Court File No: CV- 24-00719261-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

ROYAL BANK OF CANADA

Applicant

- and -

COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.

Respondents

FACTUM OF THE RECEIVER

(Receiver's Motion returnable April 9, 2025)

April 3, 2025

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TO: SERVICE LIST

PART I – NATURE OF MOTION

1. This is a motion by Grant Thornton Limited (“**GTL**”), in its capacity as court-appointed Receiver (the **“Receiver**”), appointed pursuant to an order of the Honourable Justice Black dated May 1, 2024 (the “**Appointment Order**”) of the Property (as defined in the Appointment Order) of the Respondents, Commercial Packaging Solutions Inc. (“**CPSI**”) and 2777463 Ontario Ltd. (“**277**”) (collectively, the "**Debtors**"), for, *inter alia*, the following relief:

   a) An Approval and Vesting Order approving the transaction (the “**Sale Transaction**”), as contemplated the Agreement of Purchase and Sale (the “**Sale Agreement**”) contained in the Second Report of the Receiver dated March 27, 2025 (the “**Second Report**”) and the Confidential Appendices, for the sale of the Real Property (as defined in the Second Report and below) and vesting all of the right, title and interest in and to the Real Property absolutely in and to 890 Dillingham Inc. (the “**Purchaser**”), free and clear of and from any security, charge or other encumbrance; and

   b) An Ancillary Order for, among other things:

      (i) Abridging the time for service, filing and confirmation of the Notice of Motion and the Motion Record be abridged so that this motion is properly returnable today and dispending with further service and confirmation thereof;

      (ii) Approving the Second Report and the Supplemental Report to the Second Report of the Receiver dated April 3, 2025 (the “**Supplemental Second Report**”), and the activities and conduct of the Receiver detailed therein;

      (iii) Sealing the Confidential Appendices to the Second Report until the completion of a sale of the Real Property, or until a further order of this Court;

(iv) Authorizing the CPSI Distribution as defined in the Second Report and the 277 Distribution as defined in the Supplemental Second Report (collectively, the "**Distributions**");

(v) Approving the Receiver's Interim Statement of Receipts and Disbursements as detailed in the Second Report;

(vi) Approving the fees and disbursements of the Receiver and its counsel, Harrison Pensa LLP, and authorizing payment of same; and

(vii) The costs of this motion on a substantial indemnity basis, if opposed.

2. It is the position of the Receiver that the actions of the Receiver, as well as the Sale Transaction, should be approved, and that the relief requested should be granted, due to the following:

a) The Sale Transaction follows a prior Court approved sale (described as the Khattra APS in the Second Report) that did not close due to the purchaser not paying a deposit;

b) The Sale Transaction also follows the Court approved Sales Process and represents a commercially reasonable transaction that will maximize recovery and is in the best interests of all stakeholders;

c) The Sale Transaction has the support of the Debtor's senior secured creditor, the Royal Bank of Canada (the "**Bank**") and the Debtor;

d) The Receiver submits that in concluding its recommendation to the Court to approve the Sales Transaction, the *Soundair* principals have been met;

e) The Receiver's actions as reported in the Second Report were reasonable, were conducted within the ambit of its court-appointed powers, have been undertaken in furtherance of the Receiver's duties in these proceedings and are supported by the Bank;

f) The Distributions contemplate the bankruptcy of CPPSI, should this Court grant the Lift-Stay Order sought by the Bank authorizing and directing the Receiver to file an assignment in bankruptcy on behalf of CPSI ;

g) The Distributions and payment thereunder are reasonable; and,

h) The Professional Fees of the Receiver and the Receiver's counsel are fair and reasonable in the circumstances.

PART II – THE FACTS

The Debtors and the Receiver

3. GTL was appointed as the Receiver of all the assets, undertakings and properties of the Debtors (collectively, the "**Property**") by the Court pursuant to the Appointment Order. The Property consists of, among other things, the Real Property owned by 277.

Second Report to the Court of the Receiver dated March 27, 2025 (the "Second Report"), para 1.

4. 277 owns real property located at 890 Dillingham Road, Pickering, Ontario (the "**Real Property**"). The Real Property is a stand alone industrial commercial building. CPSI operated from the Real Property.

Second Report, para 4.

5. CPSI is a packaging manufacturing company which manufactured a range of products including packaging film and garbage bags. CPSI owns plastic extrusion equipment as well as inventory and other equipment located at the Real Property.

Second Report, para 5.

6. Samuel Arutsothy ("**Mr. Arutsothy**") is the principal of the Debtors.

Second Report, para 3.

The Receiver's Activities

7. As detailed in the Second Report, since the date of its appointment on May 21, 2024, the Receiver's activities, directly or through its independent counsel, have concentrated on:

a) Inspecting CPSI's vehicle lease agreements and the validity of the lessor's PPSA security registrations, and thereafter, upon its satisfaction as to validity, releasing the Receiver's interests to the lessors;

b) Obtaining an aged Accounts Receivable schedule of CPSI and attempting to recover outstanding amounts from customers;

c) Arranging for the removal and/or liquidating of third-party personal property located at the Real Property; and

d) Communicating with the Canada Revenue Agency with respect to its priority claims; and,

e) As further detailed below, completing the Sale Process and reaching the Sale Agreement.

Second Report, paras 16-43.

<u>The Equipment/Inventory Sale</u>

8. The Receiver obtained proposals from two liquidators to liquidate the Equipment and CPSI's raw materials and finished goods inventory (the "**Inventory**").

Second Report, paras 70.

9. The Receiver negotiated a sale of the Equipment to Shinol for $245,000 and a second sale of the Inventory to Shinol for $75,000, with these transactions not requiring Court Approval under the terms of the Appointment Order. Shinol paid the purchase price and removed all of the Equipment and Inventory from the Real Property (the "**Shinol Transaction**").

Second Report, paras 72-74.

10. The consideration paid under the Shinol Transaction is supported by appraisals and proposals from liquidators.

The Sale Process (Real Property)

11. Prior to the Appointment Order, the Real Property was listed for sale by 277 since November 28, 2023. Prior to the expiry of this listing the Receiver the Receiver was presented with an offer for the Real Property and Equipment to which the Receiver accepted (the "**Khattra APS**").

Second Report, paras 44 and 59.

12. This Court issued two Orders dated August 27, 2024 providing the relief sought by the Receiver by way of an Approval and Vesting Order with respect to the Khattra APS and an Ancillary Order, which approved a sales process as detailed in the First Report that the Receiver would initiate should the Khattra APS not close (the "**Sales Process**")

Second Report, para 10.

13. The Khattra APS required that Khattra provide a deposit in the amount $300,000 within 3 days of execution of the Khattra APS. The deposit was never paid and the Khattra APS was not completed.

Second Report, para 47.

14. The Receiver therefore initiated the sales process for the Real Property as described in the First Report and approved by the Court. The Receiver:

a) Relied on an appraisal obtained for the Real Property and Equipment and two listing proposals from CBRE and Colliers;

b) entered into a listing agreement with Colliers on September 12, 2024 wherein the Real Property was listed for sale for $10,200,000;

c) There was little interest from interested purchasers at this listing price; therefore, the Receiver reduced the asking price to $9,700,000 on October 29, 2024.;

d) Received an offer and negotiated the ultimate Sale Agreement dated December 13, 2024 (described as the Power APS and the New Sale Transaction in the Second Report);

e) A second lower offer was received by the Receiver that was rejected.

Second Report, paras 48-57.

15. The Receiver is proposing the Sale Transaction as:

a) The Real Property has been exposed to the market since November 28, 2023 with professional brokers;

b) There have been no higher offers on the Real Property than that provided by the Sale Agreement;

c) The selling price is fair and reasonable given appraised values of the Real Property and the proposed listing prices in the CBRE and Colliers listing proposals, and is supported by the *Soundair* principles; and

d) The principals of the Debtors and the Bank approve of the Sale Transaction.

Second Report, paras 44-47, 52, 59 and 60.

16. The Receiver seeks the Court's authorization and direction to complete the Sale Transaction in accordance with the terms of the Sale Agreement as detailed in the Second Report.

Second Report, para 58 and Appendix 9 and 10 thereto.

17. The Receiver is of the view that the proposed Sale Transaction provides certainty as to realizations and will be completed sooner than any potential sale by way of an alternative sale process, which is beneficial to all stakeholders of the Debtors' estate.

<u>Statement of Receipts and Disbursements</u>

18. The Receiver's Interim Statement of Receipts and Disbursements as of March 25, 2025, is appended to the Second Report, and it is the Receiver's position that such receipts and disbursements are reasonable and should be approved.

Second Report, para 75 and Appendix 12 thereto.

Professional Fees and Disbursements

19. The Receiver and its counsel have properly incurred fees and disbursements as detailed in the Second Report (the "**Professional Fees**").

Second Report, paras 76-79 and Appendices 13 and 14 thereto.

20. It is the position of the Receiver that the Professional Fees are reasonable and necessary and should be approved by this Honourable Court.

Second Report, para 80.

Distributions

21. The Bank holds security over the Property of the Debtors. Receiver's Counsel has reviewed the Security of the Bank and, subject to the usual assumptions and qualifications of an opinion of such nature, has opined that the Bank's security is validly perfected and enforceable in accordance with its terms. The Bank has provided details of amounts due by the Debtors to the Bank, including legal expenses, which together total approximately $10.3 million as at the date of the Second Report (plus further amounts for the continued accrual of interest and recover expenses).

Second Report, para 81.

22. CPSI has the following obligations owing to Canada Revenue Agency ("**CRA**"):

a) The CPSI Source Deduction Priority Claim in the sum of $98,948.42, representing a trust claim in favor of CRA;

b) HST Arears of $173,153.04 (the "**CPSI HST Arears**")

Second Report, paras 40-42.

23. The Receiver has been advised that the Bank will be moving for an Order that the stay of proceedings against CPSI be lifted to permit the Receiver to file an assignment in bankruptcy on behalf of CPSI.

Second Report, para 82.

24. The Receiver has concluded that the CPSI WEPPA Priority Claim is $12,000.

Second Report, para 43

25. The proceeds available for distribution in relation to the assets of CPSI are $184,834.55 (the "**CPSI Proceeds**").

Second Report, para 83.

26. On the basis of the foregoing, once CPSI is a bankrupt, the Receiver is proposing to distribute the CPSI Proceeds in the following priority:

a) The charges under the Appointment Order securing the Professional Fees;

b) The CPSI Source Deduction Priority Claim;

c) The WEPPA Priority Claim to Service Canada; and,

d) The secured claim owing to the Bank.

Second Report, para 84.

27. In the event that CPSI does not become a bankrupt, the Receiver is proposing to distribute the CPSI Proceeds in the following priority:

a) The charges under the Appointment Order securing the Professional Fees;

b) The CPSI Source Deduction Priority Claim;

c) The HST Arrears;

d) The WEPPA Priority Claim to Service Canada; and,

e) The secured claim owing to the Bank

(Paragraphs 26 and 27 collectively, the "**CPSI Distribution**").

***Second Report, para 85*.**

28. 277 has the following obligation owing to CRA:

a) HST arrears totalling $19,478.86 of which $18,662.59 is claimed against all of 2777463's property in priority to all other creditors (the "**2777463 HST Priority Claim**").

Supplemental Report to the Second Report to the Court Submitted by the Receiver dated April 3, 2025 (the "Supplemental Second Report"), para 9.

29. The 2777463 HST Priority Claim is for the period ended December 31, 2023. RBC registered its mortgage against the Real Property on December 21, 2023. It therefore appears that the HST debt arose prior to RBC registering its mortgage and is therefore in priority to RBC's mortgage.

Supplemental Second Report, para 10.

30. The Receiver also proposes to distribute the proceeds of the sale of the Real Property in the following priority:

a) The charges under the Appointment Order;

b) 2777463 HST Priority Claim;

c) The secured claim owing to the Bank

(the "**277 Distribution**").

Supplemental Second Report, para 11.

PART III – ISSUES, LAW AND ARGUMENT

The Court's Procedural Powers

31. The Court may, by order, extend or abridge any time prescribed by the Rules on such terms as are just. Further, the Court may dispense with compliance with any Rule at any time where and as necessary in the interest of justice. Finally, the Court may dispense with service where it is impractical to effect prompt service and/or it may validate service where it is satisfied that the document came to the notice of the person to be served.

> ***Rules 2.03, 3.02, 16.04 and 16.08, Rules of Civil Procedure, R.R.O. 1990, Reg. 194***

Approval of the Sale Transaction

32. It is well established that the Court places a large degree of confidence in the actions taken and in the opinions formed by a receiver. The Court assumes that a receiver is acting properly unless the contrary is clearly shown and is reluctant to second guess the considered business decisions made by the receiver.

> ***Royal Bank of Canada v. Soundair Corp., 1991 CanLII 2727 (ON CA), at para 14.***

33. The Court of Appeal summarizes the principles applicable when reviewing a sale by a court-appointed receiver as follows:

> Underlying these considerations are the principles the courts apply when reviewing a sale by a court-appointed receiver. They exercise considerable caution when doing so, and will interfere only in special circumstances -- particularly when the receiver has been dealing with an unusual or difficult asset. Although the courts will carefully scrutinize the procedure followed by a receiver, they rely upon the expertise of their appointed receivers, and are reluctant to second-guess the considered business decisions made by the receiver in arriving at its recommendations. The court will assume that the receiver is acting properly unless the contrary is clearly shown.
>
> ***Regal Constellation Hotel Ltd., Re, 2004 CanLII 206 (ON CA), at para 23.***

34. A receiver's decision will be supported so long as it is within the bounds of reasonableness, and the Court will only intervene and proceed contrary to a receiver's recommendation in the most exceptional circumstances.

> ***Ravelston Corp. (Re), 2005 CanLII 63802 (ON CA), para. 40.***
>
> ***Soundair, para. 21.***

35. When considering the Receiver's decision, it is respectfully submitted that the Court should also consider *Stanbarr Services Limited et al. v. Reichert*, as Tzimas, J. stated *"…* the real proof in the pudding lies with actual offers, it does not lie with the appraisals; they are just estimates.".

> ***Stanbarr Services Limited et al. v. Reichert,* 2014 ONSC 6435 (CanLII), at para. 15**

The *Soundair* Principles are Met

36. The Court has consistently and uniformly applied the following factors outlined in *Royal Bank of Canada v. Soundair Corp* ("***Soundair***") when determining whether to approve a sale transaction in a receivership:

a) whether the receiver made a sufficient effort to obtain the best price and to not act improvidently;

b) the interests of all parties;

c) the efficacy and integrity of the process by which the party obtained offers; and,

d) whether the working out of the process was unfair.

> ***Soundair, para. 16.***

37. The evidence set out by the Receiver in the Second Report demonstrates that each of the *Soundair* principles has been satisfied.

i. The Receiver made a Sufficient Effort to get the Best Price and Has Not Acted Improvidently

38. The Real Property was listed for sale both prior to the Receiver's appointment and following the Receiver's appointment with professional brokers;

39. The listing price was based on two broker proposals and an appraisal;

40. The Sale Agreement includes the best price available in the circumstances.

41. Further marketing of the Real Property will result in further costs being incurred, and will not guarantee the finding a superior transaction, and any delay to do so could jeopardize the Transaction contemplated in the Sale Agreement.

42. There is no suggestion that the Receiver acted improvidently. The Receiver has acted impartially and exercised its business judgment in a reasoned manner throughout the process. The Receiver's efforts resulted in the entering into of the Sale Agreement which, in the Receiver's view, is highest deal certainty, has the shortest time to close and maximizes recovery, and therefore is in the best interests of the estate and its stakeholders.

ii. The Transaction is in the Interests of All Parties

43. Although the Receiver owes a duty to all stakeholders, its primary task is to maximize the return for the creditors.

> ***Soundair, at para 39.***

44. The Royal Bank of Canada, as senior secured creditor of the Debtor, supports the Sale Transaction.

45. The support of a secured creditor with an economic interest in the proceeds of a sale transaction is an important factor in determining whether a sale transaction should be approved. Where the highest price attainable will not result in recovery for all other creditors or shareholders, the wishes of the parties with a real interest in the proceeds should be very seriously considered by the receiver.

> ***Soundair, at para 73.***

46. The Sale Transaction is also in the best interests of the Purchaser. Where a purchaser has bargained at some length and at a considerable expense with a receiver, the interests of the purchaser should be taken into account.

Soundair, para. 40.

47. The Purchaser pursuant to the Sale Agreement has spent time and resources conducting due diligence and finalizing the Sale Agreement. If the Transaction is not approved, the Purchaser will have expended such resources for nothing.

48. The Sale Transaction is supported by the Debtor;

49. The Sale Agreement and the Sale Transaction is in the best interests of all parties with a real economic interest in these proceedings. The Sale Agreement results in the best most certain to close transaction available to the Receiver.

iii. The Efficacy and Integrity of the Process

50. Colliers is a professional broker who listed the property and exposed same to the market. To the best of the Receiver's knowledge, all interested parties had access to the same information, there was no asymmetry in information, and all reasonable requests for information made by prospective purchasers were satisfied.

51. Any relisting of the Real Property to permit other bidders to submit offers now would result in additional, unnecessary costs.

Soundair, para. 44.

52. Purchasers should know that, if they act in good faith, bargain seriously and enter into an agreement with a receiver, the Court will not lightly interfere with the commercial judgment of the receiver.

Soundair, para. 46.

iv. No Unfairness in the Working Out of the Process

53. To the best of the Receiver's knowledge, the Sales Process was undertaken by Colliers in good faith and was fair and reasonable, which was conducted in a transparent manner.

54. All prospective bidders for the Real Property had equal opportunity to participate in the process and submit offers in respect of the Real Property.

55. Accordingly, the principles of *Soundair* have been met and the Receiver respectfully requests the Court's approval of the Sale Transaction.

The Sealing Order Should be Granted

56. It is submitted that it is just, appropriate and necessary to the integrity of this receivership proceeding that the Confidential Appendices be sealed by this Court. The Confidential Appendices contain sensitive information, the release of which prior to the completion of the sale of the Real Property could be prejudicial to the stakeholders of Debtor.

Jurisdiction

57. The Court's jurisdiction to seal documents filed with it is found in s. 137(2) of the *Courts of Justice Act* (Ontario):

> 137(2) A court may order that any document filed in a civil proceeding before it be treated as confidential, sealed and not form a part of the public record.

> ***Courts of Justice Act*** **(Ontario), s. 137(2).**

58. In addition to statutory jurisdiction, the Court also has inherent jurisdiction to issue sealing orders: "there is no doubt that the court has inherent jurisdiction, and jurisdiction under s. 137(2) of the *Courts of Justice Act*, to seal a portion of the court file."

> ***Fairview Donut Inc. v. The TDL Group Corp., 2010 ONSC 789 (CanLII), at para 34*.**

Discretion

59. Sealing Orders are granted regularly in the context of Court-appointed receiverships where court openness may pose a risk to the public interest in enabling stakeholders in an insolvency to maximize the realization of a debtor's assets. In this context, such an order is necessary in order to prevent a serious risk to an important commercial interest; and the salutary effects of the sealing order outweigh its deleterious effects, which is this context includes the public interest in open and accessible court proceedings.

> ***Sierra Club of Canada v. Canada (Minister of Finance), 2002 SCC 41 (CanLII), [2002] 2 SCR 522, at paras 53-57.***

> ***Sherman Estate v. Donovan, 2021 SCC 25 (CanLII), at para 38.***

60. The Receiver submits that there are no reasonable alternative measures to a sealing order which would fulfill the twin purposes of (i) allowing this Court to review the reasonableness of the Sale Agreement; and (ii) ensuring that the commercially-sensitive information contained within the Confidential Appendices is not available to the public prior to the completion of any sale of the Real Property.

> ***Sherman, supra, at para. 38.***

61. Ontario Courts have recognized the customary practice of seeking a sealing order in the context of a sale approval motion, to which this motion is analogous. In *Ron Handelman Investments Ltd. v. Mass Properties Inc.*, Madam Justice Pepall stated:

> [a]s is customary in sale approval motions, the Receiver seeks an order sealing the appraisal until the transaction is completed. This ensures the integrity of the process and avoids any prejudice to stakeholders in the event that the transaction does not close and a new purchaser must be sought.

> ***B&M Handelman Investments Limited v. Mass Properties Inc., 2009 CanLII 37930 (ON SC), at para 26.***

> ***Maxtech Manufacturing Inc. (Re), 2010 ONSC 1161 (CanLII), at paras 29 and 30.***

62. The Confidential Appendices contain sensitive commercial information. Should the sale of the Real Property not proceed pursuant to the Sale Agreement, the information contained within this confidential report could cause a reduction in any future sale of the Real Property and harm the creditors of the Debtor if made available to the public. Protecting the information contained within the Confidential Appendices is an important commercial interest that should be protected. There is no other reasonable alternative to sealing that will prevent the Confidential Appendices from becoming public.

63. With regard to the Confidential Appendices, it is the Receiver's opinion that the Confidential Appendices should remain sealed until the completion of the sale of the Real Property, or an Order by this Court.

<u>The Receiver's Activities</u>

64. The Receiver's activities in these proceedings have been undertaken in furtherance of the Receiver's duties and are consistent with the Receiver's powers, as set out in the Appointment Order. The Receiver has acted reasonably and in the best interests of the Debtors' stakeholders, and this Court has the inherent jurisdiction to approve such activities.

> ***Bank of America Canada v. Willann Investments Ltd. (1993) 20 C.B.R. (3d) 223 (ONSC), at paras. 3 and 4.***

65. All of the Receiver's activities were conducted within the ambit of its powers granted by the Appointment Order and each of the activities were necessary to ensure that the proceedings were as orderly, effective and fair to all stakeholders as possible.

66. The Receiver therefore respectfully submits that the Second Report, and its activities to date as set out therein, should be approved by this Court.

<u>The Interim Statement of Receipts and Disbursements should be Approved</u>

67. The Receiver's Interim Statement of Receipts and Disbursements as at March 25, 2025 is appended to the Second Report, and are reasonable. The Receiver respectfully requests that such receipts and disbursements be approved by this Honourable Court.

<u>The Fees and Disbursements of the Receiver and its Counsel Should Be Approved</u>

68. The Receiver respectfully submits that the Professional Fees of the Receiver and the Receiver's counsel, as detailed in the Second Report, should be approved.

69. In determining whether to approve the fees of a receiver and its counsel, the Court should consider whether the remunerations and disbursements incurred in carrying out the receivership were fair and reasonable and take into consideration the following factors, which constitute a useful guideline, but are not exhaustive:

a) The nature, extent and value of the assets;

b) The complications and difficulties encountered;

c) The degree of assistance provided by the debtor;

d) The time spent;

e) The Receiver's knowledge, experience and skill;

f) The diligence and thoroughness displayed;

g) The responsibilities assumed;

h) The results of the receiver's efforts; and,

i) The cost of comparable services when performed in a prudent and economical manner.

<u>Bank of Nova Scotia v. Diemer, 2014 ONCA 851, at paras. 33 and 45.</u>

70. It is the Receiver's view that it and its counsel's fees and disbursements were incurred at the respective party's standard rates and charges, and are fair, reasonable and justified in the circumstances. Further, the fees and disbursements sought accurately reflect the work done by the Receiver and by its counsel in connection with the receivership.

71. The Royal Bank of Canada, as senior secured creditor of the Debtors, does not object to the Fees.

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PART IV – ORDER REQUESTED

72. The Receiver requests the relief as set forth in the Notice of Motion and the related Orders.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 3rd day of April, 2025.

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SCHEDULE "A"
LIST OF AUTHORITIES

1. *Royal Bank of Canada v. Soundair Corp.* (1991), 4 OR (3d) 1 (ONCA)
2. *Regal Constellation Hotel Ltd., Re,* 2004 CanLII 206 (ON CA)
3. *Ravelston Corp. (Re),* 2005 CanLII 63802 (ON CA)
4. *Stanbarr Services Limited et al. v. Reichert*, 2014 ONSC 6435 (CanLII)
5. *Fairview Donut Inc. v. The TDL Group Corp.,* 2010 ONSC 789 (CanLII)
6. *Sierra Club of Canada v. Canada (Minister of Finance),* 2002 SCC 41 (CanLII), [2002] 2 SCR 522
7. *Sherman Estate v. Donovan,* 2021 SCC 25 (CanLII)
8. *B&M Handelman Investments Limited v. Mass Properties Inc.,* 2009 CanLII 37930 (ON SC)
9. *Maxtech Manufacturing Inc. (Re),* 2010 ONSC 1161 (CanLII)
10. *Bank of Nova Scotia v. Diemer,* 2014 ONCA 851
11. *Bank of America Canada v. Willann Investments Ltd.* (1993) 20 C.B.R. (3d) 223 (ONSC)

SCHEDULE "B"
RELEVANT STATUTES

<u>Rules 2.03, 3.02, 16.04 and 16.08, Rules of Civil Procedure, R.R.O. 1990, Reg. 194.</u>

COURT MAY DISPENSE WITH COMPLIANCE

2.03 The court may, only where and as necessary in the interest of justice, dispense with compliance with any rule at any time.

EXTENSIONS OR ABRIDGMENT

General Powers of Court

3.02(1) Subject to subrule (3), the court may by order extend or abridge any time prescribed by these rules or an order, on such terms as are just.

(2) A motion for an order extending time may be made before or after the expiration of the time prescribed.

Times in Appeals

(3) An order under subrule (1) extending or abridging a time prescribed by these rules and relating to an appeal to an appellate court may be made only by a judge of the appellate court.

Consent in Writing

(4) A time prescribed by these rules for serving, filing or delivering a document may be extended or abridged by filing a consent.

SUBSTITUTED SERVICE OR DISPENSING WITH SERVICE

Where Order May be Made

16.04 (1) Where it appears to the court that it is impractical for any reason to effect prompt service of an originating process or any other document required to be served personally or by an alternative to personal service under these rules, the court may take an order for substituted service or, where necessary in the interest of justice, may dispense with service.

Effective Date of Service

(2) In an order for substituted service, the court shall specify when service in accordance with the order is effective.

(3) Where an order is made dispensing with service of a document, the document shall be deemed to have been served on the date of the order for the purpose of the computation of time under these rules.

VALIDATING SERVICE

16.08 Where a document has been served in a manner other than one authorized by these rules or an order, the court may make an order validating the service where the court is satisfied that,

(a) The document came to the notice of the person to be served; or

(b) The document was served in such a manner that it would have come to the notice of the person to be served, except for the person's own attempts to evade service.

<u>Section 137(2) *Courts of Justice Act*, R.R.O. 1990, c. C.43</u>

SEALING DOCUMENTS

137(2) A court may order that any document filed in a civil proceeding before it be treated as confidential, sealed and not form part of the public record.

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Applicant Respondents

Court File No. CV- 24-00719261-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
BRAMPTON, ONTARIO

FACTUM OF THE RECEIVER

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