

**SALE PROCEDURES: ASSETS AT THE BRADEN MANUFACTURING, L.L.C.  
AUBURN, MASSACHUSETTS FACILITY**

TO: PROSPECTIVE BUYERS OF THE DEBTORS' ASSETS AND OTHER PARTIES IN INTEREST:

**I.**  
**INTRODUCTION**

On April 1, 2019, the Court of Queen's Bench of Alberta in the Judicial Centre of Calgary, Canada, Court File No. 1901-04589 the Canadian Court, Honorable Justice B.E.C. Romaine, entered the Receivership Order (the "**Receivership Order**") pursuant to section 243(1) of the Bankruptcy and Insolvency Act and the Judicature Act. The Receivership Order appointed PricewaterhouseCoopers Inc., LIT, ("**PWC**") as Receiver (the "**Receiver**") for the following debtor entities: (1) Innova Global Ltd., (2) Innova Global Operating Ltd., (3) Innova Global Limited Partnership, (4) 1938247 Alberta Ltd., (5) Innova Global Holdings Limited Partnership, (6) Innova Global Inc. (formerly AEM Emissions Management Inc., formerly ATCO Emissions Management Inc.), (7) Innova Global LLC (formerly AEM Noise Management LLC, formerly ATCO Noise Management LLC), and (8) Braden Manufacturing, L.L.C. (collectively, "**Innova**" or "**Debtors**"). On April 4, 2019, the Receiver, as foreign representative, filed Form 401 chapter 15 petitions for recognition with respect to each of the Debtors in the United States Bankruptcy Court for the Northern District of Oklahoma (the "**Chapter 15 Case**"). The Chapter 15 Case is being jointly administered under Case No. 19-10653. On April 18, 2019, the United States Bankruptcy Court in the Chapter 15 Case entered *Order Granting Petition For Recognition As Foreign Main Proceeding Pursuant To Sections 1515 And 1517 Of The United States Bankruptcy Code And Related Relief* ("**Recognition Order**").

**II.**  
**THE ASSET PURCHASE AGREEMENT**

The Receiver, solely in its capacity as court-appointed receiver and foreign representative for Braden Manufacturing, L.L.C., a Delaware limited liability company with a place of business in Auburn, Massachusetts ("**Braden**"), has entered into an Asset Purchase Agreement ("**APA**") with INDUSTRIAL ASSETS CORP., a California corporation with a principal place of business in Huntington Park, California ("**IAC**"), MAYNARDS INDUSTRIES CANADA, LTD., a company incorporated in British Columbia ("**Maynards**"), and DeCosmo Industrial Auctions, a trade name of THOMAS INDUSTRIAL MACHINERY CO., INC., a Massachusetts corporation ("**DeCosmo**" and together with IAC and Maynards, the "**Buyer**"), a copy of which is attached as **Attachment A**.

The APA concerns the purchase and sale of certain **Purchased Assets** described in the APA and its Exhibits. The APA requires the Occupancy Agreement attached as an Exhibit to the APA.

THE SALE OF THE PURCHASED ASSETS IS "AS IS, WHERE IS." BUYER HAS INSPECTED THE PURCHASED ASSETS AND ACCEPTS THE PURCHASED ASSETS IN

**EXHIBIT 2**

THEIR CURRENT CONDITION FOR ALL PURPOSES. SELLER MAKES NO WARRANTIES OF ANY KIND, EXPRESS, IMPLIED, OR STATUTORY, AS TO THE NATURE, QUALITY, VALUE, OR CONDITION OF THE PURCHASED ASSETS OR THEIR SUITABILITY FOR ANY USE. SELLER MAKES NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT OF THIRD-PARTY RIGHTS, ACCURACY, QUIET ENJOYMENT, OR ANY OTHER EXPRESS, IMPLIED, OR STATUTORY WARRANTY. "AS IS, WHERE IS." THE PURCHASED ASSETS IN THEIR CURRENT CONDITION FOR ALL PURPOSES. SELLER MAKES NO WARRANTIES OF ANY KIND, EXPRESS, IMPLIED, OR STATUTORY, AS TO THE NATURE, QUALITY, VALUE, OR CONDITION OF THE PURCHASED ASSETS OR THEIR SUITABILITY FOR ANY USE. SELLER MAKES NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT OF THIRD-PARTY RIGHTS, ACCURACY, QUIET ENJOYMENT, OR ANY OTHER EXPRESS, IMPLIED, OR STATUTORY WARRANTY.

The sale of the Purchased Assets shall be subject to the approval of the Canadian Court and also in the Bankruptcy Court in the Chapter 15 Case. With respect to the sale in the Bankruptcy Court, the sale shall be free and clear of any interest in such property of an entity other than the bankruptcy estates pursuant to 11 U.S.C. § 363.

### **III.** **BID PROCEDURES**

#### **A. Contact Information for the Receiver**

Communications to the Receiver may be submitted as follows:

Liam Murphy, CPA, CA, CIRP, LIT, PwC, Manager, Deals, Corporate Advisory & Restructuring, T: +1 403 509 7581, Email: [liam.d.murphy@pwc.com](mailto:liam.d.murphy@pwc.com), PricewaterhouseCoopers Inc. LIT, 111-5th Avenue SW, Suite 3100, Calgary AB T2P 5L3.

and to the Receiver's attorney at the following address:

Steve A. Peirce , Senior Counsel, Norton Rose Fulbright US LLP, 300 Convent Street, Suite 2100, San Antonio, Texas 78205-3792, United States, Tel +1 210 270 7179, Fax +1 210 270 7205, [steve.peirce@nortonrosefulbright.com](mailto:steve.peirce@nortonrosefulbright.com)

#### **B. Competing Bidders**

"Competing Bidders" means persons or entities other than the Buyer interested in purchasing the Purchased Assets.

#### **C. Bidders May Obtain Information**

Competing Bidders interested in purchasing the Purchased Assets may obtain from the Receiver upon request reasonable information about the Purchased Assets.

**D. Credit Bid**

Creditors with liens on the Purchased Assets may credit bid pursuant to 11 U.S.C. § 363(k).

**E. How to Make a Bid**

Competing Bidders must submit a **Bid Package** to the Receiver that is actually received by the Receiver by the **Bid Deadline of 5:00 p.m. Central Time on \_\_\_\_\_**.

The Receiver may approve or disapprove of a **Competing Bid** in the Receiver's sole discretion based on factors such as purchase price, whether all or some of the Purchased Assets are being purchased, the timing of the closing of the purchase, whether such bidders can agree with the Receiver on the terms of an asset purchase agreement, the ability of a purchaser to close, the timing of such closing, and other factors bearing on what result is in the best interests of the bankruptcy estates ("**Bid Factors**").

A Bid Package must contain the following:

1. A clean and redlined version of the APA showing the Competing Bidders' changes from the original APA. The minimum overbid for any Competing Bids shall be the \$50,000 estimated Buyer Expenses listed in the APA plus \$7,000 in cash or other value. Bids must be reasonably quantifiable and stand on their own. For example, formulaic bids such as "I will pay X dollars more than whatever the best bid is" will not be accepted.
2. Evidence satisfactory to the Receiver of the Competing Bidder's financial ability to close on the transaction. The Receiver will consider such materials as bank account statements, recent balance sheets, financial statements, income statements (and whether such information is audited), a signed commitment for financing, other evidence of a satisfactory banking relationship, and any other information the Receiver may reasonably request.

**F. The Auction**

If the Receiver approves of a Competing Bid, the Receiver will invite approved Competing Bidders and the Buyer to an private auction ("**Auction**"). The Receiver shall establish the rules of the Auction.

The Auction will be scheduled by the Receiver at a time and location selected by the Receiver after notice to the Competing Bidders and the Buyer. The Auction may be conducted electronically and/or telephonically at the discretion of the Receiver.

Both the Buyer and the Competing Bidders may bid at the Auction and continue to raise their bids. The Receiver will establish minimum bidding requirements on or before the Auction. The Receiver will not accept minor increases in bids. Bids must be reasonably quantifiable and stand on their own. For example, formulaic bids such as "I will pay X dollars more than whatever the best bid is" will not be accepted.

On or before the Auction, the Receiver may accept any bid, or no bid at all (including a credit bid), in his sole discretion based on the best interests of the bankruptcy estate, giving strong consideration to the Bid Factors.

The bidder with the best bid (in the Receiver's sole discretion), shall be called the "**Chosen Buyer.**"

If a bid is accepted, the Receiver may also select, in the Receiver's sole discretion, the bidder with the second best bid, who shall be called the "**Alternate Buyer.**"

In the event that the Chosen Buyer does not close on the sale, the Receiver may close the sale with the Alternate Buyer.

#### **IV. IMPORTANT NOTICE**

No bids or other deals should be made that would have the effect of depriving the bankruptcy estate of the full value of the assets, unless they are disclosed to all parties in interest and approved by the Court. A person who (1) knowingly and fraudulently conceals from a custodian, trustee, marshal, or other officer of the court charged with the control or custody of property, or, in connection with a case under title 11, from creditors or the United States Trustee, any property belonging to the estate of a debtor; (2) knowingly and fraudulently makes a false oath or account in or in relation to any case under title 11; (3) knowingly and fraudulently makes a false declaration, certificate, verification, or statement under penalty of perjury as permitted under section 1746 of title 28, in or in relation to any case under title 11; (4) knowingly and fraudulently presents any false claim for proof against the estate of a debtor, or uses any such claim in any case under title 11, in a personal capacity or as or through an agent, proxy, or attorney; (5) knowingly and fraudulently receives any material amount of property from a debtor after the filing of a case under title 11, with intent to defeat the provisions of title 11; (6) knowingly and fraudulently gives, offers, receives, or attempts to obtain any money or property, remuneration, compensation, reward, advantage, or promise thereof for acting or forbearing to act in any case under title 11; (7) in a personal capacity or as an agent or officer of any person or corporation, in contemplation of a case under title 11 by or against the person or any other person or corporation, or with intent to defeat the provisions of title 11, knowingly and fraudulently transfers or conceals any of his property or the property of such other person or corporation; (8) after the filing of a case under title 11 or in contemplation thereof, knowingly and fraudulently conceals, destroys, mutilates, falsifies, or makes a false entry in any recorded information (including books, documents, records, and papers) relating to the property or financial affairs of a debtor; or (9) after the filing of a case under title 11, knowingly and fraudulently withholds from a custodian, trustee, marshal, or other officer of the court or a United States Trustee entitled to its possession, any recorded information (including books, documents, records, and papers) relating to the property or financial affairs of a debtor, shall be fined under this title, imprisoned not more than 5 years, or both. 18 U.S.C. § 152.

End.