sworn  
September 25, 2023, the Affidavit of Marica Ceko sworn September 26, 2023, the Affidavits of  
Hamid Abbaspour sworn September 28, 2023 and November 1, 2023, the Affidavit of Prabhjot  
Singh sworn September 28, 2023, the Affidavit of Tamila Khayrullaeva sworn September 28,  
2023, the Affidavit of Shawn Ibrahim sworn September 28, 2023, the Affidavit of Jasdeep Sandhu  
sworn September 28, 2023, the Affidavit of Frank Alexander sworn September 28, 2023, the

Affidavit of Aravinth Manickam sworn September 28, 2023, the Affidavit of Andy Costa sworn October 27, 2023, the Affidavits of Jason Spencer sworn October 27, 2023 and November 6, 2023, the Affidavits of Amanpreet Singh sworn October 2, 2023 and November 1, 2023, and the Fourth Report of KSV Restructuring Inc. in its capacity as Monitor dated September 18, 2023;

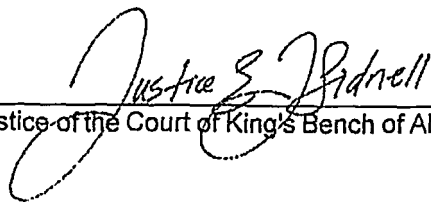
**AND UPON** hearing counsel for the Applicants, counsel for A&M Enterprise Ltd., and counsel for the Monitor;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

1. *Service of notice of this Application and supporting materials is hereby declared to be good and sufficient, 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.*
2. A&M Enterprise Ltd. ("**AME**") is hereby ordered and directed to instruct its agent, Amanpreet Singh, to advise the Freshslice group of companies (the "**FSGC**") and any franchisees of the FSGC, including franchisees of any subsidiaries and affiliates thereof by email (enclosing a copy of this Order), with a copy to the Monitor, counsel to the Monitor, and counsel to the Applicants, to be sent no later than 5:00 p.m. (Calgary Time) on November 14, 2023, to:
  - (a) immediately, and no later than three business days following notice of this Order, pay any accounts payable owing to Wallace & Carey;
  - (b) take all steps to immediately, and no later than three business days following notice of this Order, reinstate their respective pre-authorized payment accounts with Wallace & Carey; and
  - (c) subject to further Court Order, from and after the date of this Order, purchase products used in the operation of the franchisees' businesses exclusively from Wallace & Carey consistent with historical practice, unless Wallace & Carey and the Monitor consent in writing otherwise.
3. In the event that AME does not comply with the provisions of paragraph 2 of this Order, Wallace & Carey is hereby granted leave to seek further relief from this Court by way of an application.


4. AME shall pay to Wallace & Carey \$497,521.26 (the "**Unfulfilled Purchase Order Amount**") within two business days following the issuance of this Order.
5. Upon payment of the Unfulfilled Purchase Order Amount, the corresponding pre-paid purchase orders issued by Wallace & Carey to AME are hereby cancelled, with no further obligations owing only thereunder by Wallace & Carey.
6. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, 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 Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.
7. The Applicants and the Monitor are 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 and that the Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

8. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

  
Justice of the Court of King's Bench of Alberta


**Acknowledgement as to Order granted:**

**A&M ENTERPRISE LTD.**

Per:   
\_\_\_\_\_  
Vincent Li  
Senior Legal Counsel

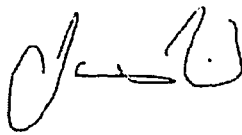
**Acknowledgement as to Order granted:**

**CASELS, BROCK, & BLACKWELL LLP**

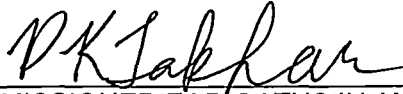
Per:   
\_\_\_\_\_  
Jeffrey Oliver  
Counsel for the Monitor, KSV  
Restructuring Inc.

**Acknowledgement as to Order granted:**

**MILLER THOMSON LLP**

Per:   
\_\_\_\_\_  
James Reid  
Counsel for the Applicant, Wallace  
& Carey Inc.

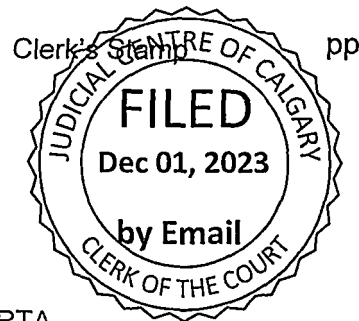
THIS IS EXHIBIT "B" REFERRED TO IN THE  
AFFIDAVIT OF PATRICK CAREY SWORN  
BEFORE ME THIS 11<sup>th</sup> DAY OF FEBRUARY,  
2024



A COMMISSIONER FOR OATHS IN AND  
FOR THE PROVINCE OF ALBERTA

**Pavin Takhar**

**Parister & Solicitor practicing in and for the Province of Alberta**



COURT FILE NUMBER 2301 - 08305  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, RSC 1985, c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OR  
ARRANGEMENT OF WALLACE & CAREY INC., LOUDON  
BROS LIMITED, and CAREY MANAGEMENT INC.

DOCUMENT ORDER

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

MILLER THOMSON LLP  
3000, 700 - 9th Avenue S.W.  
Calgary, AB, Canada T2P 3V4

Attention: James W. Reid / Gavin Finlayson

Telephone: 403.298.2418 / 416-595-8619

Fax: 403.262.0007

Email: [jwreid@millerthomson.com](mailto:jwreid@millerthomson.com) /  
[gfinlayson@millerthomson.com](mailto:gfinlayson@millerthomson.com)

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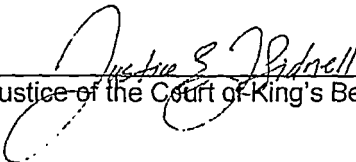
DATE ON WHICH ORDER WAS PRONOUNCED: November 9, 2023  
NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable E.J. Sidnell  
LOCATION OF HEARING: Calgary Courts Centre via WebEx

UPON the application (the "**Application**") of Wallace & Carey Inc., ("**Wallace & Carey**"), Loudon Bros Limited, and Carey Management Inc. (collectively, the "**Applicants**") respecting their costs of the Application against A&M Enterprise Ltd. ("**AME**") heard on November 9, 2023 before the Honourable Justice E.J. Sidnell;

AND UPON hearing counsel for the Applicants, counsel for AME, and counsel for the Monitor;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

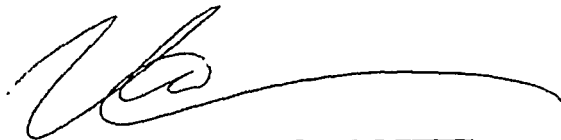
1. The Applicants shall be awarded costs in the amount of fifty percent (50%) of their reasonable solicitor-client costs incurred in respect of the Application, save and except any and all of the Applicants' costs incurred in relation to Affidavit No. 2 of Jason Spencer sworn November 6, 2023 and the Applicants' Bench Brief dated November 7, 2023.
2. If the Applicants and AME are unable to agree to an amount of costs by 5:00 p.m. Mountain Standard Time on Thursday, November 23, 2023, then the Applicants may appear before an assessment officer to determine the costs award.
3. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

  
Justice of the Court of King's Bench of Alberta

**Acknowledgement as to Order granted:**

**A&M ENTERPRISE LTD.**

Per:



Vincent Li  
Senior Legal Counsel



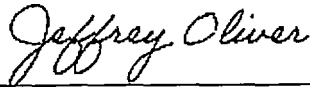
Acknowledgement as to Order granted:

Acknowledgement as to Order granted:

CASSELS, BROCK, & BLACKWELL LLP

MILLER THOMSON LLP

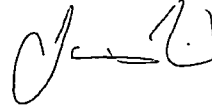
Per:



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Jeffrey Oliver  
Counsel for the Monitor, KSV  
Restructuring Inc.


Per:



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James Reid  
Counsel for the Applicants, Wallace  
& Carey Inc. et al

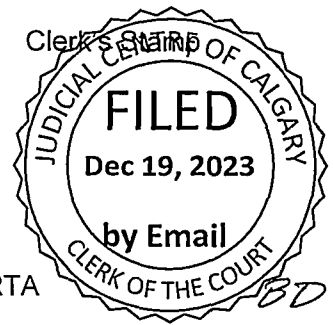
THIS IS EXHIBIT "C" REFERRED TO IN THE  
AFFIDAVIT OF PATRICK CAREY SWORN  
BEFORE ME THIS 11<sup>th</sup> DAY OF FEBRUARY,  
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**Pavin Talhar**

Barrister & Solicitor practicing in and for the Province of Alberta



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DOCUMENT ORDER

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

A&M Enterprise Ltd.  
1610 Ingleton Avenue  
Burnaby, British Columbia, V5C 5R9  
  
Attention: Vincent Li  
Telephone: 604.251.7444

DATE ON WHICH ORDER WAS PRONOUNCED: December 12, 2023  
NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice E. J. Sidnell  
LOCATION OF HEARING: Calgary Courts Centre via WebEx

**UPON** the Application of the Applicant, A&M Enterprise Ltd. ("**AME**"), for a stay of enforcement of the Order of the Honourable Justice E. J. Sidnell, pronounced November 9, 2023 and filed November 15, 2023, and of the Order of the Honourable Justice E. J. Sidnell only with respect to costs, pronounced November 9, 2023 and filed December 1, 2023 (the "**Sidnell Orders**");

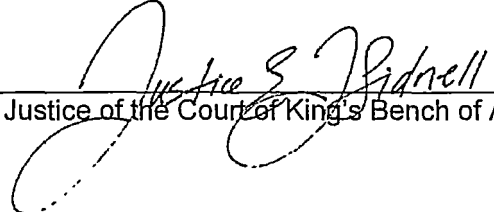
**AND UPON** reviewing the Affidavit #2 of Frank Alexander, affirmed on November 20, 2023 and the Affidavit #3 of Frank Alexander, affirmed on December 1, 2023, AND UPON reviewing the Affidavit No. 3 of Jason Spencer, sworn November 30, 2023; AND UPON reviewing the Brief of Law of the Respondents, Wallace & Carey Inc., Loudon Bros Limited, and Carey Management Inc. (the "**Respondents**");

**AND UPON** reviewing the Sidnell Orders; AND UPON reviewing the transcript of the November 9, 2023 proceedings between the AME and the Respondents, Wallace & Carey Inc., Loudon Bros Limited, and Carey Management Inc.;

**AND UPON** hearing submissions from counsel for AME, counsel for the Respondents, and counsel for the Monitor, KSV Restructuring Inc.;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

1. Service of this Application and supporting materials are good and sufficient, 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.
2. The Application for a stay of enforcement of the Sidnell Orders is dismissed.
3. AME shall pay Wallace & Carey Inc. costs with respect to this Application in the amount of \$20,000.00, payable forthwith.
4. AME shall pay the Monitor costs with respect to this Application in the amount of \$5,000.00, payable forthwith.
5. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

  
Justice of the Court of King's Bench of Alberta

Approved as to form and content:

CASSELS, BROCK, & BLACKWELL LLP

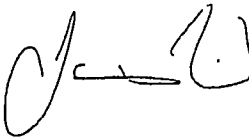
Per: 

---

Jeffrey Oliver  
Counsel for the Monitor, KSV  
Restructuring Inc.

Approved as to form and content:

MILLER THOMSON LLP

Per: 

---

James Reid  
Counsel for the Respondents, Wallace  
& Carey Inc., Loudon Bros Limited, and  
Carey Management Inc.

Approved as to form and content:

A&M ENTERPRISE LTD.

Per: 

---

Vincent Li  
Senior Legal Counsel

THIS IS EXHIBIT "D" REFERRED TO IN THE  
AFFIDAVIT OF PATRICK CAREY SWORN  
BEFORE ME THIS 11<sup>th</sup> DAY OF FEBRUARY,  
2024



A COMMISSIONER FOR OATHS IN AND  
FOR THE PROVINCE OF ALBERTA

**Pavin Takhar**

Barister & Solicitor practicing in and for the Province of Alberta

COURT OF APPEAL OF ALBERTA

COURT OF APPEAL FILE NUMBER: 2301-0295AC  
TRIAL COURT FILE NUMBER: 2301-08305  
REGISTRY OFFICE: CALGARY  
APPLICANT: A&M ENTERPRISE LTD.  
STATUS ON APPEAL: APPELLANT  
STATUS ON APPLICATION: APPLICANT

Registrar's Stamp



RESPONDENT: IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985 c C-36, as amended  
AND IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF WALLACE & CAREY INC., LOUDON BROS LIMITED, and CAREY MANAGEMENT INC.

STATUS ON APPEAL: RESPONDENT  
STATUS ON APPLICATION: RESPONDENT

DOCUMENT: ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Miller Thomson LLP  
Barristers and Solicitors  
525 – 8 Ave SW, 43<sup>rd</sup> Floor  
Calgary, AB T2P 1G1

Attention: James W. Reid and Gavin Finlayson  
Email: [jwreid@millerthomson.com](mailto:jwreid@millerthomson.com) / [gfinlayson@millerthomson.com](mailto:gfinlayson@millerthomson.com)

Phone: 403.298.2418 / 416.595.8619  
Fax: 403.262.0007

---

DATE ON WHICH ORDER WAS PRONOUNCED:

January 24, 2024

LOCATION OF HEARING:

Calgary, Alberta

NAME OF JUDGE WHO GRANTED THIS ORDER:

The Honourable Justice L.B. Ho

UPON THE APPLICATION of A&M Enterprise Ltd. (the "Applicant") for leave to appeal the Order of the Honourable Justice E.J. Sidnell pronounced November 9, 2023 and filed November 15, 2023 (the "Sidnell Order");

AND UPON HAVING READ the Application of the Applicant, the Memorandum of Argument of the Applicant, the Memorandum of Argument of Wallace & Carey Inc., Loudon Bros Limited, and Carey Management Inc. (collectively, the "Respondents"), and the Memorandum of KSV Restructuring Inc. in its capacity as monitor of the Respondents (the "Monitor");

AND UPON HAVING READ Affidavit No. 2 of Eric Rolheiser sworn on September 25, 2023 and filed on October 2, 2023; the Amended and Restated Initial Order, granted June 30, 2023; the Report of the Monitor dated August 9, 2023; the Affidavit of Frank Alexander, sworn September 28, 2023; the Affidavit of Hamid Abbaspour sworn November 1, 2023; and the Order of the Honourable Justice E.J. Sidnell pronounced on December 12, 2023 and filed December 19, 2023;

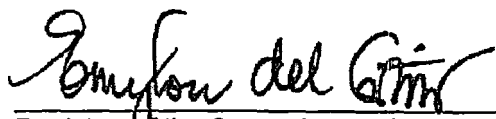
AND UPON HAVING READ the Sidnell Order;

AND UPON HAVING READ the Transcript of the November 9, 2023 proceeding held before the Honourable Justice E.J. Sidnell; and excerpts from the Transcript of the December 12, 2023 reasons for decision of the Honourable Justice E.J. Sidnell;

AND UPON HEARING the submissions of Vincent Li, counsel to the Applicant; James Reid, counsel to the Respondents; and Jeffrey Oliver, counsel to the Monitor;

IT IS ORDERED THAT:

1. The Application is dismissed and the Applicant is denied leave to appeal the Sidnell Order to the Court of Appeal of Alberta.
2. The Respondents and the Monitor are entitled to costs for this Application on the same scale as those awarded to them, respectively, in respect of the Order of the Honourable Justice E.J. Sidnell with respect to costs pronounced November 9, 2023 and filed December 1, 2023, in accordance with Rule 14.88 of the *Alberta Rules of Court*, Alta Reg 124/2010.



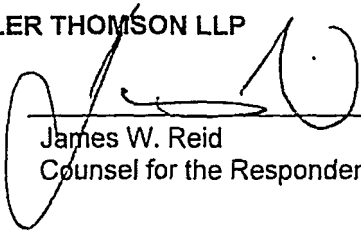
Registrar of the Court of Appeal of Alberta



THIS ORDER IS APPROVED AS TO FORM AND CONTENT this 26<sup>th</sup> DAY OF JANUARY,  
2024


**MILLER THOMSON LLP**

Per:

  
James W. Reid  
Counsel for the Respondents

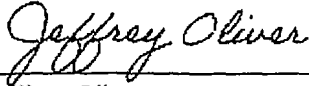
**A&M ENTERPRISE LTD.**

Per:

  
Vincent Li  
Counsel for the Applicant

**CASELS, BROCK, & BLACKWELL LLP**

Per:

  
Jeffrey Oliver  
Counsel for the Monitor

THIS IS EXHIBIT "E" REFERRED TO IN THE  
AFFIDAVIT OF PATRICK CAREY SWORN  
BEFORE ME THIS 11<sup>th</sup> DAY OF FEBRUARY,  
2024



A COMMISSIONER FOR OATHS IN AND  
FOR THE PROVINCE OF ALBERTA

**Pavin Takhar**

Barrister & Solicitor practicing in and for the Province of Alberta



MILLER THOMSON LLP  
525 - 8TH AVENUE S.W., 43RD FLOOR  
EIGHTH AVENUE PLACE EAST  
CALGARY, AB T2P 1G1  
CANADA

T 403.298.2400  
F 403.262.0007

MILLERTHOMSON.COM

November 30, 2023

VIA EMAIL  
[info@megaboxinc.com](mailto:info@megaboxinc.com)

Megabox Inc.  
#238, 1538 Cliveden Avenue  
Delta, BC V3M 6J8

Attention: Varun Goyal

James W. Reid  
Partner  
Direct Line: 403.298.2418  
[jwreid@millerthomson.com](mailto:jwreid@millerthomson.com)

File No. 0239092.0006

Re: ***In The Matter Of The Compromise Or Arrangement Of Wallace & Carey Inc. et al***  
***Court File No: 2301-08305***

---

Dear Sir:

We are counsel to Wallace & Carey Inc. ("**Wallace & Carey**") in the above noted matter.

We write further to the pre-paid purchase orders that were made by Wallace & Carey to Megabox Inc. ("**Megabox**") between the months of June through August 2023. In these months, Megabox accepted \$392,966.96 in payments from Wallace & Carey for pizza box orders which Megabox failed or refused to fulfill. Those pizza box orders were to supply the franchisees of Wallace & Carey's customer, Freshslice Pizza ("**Freshslice**").

At the time that Megabox stopped fulfilling Wallace & Carey's pizza box orders, Freshslice's pizza dough manufacturer, AME Enterprises Inc. ("**AME**") also accepted payments from Wallace & Carey but ceased fulfilling Wallace & Carey's pizza dough orders. Concurrently, Freshslice's franchisees stopped ordering from Wallace & Carey.

The collaborative actions of Megabox, Freshslice and AME against Wallace & Carey of taking money from Wallace & Carey and not fulfilling orders will not be tolerated and legal action will be pursued against each entity.

AME's breach of the ARIO and failure to comply with the demands of Wallace & Carey resulted in Wallace & Carey bringing an Application against AME, whereby on November 9, 2023, the Court ordered that AME pay to Wallace & Carey \$497,521.26 for unfulfilled orders plus legal costs. This Order of the Alberta Court is being recognized and registered against AME in British Columbia and civil enforcement steps will be immediately taken against it. A copy of one of the Court orders against AME is enclosed.

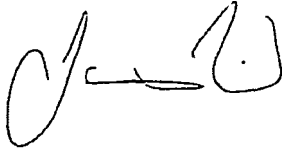
Pursuant to the \$392,966.96 in unfulfilled Megabox orders, we hereby demand that Megabox immediately return this amount to Wallace & Carey. If Megabox refuses to comply with this demand by 12:00 pm MT on Friday, December 8, 2023, we will be seeking an order from the Court against Megabox as well as costs.

We look forward to Megabox's cooperation.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'J. Reid', with a stylized flourish at the end.

James W. Reid  
JR/mc

Enclosures

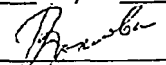
- c. B. Kofman and C. Vit (KSV Advisory Inc.)  
J. Oliver (Cassels Brock and Blackwell LLP)



**ENCLOSURE ONE**

I hereby certify this to be a true copy of  
the original ORDER

Dated this 20 day of November, 2023

  
for Clerk of the Court

COURT FILE NUMBER

2301 - 08305

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, RSC 1985, c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OR  
ARRANGEMENT OF WALLACE & CAREY INC., LOUDON  
BROS LIMITED, and CAREY MANAGEMENT INC.

DOCUMENT

**ORDER**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

MILLER THOMSON LLP  
3000, 700 - 9th Avenue S.W.  
Calgary, AB, Canada T2P 3V4

Attention: James W. Reid / Gavin Finlayson

Telephone: 403.298.2418 / 416-595-8619

Fax: 403.262.0007

E-mail: [jwreid@millerthomson.com](mailto:jwreid@millerthomson.com) /  
[gfinlayson@millerthomson.com](mailto:gfinlayson@millerthomson.com)

File No.: 0221652.0006

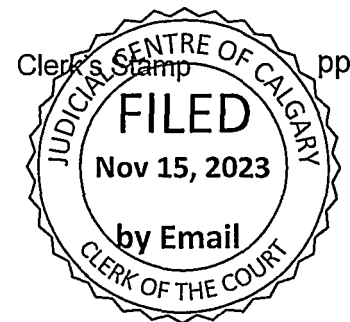
DATE ON WHICH ORDER WAS PRONOUNCED: November 9, 2023

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice E.J. Sidnell

LOCATION OF HEARING: Calgary Courts Centre via WebEx

**UPON** the application of Wallace & Carey Inc., ("**Wallace & Carey**"), Loudon Bros Limited,  
and Carey Management Inc. (collectively, the "**Applicants**");

**AND UPON** having read the Application, the Affidavit No. 2 of Eric Rolheiser sworn  
September 25, 2023, the Affidavit of Marica Ceko sworn September 26, 2023, the Affidavits of  
Hamid Abbaspour sworn September 28, 2023 and November 1, 2023, the Affidavit of Prabhjot  
Singh sworn September 28, 2023, the Affidavit of Tamila Khayrullaeva sworn September 28,  
2023, the Affidavit of Shawn Ibrahim sworn September 28, 2023, the Affidavit of Jasdeep Sandhu  
sworn September 28, 2023, the Affidavit of Frank Alexander sworn September 28, 2023, the



Affidavit of Aravinth Manickam sworn September 28, 2023, the Affidavit of Andy Costa sworn October 27, 2023, the Affidavits of Jason Spencer sworn October 27, 2023 and November 6, 2023, the Affidavits of Amanpreet Singh sworn October 2, 2023 and November 1, 2023, and the Fourth Report of KSV Restructuring Inc. in its capacity as Monitor dated September 18, 2023;

**AND UPON** hearing counsel for the Applicants, counsel for A&M Enterprise Ltd., and counsel for the Monitor;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

1. Service of notice of this Application and supporting materials is hereby declared to be good and sufficient, 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.
2. A&M Enterprise Ltd. ("**AME**") is hereby ordered and directed to instruct its agent, Amanpreet Singh, to advise the Freshslice group of companies (the "**FSGC**") and any franchisees of the FSGC, including franchisees of any subsidiaries and affiliates thereof by email (enclosing a copy of this Order), with a copy to the Monitor, counsel to the Monitor, and counsel to the Applicants, to be sent no later than 5:00 p.m. (Calgary Time) on November 14, 2023, to:
  - (a) immediately, and no later than three business days following notice of this Order, pay any accounts payable owing to Wallace & Carey;
  - (b) take all steps to immediately, and no later than three business days following notice of this Order, reinstate their respective pre-authorized payment accounts with Wallace & Carey; and
  - (c) subject to further Court Order, from and after the date of this Order, purchase products used in the operation of the franchisees' businesses exclusively from Wallace & Carey consistent with historical practice, unless Wallace & Carey and the Monitor consent in writing otherwise.
3. In the event that AME does not comply with the provisions of paragraph 2 of this Order, Wallace & Carey is hereby granted leave to seek further relief from this Court by way of an application.

4. AME shall pay to Wallace & Carey \$497,521.26 (the "**Unfulfilled Purchase Order Amount**") within two business days following the issuance of this Order.
5. Upon payment of the Unfulfilled Purchase Order Amount, the corresponding pre-paid purchase orders issued by Wallace & Carey to AME are hereby cancelled, with no further obligations owing only thereunder by Wallace & Carey.
6. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, 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 Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.
7. The Applicants and the Monitor are 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 and that the Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.




8. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

  
Justice of the Court of King's Bench of Alberta


**Acknowledgement as to Order granted:**

**A&M ENTERPRISE LTD.**

Per:   
\_\_\_\_\_  
Vincent Li  
Senior Legal Counsel

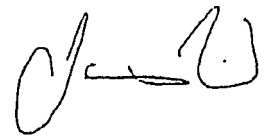
**Acknowledgement as to Order granted:**

**CASELS, BROCK, & BLACKWELL LLP**

Per:   
\_\_\_\_\_  
Jeffrey Oliver  
Counsel for the Monitor, KSV  
Restructuring Inc.

**Acknowledgement as to Order granted:**

**MILLER THOMSON LLP**

Per:   
\_\_\_\_\_  
James Reid  
Counsel for the Applicant, Wallace  
& Carey Inc.

THIS IS EXHIBIT "F" REFERRED TO IN THE  
AFFIDAVIT OF PATRICK CAREY SWORN  
BEFORE ME THIS 11<sup>th</sup> DAY OF FEBRUARY,  
2024



A COMMISSIONER FOR OATHS IN AND  
FOR THE PROVINCE OF ALBERTA

~~Pavin Lakhar~~  
~~Barrister & Solicitor practicing in and for the Province of Alberta~~

Clerk's Stamp:

CERTIFIED *E. Wheaton*  
by the Court Clerk as a true copy of the  
document digitally filed on Feb 8, 2024

COURT FILE NUMBER: 2301-08305

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, RSC 1985, c C-36, as amended  
2301-08305  
Feb 8, 2024

AND IN THE MATTER OF THE COMPROMISE ARRANGEMENT OF WALLACE & CAREY INC. AND LOUDON BROS. LIMITED, and CAREY MANAGEMENT INC.

APPLICANTS WALLACE & CAREY INC, LOUDON BROS LIMITED, and CAREY MANAGEMENT INC.

DOCUMENT SCHEDULING ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
MILLER THOMSON LLP  
Barristers and Solicitors  
525 - 8 Ave SW, 43rd Floor  
Calgary, AB T2P 1G1

Attention: James W. Reid / Pavin Takhar  
Telephone: 403.298.2418 / 403.298.2432  
Fax: 403.262.0007  
Email: jwreid@millerthomson.com / ptakhar@millerthomson.com

File No.: 0221652.0006

DATE ON WHICH ORDER WAS PRONOUNCED: February 7, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice B.B. Johnston

UPON THE APPLICATION of Wallace & Carey Inc. ("Wallace & Carey") to establish a litigation schedule for the hearing of a dispute between Wallace & Carey and Dakin News Systems Inc. ("INS News" and together with Wallace & Carey, collectively, the "Parties") for payment of certain alleged accounts receivable owing by INS News to Wallace & Carey (the "Application");

Wallace & Carey BBJ

AND UPON hearing that the Parties have agreed to the following litigation schedule and that the



terms are acceptable to KSV Restructuring Inc., in its capacity as Court-appointed monitor of, among others, the Applicant (the "**Monitor**");

And upon hearing INS was properly served with this Application but failed to attend: <sup>EBJ</sup>  
**IT IS HEREBY ORDERED AND DECLARED THAT:**

1. The following litigation schedule shall apply:
  - a. Wallace & Carey shall file and serve the Application, any evidence, and any brief of law that it intends to rely on at the hearing of the Application on or before March 18, 2024;
  - b. Questioning, if any, of Wallace & Carey witness(es) shall take place on or before March 22, 2024;
  - c. INS News shall provide any evidence, and any brief of law that it intends to rely on at the hearing of the Application on or before March 25, 2024;
  - d. Questioning, if any, of INS News' witness(es) shall take place on or before March 29, 2024;
  - e. The Monitor shall file and serve its report with respect to the Application, if any, on or before April 4, 2024;
  - f. Response materials of the Parties, if any, shall be filed and served on or before April 8, 2024; and
  - g. The Application shall be heard on April 16, 2024, commencing at 2:00 p.m.
2. The litigation schedule set out in paragraph 1 above may be mutually amended or modified by the Parties in writing, with the concurrence of the Monitor, without any further order of the Court.

3. There shall be no costs for this appearance.

*BB Johnston*

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Justice of the Court of King's Bench of Alberta