

**SUPERIOR COURT**  
(Commercial Division)

CANADA  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL  
No. 500-11-054804-188  
DATE: August 22, 2018

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PRESIDING : **~~Vie Chantal Flamand, registraire~~**

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IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF:

GREATEX MILLS INC./LES MOULINS GREATEX INC.

Debtor/Petitioner

-and-

RICHTER ADVISORY GROUP INC.

Trustee

-and-

THE PARTIES LISTED IN THE SERVICE LIST

-and-

THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS

Mises-en-Cause

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**APPROVAL AND VESTING ORDER**

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- [1] **ON READING** Greatex Mills Inc.'s *Motion for Authorization to Sell Certain Assets of the Debtor, and Other Related Orders* (the "**Motion**"), the affidavit and the exhibits in support thereof, as well as the Report of the Trustee (the "**Report**");
- [2] **SEEING** the notification/service of the Motion;
- [3] **SEEING** the submissions of counsel;
- [4] **SEEING** that it is appropriate to issue an order approving the transaction (the "**Transaction**") contemplated by the Offer to Purchase (the "**Offer**") made on August

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20, 2018 by Crescent Commercial Corporation (the "**Purchaser**"), as purchaser, and accepted on August 20, 2018, by the Debtor (the "**Debtor**" or "**Vendor**"), as Vendor, a copy of which was filed as **Exhibit P-2** to the Motion, and vesting in the Purchaser the assets described in the Offer (the "**Purchased Assets**");

**WHEREFORE THE COURT:**

- [5] **GRANTS** the Motion.

**NOTIFICATION/SERVICE**

- [6] **ORDERS** that any prior delay for the presentation of this Motion is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further notification/service thereof.
- [7] **PERMITS** notification/service of this Order at any time and place and by any means whatsoever.

**SALE APPROVAL**

- [8] **ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Offer by the Vendor is hereby authorized and approved, with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to but only with the consent of the Trustee.

**EXECUTION OF DOCUMENTATION**

- [9] **AUTHORIZES** the Vendor and the Purchaser to perform all acts, sign all documents and take any necessary action to execute any agreement, contract, deed, provision, transaction or undertaking stipulated in the Offer (**Exhibit P-2**) and any other ancillary document which could be required or useful to give full and complete effect thereto (including the execution of the "Agreement of Sale" contemplated by the Offer), subject to non-material alterations, changes, amendments, deletions or additions thereto as may be agreed by Vendor and Purchaser and to execute all other agreements, contracts, deeds or any other documents and do all other things necessary in order to give full and complete effect to the Transaction.

**AUTHORIZATION**

- [10] **ORDERS** and **DECLARES** that this Order shall constitute the only authorization required by the Vendor to proceed with the Transaction and that no shareholder or regulatory approval, if applicable, shall be required in connection therewith.
- [11] **ORDERS** and **DECLARES** that upon the issuance of a Trustee's certificate substantially in the form appended as **Schedule "A"** hereto (the "**Certificate**"), all rights, title and interest in and to the Purchased Assets shall vest absolutely and exclusively in and with the Purchaser, free and clear of and from any and all claims, liabilities (direct, indirect, absolute or contingent), obligations, interests, prior claims, security interests (whether contractual, statutory or otherwise), liens, right of retention, charges, hypothecs, mortgages, pledges, deemed trusts, assignments, judgments, executions, writs of seizure or execution, notices of sale, options, adverse claims, levies, rights of first refusal or other pre-emptive rights in favour of third parties, restrictions on transfer of title, contractual rights relating to the Purchased Assets, or other claims or encumbrances, whether or not they have been attached, perfected,

registered, published or filed and whether secured, unsecured or otherwise (collectively, the "**Encumbrances**"), including without limiting the generality of the foregoing all Encumbrances created by order of this Court and all charges, or security evidenced by registration, publication or filing pursuant to the *Civil Code of Québec* in movable property, and, for greater certainty, **ORDERS** that all of the Encumbrances affecting or relating to the Purchased Assets, be cancelled, expunged and discharged as against the Purchased Assets, in each case effective as of the applicable time and date of the Certificate.

- [12] **DECLARES** that upon issuance of the Certificate, the Transaction shall be deemed to constitute and shall have the same effect as a sale under judicial authority as per the provisions of the *Code of Civil Procedure* and a forced sale as per the provisions of the *Civil Code of Quebec*.
- [13] **ORDERS and DIRECTS** the Trustee to file with the Court a copy of the Certificate, forthwith after issuance thereof.

#### **CANCELLATION OF SECURITY REGISTRATIONS**

- [14] **ORDERS** that, upon the issuance of the Certificate, the Registrar of the Quebec Register of Personal and Movable Real Rights (the "**RDPRM**") shall, upon presentation of the required form with a true copy of this Order and the Certificate, reduce the following publications in order to allow the transfer to the Purchaser of the Purchased Assets free and clear of such publications and **ORDERS** that the following publications be reduced so as to remove the Purchased Assets therefrom (but no other property of the Debtor), namely:

<b>NATURE OF SECURITY REGISTRATION</b>	<b>PUBLICATION NO. (registration)</b>	<b>DATE OF PUBLICATION</b>	<b>SECURED PARTY</b>
Conventional hypothec without delivery	14-0866564-0002	2014-09-17	The Toronto- Dominion Bank
Conventional hypothec without delivery	18-0209413-0001	2018-03-06	Banque de Développement du Canada

#### **NET PROCEEDS**

- [15] **ORDERS** that the entire proceeds from the sale of the Purchased Assets (the "**Net Proceeds**") shall be remitted to the Trustee and shall be distributed by the Trustee to The Toronto-Dominion Bank.
- [16] **ORDERS** that for the purposes of determining the nature and priority of the Encumbrances, the Net Proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that upon payment of the "Price" (as defined in the Offer) by the Purchaser, all Encumbrances shall attach to the Net Proceeds with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.



## **VALIDITY OF THE TRANSACTION**

[17] **ORDERS** that notwithstanding:

- (i) the pendency of these proceedings;
- (ii) any petition for a receiving order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* ("**BIA**") and any order issued pursuant to any such petition; or
- (iii) the provisions of any federal or provincial legislation,

the vesting of the Purchased Assets contemplated in this Order, as well as the execution of the Offer pursuant to this Order, are to be binding on any trustee in bankruptcy that may be appointed, and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, as against the Vendor, the Purchaser or the Trustee.

## **LIMITATION OF LIABILITY**

- [18] **DECLARES** that, subject to other orders of this Court, nothing herein contained shall require the Trustee to occupy or to take control, or to otherwise manage all or any part of the Purchased Assets. The Trustee shall not, as a result of this Order, be deemed to be in possession of any of the Purchased Assets within the meaning of environmental legislation, the whole pursuant to the terms of the BIA.
- [19] **DECLARES** that no action lies against the Trustee by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court. The entities related to the Trustee or belonging to the same group as the Trustee shall benefit from the protection arising under the present paragraph.

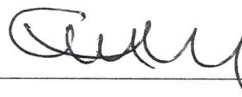
## **GENERAL**

- [20] **ORDERS** that the Purchaser or the Trustee shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.
- [21] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
- [22] **DECLARES** that the Trustee shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement the Order and, without limitation to the foregoing, an order under Chapter 15 of the U.S. Bankruptcy Code, for which the Trustee shall be the foreign representative of the Debtor. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Trustee as may be deemed necessary or appropriate for that purpose.
- [23] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any

court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order.

- [24] **ORDERS** the provisional execution of the present Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

**THE WHOLE WITHOUT COSTS, SAVE IN THE EVENT OF CONTESTATION**



**Me Chantal Flamand, registraire**

COPIE CERTIFIÉE CONFORME  
AU DOCUMENT DÉTENU PAR LA COUR



24 AOÛT 2018

Personne désignée par le greffier

**JULIO V. BERRIOS**  
**GREFFIER ADJOINT C.S.M.**

SCHEDULE "A"  
DRAFT CERTIFICATE OF THE TRUSTEE

CANADA  
PROVINCE OF QUEBEC  
DISTRICT OF MONTREAL  
NO.: 500-11-054804-188  
ESTATE NO.: 41-2388971

SUPERIOR COURT  
(Commercial Division)

*(Bankruptcy and Insolvency Act, R.S.C. 1985,  
c. B-3)*

IN THE MATTER OF THE NOTICE OF  
INTENTION TO MAKE A PROPOSAL OF:  
GREATEX MILLS INC./LES MOULINS  
GREATEX INC.;

Debtor/Petitioner

-and-

RICHTER ADVISORY SERVICES INC./  
RICHTER GROUPE CONSEIL INC.;

Trustee

-and-

THE REGISTRAR OF PERSONAL AND  
MOVABLE REAL RIGHTS;

-and-

THE PARTIES LISTED IN THE SERVICE LIST  
Mises-en-causes

CERTIFICATE OF THE TRUSTEE

RECITALS:

**WHEREAS** on ●, 2018, the Superior Court of Quebec (the "**Court**") issued an order (the "**Vesting Order**") pursuant to the *Bankruptcy and Insolvency Act*, Canada (the "**BIA**") thereby, *inter alia*, authorizing and approving the execution by Greatex Mills Inc. (the "**Debtor**") of that certain offer to purchase made by Crescent Commercial Corporation (the "**Purchaser**") on August 20, 2018 and accepted by the Debtor on August 20, 2018 (the "**Offer**"), a copy of which was filed into the Court record, and all of the sale and other transactions contemplated therein (the "**Transaction**"), with such non-substantial modifications, changes, amendments, deletions or additions thereto as may be agreed by the Debtor, the Purchaser and the Trustee;

**WHEREAS** the Vesting Order contemplates the issuance of this Certificate of the Trustee once:

- (a) the agreement of sale contemplated by the Offer (the "**Agreement of Sale**") has been executed and delivered;
- (b) the "Initial Payment" of the "Price" (both as defined in the Offer) (the "**Initial Purchase Price**") has been paid; and
- (c) each of the "Closing Conditions" (as defined in the Offer) (the "**Closing Conditions**") have been satisfied or waived by all parties thereto.

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**THE TRUSTEE CERTIFIES THAT IT HAS BEEN ADVISED BY THE VENDOR AND THE PURCHASER OF THE FOLLOWING:**

- (a) the Agreement of Sale has been executed and delivered;
- (b) the Initial Purchase Price has been paid; and
- (c) each of the Closing Conditions have been satisfied or waived by the parties thereto.

This Certificate was issued by the Trustee at \_\_\_\_ **[TIME]** on \_\_\_\_\_, 2018 **[DATE]**.

**RICHTER ADVISORY GROUP INC.** in its capacity as Trustee to the Notice of Intention to Make a Proposal of Greatex Mills Inc., and not in its personal capacity.

**Name:** Olivier Benchaya, CPA, CA, CIRP, LIT

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