

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) TUESDAY, THE 14TH
JUSTICE WILTON-SIEGEL) DAY OF NOVEMBER, 2023

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

H.M. POLYTHENE PRODUCTS LIMITED

Respondent

DISCHARGE 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:

1. That the time for service, filing and confirmation of the Notice of Motion and the Motion Record be abridged so that this motion is properly returnable today and hereby dispensing with further service and confirmation hereof;
2. Approving the activities and conduct of the Receiver as set out in the Second Report of the Receiver dated November 6, 2023 (the "Second Report") and that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the Second Report;

3. Approving the fees of the Receiver and its counsel (the "Professional Fees") and the Fee Accrual, as defined and detailed in the Second Report, and payment thereof;
4. Approving the Receiver's Statement of Receipts and Disbursements as of October 31, 2023 as defined and detailed in the Second Report (the "Statement of Receipts and Disbursements");
5. Approving the Proposed Distribution, as detailed and defined in the Second Report;
6. Unsealing the Confidential Appendix "1" to the First Report;
7. Discharging msi Spergel inc. as Receiver of the undertaking, property and assets of the Debtor on the filing of the Certificate of Completion, as provided for in the Second Report; and
8. releasing msi Spergel inc. from any and all liability, as set out in paragraph 8 of this Order,

was heard this day by way of judicial teleconference via Zoom at the Court House, 330 University Avenue, Toronto, Ontario.

ON READING the Receiver's Notice of Motion dated November 7, 2023, the Second Report, the affidavits of the Receiver and its counsel as to the Professional Fees (the "Fee Affidavits"), and on hearing the submissions of counsel for the Receiver, no one else appearing although served as evidenced by the Affidavit of Service of Isabelle Stacey sworn November 7, 2023, filed;

1. THIS COURT ORDERS that the time for service, filing and confirmation of the Notice of Motion and the Motion Record be abridged so that this motion is properly returnable today and hereby dispensing with further service and confirmation hereof.
2. THIS COURT ORDERS that the activities of the Receiver, as set out in the Second Report, are hereby approved and that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the Second Report, as detailed herein.
3. THIS COURT ORDERS that the Professional Fees and the Fee Accrual, as set out in the Report and the Fee Affidavits, and payment thereof, be and are hereby approved.

4. THIS COURT ORDERS that the Statement of Receipts and Disbursements be and is hereby approved.

5. THIS COURT ORDERS that the Confidential Appendix "1" to the First Report is unsealed.

6. THIS COURT ORDERS that, after payment of the Professional Fees herein approved, and subject to the Fee Accrual, the Receiver be and is authorized and directed to make the Proposed Distribution, as detailed and described in the Second Report, as follows:

- (a) To Royal Bank of Canada for the repayment of the Receiver's Borrowing Charge (as detailed and defined in the Second Report) in the amount of \$40,000 plus interest thereon;
- (b) To Canada Revenue Agency in the amount of \$8,085.60 with respect to the Payroll Deemed Trust Claim (as detailed and defined in the Second Report);
- (c) To Canada Revenue Agency in the amount of \$7,154.80 with respect to the HST Deemed Trust Claim (as detailed and defined in the Second Report); and,
- (d) The balance of all funds available in the Receiver's account less the Fee Accrual to Royal Bank of Canada on account of the Debtor's secured indebtedness to the Bank for principal, interests and costs up to the amount of the Debtor's indebtedness to the Bank.

7. THIS COURT ORDERS that upon payment of the amounts set out in paragraphs 3 and 6 hereof and upon the Receiver filing The Certificate of Completion as provided for in the Second Report certifying that it has completed the other activities described in the Report, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of msi Spergel inc. in its capacity as Receiver.

8. THIS COURT ORDERS AND DECLARES that msi Spergel inc. is hereby released and discharged from any and all liability that msi Spergel inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of msi Spergel inc. while acting in its capacity

as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, msi Spergel inc. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

A handwritten signature in black ink, appearing to read "William H. H. J.", written over a horizontal line.

Justice, Ontario Superior Court of Justice (Commercial List)

ROYAL BANK OF CANADA

v.

H.M. POLYTHENE PRODUCTS LIMITED

Applicant

Respondent

Court File No. CV-23-00697106-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
TORONTO, ONTARIO

ORDER

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