

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MR.

)

THURSDAY, THE 14th

JUSTICE HAINEY

)

DAY OF JUNE, 2018

)

BETWEEN:

STRONACH CONSULTING CORP.

Applicant

-and-

BIONX CANADA INC.

Respondent



ORDER

(Approving Settlement, Distribution and Fees)

THIS MOTION, made by Grant Thornton Limited in its capacity as the Court-appointed receiver and receiver and manager (the “**Receiver**”) of the assets, undertakings and property of BionX Canada Inc., for an order, *inter alia*, approving: (i) a Settlement Agreement between the Receiver and General Motors LLC, General Motors Company of Canada (together, “**GM**”); (ii) distributions by the Receiver to the Applicant; and (iii) the fees and activities of the Receiver and its independent legal counsel, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report of the Receiver dated June 8, 2018 and on hearing the submissions of counsel for the Receiver and any other parties appearing as 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 Caitlin Fell sworn June 8, 2018 filed:

SERVICE

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

SETTLEMENT AGREEMENT

2. **THIS COURT ORDERS** that the Settlement Agreement dated May 24, 2018, between GM and the Receiver (the "**Settlement Agreement**") be and is hereby approved and the Receiver is authorized to carry out and perform its obligations thereunder.

3. **THIS COURT ORDERS** that all right, title and interest in and to the GM Settlement Inventory (as defined in the Settlement Agreement) and the equipment referenced in section 5 of the Settlement Agreement shall vest absolutely in GM, 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 including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice McEwen dated February 27, 2018 appointing the Receiver; 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 (all of which are collectively referred to as the "**Encumbrances**"), except for any valid lien or claim of DV Electronics or RG Shelley and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the GM Settlement Inventory and the equipment referenced in section 5 of the Settlement Agreement are hereby expunged and discharged as against the GM Settlement Inventory and the equipment referenced in section 5 of the Settlement Agreement except for any valid lien or claim of DV Electronics or RG Shelley.

SEALING

4. **THIS COURT ORDERS** that the Confidential Supplement to the Third Report be sealed, kept confidential and not form part of the public record, but rather shall be placed separate and

apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further Order of this Court.

DISTRIBUTION

5. **THIS COURT ORDERS AND DECLARES** that the Receiver be and is hereby authorized to make periodic distributions to Stronach Consulting Corp, up to the maximum amount of \$1,421,000, on account of its secured indebtedness.

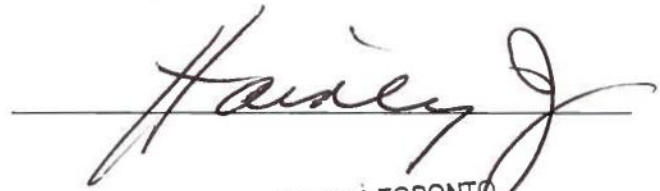
ACTIVITIES OF THE RECEIVER

6. **THIS COURT ORDERS** that each of the First Report of the Receiver dated March 12, 2018, the Second Report of the Receiver dated April 18, 2018 and the Third Report and the actions, conduct and activities of the Receiver described therein be and are hereby approved.

APPROVAL OF FEES

7. **THIS COURT ORDERS** that the fees in the amount of \$537,336.11 (plus HST in the amount of \$69,853.69, for a total of \$607,189.80) of Grant Thornton Limited for the period from February 27, 2018 to May 31, 2018 as further set out and described in the Affidavit of Michael Creber sworn June 7, 2018, be and are hereby approved.

8. **THIS COURT ORDERS** that the professional fees in the amount of \$92,492.50 and disbursements in the amount of \$995.18 (plus HST in the amount of \$12,153.40, for a total of \$105,641.08) of Brauti Thorning Zibarras LLP, in its capacity as independent counsel to the Receiver, for the period from February 27, 2018 to April 30, 2018, as further set out and described in the Affidavit of Caitlin Fell sworn June 8, 2018, be and are hereby approved.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

JUN 14 2018

PER / PAR:



IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B3, AS AMENDED, AND SECTION
101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

Court File No.: CV-18-592741-00CL

STRONACH CONSULTING CORP.
Applicant

-and-

BIONX INC.
Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding Commenced at Toronto

ORDER

BRAUTI THORNING ZIBARRAS LLP

161 Bay Street, Suite 2900
Toronto, ON M5J 2S1

Steven Weisz
LSUC No. 32102C
sweisz@btzlaw.ca

Caitlin Fell
LSUC No. 60001H
cfell@btzlaw.ca

Tel: 416.362.4567
Fax: 416.362.8410

Lawyers for the Court-Appointed Receiver