



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-21-00665286-00CL DATE: 14 October 2022

NO. ON LIST: _____

TITLE OF PROCEEDING: **ROYAL BANK OF CANADA v. RJ PACKAGING
INCORPORATED operating as CUSTOM FOOD
PACKAGING et al**

BEFORE JUSTICE: **MADAM JUSTICE KIMMEL**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Melinda Vine	Receiver	mvine@harrisonpensa.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE KIMMEL:

1. This is a motion by msi Spergel Inc ., as court-appointed Receiver (the "Receiver"), appointed pursuant to the Order of the Honourable Justice Cavanagh dated August 24, 2021 (the "Appointment Order") over the assets and undertaking of RJ Packaging Incorporated operating as Custom Food Packaging (the "Debtor") for approval of its First and Final Report dated September 27, 2022 and the activities described therein (including the summary statement of receipts and disbursements in the receivership), approval of the Receiver's and its counsel's fees, approval of the Receiver's proposed distributions and for the eventual release and discharge of the Receiver.
2. The relief sought is supported by the Royal Bank of Canada ("RBC"), in its capacity as secured creditor of the Debtor. No other party on the service list has responded or indicated any opposition to the relief sought by this motion. This is a modest receivership with limited distributions expected, if any, to RBC after satisfaction of priority and trust claims and professional fees.
3. The Receiver's activities were carried out in accordance with the authority and mandate it was granted under the Appointment Order. The proceeds of realization were in excess of what had been expected based on the appraisals the Receiver obtained. The Receiver appears to have acted reasonably and in the best interests of the Debtor's stakeholders, and this Court has the inherent jurisdiction to approve such activities. *Bank of America Canada v. Willann Investments Ltd.* (1993) 20 C.B.R. (3d) 223 (ONSC), at paras. 3 and 4.
4. The professional fees for which approval is sought are commensurate with the activities described in the Receiver's First and Final Report and supported by the filed fee affidavits. They are fair, reasonable and appropriately modest in the circumstances.
5. The distribution proposed in the Receiver's First and Final Report at paragraphs 24 and 28 ("Proposed Distribution") appears to be consistent with the identified and applicable priorities. The Receiver has received an opinion from its counsel that the security held by RBC is valid and enforceable, and the amounts owing to RBC exceed the expected amount to be disbursed in the Proposed Distribution. Orders granting distributions with a reserve for undetermined priority claims are routinely granted by Canadian courts in insolvency proceedings and receiverships. See *AbitibiBowater Inc., Re*, 2009 QCCS 6461, at paras. 70-75.
6. Following the completion of the Proposed Distribution and all outstanding matters, as detailed in the First Report, the Receiver will have completed its administration of the estate of the Debtor, and should be discharged as Receiver accordingly. The Receiver is seeking a discharge at the hearing of this Motion in order to avoid the cost to the receivership estate of another motion, which would include another report to the Court, another motion record and the re-attendance by the Receiver and its counsel. In the circumstances of this receivership, that it is both efficient and appropriate for this Court to grant the Receiver a discharge upon the filing of the Certificate of Completion.
7. The release requested is consistent with releases typically granted in receiverships and excludes willful misconduct and gross negligence.

9. Order to go in the form signed by me today, with immediate effect and without the necessity of formal issuance and entry.

A handwritten signature in black ink that reads "Kimmel J." The letters are cursive and fluid, with a distinct loop at the end of the 'J'.

KIMMEL J.