

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.)	WEDNESDAY, THE 10 TH
)	
JUSTICE CAVANAGH)	DAY OF NOVEMBER, 2021

B E T W E E N:

1951584 ONTARIO INC. (formerly DESANTE FINANCIAL SERVICES INC.) and
CWB MAXIUM FINANCIAL INC.

Applicants

- and -

4231 SHEPPARD AVENUE EAST INC., ABU SEIFEIN BRIMLEY PHARMA INC.,
BLESS HUI PHARMA INC., JG WINDSOR INC., JM WESTVIEW PHARMA INC.,
JUBILEE PROPERTY INVESTMENTS INC., MAPLE MEDI PHARMA INC., RIVER
HILL PHARMACY LTD., SIGMA HEALTHCARE INC., SJ EAST PHARMA INC.,
ST. MARY COOKSVILLE PHARMA INC., ST. MARY THEOTOKOS PHARMA INC.,
STONEY CREEK PHARMA INC., TORONTO APOTHECARY PHARMA INC.,
WESTWAY HOLDINGS INC. and OLDE WALKERVILLE HOLDINGS INC.

Respondents

ORDER

THIS MOTION, made by msi Spergel Inc. (“**Spergel**”) in its capacity as the court-appointed receiver (in such capacity, the “**Receiver**”) of the undertaking, property and assets of the Respondents for the orders herein, was heard this day at 330 University Avenue, Toronto, by videoconference by reason of the COVID-19 pandemic.

ON READING the third report of the Receiver dated November 3, 2021 (the “**Third Report**”), the supplement to the Third Report dated November 9, 2021 (the “**Supplementary Report**”), and on hearing the submissions of counsel for the Receiver and such other counsel present as may be indicated on the counsel slip, no one appearing for any other person on the service list although properly served as appears from the affidavit of service, filed:

I. SERVICE

1. **THIS COURT ORDERS** that the time for service of the motion record and factum in respect of this motion, the Third Report and the Supplementary Report, is hereby abridged and validated so that the motion is properly returnable today, and that further service thereof is hereby dispensed with.

II. APPROVAL OF RECEIVER’S REPORTS, ACTIVITIES AND FEES

2. **THIS COURT ORDERS** that the Third Report, including the statements of receipts and disbursements for each of the Respondents appended to it, and the Supplementary Report, as well as the activities described therein, be and are hereby approved, provided, however, that only (i) the Receiver and (ii) Spergel 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, costs and expenses of the Receiver, as set out in the fee affidavit of Mukul Manchanda sworn November 2, 2021, and the fees, costs and expenses of the Receiver’s independent legal counsel, as set out in the affidavit of Joël

Turgeon sworn November 3, 2021, both of which are appended to the Third Report, be and hereby are approved (the “**Approved Fees**”).

4. **THIS COURT ORDERS** that the fee accruals (as outlined in paragraph 74 of the Third Report), plus applicable taxes, in respect of the completion of the administration of the Completed Estates (term defined below) (the “**Fee Accruals**”), be and are hereby approved.

5. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to pay the Approved Fees and the Fee Accruals (as the latter becomes due) out of funds available in the respective estate of those Respondents in respect of which the Approved Fees and/or the Fee Accruals were incurred.

III. DECLARATION RE: TERMINATED BLESS HUI TRANSACTION

6. **THIS COURT ORDERS AND DECLARES** that the Bless Hui Transaction (term is defined in the Third Report) has been terminated as of September 10, 2021 due to the purchasers’ failure to close the transaction in accordance with the Bless Hui APS (term defined in the Third Report), and that the Receiver is hereby authorized and directed to retain the deposit paid to the Receiver in accordance with the Bless Hui APS as liquidated damages for the same, the whole without prejudice to any other remedy that the Receiver may now or hereafter have whether under the Bless Hui APS or at law.

IV. DISTRIBUTIONS

7. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to make the distributions of which the details are set out in paragraphs 79 to 124 of the Third

Report, as supplemented and/or amended by paragraphs 9 and 10 of the Supplementary Report, the whole subject to such prior steps as may be set out in the Third Report or the Supplementary Report or deemed necessary or preferable by the Receiver, acting reasonably, including the receipt of formal claims from Canada Revenue Agency and the obtaining of independent security opinions, as may be applicable.

V. DISCHARGE IN RESPECT OF CERTAIN RESPONDENTS

8. **THIS COURT ORDERS** that upon the Receiver having completed the administration of the estates of St. Mary Theotokos Pharma Inc., Westway Holdings Inc., St. Mary Cooksville Pharma Inc., SJ East Pharma Inc. and JM Westview Pharma Inc. (together, the “**Completed Estates**”), as evidenced in each individual case by its filing a certificate substantially in the form of Schedule A hereto (the “**Receivership Completion Certificate**”) certifying that it has completed the administration of the applicable Completed Estate, Spergel shall be discharged as Receiver of the applicable Respondent and Completed Estate, but until the filing of a Receivership Completion Certificate in respect of a given Completed Estate, the Receiver shall remain in such office for that Completed Estate, save by court order. Notwithstanding its discharge from any Completed Estate, the Receiver shall:

- a. remain Receiver of that Completed Estate for the performance of such incidental duties as may appear to be required to complete its administration after the filing of the Receivership Completion Certificate, and

- b. 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 Spergel, in its capacity as Receiver.

9. **THIS COURT ORDERS** that upon the Receiver filing a Receivership Completion Certificate and save further court order, Spergel shall be released and discharged from any and all liability that Spergel now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Spergel while acting in its capacity as Receiver of the applicable Completed Estate, save gross negligence or wilful misconduct. Without limiting the generality of the foregoing, Spergel shall, upon its filing a Receivership Completion Certificate, be forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in respect of the applicable Completed Estate, save and except gross negligence or wilful misconduct.

VI. SEALING

10. **THIS COURT ORDERS** that Confidential Appendices 1-6 to the Third Report be and hereby are sealed from the public record until the earlier of the filing of the Receiver's Certificate (as defined in the applicable approval and vesting order) for the closing on the applicable transaction, or further court order.

VII. MISCELLANEOUS

11. **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.

12. **THIS COURT ORDERS** that this order is effective as of its date and does not need to be issued and entered.

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

**1951584 ONTARIO INC. (formerly DESANTE FINANCIAL SERVICES INC.) and
CWB MAXIUM FINANCIAL INC.**

Applicants

- and -

**4231 SHEPPARD AVENUE EAST INC., ABU SEIFEIN BRIMLEY PHARMA INC.,
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RIVER HILL PHARMACY LTD., SIGMA HEALTHCARE INC., SJ EAST
PHARMA INC., ST. MARY COOKSVILLE PHARMA INC., ST. MARY
THEOTOKOS PHARMA INC., STONEY CREEK PHARMA INC., TORONTO
APOTHECARY PHARMA INC., WESTWAY HOLDINGS INC. and OLDE
WALKERVILLE HOLDINGS INC.**

Respondents

RECEIVER'S CERTIFICATE OF COMPLETION

WHEREAS:

- a. pursuant to the orders of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated November 25, 2020, January 26, 2021, February 3, 2021, April 8, 2021 and September 7, 2021 made in this court file, msi Spergel Inc. ("**Spergel**") was appointed receiver and manager (in such capacity, the "**Receiver**") of all of the assets, undertakings and properties of the Respondents.
- b. pursuant to an order of the Court dated November 10, 2021, Spergel was discharged as Receiver of the Completed Estates (term defined in said order), including that of

the Respondent _____
(the “**Applicable Respondent**”), such discharge being effective in respect of the
Applicable Respondent upon the Receiver filing the present certificate.

THE RECEIVER HEREBY CERTIFIES that all matters to be attended to in
connection with the receivership of the Applicable Respondent have been completed to the
satisfaction of the Receiver.

DATED AT TORONTO, THIS _____ DAY OF _____ 2021.

msi Spergel Inc., solely in its capacity as the
court-appointed receiver of the Applicable
Respondent, with no personal or corporate
liability

Per:

1951584 ONTARIO INC. (formerly DESANTE FINANCIAL SERVICES INC.) and CWB MAXIUM FINANCIAL INC., Applicants, and 4231 SHEPPARD AVENUE EAST INC., ABU SEIFEIN BRIMLEY PHARMA INC., BLESS HUI PHARMA INC., JG WINDSOR INC., JM WESTVIEW PHARMA INC., JUBILEE PROPERTY INVESTMENTS INC., MAPLE MEDI PHARMA INC., RIVER HILL PHARMACY LTD., SIGMA HEALTHCARE INC., SJ EAST PHARMA INC., ST. MARY COOKSVILLE PHARMA INC., ST. MARY THEOTOKOS PHARMA INC., STONEY CREEK PHARMA INC., TORONTO APOTHECARY PHARMA INC., WESTWAY HOLDINGS INC. and OLDE WALKERVILLE HOLDINGS INC., Respondents

Court File No. CV-20-00650853-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced in TORONTO

ORDER

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Lawyers for msi Spergel Inc. in its capacity as court-appointed receiver of the Respondents