

Court File No. CV-24-00088321-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE
JUSTICE LATIMER

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WEDNESDAY, THE 9TH
DAY OF JULY, 2025

B E T W E E N:

BANK OF MONTREAL



Applicant

- and -

11977636 CANADA INC.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**ORDER
(ANCILLARY RELIEF)**

THIS MOTION, made by msi Spergel Inc. (“**Spergel**”) in its capacity as court-appointed receiver (the “**Receiver**”), of the assets, undertaking and properties of the Respondent, 11977636 Canada Inc. (the “**Debtor**”), including the real property municipally known as 652

Parkdale Avenue North, Hamilton, Ontario (the “**Parkdale Property**”) and 5641 Nauvoo Road, Watford, Ontario (the “**Nauvoo Property**”) for an order:

- (a) abridging the time for service of the Receiver’s Notice of Motion and Motion Record, if necessary;
- (b) approving the Receiver’s activities as described in the First Report to the Court dated May 16, 2025 (the “**First Report**”);
- (c) approving the fees and disbursements of the Receiver and its legal counsel as set out in the First Report, the affidavit of Trevor Pringle sworn May 15, 2025 and the affidavit of Veronica Cesario, sworn May 13, 2025 (collectively, the “**Fee Affidavits**”) attached as appendices to the First Report; and
- (d) approving certain distributions of the sale proceeds from the sale transaction of the Parkdale Property (the “**Transaction**”),

was heard this day at 45 Main St. E. #500 Hamilton, Ontario and by virtual videoconference.

ON READING the First Report, the affidavit of Antoinette DePinto sworn June 3, 2025, and the Supplement to the First Report of the Receiver dated June 9, 2025, the Motion Record of the Respondent dated June 17, 2025, and on hearing the submissions of counsel for the Receiver, and other such parties shown on the Participant Information Form filed with the Court:

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and First Report is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDER** that the First Report and the conduct and activities of the Receiver as set out therein, be and are hereby 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.
3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and Chaitons LLP, as set out in the First Report and the Fee Affidavits, are hereby approved.
4. **THIS COURT ORDERS** that the Receiver is authorized and directed to distribute the proceeds from the sale of the Parkdale Property, net of the Receiver's fees and disbursements, and the fees and disbursements of the Receiver's legal counsel as follows:
 - (a) first, to the City of Hamilton in the amount of \$24,712.93, or such amount as accrued at the closing of the Transaction for outstanding property tax arrears;
 - (b) second, to the Bank of Montreal in the amount of \$1,400,000; and
 - (c) the balance of the sale proceeds shall be held by the Receiver until further Order of the Court.

5. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.

Issued and entered electronically by

Local Registrar
45 Main St East
Hamilton, ON "on behalf of Justice Latimer"
L8N 2B7

BANK OF MONTREAL
Applicant

-and-

11977636 CANADA INC.
Respondent

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ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
HAMILTON

ORDER (ANCILLARY RELIEF)

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**Lawyers for msi Spergel Inc., in its capacity as Court-
Appointed Receiver**