

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

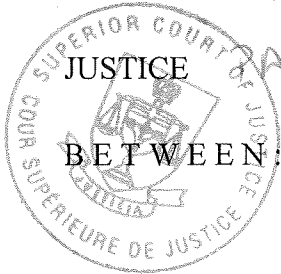
THE HONOURABLE MR.)

MONDAY, THE 29TH DAY

)

)

OF MAY, 2017



A TILLO

ROYAL BANK OF CANADA

Applicant

- and -

2292319 ONTARIO INC.

Respondent

ORDER

THIS MOTION, made by msi Spergel inc. ("**Spergel**"), in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings and properties of 2292319 Ontario Inc. (the "**Debtor**"), for an order, amongst other things: (i) approving the Second Report of the Receiver dated August 30, 2017 (the "**Second Report**"), the Third Report of the Receiver dated September 30, 2016 (the "**Third Report**"), the Fifth Report of the Receiver dated May 16, 2017 (the "**Fifth Report**") and the actions of the Receiver set out therein; (ii) approving, *nunc pro tunc*, an increase to the Receiver's borrowing powers; (iii) approving the fees and disbursements of the Receiver and its counsel, including an accrual for fees and disbursements to be incurred to the completion of these proceedings; (iv) assigning the benefit of a Court-ordered charge to Royal Bank of Canada ("**RBC**"), assigning the

benefit and burden of pending costs decisions to RBC and discharging Spergel as the Receiver of the assets, undertakings and properties of the Debtor, effective upon the payment of certain monies by RBC to the Receiver; and (v) releasing Spergel from any and all liability, as set out in paragraph 12 of this Order, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and the appendices thereto, including, without limitation, the affidavit of Philip Gennis sworn May 16, 2017 (the “**Receiver’s Fee Affidavit**”) and the affidavit of Kyle Plunkett sworn May 15, 2017 (the “**A&B Fee Affidavit**”), and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Eunice Baltkois sworn May 18, 2017, filed,

1. **THIS COURT ORDERS** that the time for service and filing 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 Second Report be and is hereby approved and the actions of the Receiver described therein be and are hereby approved.
3. **THIS COURT ORDERS** that the Third Report be and is hereby approved and the actions of the Receiver described therein be and are hereby approved.
4. **THIS COURT ORDERS** that the Fifth Report be and is hereby approved (including the Receiver’s statement of receipts and disbursements appended thereto) and the actions of the Receiver described therein be and are hereby approved.

5. **THIS COURT ORDERS AND DECLARES** that paragraph 21 of the Order of the Honourable Justice Wilton-Siegel in these proceedings made March 31, 2016 (the “**Receivership Order**”) and the Order of the Honourable Justice Hainey in these proceedings made January 4, 2017 (the “**January 2017 Order**”) be and are hereby amended such that the outstanding principal amount of monies that the Receiver be at liberty and is empowered to borrow at any time be and is hereby increased to \$275,000 (or such greater amount as this Court may by further Order authorize).

6. **THIS COURT ORDERS** that the fees and disbursements of the Receiver as set out in the Receiver’s Fee Affidavit, be and are hereby approved.

7. **THIS COURT ORDERS** that the fees and disbursements of the Receiver’s legal counsel, Aird & Berlis LLP, as set out in the A&B Fee Affidavit, be and are hereby approved.

8. **THIS COURT ORDERS** that the Fee Accrual (as defined in the Report) be and is hereby approved.

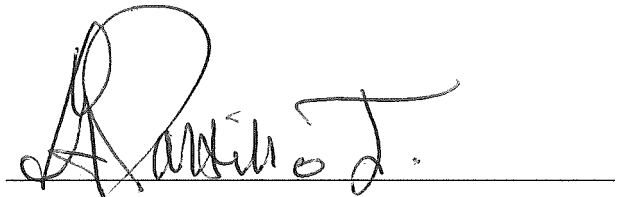
9. **THIS COURT ORDERS** that any advances made by RBC to the Receiver following the date hereof not utilized by the Receiver shall be returned by the Receiver to RBC.

10. **THIS COURT ORDERS** that, upon RBC paying to the Receiver the amounts provided by paragraphs 6, 7 and 8 of this Order, the Receiver shall be discharged as Receiver of the assets, undertakings and properties of the Debtor, provided however that notwithstanding its discharge herein: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and (b) subject only to paragraph 11 of this Order, the Receiver shall continue to have the benefit of the provisions of all

Orders made in these proceedings, including all approvals, protections and stays of proceedings in favour of Spergel, in its capacity as Receiver.

11. **THIS COURT ORDERS AND DECLARES** that, upon the Receiver's discharge: (a) RBC shall have the benefit of the Receiver's Borrowings Charge (as defined in the Receivership Order, as amended by the January 2017 Order and as further amended by paragraph 5 of this Order); (b) RBC shall have the benefit of and be bound by any Costs Decisions (as defined in the Fifth Report) made in favour of or against the Receiver; and (c) the Receiver shall deliver possession of the Property (as defined in the Fifth Report) to RBC.

12. **THIS COURT ORDERS AND DECLARES** that, upon the Receiver's discharge pursuant to paragraph 10 of this Order, Spergel is hereby 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 herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, Spergel is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.



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

MAY 29 2017

PER / PAR:



ROYAL BANK OF CANADA

- and -

2292319 ONTARIO INC.

Applicant

Respondent

Court File No. CV-16-11331-00CL

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

Proceedings commenced at Toronto

DISCHARGE ORDER

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Sanjeev P.R. Mitra (LSUC # 37934U)
Tel: (416) 865-3085
Fax: (416) 863-1515
Email: smitra@airdberlis.com

Jeremy Nemers (LSUC # 66410Q)
Tel: (416) 865-7724
Fax: (416) 863-1515
Email: jnemers@airdberlis.com

Lawyers for msi Spergel inc., in its capacity as the Court-appointed receiver of 2292319 Ontario Inc.