ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: **CV-24-00719261-00CL** **DATE:** **16 July 2025**

NO. ON LIST: **4**

TITLE OF PROCEEDING: **ROYAL BANK OF CANADA v. COMMERCIAL PACKAGING SOLUTIONS INC. et al**

BEFORE: **JUSTICE J. DIETRICH**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Timothy C. Hogan	Receiver, Grant Thornton Limited	thogan@harrisonpensa.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE J. DIETRICH:

1. Grant Thornton Limited (“**GTL**”), in its capacity as court-appointed Receiver (the “**Receiver**”) of the Property (as defined in the Appointment Order) of the Respondents Commercial Packaging Solutions Inc. (“**CPSI**”) and 2777463 Ontario Ltd. (“**2777463**” and collectively with CPSI, the "**Debtors**") for, inter alia, an Order:
    a. approving the Third Report of the Receiver dated July 3, 2025 (the “**Third Report**”), the activities and conduct of the Receiver set out therein and the Receiver's Statement of Receipts and Disbursements attached to the Third Report;

b. authorizing the Receiver to destroy the Book and Records (as defined on the Third Report) within thirty (30) days of the date of this Order in the event that the directors of the Respondents do not accept the return of the Books and Records and no party makes an application to the Court objecting to the destruction of the Books and Records
c. approving the fees and disbursements of the Receiver, the fees and disbursements of its counsel (collectively, the "**Professional Fees**") and the Final Fees (as defined in the Third Report), and authorizing payment of same; and
d. upon payment of the amounts set out above and upon the Receiver completing its remaining duties, as described in the Third Report, discharging the Receiver and releasing GTL as Receiver from liability for its actions while acting in such capacity, save and except for the Receiver's gross negligence or willful misconduct.

2. The relief sought by the Receiver is not opposed.
3. Defined terms used herein and not otherwise defined have the meaning provided to them in the factum of the Receiver filed on this motion.
4. The Receiver was appointed pursuant to an order of Justice Black dated May 21, 2024 (the "**Appointment Order**").
5. On April 9, 2025, Justice Conway granted certain orders, including an approval and vesting order with respect to the New Sale Transaction and authorization to make certain distributions as requested by the Receiver. On the same day Justice Conway granted the Royal Bank of Canada's request to lift the stay of proceedings to authorize the Receiver to file an assignment into bankruptcy on behalf of CPSI. Counsel advises that CPSI is now bankrupt.
6. The New Sale Transaction closed on June 6, 2025. The Receiver has made the distributions as authorized by the April 9, 2025 order of this court and has completed administration of the *Wage Earners Protection Program Act* priority claim.
7. The Receiver seeks approval of the Third Report, and the activities set out therein including the Receiver's Statement of Receipts and Disbursements. The evidence is that the Receiver has carried out its duties in a reasonable and efficient manner, consistent with its powers and in the interests of the Debtors' stakeholders generally. There are no objections to the Third Report and accordingly it is approved. The draft order provides that only the Receiver may rely on such approval.
8. The Receiver also seeks approval of the fees and disbursements of itself and its legal counsel, including the Final Fees. In this respect, as the Court of Appeal for Ontario held in *Bank of Nova Scotia v Diemer* 2014 ONCA 851 at paras 33 and 45, this Court does not undertake a line-by-line analysis of the invoices. Rather, the guiding principles on fee approvals of this nature are whether the fees are fair, reasonable, and proportionate given the value of the Debtors' assets and liabilities, as well as the complexity of the Debtors' business and the proceeding. In considering these guiding principles, the fees of the Receiver and its counsel, including the Final Fees are appropriate and are approved.
9. In carrying out the Receiver's powers and duties under the Appointment Order, the Receiver obtained certain books and records of the Debtors (the "**Books and Records**"), which the Receiver has no need to retain upon the completion of its duties. The Receiver proposes that it deliver the Books and Records to the Debtors' directors. In the event the Debtors' directors do not accept return of the Books and Records and no party makes an application to the Court objecting to the destruction of the Books and Records, the Receiver seeks the Court's authorization to destroy the Books and Records 30 days after the issuing of the here sought order. No authority was provided as to why this relief was necessary or appropriate. It is not contained in the Commercial List Model Discharge order nor is it clear to me why such relief is required. In the circumstances, I am not prepared to grant the requested relief, however, my decision is without prejudice to the Receiver's ability to bring a further motion for such relief, if it determines necessary, on a proper record.
10. Following the payment and the resolution of the remaining outstanding matters, as detailed in the Third Report, the Receiver will have completed the administration of the estate of the Debtors, and as such requests its discharge, following the filing of the Receiver's Certificate of Discharge. The Receiver also seeks a release from any and all liability that it now has or may hereafter have by reason of, or in any

way arising out of, the act or omissions of the Receiver while acting in its capacity as Receiver, save and except for any gross negligence or wilful misconduct on the part of the Receiver. The release is a standard term in the Commercial List model order of discharge. I agree with the Court's statement in *Pinnacle v. Kraus*, 2012 ONSC 6376 at para 47. that in the absence of any evidence of improper or negligent conduct on the part of the Receiver, the release should issue.

11. Order to go in the form signed by me this day.

July 16, 2025 Justice J. Dietrich