

**NOCSuperior Court of Justice
HAMILTON**

Court File Number/Numéro de dossier du greffe
CV-25-00090131-0000

**Civil Endorsement Sheet/
Page d'inscription**

DATE: 29/01/2026

Plaintiff(s)/Applicant(s): THE BANK OF NOVA SCOTIA
Counsel: CARUSO, JENNIFER

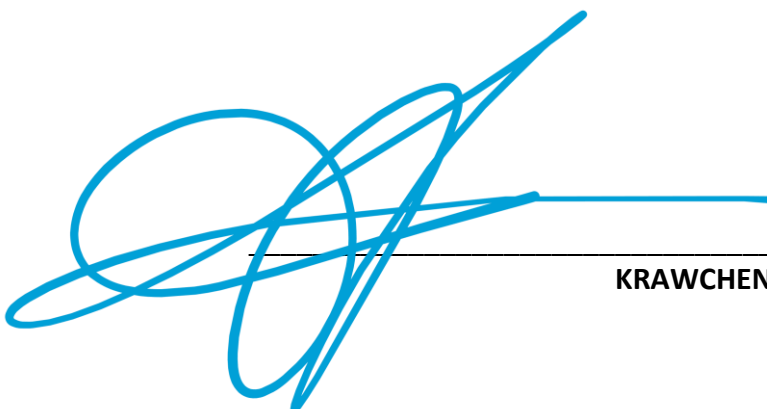
Defendant(s)/Respondent(s): UPPER CANADA GROWERS LTD. et al
Counsel: NO ONE APPEARING

3RD Party Receiver: MATILDA LICI & CLARK LONERGAN (BDO CANADA LIMITED – RECEIVER)

1. The Receiver brings this motion for:
 - (a) the approval and vesting order which, among other things:
 - (i) approves the Receiver's engagement of Leveredge and authorizes the execution of the Auction Agreement between the Receiver and Leveredge regarding the sale of the Equipment;
 - (ii) authorizes the Receiver to perform its obligations under the Auction Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable to give effect to the Auction Agreement and conduct the Auction pursuant to the Auction Agreement; and
 - (iii) vests in each purchaser at such Auction the Debtors' right, title and interest in and to the Equipment purchased by such respective Purchaser at the Auction free and clear of any claims and encumbrances;
 - (b) and an "Ancillary Relief Order" which, among other things:
 - (i) approves the Second Report of the Receiver dated January 19, 2026 and the actions, conduct, and activities of the Receiver described therein;
 - (ii) approves the fees and disbursements of the Receiver and those of its independent legal counsel, Aird & Berlis LLP (A&B), as set out in the Receiver's and A&B's respective fee affidavits;
 - (iii) approves the Receiver's interim R&D statement to December 31, 2025; and
 - (iv) seals the Confidential Appendices to the Second Report until further Order of this Court.
2. When considering whether to approve a sale transaction involving an insolvent debtor, courts have relied on the factors set out by the Ontario Court of Appeal in *Royal Bank of Canada v. Soundair Corp.*, which were written to specifically address sales by receivers of a debtor's assets: (a) whether the receiver has made a sufficient effort to get the best price and has not acted improvidently; (b) whether the interests of all parties have been

considered; (c) the integrity and efficacy of the process for obtaining offers; and (d) whether there has been unfairness in the working out of the process

3. On reading the Second Report and the appendices thereto, and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Jacqueline Lonergan sworn January 19, 2026 filed, I find that the Soundair factors have been satisfied.
4. I am satisfied with the draft orders set out at tab 6 and 7 in case center and have signed same this day.
5. To be clear, the appendices filed A and B being commercially sensitive and containing contractual terms and pricing information, which if disclosed could negatively effect potential additional negotiations shall be sealed until further order of the court.

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

KRAWCHENKO J.