

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

THE HONOURABLE
JUSTICE HAINEY

) MONDAY, THE 29TH DAY
)
) OF MARCH, 2021

B E T W E E N:



ALTERNA SAVINGS AND CREDIT UNION LIMITED

Applicant

- and -

1140402 ONTARIO INC. O/A EMERALD LODGE

Respondent

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED; AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS
AMENDED**

**ORDER
(Receiver Discharge Order)**

THIS MOTION, made by Grant Thornton Ltd. ("**GTL**"), in its capacity as receiver (in such capacity, the "**Receiver**") of 1140402 Ontario Inc. o/a Emerald Lodge (the "**Debtor**") for an order, among other things:

- i. Approving the activities of the Receiver as set out in the Second Report of the Receiver dated March 22, 2021 (the "**Second Report**");
- ii. Approving the professional fees incurred by the Receiver and its legal counsel as described in the affidavit of Rob Stelzer and Raj Sahni appended to the Second Report (collectively, the "**Fees Affidavits**"), including the estimated fees of the Receiver and its legal counsel in connection with the completion of these proceedings; and

iii. Upon the filing of a certificate;

- (a) Discharging GTL as Receiver of the Debtor; and
- (b) Subject to paragraph 6 herein, releasing GTL from any and all liability arising in connection with its acts or omissions in its capacity as Receiver,

was heard on this day by way of videoconference due to the COVID-19 pandemic.

ON READING the Notice of Motion of the Receiver, the Second Report and the Fees Affidavits and on hearing submissions of counsel to the Receiver, counsel for the Applicant, no one else appearing although duly served as appears from the affidavit of service of Jesse Mighton sworn March 22, 2021, filed:

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.
2. **THIS COURT ORDERS** that the purchase price of the RHG APS, as defined and described in the Second Report, and the Confidential Appendices to the Second Report be and are hereby sealed and shall not form part of the public record for these proceedings until the earlier of: (a) the closing of the RHG APS transaction or (b) further Order of this Court.
3. **THIS COURT ORDERS** that the Receiver's R&D, as defined and described in the Second Report, be and is hereby approved, and the Receiver is authorized and directed to administer the Receiver's R&D in a manner consistent with the sources and uses for such funds as contemplated by the Second Report, with such amendments as the Receiver may determine are necessary or appropriate.
4. **THIS COURT ORDERS** any residual funds remaining in the Receiver's accounts at the time of the filing of the Discharge Certificate (defined below) are to be issued to the Applicant in partial satisfaction of the unpaid portion of its secured debt.
5. **THIS COURT ORDERS** that upon the Receiver filing a certificate substantially in the form attached as Schedule "A" hereto (the "**Discharge Certificate**") certifying that all matters to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver, the Receiver shall be discharged as receiver of the Debtor, provided however that notwithstanding its discharge herein, (a) the Receiver shall remain Receiver in respect of 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 all Orders made in these proceedings, including, without limitation, all approvals, protections and stays of proceedings in favour of GTL in its capacity as Receiver.

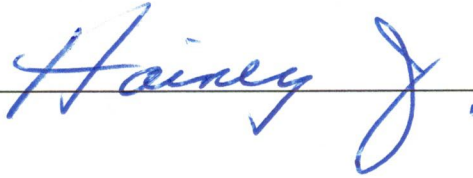
6. **THIS COURT ORDERS AND DECLARES** that, upon the filing of the Discharge Certificate, GTL is hereby released and discharged from any and all liability that GTL now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of GTL while acting in its capacity as Receiver herein, save and except for any liability arising from the gross negligence or willful misconduct on the Receiver's part. Without limiting the generality of the foregoing, GTL is hereby 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 willful misconduct on the Receiver's part.

7. **THIS COURT ORDERS** that the activities of the Receiver, as set out in the Second Report, 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 approval.

8. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its legal counsel, as set out in the Fees Affidavits, and including the Final Fees, as defined and described in the Second Report, are hereby approved.

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or outside Canada 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, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.

10. **THIS COURT ORDERS** that this Order and all of its provisions are effective from the date that it is made without any need for entry and filing.

A handwritten signature in blue ink, reading "Hainey J.", is written over a horizontal line.

SCHEDULE "A"

Court File No.: CV-20-00648456-00CL

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B E T W E E N:

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Applicant

- and -

1140402 ONTARIO INC. O/A EMERALD LODGE

Respondent

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

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

A. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated September 25, 2020, Grant Thornton Ltd was appointed receiver (in such capacity, the "**Receiver**") of the property, assets and undertakings of 1140402 Ontario Inc. o/a Emerald Lodge (the "**Debtor**").

B. Pursuant to an Order of the Court dated March 29, 2021, the Court ordered the discharge of the Receiver to become effective (and conditional) upon the filing with the Court by the Receiver of a certificate confirming that all matters to be attended to in connection with the Receivership of the Debtor have been completed to the satisfaction of the Receiver.

THE RECEIVER CERTIFIES the following:

1. All matters to be attended to in connection with the Receivership of the Debtor have been completed to the satisfaction of the Receiver.

This Certificate was filed by the Receiver with the Court on the _____ day of _____, 2021.

**GRANT THORNTON LTD., in its capacity
as Receiver of the undertaking, property and
assets of 1140402 ONTARIO INC. o/a
EMERALD LODGE, and not in its personal
capacity**

Per: _____
Name:
Title:

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED
ALTERNA SAVINGS AND CREDIT UNION LIMITED - and - 1140402 ONTARIO INC. O/A EMERALD LODGE

Court File No.: CV-20-00648456-00CL

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

Proceedings commenced in Toronto

DISCHARGE ORDER

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Lawyers for the Receiver