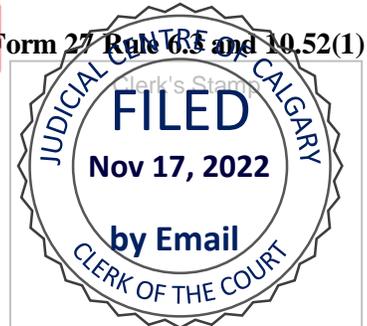


ENTERED

Form 27 Rule 6.3 and 10.52(1)



COURT FILE NO. 2201-11627
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
RSC 1985, C C-8, AS AMENDED

\$50.00
COM
Nov 25 2022

AND IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF BR CAPITAL LP, BR CAPITAL INC.,
ICE HEALTH SYSTEMS LP, ICE HEALTH SYSTEMS GP LP, ICE
HEALTH SYSTEMS INC., HEALTH EDUCATION LP, HEALTH
EDUCATION GP LP, HELP INC., FIRST RESPONSE
INTERNATIONAL LP, FIRST RESPONSE INTERNATIONAL GP
LP, FIRST RESPONSE INTERNATIONAL INC., ICE HEALTH
SYSTEMS LTD. AND SESCO HEALTH SERVICES INC.

AND IN THE MATTER OF A PLAN OF ARRANGEMENT OF BR
CAPITAL INC., ICE HEALTH SYSTEMS INC., HELP INC., FIRST
RESPONSE INTERNATIONAL INC., ICE HEALTH SYSTEMS
LTD AND SESCO HEALTH SERVICES INC. UNDER THE
BUSINESS CORPORATIONS ACT, RSA 2000, CH B-9, AS
AMENDED

APPLICANTS BR CAPITAL LP, BR CAPITAL INC., ICE HEALTH SYSTEMS LP,
ICE HEALTH SYSTEMS GP LP, ICE HEALTH SYSTEMS INC.,
HEALTH EDUCATION LP, HEALTH EDUCATION GP LP, HELP
INC., FIRST RESPONSE INTERNATIONAL LP, FIRST RESPONSE
INTERNATIONAL GP LP, FIRST RESPONSE INTERNATIONAL
INC., ICE HEALTH SYSTEMS LTD. AND SESCO HEALTH
SERVICES INC.

DOCUMENT **APPLICATION**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY
FILING THIS
DOCUMENT
Gowling WLG (Canada) LLP
1600, 421 – 7th Avenue S.W.
Calgary, AB T2P 4K9
Telephone: (403) 298-1938 / (403) 298-1018
Facsimile: (403) 263-9193
Email: tom.cumming@gowlingwlg.com /
stephen.kroeger@gowlingwlg.com
File No. A167833

Attention: Tom Cumming / Stephen Kroeger

NOTICE TO THE RESPONDENTS

This application is made against you.

You have the right to state your side of this matter before the master.

To do so, you must be in Court when the application is heard as shown below:

Date: November 25, 2022
Time: 10:00 a.m.
Where: By Webex (see Webex details at **Schedule “B”**)
Before Whom: The Honourable Justice Dunlop in Commercial Chambers

Go to the end of this document to see what you can do and when you must do it.

Remedy claimed or sought:

1. The applicants, BR Capital LP (“**BR LP**”), BR Capital Inc. (“**BR GP**”), ICE Health Systems LP (“**ICE LP**”), ICE Health Systems GP LP (“**ICE GP LP**”), ICE Health Systems Inc. (“**ICE AB Inc.**”), Health Education LP (“**HE LP**”), Health Education GP LP (“**HE GP LP**”), Help Inc. (“**HE Inc.**”), First Response International LP (“**FRI LP**”), First Response International GP LP (“**FRI GP LP**”), First Response International Inc. (“**FRI Inc.**”), ICE Health Systems Ltd. (“**ICE Ltd.**”) and SESCO Health Services Inc. (“**SECSI**”) (collectively the “**Applicants**”) apply for an Order under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the “**BIA**”) seeking, *inter alia*, the following relief and substantially in the form attached hereto as **Schedule “A”**:
 - (a) abridging the time for service of notice of this Application, deeming service of notice of this Application to be good and sufficient, and declaring that there is no other person who ought to have been served with notice of this Application;
 - (b) extending period within which the Applicants are required to file a proposal, ending on November 29, 2022 (the “**Stay Period**”), by an additional 45 day period ending January 13, 2023 (the “**Stay Extension**”);
 - (c) approving the reimbursement by the Applicants of an advance in the amount of \$25,000 by James Lawson to SESCO on October 29, 2022 as temporary bridge financing to allow SESCO to pay its October 31, 2022 payroll in the amount of

\$25,062 (the “**Payroll Bridge Financing**”), provided that accounts receivable in the approximate amount of \$94,000 are collected by the Applicants prior to such payment; and

- (d) such further and other relief as the Applicants may request and this Honourable Court may grant.

Grounds for making this application:

Background

2. BR LP is an Alberta limited partnership formed pursuant to a limited partnership agreement dated February 28, 2006 between BR GP, an Alberta corporation, as general partner, and Peter Hoven, as initial limited partner, as amended from time to time.
3. BR LP is the sole limited partner of ICE LP, HE LP and FRI LP, each of which are Alberta limited partnerships. The general partner of ICE LP is ICE GP LP, an Alberta limited partnership, and the general partner of ICE GP LP is ICE AB Inc., an Alberta corporation. ICE LP owns all of the shares of ICE Health Systems Inc. (“**ICE NV**”), a Nevada corporation, and ICE Ltd., an Alberta corporation. ICE Ltd. owns all of the shares in Servicio de Excelencia en y Communication por Salud Internet (“**SHS MX**”), a Mexico corporation, and SESCI, an Alberta corporation.
4. The general partner of FRI LP is FRI GPLP, an Alberta limited partnership, and the general partner of FRI GP LP is FRI Inc., an Alberta corporation. The general partner of HE LP is HE GP LP, an Alberta limited partnership, and the general partner of HE GP LP is HE Inc., an Alberta corporation.
5. ICE LP, HE LP and FRI LP have developed and own cloud based software systems supporting dental and medical clinics and the dissemination of medical information (collectively, the “**Software**”) and all intellectual property associated therewith. The development and marketing of such Software was financed by the issuance by BR LP of limited partnership units to 243 limited partners and unsecured promissory notes to approximately 40 noteholders.

6. ICE LP licenses its Software to ICE NV and ICE Ltd. ICE NV sublicenses the Software to customers in the United States, and ICE Ltd. sublicenses the Software to its customers in Canada and elsewhere in the world. HE LP and FRI LP each licence the Software to customers in Canada.
7. The market disruptions caused by the global COVID-19 pandemic reduced both the revenues received by the Applicants under their licences and the demand for new licenses. As a result BR LP continues to be unable to repay the amounts outstanding under the BR Notes or other liabilities as they became due.
8. On September 15 and 16, 2022, each of the Applicants filed a notice of intention to make a proposal (collectively, the “**NOIs**”) pursuant to section 50.4(1) of the *BIA* (such proceedings, the “**Proposal Proceedings**”) naming KPMG Inc. as the proposal trustee (the “**Proposal Trustee**”). ICE NV and SHS MX are not Applicants in the Proposal Proceedings.
9. As a result of the filing of the NOIs, all proceedings against the Applicants and their property were automatically stayed for an initial period of thirty (30) days.
10. On October 14, 2022, the Honourable Justice C. Dario granted an Order (the “**October 14 Order**”) which, among other things:
 - (a) consolidated, for procedural purposes only, the Proposal Proceedings and the estate files of the Applicants thereunder;
 - (b) authorized the Applicants to obtain interim financing from 2443970 Alberta Inc. as administrative agent for and on behalf of a group of lenders (the “**Interim Financing**”);
 - (c) granted an administration charge, interim lenders’ charge and directors and officers charge; and
 - (d) extended the Stay Period to November 29, 2022.

Extension of the Stay Period

11. The Applicants require the Stay Extension in order to finalize the form of the joint proposal to their creditors (the “**Proposal**”) and file the Proposal with this Honourable Court. The Applicants also require time to take and implement all of the steps necessary to obtain the acceptance of the Proposal by their creditors and apply for the approval of the Proposal by this Honourable Court.
12. The Stay Extension is appropriate for, *inter alia*, the following reasons:
 - (a) the Applicants have acted and continue to act in good faith and with due diligence;
 - (b) no creditor will be materially prejudiced by the requested Stay Extension; and
 - (c) the Stay Extension is necessary to allow Applicants sufficient time to finalize a joint proposal, hold a meeting to allow creditors of the Applicants to vote on the joint proposal and, if approved by the requisite majorities, seek approval of the Court and implement the joint proposal according to its terms.
13. The Proposal Trustee supports the Stay Extension.

Payroll Bridge Financing

14. On October 31, 2022, SESCO’s regular payroll of \$25,062 was payable. At that time, the cash available to the Applicants was approximately \$8,000.
15. Although the Interim Financing had been approved by the October 14 Order, several of the interim lenders had not yet provided to the Applicants “accredited investor certificates” confirming that for the purposes of NI 45-106 or section 73.3 of the *Securities Act* (Ontario), they were accredited investors.
16. In addition, certain accounts receivable in the aggregate amount of \$94,000, which are sufficient to pay the October 31, 2022 payroll and any other trade credit incurred subsequent to the September 15 and 16, 2022 filing dates, are only to be collected in the weeks of November 28 and December 5, 2022 (the “**Accounts Receivable**”).

17. In order to bridge the temporary cash deficiency until the outstanding accredited investor certificates were received and the accounts receivable collected, James Lawson, the Chief Financial Officer of the Applicants, personally advanced to SESCO the Payroll Bridge Financing pending the collection of the Accounts Receivable.
18. Provided that the Accounts Receivable are collected, the Proposal Trustee supports the repayment of the Payroll Bridge Financing.

Material or evidence to be relied on:

19. The Affidavit of Mark Genuis, sworn October 5, 2022, filed;
20. The Affidavit of Mark Genuis, sworn October 6, 2022, filed;
21. The Affidavit of Kristy DeJure, sworn October 14, 2022, filed;
22. The Affidavit of James Lawson, sworn November 14, 2022, to be filed;
23. The second report of the Proposal Trustee, to be filed; and
24. Such further and other material as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

25. Rules 1.2, 1.3, 11.27 and 13.5 of the Alberta *Rules of Court*, Alta Reg 124/2010;
26. The *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended; and
27. Such further and other Acts and regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

28. None.

How the application is proposed to be heard or considered:

29. Before the Honourable Justice Dunlop in Commercial Chambers via Webex

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and time shown at the beginning of this form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

SCHEDULE "A"
DRAFT ORDER

COURT FILE NO. 2201-11627

COURT COURT OF KING'S BENCH OF ALBERTA
(IN BANKRUPTCY & INSOLVENCY)

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
RSC 1985, C C-8, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF BR CAPITAL LP, BR CAPITAL INC.,
ICE HEALTH SYSTEMS LP, ICE HEALTH SYSTEMS GP LP, ICE
HEALTH SYSTEMS INC., HEALTH EDUCATION LP, HEALTH
EDUCATION GP LP, HELP INC., FIRST RESPONSE
INTERNATIONAL LP, FIRST RESPONSE INTERNATIONAL GP
LP, FIRST RESPONSE INTERNATIONAL INC., ICE HEALTH
SYSTEMS LTD. AND SESCO HEALTH SERVICES INC.

AND IN THE MATTER OF A PLAN OF ARRANGEMENT OF BR
CAPITAL INC., ICE HEALTH SYSTEMS INC., HELP INC., FIRST
RESPONSE INTERNATIONAL INC., ICE HEALTH SYSTEMS
LTD AND SESCO HEALTH SERVICES INC. UNDER THE
BUSINESS CORPORATIONS ACT, RSA 2000, CH B-9, AS
AMENDED

APPLICANTS BR CAPITAL LP, BR CAPITAL INC., ICE HEALTH SYSTEMS LP,
ICE HEALTH SYSTEMS GP LP, ICE HEALTH SYSTEMS INC.,
HEALTH EDUCATION LP, HEALTH EDUCATION GP LP, HELP
INC., FIRST RESPONSE INTERNATIONAL LP, FIRST RESPONSE
INTERNATIONAL GP LP, FIRST RESPONSE INTERNATIONAL
INC., ICE HEALTH SYSTEMS LTD AND SESCO HEALTH
SERVICES INC.

DOCUMENT **ORDER**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING
THIS DOCUMENT

Gowling WLG (Canada) LLP

1600, 421 – 7th Avenue SW

Calgary, AB T2P 4K9

Attn: **Tom Cumming / Stephen Kroeger**

Phone: 403.298.1938 / 403.298.1018

Fax: 403.263.9193

Email: tom.cumming@gowlingwlg.com /
stephen.kroeger@gowlingwlg.com

File No.: A167833

DATE ON WHICH ORDER WAS PRONOUNCED: November , 2022

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

JUSTICE WHO MADE THIS ORDER: The Honourable Justice Dunlop in
Commercial Chambers

UPON THE APPLICATION of BR Capital LP, BR Capital Inc., ICE Health Systems LP, ICE Health Systems GP LP, ICE Health Systems Inc., Health Education LP, Health Education GP LP, Help Inc., First Response International LP, First Response International GP LP, First Response International Inc., ICE Health Systems Ltd. and SESCO Health Services Inc. (collectively, the “**Applicants**”), filed November 14, 2022; **AND UPON** reading Affidavit of James Lawson, sworn November 14, 2022 and the Affidavit of Service of ●, sworn November ●, 2022; **AND UPON** reading the Second Report of KPMG Inc. in its capacity as proposal trustee of the Applicants (in such capacity, the “**Proposal Trustee**”); **AND UPON** hearing submissions by counsel for the Applicants, counsel for the Proposal Trustee and any other counsel or other interested parties present,

IT IS HEREBY ORDERED THAT:

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today, and no one other than those persons served is entitled to service of the notice of application.
2. The time within which the Applicants are required to file a proposal to their creditors with the Official Receiver under section 50.4 of the *Bankruptcy and Insolvency Act* (Canada), RSC 1985, c B-3, as amended, shall be and is hereby extended to January 13, 2023.
3. The reimbursement by the Applicants of an advance in the amount of \$25,000 by James Lawson on October 29, 2022 to fund the payment of SESCO’s October 31, 2022 payroll is hereby approved, provided that accounts receivable in the approximate amount of \$94,000 are collected by the Applicants prior to such payment.
4. Service of this Order shall be deemed good and sufficient by:
 - (a) serving this Order upon those interested parties attending or represented at the within Application;

- (b) delivering a copy of this Order by email or facsimile; and
- (c) posting a copy of this Order on the Proposal Trustee's website at:
<https://home.kpmg/ca/en/home/services/advisory/deal-advisory/creditorlinks/br-capital.html>.

J.C.K.B.A

SCHEDULE “B” WEBEX INSTRUCTIONS

Virtual Courtroom 86 has been assigned for the above noted matter:

Virtual Courtroom Link:

<https://albertacourts.webex.com/meet/virtual.courtroom86>

Instructions for Connecting to the Meeting

1. Click on the link above or open up Chrome or Firefox and cut and paste it into your browser address bar.
2. If you do not have the Cisco Webex application already installed on your device, the site will have a button to install it. Follow installation instructions. Enter your full name and email address when prompted
3. Click on the **Open Cisco Webex Meeting**.
4. You will see a preview screen. Click on **Join Meeting**.

Key considerations for those attending:

Please connect to the courtroom **15 minutes prior** to the start of the hearing.

Please ensure that your microphone is muted and remains muted for the duration of the proceeding, unless you are speaking. Ensure that you state your name each time you speak.

If bandwidth becomes an issue, some participants may be asked to turn off their video and participate by audio only.

Note: Recording or rebroadcasting of the video is prohibited.

Note: It is highly recommended you use headphones with a microphone or a headset when using Webex. This prevents feedback.

If you are a non-lawyer attending this hearing remotely, **you must** complete the undertaking located here:

<https://www.albertacourts.ca/qb/resources/announcements/undertaking-and-agreement-for-non-lawyers>

For more information relating to Webex protocols and procedures, please visit:

<https://www.albertacourts.ca/qb/court-operations-schedules/webex-remote-hearings-protocol>

You can also join the meeting via the “Cisco Webex Meetings” App on your smartphone/tablet or other smart device. You can download this via the App marketplace and join via the link provided above.