

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

THE HONOURABLE ) FRIDAY , THE 16TH  
JUSTICE *W. B. ...* ) DAY OF DECEMBER, 2016



**GRAND RIVER ENTERPRISES SIX NATIONS LIMITED**

Applicant

- and -

**LANWEST MFG. TECHNOLOGIES INC.**

Respondent

**ORDER**

**(Re: Minister of Finance Settlement, CRA Cash Security and Bond, KPMG Funds)**

**THIS MOTION** made by BDO Canada Limited ("BDO") in its capacity as receiver and manager (the "Receiver") of the Respondent Lanwest Mfg. Technologies Inc. ("Lanwest") pursuant to the Order of the Honourable Madam Justice Conway dated October 14, 2016 (the "Appointment Order") was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the First Report of the Receiver dated December 8, 2016 and the Appendices attached thereto (the "First Report") and on hearing the submissions of counsel for the Applicant, Grand River Enterprises Six Nations Limited ("GRE"), and other parties listed on the counsel slip, and on being advised by GRE's counsel that the Canada Revenue Agency (the "CRA") agrees to pay the \$1,400,000 cash security to the Receiver which the Receiver shall hold in an interest bearing trust account and which payment is without prejudice to the CRA's claim

to those funds, no else one appearing although all parties on the service list were duly served as appears from the affidavits of service filed with this Court,

### **SERVICE**

1. THIS COURT ORDERS that the time for service of the Notice of Motion, the First Report and the Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

### **MINISTER OF FINANCE SETTLEMENT**

2. THIS COURT ORDERS that paragraph 5 of the Appointment Order be and is hereby amended to read as follows: "THIS COURT ORDERS that the Receiver is hereby authorized and directed to execute and implement the terms of the Minutes of Settlement between the Debtor, Her Majesty The Queen In Right Of the Province of Ontario As Represented by the Minister of Finance (the "**Minister**") and RBC, as more particularly described in and attached as Exhibit "P" to the Porter Affidavit, as amended (the "**Minutes of Settlement**"). Upon execution of the Minutes of Settlement, the Minister shall forthwith pay the amount of \$4,404,461.67 (the "**Minister Amount**") to the Receiver, and RBC shall forthwith pay the amount of \$1,212,5338.33 less an amount not to exceed \$15,000 (including HST) with respect to RBC's reasonable costs (the "**RBC Amount**") to the Receiver and upon receipt of such funds, the Receiver shall pay the Minister Amount and the RBC Amount to GRE as a permanent reduction to the amounts owed by the Debtor to GRE under its security." JWS

### **CRA BOND**

3. THIS COURT ORDERS AND DECLARES that the time to make claims under Bond No. #TM0003011571 in the amount of \$600,000 issued by The Guarantee Company of North America ("**GCNA**") on behalf of Lanwest in favour of Her Majesty in Right of Canada, Her Heirs and Successors As Represented By The Minister of National Revenue of Canada (the "**Bond**") has expired and that the Bond be and is hereby cancelled.

4. THIS COURT ORDERS AND DECLARES that: the Bond is null and void; no claims may be made against the Bond; and all claims that were or could have been made against the Bond are forever barred and extinguished.

5. THIS COURT ORDERS that, upon receipt of the Bond, GCNA be and is hereby authorized and directed to forthwith deliver Irrevocable Standby Letter of Credit No. P304829T04117, as amended, issued by RBC in favour of GCNA (the "Letter of Credit") to RBC.

6. THIS COURT ORDERS that, upon receipt of the Letter of Credit, RBC be and is hereby authorized and directed to forthwith deliver the amount of \$600,000 representing cash security paid by Lanwest to RBC in respect of the Letter of Credit to the Receiver, \$500,000 of which the Receiver shall pay to GRE as a permanent reduction to the amounts owed by Lanwest to GRE under its security and \$100,000 of which the Receiver shall retain to pay Lanwest's expenses and the costs of these proceedings.

#### **FUNDS FROM PRIVATE RECEIVER AND FORMER PROPOSAL TRUSTEE**

7. THIS COURT ORDERS that KPMG Inc. ("KPMG") is hereby authorized and directed to deliver the funds in its possession in its capacities as former Proposal Trustee of Lanwest and Private Receiver of Lanwest, as set out in the First Report and the Statements of Receipts and Disbursements attached as Appendices "I" and "J" thereto, to the Receiver, subject to any amendments and adjustments as the Receiver and KPMG may agree.

#### **CLAIMS AGAINST FUNDS PAID TO RECEIVER**

8. THIS COURT ORDERS that any claims against any funds paid by any party(ies), including RBC, to the Receiver, pursuant to the terms of the Appointment Order, this Order or any Order granted in these proceedings, shall be filed and asserted with the Receiver, and any such parties shall be released from any claims with respect to such funds upon payment of the funds to the Receiver.

**APPROVAL OF FIRST REPORT**

9. THIS COURT ORDERS that the First Report, and the activities of the Receiver as described therein, be and are hereby approved.

**FEE APPROVAL**

10. THIS COURT ORDERS that the fees and disbursements of the Receiver and its counsel, as described in the First Report and the fee affidavits attached as Appendices "K" and "L" thereto, be and are hereby approved.

  
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DEC 16 2016

PER / PAR: 

**GRAND RIVER ENTERPRISES SIX NATIONS LIMITED**

- and -

**LANWEST MFG. TECHNOLOGIES INC.**

Applicant

Respondent

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(Commercial List)**

Proceeding commenced at Toronto

**ORDER**

**(Re: Minister of Finance Settlement, CRA Cash  
Security and Bond, KPMG Funds)**

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Receiver and Manager, Trustee in Bankruptcy and  
Proposal Trustee of Lanwest Mfg. Technologies Inc.

