

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	THURSDAY, THE 15TH
)	
JUSTICE ROBERT CENTA)	DAY OF JUNE, 2023

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

H.M POLYTHENE PRODUCTS LIMITED

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by msi Spergel inc., in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of H.M Polythene Products Limited (the "Debtor") for an order approving the sale by auction (the "Auction") contemplated by an Auction Agreement (the "Auction Agreement") between the Receiver and Platinum Asset Services Inc. (the "Auctioneer") to be executed and appended to the First Report of the Receiver dated June 12, 2023 (the "First Report"), and vesting in the purchasers at the Auction (the "Purchasers") the Debtor's right, title and interest in and to the assets described in the Auction Agreement (the "Auction Assets"), was heard this day by judicial teleconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion dated June 12, 2023, the First Report and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Lindsay Ferguson sworn June 12, 2023 filed:

1. THIS COURT ORDERS AND DECLARES that the Auction is hereby approved, and the execution of the Auction Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and

execute such additional documents as may be necessary or desirable for the completion of the Auction and for the conveyance of the Auction Assets to the respective Purchasers.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a receipt for payment in full by the Auctioneer to each of the respective Purchasers, all of the Debtor's right, title and interest in and to each of the Auction Assets so purchased shall vest absolutely in the respective Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Steele dated May 26, 2023; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "Encumbrances") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Auction Assets are hereby expunged and discharged as against the Auction Assets.

3. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Auction Assets shall stand in the place and stead of the Auction Assets, and that following the completion of the Auction, all Claims and Encumbrances shall attach to the net proceeds from the sale of the Auction Assets with the same priority as they had with respect to the Auction Assets immediately prior to the sale, as if the Auction Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

4. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Auction Assets in the respective Purchasers pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act*

(Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

5. 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 Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
