

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BEFORE THE HONOURABLE)
)
MR. JUSTICE KOEHNEN) **Wednesday, the 5th day of August, 2020**

B E T W E E N:

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

-and-

1393382 ONTARIO LIMITED

Respondent

APPLICATION UNDER Subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended, Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and Rule 14.05(3)(g) and (h) of the *Rules of Civil Procedure*

ANCILLARY ORDER

THIS MOTION, made by msi Spergel Inc., in its capacity as court-appointed receiver of certain property of 1393382 Ontario Limited (the “Receiver”) was heard this day via Zoom conference at Toronto, Ontario.

ON READING the Second Report of the Receiver dated July 22, 2020, and the appendices thereto (the “Report”), the affidavits of the Receiver and its counsel as to fees (the "Fee Affidavits"), and the confidential appendices “A” through “E” to the Report (the “Confidential Appendices”), and on hearing the submissions of counsel for the Receiver, the applicant, the

respondent, and Canadian Imperial Bank of Commerce, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Simon Grey sworn July 24, 2020, filed:

1. **THIS COURT ORDERS** that the Report and the actions of the Receiver described therein are hereby approved.
2. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel as set out in the Report and the Fee Affidavits, are hereby approved.
3. **THIS COURT ORDERS** that the Receiver's Interim Statement of Receipts and Disbursements as at June 30, 2020 is hereby approved.
4. **THIS COURT ORDERS** that following the completion of the Transaction (as defined in the Approval and Vesting Order granted by the court on this date (the "AVO")), the Receiver is hereby authorized to repay the Receiver's Borrowings Charge to FirstOntario Credit Union Limited ("FirstOntario") from the net proceeds of the Transaction, and to make an interim distribution therefrom to FirstOntario up to the amount of the indebtedness owed by the respondent, provided that the Receiver shall retain at least the sum of \$1,500,000.00 toward future expenses and other claims, and subject to further order of this court.
5. **THIS COURT ORDERS** that the unredacted version of the motion record and the Confidential Appendices are hereby sealed pending the filing of a Receiver's Certificate substantially in the form appended to the AVO, or further order of this court.



FIRST ONTARIO CREDIT UNION LIMITED
Applicant

-and- **1393382 ONTARIO LIMITED**
Respondent

Court File No. CV-19-00632077-00CL

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SUPERIOR COURT OF JUSTICE
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PROCEEDING COMMENCED AT
TORONTO

ANCILLARY ORDER

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Limited