

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)
JUSTICE *HAINES*)

MONDAY, THE 28th
DAY OF NOVEMBER, 2016



IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
2473304 ONTARIO INC.

(the "Applicant")

ORDER

(DISTRIBUTION, STAY EXTENSION, DISCHARGE & TERMINATION OF CCAA)

THIS MOTION made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicant, the Affidavit of Mark Sun sworn November 22, 2016, and the exhibits thereto, the third report of Richter Advisory Group Inc., in its capacity as the monitor of the Applicant (the "Monitor"), and the appendices thereto (the "Third Report"), and on hearing the submissions of counsel for the Applicant, counsel for the Monitor, counsel for Canadian Imperial Bank of Commerce ("CIBC") and counsel for GSO Capital Partners, LP ("GSO"), no one else appearing although duly served as appears from the affidavit of service of Mai-Ling Patel sworn November 22, 2016, filed;

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein be and is hereby abridged and validated so that the Motion is properly returnable today.
2. **THIS COURT ORDERS** that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Initial Order.

DISTRIBUTIONS

3. **THIS COURT ORDERS** that the Applicant or the Monitor, as the case may be, be and are hereby authorized and directed to distribute \$125,590.91 to GSO, in partial repayment of amounts owing by the Applicant to GSO under the Term Guarantee and the Term Security Documents (the “**GSO Distribution**”).
4. **THIS COURT ORDERS** that, following the making of the GSO Distribution, the Applicant be and is hereby authorized and directed to distribute to CIBC, without further Order of the Court, all such amounts as the Applicant may have available for distribution (including amounts held in trust by the Monitor for the Applicant) as the Monitor may approve from time to time until the CCAA Termination Time (as defined below), provided such distributions are allocated:
 - (a) first in payment of advances made to the Applicant under the ABL Facility from and after the date of the Initial Order and outstanding at the time of such distribution; and
 - (b) second in payment of advances made to the Applicant under the ABL Facility prior to the date of the Initial Order and outstanding at the time of such distribution (the “**CIBC Distribution**” and together with the GSO Distribution, the “**Distributions**”).
5. **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 the Applicant and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Applicant;

the Distributions shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, 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 and shall, upon the receipt thereof by GSO or CIBC, as applicable, be free of all claims, liens, security interests, charges or encumbrances granted by or relating to the Applicant.

APPROVAL OF MONITOR'S THIRD REPORT

6. **THIS COURT ORDERS** that the Third Report, and the activities of the Monitor referred to therein, be and are hereby approved.

APPROVAL OF FEES AND DISBURSEMENTS

7. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and of its counsel, Cassels Brock and Blackwell LLP ("**Cassels**"), as set out in the Third Report and in the Appendices thereto, be and are hereby approved.

8. **THIS COURT ORDERS** that the anticipated further fees and disbursements of the Monitor and of Cassels, each estimated not to exceed \$50,000 (plus H.S.T.), to complete their remaining duties and the administration of these CCAA proceedings, all as set out in the Third Report and in the Appendices thereto, be and are hereby approved, and that the Monitor and Cassels shall not be required to pass their accounts in respect of any further activities in connection with the administration of these CCAA proceedings provided the fees and disbursements of the Monitor and Cassels do not exceed the amount of \$50,000 (plus H.S.T.) each.

RELEASE OF FUNDS TO THE APPLICANT

9. **THIS COURT ORDERS** that the Monitor, Cassels and the Applicant's counsel, Fasken Martineau DuMoulin LLP, be and are hereby authorized and directed to apply any funds held by them as professional fee retainers, including, without limitation, any funds held under the Administration Holdback (as defined in the Order of the Court dated June 23, 2016), on account of their respective outstanding fees and disbursements, provided, however, that any unused balance of the professional fee retainers and the Administration Holdback shall be transferred to the Applicant to be distributed in accordance with this Order.

10. **THIS COURT ORDERS** that the Monitor be and is hereby authorized and directed to release to the Applicant all amounts held by the Monitor in an account as authorized by the Order of the Court dated June 13, 2016 (the "**June 13 Order**") on account of Sales Taxes (as defined in the June 13 Order) to be distributed in accordance with this Order.

TERMINATION OF CCAA PROCEEDINGS

11. **THIS COURT ORDERS** that upon the filing of a certificate of the Monitor substantially in the form attached hereto as Schedule "A" (the "**Monitor's Discharge Certificate**") certifying that the Distributions have been made pursuant to the terms of this Order and that the Applicant has confirmed to the Monitor that all matters to be attended to in connection with these CCAA proceedings have been completed, the CCAA proceedings shall be terminated effective as of the date and time set out in the Monitor's Discharge Certificate without any further act or formality (the "**CCAA Termination Time**").

12. **THIS COURT ORDERS** that the Administration Charge and the Agent's Charge and Security Interest shall be and are hereby terminated, released and discharged at the CCAA Termination Time.

DISCHARGE OF THE MONITOR

13. **THIS COURT ORDERS AND DECLARES** that effective at the CCAA Termination Time, the Monitor shall be and is hereby discharged as Monitor and shall have no further duties, obligations or responsibilities as Monitor from and after the CCAA Termination Time.

14. **THIS COURT ORDERS AND DECLARES** that, in addition to the protections in favour of the Monitor as set out in the CCAA, the Initial Order, any other Order of this Court in the CCAA proceedings or otherwise, all of which are expressly continued and confirmed, the Monitor shall not be liable for any act or omission on the part of the Monitor, including with respect to any reliance thereof, including without limitation, with respect to any information disclosed, any act or omission pertaining to the discharge of the Monitor's duties in the CCAA proceedings or with respect to any other duties or obligations of the Monitor under the CCAA or otherwise, save and except for any claim or liability arising out of any gross negligence or wilful misconduct on the part of the Monitor. Subject to the foregoing, and in addition to the protections in favour of the Monitor as set out in the CCAA, the Initial Order, any other Order of this Court in the CCAA proceedings or otherwise, any claims against the Monitor in connection with the performance of its duties as Monitor be and are hereby released, stayed, extinguished and forever barred and the Monitor shall have no liability in respect thereof.

15. **THIS COURT ORDERS** that, notwithstanding any provision of this Order, the termination of the CCAA proceedings, and the discharge of the Monitor, nothing herein shall affect, vary, derogate from, limit or amend, and the Monitor shall continue to have the benefit of, any of the rights, approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the Initial Order, any other Order of this Court in the CCAA proceedings or otherwise, all of which are expressly continued and confirmed.

16. **THIS COURT ORDERS** that no action or other proceeding may be commenced against the Monitor in any way arising from or related to its capacity or conduct as Monitor in these CCAA proceedings except with prior leave of this Court and on prior written notice to the Monitor.

STAY EXTENSION

17. **THIS COURT ORDERS** that the Stay Period (as defined in paragraph 14 of the Initial Order) be and is hereby extended until and including the CCAA Termination Time.

ASSIGNMENT IN BANKRUPTCY

18. **THIS COURT ORDERS** that the Applicant is hereby empowered and authorized, but not obligated, to file an assignment in bankruptcy and to take any steps reasonably incidental thereto, and immediately prior to the appointment of the trustee in bankruptcy (the “**Trustee**”), the Applicant be and is hereby authorized and directed to pay to the Trustee to be named in the assignment in bankruptcy a retainer in the amount of \$30,000 (plus H.S.T.) in respect of the anticipated fees and disbursements of the Trustee and its counsel in connection with the administration of the Applicant’s bankruptcy proceedings.

GENERAL

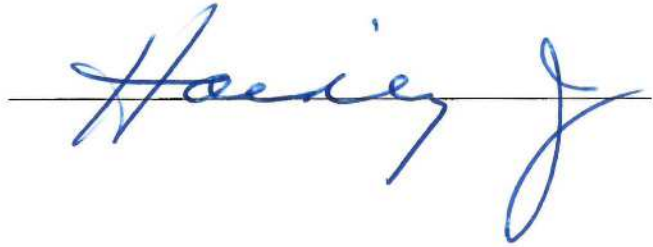
19. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions to give effect to the Distributions and other matters proposed herein.

20. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

21. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective 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 Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

22. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative

in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

A handwritten signature in blue ink, appearing to read "Harris J.", written over a horizontal line.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:
NOV 28 2016

PER / PAR: 

SCHEDULE "A"

Court File No. CV-16-11419-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

(COMMERCIAL LIST)

**IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
2473304 ONTARIO INC.**

(the "Applicant")

MONITOR'S DISCHARGE CERTIFICATE

RECITALS

- A. Richter Advisory Group Inc. was appointed as the monitor (the "**Monitor**") of the Applicant in the within CCAA proceedings pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 6, 2016 (the "**Initial Order**");
- B. Pursuant to an Order of the Court dated November 28, 2016 (the "**CCAA Termination Order**"), the Monitor shall be discharged and the CCAA proceedings shall be terminated upon the filing of this Monitor's Discharge Certificate with the Court;
- C. Unless otherwise indicated herein, capitalized terms used in this Monitor's Discharge Certificate shall have the meanings ascribed thereto in the CCAA Termination Order.

THE MONITOR CERTIFIES the following:

1. The Distributions have been made pursuant to the terms of the CCAA Termination Order; and
2. The Applicant confirmed to the Monitor that all matters to be attended to in connection with the CCAA proceedings have been completed.

ACCORDINGLY, the CCAA Termination Time as defined in the CCAA Termination Order has occurred.

DATED at Toronto, Ontario at _____[TIME] on this ____ day of _____, 20__.

RICHTER ADVISORY GROUP INC.,
solely in its capacity as Court-appointed
Monitor of 2473304 ONTARIO INC. and
not in its personal capacity

By: _____

Name:

Title:

Court File No.: CV-16-11419-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN
THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 2473304 ONTARIO INC.

(the "Applicant")

**ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]**

Proceedings commenced in Toronto

**ORDER
(DISTRIBUTIONS & TERMINATION OF CCAA)**

FASKEN MARTINEAU DuMOULIN LLP

333 Bay Street – Suite 2400
Bay Adelaide Centre, Box 20
Toronto, ON M5H 2T6

Stuart Brotman (LSUC#43430D)

Tel: 416 865 5419
Fax: 416 364 7813
sbrotman@fasken.com

Dylan Chochla (LSUC#62137I)

Tel: 416 868 3425
Fax: 416 364 7813
dchochla@fasken.com

Lawyers for the Applicant, 2473304 Ontario Inc.