

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

THE HONOURABLE *Madam*)
JUSTICE *Conway*)

TUESDAY, THE 17th
DAY OF DECEMBER, 2019

BETWEEN:



ROYNAT INC.

Applicant

- and -

TAMTAN INC. and 1308963 ONTARIO LIMITED (o/a EZ FOOD GROUP)

Respondents

ORDER

THIS MOTION, made by msi Spergel Inc. in its capacity as Court-appointed receiver (the “**Receiver**”) of the property, assets and undertakings of the Respondents, was heard this day at the Court House, 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion and the First Report of the Receiver dated December 10, 2019 (the “**First Report**”) and the appendices thereto, and on hearing the submissions of counsel for the Receiver and such other counsel listed on the Counsel Slip, no one else from the service list appearing although properly served as evidenced by the affidavit of service of Lynda Christodoulou sworn December 11, 2019, filed,

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

2. **THIS COURT ORDERS** that the First Report, and conduct and activities of the Receiver described therein, be and are hereby approved.

3. **THIS COURT ORDERS** that the Receiver is hereby authorized to enter into an auction services agreement substantially in the form attached as Appendix 3 to the First Report (the “**Auction Services Agreement**”) with Platinum Asset Services Inc. (the “**Auctioneer**”) for the auction of the property of the Respondent, 1308963 Ontario Limited (o/a EZ Food Group) (“**1308**”) listed on Schedule “A” to the Auction Services Agreement (the “**1308 Property**”) (the “**Auction**”). The Auction Services Agreement is hereby approved, with such amendments as the Receiver and the Auctioneer may deem necessary. The Auction of the 1308 Property to be conducted by the Auctioneer pursuant to the terms of the Auction Services Agreement is hereby approved. 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 any or all of the 1308 Property to a person or persons (a “**Purchaser**”) in accordance with the Auction Services Agreement.

4. **THIS COURT ORDERS** that the Auctioneer is hereby authorized to market and sell the 1308 Property in accordance with the Auction Services Agreement.

5. **THIS COURT ORDERS** that the Auctioneer is hereby permitted to sell all or any of the 1308 Property at the Auction and in accordance with the Auction Services Agreement, and that upon the Auctioneer completing the sale of any or all of the 1308 Property to a Purchaser at the

Auction and delivering a bill of sale or similar conveyance document to such person (a “**Bill of Sale**”), all of 1308’s right, title and interest in and to the 1308 Property specified in such Bill of Sale shall vest absolutely in such 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, construction liens, condominium liens, certificates of action, 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 McEwen dated October 16, 2019; and (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.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the 1308 Property, including, without limitation, any net minimum guarantee amount payable to the Receiver under the terms of the Auction Services Agreement (the “**Proceeds**”), shall stand in the place and stead of the 1308 Property, and that from and after the delivery of the Bill of Sale in respect of the specified 1308 Property, all Claims shall attach to the Proceeds with the same priority as they had with respect to each of the 1308 Property immediately prior to the sale, as if the 1308 Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. **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 1308 and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of 1308;

the sale and vesting of title to all or any of the 1308 Property in a Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of 1308 and shall not be void or voidable by creditors of 1308, 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.

8. **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.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

DEC 17 2019

PER / PAR:



ROYNAT INC.

Applicant

- and -

TAMTAN INC. and 1308963 ONTARIO LIMITED (o/a

EZ FOOD GROUP)

Respondents

Court File No. CV-19-00628569-00CL

ONTARIO

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

Proceedings commenced at TORONTO

ORDER

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