

20

Court File No. 35-2220175T

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

THE HONOURABLE)
JUSTICE A. D. GRACE)

MONDAY, THE 15TH
DAY OF JUNE, 2020

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

- and -

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

Defendants

APPROVAL AND VESTING ORDER

THIS MOTION, made by BDO Canada Limited, 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. (the “**Debtor**”), Sle-Co Properties Inc. (“**Properties Inc.**”) and 1142024 Ontario Inc. (“**114 Inc.**” and, together with the Debtor and Properties Inc., the “**Debtors**”), acquired for, or used in relation to a business carried on by the Debtors, for an order, *inter alia*, approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale between the Receiver, as vendor, and Infinity Asset Solutions Inc. (the “**Purchaser**”), as purchaser, dated April 21, 2020 (the “**Sale Agreement**”), a redacted copy of which is attached as Appendix “D” to the First Report of the

Receiver dated June 1, 2020 (the “**First Report**”) and an unredacted copy of which is attached to the Confidential Supplement to the First Report dated June 1, 2020 (the “**Confidential Supplement**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the property described as the “**Purchased Assets**” in the Sale Agreement (the “**Purchased Assets**”), was heard this day via teleconference due to the Covid-19 crisis.

ON READING the First Report and appendices thereto and the Confidential Supplement and the appendices thereto, and on hearing the submissions of counsel for the Receiver and such other counsel as were present, ^{and representatives of Jeffrey Slegers} ~~for Royal Bank of Canada~~ ^{DL}, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Eunice Baltkois sworn June 4, 2020, filed,

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser, or as it may direct.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver’s certificate to the Purchaser substantially in the form attached as Schedule A hereto (the “**Receiver’s Certificate**”), all of the Debtor’s right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens,

executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of The Honourable Mr. Justice McArthur made January 17, 2020; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system, and, for greater certainty, this Court orders that all of the Claims affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver’s Certificate all Claims shall attach to the net proceeds from the sale of the Purchased Assets 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.

4. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver’s Certificate, forthwith after delivery thereof.

5. **THIS COURT ORDERS** that, notwithstanding:

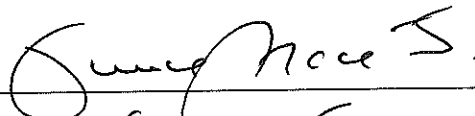
- (a) the pendency of these proceedings;

- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of any of the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) the bankruptcy of the Debtor and any assignment in bankruptcy made in respect of the other Debtors,

the vesting of the Purchased Assets in the Purchaser, or as it may direct, pursuant to this Order shall be binding on any trustee in bankruptcy that is presently, or that may be, appointed in respect of any of the Debtors and shall not be void or voidable by creditors of any of the Debtors, 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.

6. **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.

7. **THIS COURT ORDERS** that, notwithstanding Rule 59.05 of the *Rules of Civil Procedure* (Ontario), this Order is effective from the date on which it is made, and is enforceable without any need for entry and filing; provided, however, that any party may nonetheless submit a formal order for original, signing, entry and filing, as the case may be.



GRACE S.

14
28

Schedule "A" – Form of Receiver's Certificate

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 CERTIFICATE

RECITALS

- I. Pursuant to an Order of The Honourable Mr. Justice McArthur of the Ontario Superior Court of Justice in Bankruptcy and Insolvency (the "**Court**") dated 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. (the "**Debtor**"), Sle-Co Properties Inc. ("**Properties Inc.**") and 1142024 Ontario Inc. ("**114 Inc.**" and, together with the Debtor and Properties Inc., the "**Debtors**"), acquired for, or used in relation to a business carried on by the Debtor, including the proceeds thereof (the "**Property**").
- II. Pursuant to an Order of the Court dated June 15, 2020, the Court approved the agreement of purchase and sale between the Receiver, as vendor, and Infinity Asset Solutions Inc. (the

28

“Purchaser”), as purchaser, dated April 21, 2020 (the “Sale Agreement”), and provided for the vesting in the Purchaser of all the Debtor’s right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the purchase price for the Purchased Assets; (ii) that the conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

III. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the purchase price for the Purchased Assets payable on the closing date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

22

18
d

BDO CANADA LIMITED, solely in its capacity as the Court-appointed receiver of the Debtors, and not in its personal capacity or in any other capacity

Per: _____

Name:

Title:

d

ROYAL BANK OF CANADA

-and-

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

Plaintiff

Defendants

Court File No. 35-2220172T

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

Proceedings commenced at London

APPROVAL AND VESTING ORDER

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Sanjeev P.R. Mitra (LSO # 37934U)
Tel: (416) 865-3085
Fax: (416) 863-1515
Email: smitra@airdberlis.com

Jeremy Nemers (LSO # 66410Q)
Tel: (416) 865-7724
Fax: (416) 863-1515
Email: jnemers@airdberlis.com

Lawyers for the Receiver