COURT FILE NO.: CV-25-00003327-0000

SUPERIOR COURT OF JUSTICE – ONTARIO
7755 Hurontario Street, Brampton ON L6W 4T6

RE: ROYAL BANK OF CANADA, applicant

AND:

MSG FOODS LTD., respondent
MS GURAYA HOLDING LTD., respondent
PARAMMAN BROS 002 LTD., respondent
CHIMO DEVELOPMENTS INC., respondent
2128797 NOVA SCOTIA LIMITED, respondent
14592182 CANADA INC., respondent
1319227 BC LTD., respondent
653349 NB INC., respondent

BEFORE: Justice DERSTINE

COUNSEL: DELFINO, CRISTIAN, (co-counsel) for the plaintiff
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HOGAN, TIM, for the defendant (Grant Thornton Limited Receiver)
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HEARD: April 30, 2026, by video conference

ENDORSEMENT

[1] Pursuant to an order from Justice Stewart of this court of August 15th, 2025, Grant Thornton limited was appointed receiver of all the multiple assets, undertakings and properties of the Respondents.

[2] The Respondent now asserts that they have secured sufficient financing and sale proceeds to repay the indebtedness owed to all creditors plus accrued interest and fees incurred in relation to this proceeding. They assert that no creditor will be

prejudiced by the relief sought and ask this court to approve the transactions particularised in their material and to discharge the receiver once the indebtedness has been fully repaid.

[3] I have reviewed the report of the receiver. They conducted a number of activities in relation to their receivership and reviewed the proposed plan of the Respondent. That plan involves a sale of the various companies as well as financial arrangements permitting or supporting these sales. The proceeds from some of the sales of some companies are insufficient to pay the obligations of that company. The plan is for the surplus from the sale of other companies to offset those shortfalls. Additional money will flow from the respondent personally to ensure that all obligations are paid.

[4] The Receiver has reviewed the proposed transactions and has concluded that “it does not appear that any creditor will be prejudiced by the distribution of the Sale Proceeds as proposed”. They have set out a mechanism to wind up their participation if the order is made for their discharge. They conclude their report by asserting, “The Receiver is of the view that it is appropriate at this time to seek an order discharging the Receiver, subject to the Receiver filing a certificate with the Court confirming that the remaining activities have been completed. The Receiver proposes that the discharge of the receiver be operative on the filing of the certificate”.

[5] Pursuant to Rule 41.06 of the *Rules* and s.101(1) of the *Courts of Justice Act* I have authority to discharge a Receiver when it is no longer just and convenient for them to continue in their role.

[6] The factors that determine whether it is just and convenient for a receiver to continue it’s duties under an appointment order, include:

- the effect on the parties of the receivership, including the potential costs and the likelihood of maximizing return on and preserving the subject property;

- The parties' conduct; and

- The nature of the property and the rights and interests of all parties in relation to it.

Business Development Bank of Canada v. Pine Tree Resorts Inc. 2013 ONSC 1911, at para 22. *Bank of Montreal v. Carnival National Leasing Limited*, 2011 ONSC 1007, at para 2.

[7] Given the position of the Receiver, and the acquiescence of the Plaintiff and the other parties, I agree that, should the deals close and the funds flow, any shortfall should be made up by the Respondent. Then, it would no longer be just and convenient for the Receiver to continue in their role and they will be discharged pursuant to the terms in the draft order.

Derstine J.