

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
MR. JUSTICE OSBORNE)
WEDNESDAY, THE 24TH
DAY OF APRIL, 2024

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

ORDER

THIS MOTION, made by msi Spergel inc., in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertakings, property and assets of Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc. (collectively, the "**Debtors**") appointed pursuant to the Order of the Honourable Justice Osborne dated October 18, 2023 (the "**Appointment Order**"), for an order, among other things, approving a sale process and directing the Debtors and the Principals (as defined herein) to produce certain documents and records, was heard this day by judicial telephone conference via Zoom.

ON READING the Notice of Motion dated April 4, 2024, the First Report of the Receiver dated April 3, 2024 (the "**First Report**"), and on hearing the submissions of counsel for the Receiver and all other counsel and parties present, as properly served as appears from the affidavits of service of Isabelle Stacey sworn April 5, 2024, filed;

SERVICE

1. **THIS COURT ORDERS** that the time for service, filing and confirmation of the Notice of Motion and the Motion Record be and is abridged so that this motion is properly returnable today and hereby dispenses with further service and confirmation hereof.

CAPITALIZED TERMS

2. **THIS COURT ORDERS** that capitalized terms not defined herein, shall have the meanings ascribed thereto in to the First Report.

REPORT AND ACTIVITIES OF THE RECEIVER

3. **THIS COURT ORDERS** that the First Report and the activities and conduct of the Receiver as detailed therein, be and are approved; provided however, 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 such approval.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

4. **THIS COURT ORDERS** that the Receiver's Interim Statement of Receipts and Disbursements as detailed in the First Report, are hereby approved.

THE PROPERTY AND RECORDS

5. **THIS COURT ORDERS** that the Debtors, Nasir Mahmood and Rupinder Taggar (collectively, the "**Principals**"), are required to immediately advise the Receiver of the location of all Property and Records (all as defined in the Appointment Order).
6. **THIS COURT ORDERS** that the Debtors and the Principals are required to immediately produce and deliver the Records, including the List of Information and all documents in relation to the Account Receivable Variance to the Receiver.

SALE PROCESS

7. **THIS COURT ORDERS** that the Receiver is authorized and directed to execute a Listing Agreement on terms acceptable to the Receiver between the Receiver and Avison Young Commercial Real Estate Services LP ("**Avison**") for the sale of the Real Properties, and to take such steps as the Receiver deems necessary or advisable to carry out the terms thereof.
8. **THIS COURT ORDERS** that the Receiver is authorized and directed, with Avison as its real estate consultant, to carry out the Sale Process, as described in the First Report and is hereby authorized and directed to take such steps and execute such documentation as the Receiver considers necessary or desirable in carrying out its obligations thereunder,

subject to prior approval of this Court being obtained before completion of any transaction under the Sale Process.

9. **THIS COURT ORDERS** that the Receiver and its affiliates, partners, directors, employees, advisers, agents, counsel and controlling persons (collectively, the “**Assistants**”) shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing their duties under the Sale Process, except to the extent of such losses, claims, damages or liabilities arising or resulting from the gross negligence or willful misconduct of the Receiver, as determined by this Court.
10. **THIS COURT ORDERS** that the Receiver may apply to this Court to amend, vary or supplement this Order, or for advice and directions with respect to the discharge of its powers and duties under this Order, or under the Sale Process, at any time during the term of the Sale Process.

SEALING

11. **THIS COURT ORDERS** that the Confidential Appendices to the First Report be and are hereby sealed, pending the completion of a court-approved sale of the Real Properties, or until further Order of this Court.

FEE APPROVAL

12. **THIS COURT ORDERS** that the Receiver’s fees and disbursements, as detailed in the First Report and set out in set out in the Affidavit of Philip Gennis, sworn April 3, 2024 and attached as Appendix “22” to the First Report, are hereby approved.
13. **THIS COURT ORDERS** that the Receiver’s counsel’s fees and disbursements, as detailed in the First Report and set out in set out in the Affidavit of Thomas Masterson, sworn April 2, 2024 and attached as Appendix “23” to the First Report, are hereby approved.

PIPEDA

14. **THIS COURT ORDERS** that pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), the Receiver and its Assistants are hereby authorized and permitted to disclose and deliver for review personal information of identifiable individuals to prospective purchasers or bidders for the Real Properties and

their advisors, but only to the extent desirable or required to carry out the Sale Process and to negotiate or attempt to complete a transaction pursuant to the Sale Process (a “**Transaction**”). Each prospective purchaser or bidder (and their respective advisors) to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Transaction, and if it does not complete a Transaction, shall return all such information to the Receiver, or in the alternative destroy all such information and provide confirmation of its destruction if required by the Receiver. The purchaser(s) of any of the Real Properties shall maintain and protect the privacy of such information and, upon closing of the Transaction(s) to which any such purchaser is a party, shall be entitled to use the personal information provided to it that is related to the Real Properties acquired pursuant to the Sale Process in a manner that is in all material respects identical to the prior use of such information by the Debtors and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Receiver.

GENERAL

15. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or any other jurisdiction, 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, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
16. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order, and this Order is enforceable without the need for entry and filing.

Justice, Ontario Superior Court of Justice
(Commercial List)

ROYAL BANK OF CANADA

v.

TEN 4 SYSTEM LTD., et al.

Applicant

Respondents

Court File No. CV-23-00705869-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

ORDER

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