

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE ) THURSDAY, THE 7th DAY  
JUSTICE MacNEIL ) OF JULY, 2022  
)

**BETWEEN**

**ROYAL BANK OF CANADA**

Applicant

- and -

**BETTER IMAGE COLLISION INC.**

Respondent

**ANCILLARY ORDER**

**THIS APPLICATION** made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. 8-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing BDO Canada Limited ("BDO") as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Better Image Collision Inc. (the "Debtor") acquired for, or used in relation to the business carried on by the Debtor, and of the Debtor's interest in the real property described at Schedule "A" to the Appointment Order, as defined below (the "Real Property"), was heard this day at 55 Main Street West, Hamilton, Ontario.

**ON READING** the affidavit of Alexander Cowan sworn May 30, 2022 and the Exhibits thereto (the "Cowan Affidavit"), and on hearing the submissions of counsel for the Applicant and the submissions of the Respondent, no one appearing for any other party on the service list although duly served as appears from the affidavit of service of Tera-Louise De Luca sworn June 10, 2022.

1. **THIS COURT ORDERS** that the Order appointing BDO as Receiver of the Property of the Debtor dated July 7, 2022 (the "Appointment Order"), in the herein Application shall be effective on October 5, 2022, subject to the following:

- (a) **THIS COURT ORDERS** that this Application is adjourned to October 12, 2022 at 10:00 a.m. to be spoken to. This Court further Orders that, should the Debtor fulfill all terms of the Agreement between the Debtor and the Applicant dated July 5, 2022 (the "Forbearance Agreement") on or before October 5, 2022, including payment of the indebtedness due to the Applicant and all interest and costs, then the Appointment Order will not be effective. In such case, the herein Application shall be withdrawn on a without-costs basis, and the Applicant shall speak to this matter on October 12, 2022 at 10:00 a.m. to advise the Court of same;
- (b) **THIS COURT ORDERS** that in the event that the Debtor fails to pay the indebtedness due to the Applicant, including all interest and costs, on or before October 5, 2022, or in the event that the Debtor otherwise defaults under the terms of the Forbearance Agreement (a "Default"), then the Appointment Order shall be effective as of October 5, 2022 or the date of such Default, whichever comes first, and the Applicant shall speak to this matter on October 12, 2022 at 10:00 a.m. to advise the Court of same.

2. **THIS COURT ORDERS** that the Debtor, provide the information as detailed at Schedule "A" hereto to BDO, in its capacity as proposed Receiver, by no later than August 8, 2022 (the "Reporting"), and with such Reporting to continue on a biweekly basis thereafter.

3. **THIS COURT ORDERS** that if any of the information or records required by paragraph 2 of this Order (the "Records") are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, and all persons in possession or control of such Records shall forthwith provide to BDO the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as BDO in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of BDO. Further, for the purposes of this paragraph, all persons shall provide BDO with all such assistance in gaining immediate access to the information in the Records provided as BDO may in its discretion require including providing BDO with all access codes, account names and account numbers that may be required to gain access to the information.

4. **THIS COURT ORDERS** that the Applicant shall have the right to return the application on an earlier date, on five (5) days' notice to the service list, should the Applicant's security and the assets encumbered thereunder (as detailed in the Cowan Affidavit) be determined by the Applicant to be at risk.

B. MacNeil, J.

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Justice, Ontario Superior Court of Justice

**SCHEDULE "A"**

<b>Financial Information</b>	
-	YTD income statement
-	YTD balance sheet
-	YTD general ledger
-	Most recent externally prepared financial statements.
-	13 week cashflow if available
-	Aged accounts RECEIVABLE and collectability status (i.e. good, doubtful, uncollectible)
-	Accounts PAYABLE detail (to include creditor name, mailing address, phone number and contact)
-	List of all other known (or potential) liabilities not included in the financial statements
-	Details of secured loans & mortgages with monthly terms and balances owing
-	List of bank accounts with current bank balances and most recent bank reconciliation

<b>Employee</b>	
·	Current employee list
·	Payroll detail for most recent period and payroll provider if not done internally.
·	Calculation of amounts owing for wages
·	Calculation of amounts owing for vacation

<b>Tangible Assets</b>	
	Details on prepaids and deposits.
·	Equipment and vehicle list (with serial numbers) and identify owned versus leased
·	Inventory list including location
·	Copies of leases for real estate or equipment (as lessor or lessee)
·	Copies of ownerships for all vehicles (if any)

<b>Real Property Information</b>	
-	Copy of property tax statement
-	Copy of most recent appraisal
-	Copy of most recent environmental (if any)

<b>Government Returns and Correspondence</b>	
·	Canada Revenue Agency Business Numbers and account balances (source deductions & GST/HST).
·	Details of any taxes owing under the Excise Tax Act
·	Copies of recent source deductions remittance
·	Copies of recent HST remittance
·	Copies of any correspondence with CRA in the last 6 months
-	Tax returns filed for fiscal 2020 and 2021.

<b>General</b>	
·	Copy of current insurance policy, details re monthly payment, expiry date etc.
·	Details of insurance claims (if applicable)
·	Details of pending litigation by or against company (if applicable)

· Outstanding government or ministry orders (e.g. environmental cleanup orders). Environmental assessment (Phase I or II)
· Details of any shareholder loans and dividend payments (if applicable)
· Utility Information including account number and copies of bills
· List of any tenants, rent roll, and copies of leases

**ROYAL BANK OF CANADA**

-and-

**BETTER IMAGE COLLISION INC.**

Applicant

Respondent

Court File No. CV-22-0078960-0000

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**ONTARIO  
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at  
Hamilton, Ontario

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**ANCILLARY ORDER**

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