

Court File No. CV-24-00096443-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE
JUSTICE RYAN BELL

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MONDAY, THE 7TH
DAY OF APRIL, 2025

B E T W E E N :

ROYAL BANK OF CANADA

Applicant

- and -

1000502168 ONTARIO INC. operating as THE KIPPS MARKET

Respondent

ANCILLARY RELIEF 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 the lands and premises registered in the name of 1000502168 Ontario Inc. operating as The Kipps Market (the “**Debtor**”) for an order, *inter alia*, (a) approving the First Report of the Receiver dated March 21, 2025 (the “**First Report**”) and the Receiver’s conduct and activities described therein; (b) approving the fees and disbursements of the Receiver and its counsel; (c) authorizing and directing the Receiver to make certain payments and distributions arising from the proceeds of the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale between the Receiver and 1738711 Ontario Inc. dated December 24, 2024; and (d) discharging the Receiver, was heard this day by way of judicial video conference in Ottawa, Ontario.

ON READING the Notice of Motion and the First Report, filed, and on hearing the submissions of counsel for the Receiver, and all other counsel and parties listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record in support of this Motion and the First Report be and is hereby validated, such that this Motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF THE RECEIVER'S ACTIVITIES AND FEES

2. **THIS COURT ORDERS** that the First Report and the conduct and activities of the Receiver as set out therein be and are hereby approved, provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize, in any way, such approvals.

3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver up to and including March 14, 2025, as set out in the First Report and the fee affidavit of Peter Crawley sworn March 21, 2025, appended to the First Report, are hereby approved.

4. **THIS COURT ORDERS** that the fees and disbursements of the Receiver's counsel, Aird & Berlis LLP, up to and including March 20, 2025, as set out in the First Report and the fee affidavit of Shaun Parsons sworn March 21, 2025, appended to the First Report, are hereby approved.

5. **THIS COURT ORDERS** that the Final Fee Accrual (as defined in the First Report) be and are hereby approved and that no further approval of the fees and disbursements is required.

SEALING OF CONFIDENTIAL APPENDICES

6. **THIS COURT ORDERS** that the Confidential Appendices 1, 2, and 3 to the First Report, shall be and is hereby sealed, kept confidential, and shall not form part of the public record until the closing of the Transaction or further Order of this Court.

DISTRIBUTIONS

7. **THIS COURT ORDERS** that subject to the Receiver maintaining such reserves as the Receiver deems appropriate for the proper administration of the receivership estate, and the payment by the Receiver of the amounts secured under the Receiver's Borrowings Charge (as defined in the Receivership Order), the fees of the Receiver and its counsel, and other residual costs and expenses incurred in the administration of the receivership estate, the Receiver be and is hereby authorized and directed to distribute to Royal Bank of Canada, in respect of its secured claim, the net proceeds of the receivership estate, but not to exceed the amount of its secured claim.

8. **THIS COURT ORDERS** that notwithstanding anything else contained in this Order, each of the payments and distributions provided for in this Order shall be made free and clear of 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, including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Labrosse dated August 27, 2024; and (ii) all charges security interests, liens, trusts, or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property or real property registry system.

9. **THIS COURT ORDERS** that the Receiver or any other person facilitating payments and distributions pursuant to this Order shall be entitled to deduct and withhold from any such payment or distribution such amounts as may be required to be deducted or withheld under any applicable law and to remit such amounts to the appropriate governmental authority or other person entitled thereto as may be required by such law. To the extent that amounts are so withheld or deducted and remitted to the appropriate governmental authority or other person entitled thereto, such withheld or deducted amounts shall be treated for all purposes as having been paid pursuant to this Order.

10. **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) (the “BIA”) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor,

any payment or distribution made pursuant to this Order is final and irreversible and shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

DISCHARGE OF THE RECEIVER AND TERMINATION

11. **THIS COURT ORDERS** that upon the Receiver filing with this Court a certificate substantially in the form appended hereto as **Schedule “A”** (the “**Receiver’s Discharge Certificate**”) certifying that the Receiver has completed all outstanding receivership matters in connection with its appointment as Receiver in these proceedings, the Receiver shall be unconditionally and absolutely discharged as Receiver, provided, however, that notwithstanding its discharge as Receiver herein, (a) BDO 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 these proceedings, including all approvals, protections and stays of proceedings in favour of BDO in its capacity as Receiver.

12. **THIS COURT FURTHER ORDERS AND DECLARES** that 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 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

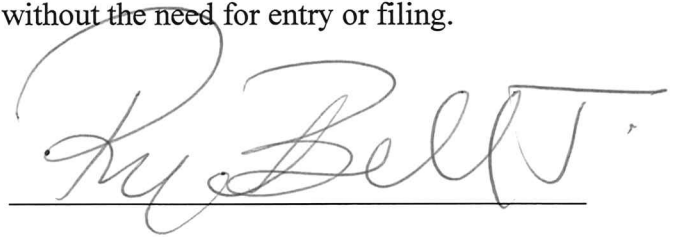
and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

13. **THIS COURT ORDERS** that upon the filing of the Receiver's Discharge Certificate, these proceedings shall be terminated without the need for any further authorization or approval.

GENERAL

14. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any other foreign jurisdiction 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.

15. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.

A handwritten signature in dark ink, appearing to read "Ky Bell", is written over a horizontal line. The signature is fluid and cursive.

Issuance on April 7, 2025

Schedule A – Form of Receiver’s Discharge Certificate

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- and -

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Respondent

RECEIVER’S DISCHARGE CERTIFICATE

A. By Order of the Ontario Superior Court of Justice dated August 27, 2024 (the “**Receivership Order**”), BDO Canada Limited was appointed as receiver (in such capacity, the “**Receiver**”), without security, of the Property registered in the name of 1000502168 Ontario Inc. operating as The Kipps Market (the “**Debtor**”), including all proceeds thereof.

B. Pursuant to an Order of the Court dated April 7, 2025 (the “**Ancillary Relief and Discharge Order**”), the Court provided for the discharge of the Receiver upon the Receiver filing this certificate with the Court certifying that the Receiver has, to its knowledge, completed all outstanding receivership matters in connection with its appointment as Receiver in these proceedings (the “**Outstanding Matters**”).

1. **THE RECEIVER CERTIFIES** that it has, to its knowledge, completed the Outstanding Matters.

2. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**BDO CANADA LIMITED., IN ITS
CAPACITY AS RECEIVER OF 1000502168
ONTARIO INC., AND NOT IN ITS
PERSONAL CAPACITY**

Per: _____

Name:

Title:

ROYAL BANK OF CANADA

Applicant

and

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ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT OTTAWA

RECEIVER'S DISCHARGE CERTIFICATE

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*Counsel for BDO Canada Limited, in its capacity as court-
appointed receiver of 1000502168 Ontario Inc.*

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