

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE) **TUESDAY, the 21ST DAY**
)
MR. JUSTICE CHARLES HACKLAND) **OF MAY, 2019.**

BETWEEN:

BUSINESS DEVELOPMENT BANK OF CANADA

Applicant

- and -

**730 HOLDINGS INC., 730 SUBWAY INC.,
730 ROADHOUSE INC. and 2362655 ONTARIO INC.**

Respondents

ORDER

THIS MOTION, made by Raymond Chabot Inc. as Court-Appointed Receiver (the "Receiver") of the Respondents (the "Debtors") for, amongst other relief, an Order approving the activities and conduct of the Receiver, was heard this day at the Courthouse, 161 Elgin Street, Ottawa, Ontario.

ON READING the Motion Record filed on behalf of the Receiver, including the third report of the Receiver dated May 16, 2019 (the "Third Report"), and upon hearing the submissions of counsel for the Receiver, no one appearing for any of the other interested parties although duly served as appears from the Affidavits of Service of Roxanne Chapman, sworn on April 30, 2019, filed,

SERVICE

1. **THIS COURT ORDERS AND DECLARES** that the method of service of the Notice of Motion and the Receiver's Third Report is hereby validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

RECEIVER'S THIRD REPORT

2. **THIS COURT ORDERS AND DECLARES** that the Receiver's Third Report is hereby approved and that the activities and conduct of the Receiver and that of its counsel as set forth in its Third Report are hereby ratified and approved.
3. **THIS COURT ORDERS AND DECLARES** that the Receiver's Interim Statement of Receipts and Disbursements as at May 16, 2019, and as provided and filed with the Court, is hereby ratified and approved.

SECURED/PRIORITY CLAIMS AND DISTRIBUTIONS

4. **THIS COURT ORDERS AND DIRECTS** the Receiver to pay a distribution in the amount of \$70,118.60 to Business Development Bank of Canada ("**BDC**") on account of BDC's first-ranking security in respect of the Property and Real Property (as these terms are defined in the Third Report).
5. **THIS COURT ORDERS AND DIRECTS** the Receiver to pay a final distribution in the amount of \$295,669.18 to the Township of Edwardsburgh/Cardinal (the "**Township**") on account of environmental clean-up costs incurred by the Township, which claim by the Township is a statutory priority claim pursuant to ss. 1(2.1) and (3) and 349 of the *Municipal Act, 2001*, S.O. 2001, C. 25, and ss. 100 and 100.1 of the *Environmental Protection Act*, R.S.O. 1990, c. E.19.

DISCLAIMER OF INTEREST IN ENCONG GROUP INC. POLICY

- 6. **THIS COURT ORDERS AND AUTHORIZES** the Receiver to disclaim any interest that the Receiver may have in the claim initiated with the Debtors' insurer, Encon Group Inc. ("Encon"), with respect to environmental clean-up costs, pursuant to policy number PSG480912 (the "Policy"), which disclaimer shall be in favour of BDC given that it is named as a loss payee under the Policy and is constituted as a the Debtors' primary secured creditor.

- 7. **THIS COURT ORDERS AND AUTHORIZES** the Receiver to assign any interest that it may have in the claim made with Encon under the Policy, if necessary, and to execute any such document that may be reasonably required to effect such an assignement.

PROFESSIONAL FEES AND DISBURSEMENTS

- 8. **THIS COURT ORDERS AND DECLARES** that the fees and disbursements of the Receiver and of its legal counsel, all as particularized in the Third Report, are hereby ratified and approved.

Hackland J.

THE HONOURABLE MR. JUSTICE CHARLES HACKLAND

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MAY 22 2019

DOC. IN BOU. AU REGISTRE NO. 73-13

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BUSINESS DEVELOPMENT BANK OF CANADA
Applicant

- and -

730 HOLDINGS INC. et al.
Respondents

Court File No. 18-77432

**ONTARIO SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding Commenced at Ottawa

ORDER

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