

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
[IN BANKRUPTCY AND INSOLVENCY]**

THE HONOURABLE MR. )  
JUSTICE M. A. GARSON )

FRIDAY, THE 16<sup>TH</sup>  
DAY OF JULY, 2021

BETWEEN:

**ROYAL BANK OF CANADA**

Plaintiff

- and -

**SLE-CO PLASTICS INC., SLE-CO PROPERTIES INC., and  
1142024 ONTARIO INC.**

Defendants

**DISTRIBUTION AND DISCHARGE ORDER**

**THIS MOTION**, made by BDO Canada Limited (“**BDO**”), in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”), without security, of certain of the assets, undertakings and properties of Sle-Co Plastics Inc. (“**Plastics Inc.**”), Sle-Co Properties Inc. (“**Properties Inc.**”) and 1142024 Ontario Inc. (“**114 Inc.**” and, together with Plastics Inc. and Properties Inc., the “**Debtors**”), acquired for, or used in relation to a business carried on by the Debtors (collectively, the “**Property**”), for an order, *inter alia*: (i) approving the Third Report of the Receiver dated June 25, 2021 (the “**Third Report**”) and the activities of the Receiver set out therein; (ii) approving the fees and disbursements of the Receiver and its counsel, Aird & Berlis LLP, that are set out in the fee affidavits appended to the Third Report; (iii) approving the Fee Accrual (as defined in the Third Report); (iv) authorizing and directing the Receiver to distribute the funds held by the Receiver; (v) assigning certain claims held by the Receiver; (vi) dismissing

a purported claim against the Receiver; (vii) discharging BDO as the Receiver effective upon the filing of a certificate by the Receiver certifying that all matters to be attended to in connection with the receivership of the Property have been completed to the satisfaction of the Receiver, in substantially the form attached hereto as Schedule "A" (the "**Discharge Certificate**"); and (viii) releasing BDO from any and all liability, as set out in paragraph 9 of this Order, was heard this day via teleconference due to the Covid-19 crisis.

**ON READING** the Third Report, and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one appearing for any other person on the service list although duly served as appears from the affidavit of service of Eunice Baltkois sworn June 25, 2021,

1. **THIS COURT ORDERS** that the time for service 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 Third Report, and the activities of the Receiver set out therein (including, without limitation, the Receiver's statement of receipts and proposed disbursements), be and are hereby approved.
3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, Aird & Berlis LLP, as set out in the fee affidavits appended to the Third Report, be and are hereby approved.
4. **THIS COURT ORDERS** that the Fee Accrual be and is hereby approved.
5. **THIS COURT ORDERS** that, after paying the approved fees and disbursements of the Receiver and its counsel (including, without limitation, the Fee Accrual) set out in paragraphs 3 and 4 of this Order, the Receiver be and is hereby authorized and directed, without further Order of this Court, to distribute the remaining balance of funds held by the Receiver as follows:
  - (a) the sum of \$560,884.80 to Canada Revenue Agency ("**CRA**"), on account of and in full satisfaction of CRA's Property Proof of Claim against Plastics Inc. dated June 11, 2020;

- (b) the further sum of \$31,319.18 to CRA in full satisfaction of HST deemed trust amounts owing by Properties Inc. to CRA;
- (c) the sum of \$29,319.00 to North Shore Farming Company Limited, on account of and in full satisfaction of the secured indebtedness owing to it by the Debtors;
- (d) the sum of \$191,150.00 to Harrison Pensa LLP (“**HP**”) in trust, to be subsequently distributed by HP to Jay Okkerse Contracting Ltd. (“**JOCL**”) and/or Royal Bank of Canada (“**RBC**”) in such amounts as either: (i) agreed between JOCL and RBC; or (ii) adjudicated by the Court in a motion between JOCL and RBC that does not involve the Receiver or the Receiver’s counsel (and, for greater certainty, that does not seek to impose any liability on the Receiver or the Receiver’s counsel); and
- (e) the remaining balance of funds in the Receiver’s control, if any, to RBC, on account of and in partial satisfaction of the secured indebtedness owing to it by the Debtors.

6. **THIS COURT ORDERS** that any and all claims by or on behalf of JOCL against the Receiver in respect of any construction lien-related matters (including, without limitation, the relief purportedly sought by JOCL against the Receiver in JOCL’s motion returnable on July 26, 2021) be and are hereby permanently dismissed.

7. **THIS COURT ORDERS** that the 114 Receiver’s Claim (as defined in the Third Report) be and is hereby assigned to RBC.

8. **THIS COURT ORDERS** that upon payment of the amounts set out in paragraph 5 hereof and upon the Receiver filing the Discharge Certificate, the Receiver shall be discharged as Receiver of the Property, 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) the Receiver shall 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 BDO, in its capacity as the Receiver.

9. **THIS COURT ORDERS AND DECLARES** that, upon the Receiver filing the Discharge Certificate, BDO is hereby released and discharged from any and all liability that BDO now has

or may hereafter have by reason of, or in any way arising out of, the acts or omissions of BDO while acting in its capacity as the Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, BDO 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.

10. **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.

11. **THIS COURT ORDERS** that, notwithstanding Rule 59.05 of the *Rules of Civil Procedure* (Ontario) (the "**Rules**"), this Order is effective from the date on which it is made, and is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04 of the Rules, no formal order need be entered and filed unless an appeal or a motion for leave to appeal is brought to an appellate court. Any party may nonetheless submit a formal order for original signing, entry and filing when the Court returns to regular operations.



A handwritten signature in black ink, consisting of stylized, overlapping loops and a long horizontal stroke extending to the left. Below the signature, the initials "CALW" are written in a smaller, more legible hand.

**SCHEDULE "A"**

Court File No. 35-2220175T

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

BETWEEN:

**ROYAL BANK OF CANADA**

Plaintiff

- and -

**SLE-CO PLASTICS INC., SLE-CO PROPERTIES INC., and  
1142024 ONTARIO INC.**

Defendants

**RECEIVER'S DISCHARGE CERTIFICATE**

**RECITALS**

(A) Pursuant to an Order of The Honourable Mr. Justice McArthur of the Ontario Superior Court of Justice [In Bankruptcy and Insolvency] (the "**Court**") made January 17, 2020, BDO Canada Limited ("**BDO**") was appointed as receiver (in such capacity, the "**Receiver**"), without security, of certain of the assets, undertakings and properties of Sle-Co Plastics Inc. ("**Plastics Inc.**"), Sle-Co Properties Inc. ("**Properties Inc.**") and 1142024 Ontario Inc. ("**114 Inc.**" and, together with Plastics Inc. and Properties Inc., the "**Debtors**"), acquired for, or used in relation to a business carried on by the Debtors (collectively, the "**Property**").

(B) Pursuant to an Order of the Court made July 16, 2021 (the "**Distribution and Discharge Order**"), BDO was discharged as the Receiver of the Property to be effective upon the filing by

the Receiver with the Court of a certificate confirming that all matters to be attended to in connection with the receivership of the Property have been completed to the satisfaction of the Receiver, provided, however, that notwithstanding its discharge: (a) the Receiver will remain the Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership; and (b) the Receiver will 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 BDO, in its capacity as the Receiver.

(C) Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Distribution and Discharge Order.

**THE RECEIVER CERTIFIES** the following:

1. all matters to be attended to in connection with the receivership of the Property have been completed to the satisfaction of the Receiver; and
2. this Discharge Certificate was filed by the Receiver with the Court on the \_\_\_\_ day of \_\_\_\_\_, 2021.

**BDO CANADA LIMITED**, solely in its capacity as the Court-appointed Receiver, and not in its personal capacity or in any other capacity

Per: \_\_\_\_\_

Name:

Title:

ROYAL BANK OF CANADA

Plaintiff

-and-

SLE-CO PLASTICS INC., SLE-CO PROPERTIES INC.,  
and 1142024 ONTARIO INC.  
Defendants

Court File No. 35-2220175T

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**[IN BANKRUPTCY AND INSOLVENCY]**

Proceedings commenced at London

**DISTRIBUTION AND DISCHARGE ORDER**

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*Lawyers for the Receiver*