

**SUPERIOR COURT**  
(Commercial Division)

**CANADA**  
**PROVINCE OF QUÉBEC**  
**DISTRICT OF MONTRÉAL**

**No. 500-11-057458-198**

**DATE: November 22, 2019**

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**PRESIDING : THE HONOURABLE Peter Kalichman, J.S.C.**

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**IN THE MATTER OF THE LIQUIDATION OF:**

**BRITISH CONTROLLED OILFIELDS LTD.**

Corporation/Co-Petitioner

-and-

**STEPHEN MICHAEL ROSEFIELD**

Co-Petitioner

-and-

**KPMG INC.**

Liquidator

COPIE CERTIFIÉE CONFORME  
AU DOCUMENT DÉTENU PAR LA COUR  
Jean-Pierre N. Goss  
Personne désignée par le greffier

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**CLAIMS PROCEDURE ORDER**

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**THE COURT:**

**Service**

1. **DECLARES** that the petitioners have given sufficient prior notice of the presentation of this Petition to interested parties;

## Definitions

2. **DECLARES** that the following terms in this Order shall, unless otherwise indicated, have the following meanings ascribed thereto:

- 2.1 "**Appointment Order**" means the order dated November 22, 2019 appointing KMPG Inc. as judicial liquidator of BCO pursuant to the CBCA;
- 2.2 "**BCO**" means British Controlled Oilfields Ltd.;
- 2.3 "**Business Day**" means a day, other than a Saturday, a Sunday, or a holiday (as defined in the *Code of Civil Procedure*, R.S.Q., c. C-25.1, as amended);
- 2.4 "**CBCA**" means the *Canada Business Corporation Act*, R.S.C. 1985, c. C-44, as amended;
- 2.5 "**Claim**" means either a Monetary Claim or an Ownership Claim;
- 2.6 "**Bar Date**" means 5:00 p.m. (Montréal time) on January 15, 2020;
- 2.7 "**Court**" means the Québec Superior Court (Commercial Division);
- 2.8 "**Creditor**" means any Person having a Monetary Claim and may, where the context requires, include the assignee of a Monetary Claim or a trustee, interim receiver, receiver, receiver and manager, or other Person acting on behalf of such Person and includes a Known Creditor;
- 2.9 "**Instructions**" means the instructions for Stakeholders, including the Notice to Stakeholder, a Proof of Claim, an Instruction Letter explaining how to complete same, and a copy of this Order;
- 2.10 "**Designated Newspapers**" means Globe and Mail, Le Devoir, New York Times, and The Times (London) ;
- 2.11 "**Distribution Order**" means the order pursuant to which the Liquidator will distribute the net proceeds of BCO's liquidation to the Stakeholders;
- 2.12 "**Equity Claim**" has the meaning ascribed thereto in the definition contained in the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3;
- 2.13 "**Holder**" means a Person in possession of a Share issued or endorsed to the Person or the bearer or in blank;
- 2.14 "**Instruction Letter**" means the instruction letter sent to Stakeholders in a document substantially in the form of Schedule ["A"] hereto;
- 2.15 "**Known Creditor**" means a Creditor whose Monetary Claim is included in BCO's books and records;

- 2.16 "**Known Stakeholder**" means a Known Creditor and/or a Registered Shareholder;
- 2.17 "**Liquidator**" means KMPG Inc., acting in its capacity as Liquidator pursuant to the Appointment Order;
- 2.18 "**Monetary Claim**" means any right of any Person against BCO in connection with any indebtedness or obligation of any kind of BCO, present, future, due or accruing due to such Person and any interest accrued thereon or costs payable in respect thereof, whether liquidated, unliquidated, contingent, matured, unmatured, disputed, undisputed, secured, unsecured, known or unknown, including, *inter alia*, any executory or non-executory guarantee or surety and i) the right or ability of any Person to advance a claim for contribution, indemnity or otherwise with respect to any matter, action or cause, which indebtedness, liability or obligation is based in whole or in part on facts existing as at the Appointment Order and any Equity Claim;
- 2.19 "**Newspaper Notice**" means the notice of this Order to be published in the Designated Newspapers on the Publication Date in accordance with paragraph [3], which shall set out the Bar Date, being substantially in the form of Schedule ["B"] hereto;
- 2.20 "**Notice of Revision or Disallowance**" means the notice referred to in paragraph [8] hereof, advising a Stakeholder that the Liquidator has revised or rejected all or part of such Stakeholder's Claim set out in its Proof of Claim and setting out the reasons for such revision or disallowance, and being substantially in the form of Schedule ["C"] hereto;
- 2.21 "**Notice to Stakeholders**" means the notice referred to in paragraph substantially in the form of Schedule ["D"] hereto;
- 2.22 "**Ownership Claim**" means any right of any Person asserting that it is a Holder of Shares in BCO and may be entitled, *inter alia*, to a pro rata distribution of the liquidation proceeds of BCO;
- 2.23 "**Person**" means any individual, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization without legal personality, joint venture, governmental body or agency, or any other entity;
- 2.24 "**Proof of Claim**" means the form of Proof of Claim for Stakeholders referred to in paragraphs [7] and [8] hereof, in the form of Schedule ["E"] hereto;
- 2.25 "**Publication Date**" means the date on which the publication of the Newspaper Notice in all of the Designated Newspapers has been completed;

- 2.26 "**Registered Shareholder**" means a Person registered as a Holder of Shares in the securities register of BCO;
- 2.27 "**Share**" means an instrument issued by BCO that is (a) in bearer, order or registered form, (b) of a type commonly dealt in on securities exchanges or markets or commonly recognized in any area in which it is issued or dealt in as a medium for investment, (c) one of a class or series or by its terms divisible into a class or series of instruments, and (d) evidence of a share, participation or interest in BCO;
- 2.28 "**Shareholder**" means any person having an Ownership Claim and, may, where the context requires, include (i) a Registered Holder, (ii) a Holder of Shares whose shareholdings are not registered in the securities registry of BCO, and (iii) the assignee of an Ownership Claim or a trustee, interim receiver, receiver, receiver and manager, or other person acting on behalf of such person;
- 2.29 "**Stakeholder**" means either a Creditor or a Shareholder;
- 2.30 "**Stakeholder' List**" means a list of all Stakeholders;

#### **Notification Procedure**

3. **ORDERS** that the form of Newspaper Notice shall be published by the Liquidator in the Designated Newspapers as soon as possible following the issuance of this Order, but in any event no later than November 29, 2019;
4. **ORDERS** that the Liquidator shall publish on its website at [www.kpmg.com/ca/bco](http://www.kpmg.com/ca/bco), on or before 5:00 p.m. (Montréal time) on November 25, 2019, a copy of the Stakeholder List, of the Instructions and of the present Order;
5. **ORDERS** that, in addition to the publication referred to in paragraph [3], the Liquidator shall send, by regular mail, a copy of the Instructions and of the Notice to Stakeholders to each Known Stakeholder no later than 5:00 p.m. (Montréal time) on November 29, 2019;

#### **Bar Date and Distribution**

6. **ORDERS** that, unless otherwise authorized by this Court, a Stakeholder who does not file a Proof of Claim by the Bar Date shall not be entitled to any further notice;
7. **ORDERS** that, unless otherwise authorized by this Court, a Stakeholder who does not file a Proof of Claim before the Distribution Order i) shall be forever barred from pursuing a Claim against BCO after the issuance of the Distribution Order and ii) in the case of a Creditor, shall not be entitled to receive a distribution under the Distribution Order;

## Claims Procedure

8. **ORDERS** that the following procedure shall apply where a Stakeholder files a Proof of Claim before the Bar Date:

7.1 the Liquidator, together with BCO, shall review the Proof of Claim to verify its accuracy for distribution purposes. Where applicable, the Liquidator shall send the Stakeholder a Notice of Revision or Disallowance by mail, telecopier, courier or other means of electronic communication;

7.2 the Stakeholder who receives a Notice of Revision or Disallowance and wishes to dispute it shall, within fifteen (15) days of the Notice of Revision or Disallowance, file an appeal motion with the Court and serve a copy of such appeal motion to BCO and the Liquidator; and

7.3 unless otherwise authorized by this Court, if the Stakeholder does not file an appeal motion within the delay provided for above, such Stakeholder shall be deemed to have accepted the determination of the Liquidator as set out in the Notice of Revision or Disallowance.

## Notice of Transfers

9. **ORDERS** that, for purposes of distributions to be effected pursuant to the Distribution Order, if a Stakeholder transfers or assigns the whole of its Claim to another Person after the Bar Date, neither BCO, nor the Liquidator shall be obligated to deal with the transferee or assignee of the Claim as the Stakeholder in respect thereof unless and until notice of the transfer or assignment from either the transferor, assignor, transferee or assignee, together with evidence showing that such transfer or assignment was valid at law, has been received by the Liquidator at least ten (10) Business Days prior to any distribution under the Distribution Order;
10. **ORDERS** that if the holder of a Claim or any subsequent holder of the whole of a Claim who has been acknowledged by the Liquidator as the Stakeholder in respect of such Claim, transfers or assigns the whole of such Claim to more than one Person or part of such Claim to another Person or Persons, such transfer or assignment shall not create a separate Claim or Claims and such Claim shall continue to constitute and be dealt with as a single Claim notwithstanding such transfer or assignment, and the Liquidator and BCO shall in each such case not be bound to recognize or acknowledge any such transfer or assignment and shall be entitled to give notices to and to otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim in whole as the Stakeholder in respect of such Claim, provided such Stakeholder may by notice in writing to the Liquidator direct that subsequent dealings in respect of such Claim, but only as a whole, shall be with a specified Person and in such event, such Stakeholder, such transferee or assignee of the Claim as a whole shall be bound by any notices given or steps taken in respect of such Claim with such Person in accordance with this Order;

## Notices and Communications

11. **ORDERS** that any notice or other communication to be given under this Order by a Stakeholder to the Liquidator or BCO shall be in writing in substantially the form provided for in this Order and will be sufficiently given only if given by mail, telecopier, courier or other means of electronic communication addressed to:

<b>Liquidator:</b>	<b>KPMG Inc.</b>
	Attention: Stephane De Broux et Patrick Ifergan
	Fax: (514) 840-2121
	E-mail: <a href="mailto:bco@kpmg.ca">bco@kpmg.ca</a>

<b>BCO:</b>	<b>Bloomfield et Avocats</b>
	Attention: Me Christopher Audet
	Fax: (514) 397-0816
	E-mail: <a href="mailto:caudet@fieldbloom.com">caudet@fieldbloom.com</a>

<b>With a copy to</b>	<b>Davies Ward Phillips &amp; Vineberg LLP</b>
	Attention: Me Christian Lachance
	Fax: (514) 841-6499
	E-mail: <a href="mailto:clachance@dwpv.com">clachance@dwpv.com</a>

12. **ORDERS** that any document sent by the Liquidator pursuant to this Order may be sent by e-mail, ordinary mail, registered mail, courier or facsimile transmission. A Stakeholder shall be deemed to have received any document sent pursuant to this Order two (2) Business Days after the document is sent by mail and one (1) Business Day after the document is sent by courier, e-mail or facsimile transmission. Documents shall not be sent by ordinary or registered mail during a postal strike or work stoppage of general application;

## General Provisions

13. **ORDERS** that for the purposes of this Order, all Monetary Claims that are denominated in a foreign currency shall be converted to Canadian dollars at the

Bank of Canada spot rate of exchange for exchanging currency to Canadian dollars on the Bar Date;

14. **ORDERS** that the Liquidator shall use reasonable discretion as to the adequacy of completion and execution of any document completed and executed pursuant to this Order and, where the Liquidator is satisfied that any matter to be proven under this Order has been adequately proven, the Liquidator may waive strict compliance with the requirements of this Order as to the completion and execution of documents;
15. **DECLARES** that the Liquidator may apply to this Court for advice and direction in connection with the discharge or variation of its powers and duties under this Order;
16. **ORDERS** the provisional execution of this Order notwithstanding appeal;
17. **THE WHOLE** with costs being paid from the Proceeds.

  
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COPIE CERTIFIÉE CONFORME  
AU DOCUMENT DÉTENU PAR LA COUR  
  
Personne désignée par le greffier