

Court File No. CV-25-00003327-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE MR.

)

THURSDAY, THE 30th

JUSTICE M. DERSTINE

)

DAY OF APRIL, 2026

)

BETWEEN:



ROYAL BANK OF CANADA

Applicant

and

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

Respondents

APPLICATION UNDER 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

APPROVAL, DISTRIBUTION AND DISCHARGE ORDER

THIS MOTION, made by the Respondents, in connection with the appointment of Grant Thornton Limited as receiver without security (in such capacity, the “**Receiver**”) pursuant to the order of the Honourable Justice L.B. Stewart of this Court dated August 15, 2026 (the “**Appointment Order**”) of all the assets, undertakings and properties of MSG Foods Ltd., MS Guraya Holding Ltd., Paramman Bros 002 Ltd., Chimo Developments Inc., 2128797 Nova Scotia Limited, 14592182 Canada Inc., 1319227 BC Ltd. and 653349 NB Inc. (collectively, the

“**Debtors**”), acquired for, or used in relation to a business carried on by the Debtors, was heard this day via videoconference.

ON READING the Respondents’ Motion Record dated December 31, 2025 and the Affidavit of Maninderpal Singh and the exhibits thereto sworn December 31, 2025, and the Supplementary Affidavit of Maninderpal Singh and the exhibits thereto sworn March 30, 2026 and the Motion Record and First Report of the Receiver dated April 16, 2026, and on hearing the submissions of counsel for the Respondents, counsel for the Receiver and counsel for the Applicant, and such other counsel as were present, no one appearing for any other person on the service list although duly served as appears from the affidavits of service of Marianne D’Souza, sworn December 31, 2025, and Daniel Litsos, sworn April 16, 2026,

1. **THIS COURT ORDERS** that the time for service of the Respondents’ Notice of Motion and Motion Record dated December 31, 2025, Supplementary Affidavit of Maninderpal Singh and exhibits thereto, sworn March 30, 2026, and the Receiver’s Motion Record and First Report dated April 16, 2026 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 First Report of the Receiver, dated April 15, 2026 (the “**First Report**”), and the activities of the Receiver set out therein (including, without limitation, the Receiver’s statement of receipts and disbursements), be and are hereby approved and 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 the approval of the First Report.
3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, Harrison Pensa LLP, as set out in the fee affidavits appended to the First Report,

and payment thereof, be and are hereby approved.

4. **THIS COURT ORDERS** that the Fee Accrual (as defined and allocated in the First Report) be and is hereby approved.
5. **THIS COURT ORDERS** that the Debtors are authorized to complete the following transactions, as defined in the Affidavit of Maninderpal Singh, sworn December 31, 2025 and Supplementary Affidavit of Maninderpal Singh, sworn March 30, 2026:
 - a. The 212 SPA;
 - b. The 145 SPA;
 - c. The MSG SPA;
 - d. The Paramman APA; and
 - e. The Chimo APA.

(collectively, the “**Transactions**”).
6. **THIS COURT ORDERS** that the Debtors be and are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the “**Definitive Documents**”), as required to complete the Transactions including in relation to the Letter of Agreement entered into between the Toronto Dominion Bank (the “**Lender**”) and 653349 N.B. Inc., 14592182 Canada Inc., 2128797 Nova Scotia Limited and 16658067 Canada Inc. dated as of September 26, 2025 (the “**Letter of Agreement**”).
7. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order or the Order of this Court appointing the Receiver, the Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect any

guarantees, hypothecs, pledges, assignments, security interests, mortgages, and charges granted in the Definitive Documents.

8. **THIS COURT ORDERS** that the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the Lender thereunder shall not otherwise be limited or impaired in any way by (a) these proceedings and any declarations of insolvency made herein; (b) any applications for bankruptcy orders issued pursuant to the *Bankruptcy and Insolvency Act*, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the *Bankruptcy and Insolvency Act*; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Debtors.

9. **THIS COURT ORDERS** that the Debtors, in accordance with the terms of the Definitive Documents, shall direct the Lender and all other parties paying consideration to complete the Transactions, to pay to the Receiver, and the Receiver be authorized to accept such funds (the “**Discharge Funds**”), in such sufficient sums to be added to the funds currently on deposit with the Receiver to the credit of the within receivership to enable the Receiver to pay or to further direct the Lender to pay (collectively, the “**Receiver Payments**”):

- a. To the Receiver and its counsel, the indebtedness due and owing on account of professional fees, disbursements and HST as detailed in the First Report and the accruing costs incurred thereafter to the date of payment;

- b. To the Royal Bank of Canada (“**RBC**”), the sum of \$7,220,203.16, owing as of April 13, 2026, plus accrued interest and costs to the date of payment (the “**RBC Indebtedness**”);
- c. To the Receiver General for Canada, the sum of \$1,148,491.82, owing as of April 13, 2026, plus accrued interest and costs to the date of payment, for unremitted tax arrears collectively owed by 2128797 Nova Scotia Limited, 14592182 Canada Inc., 653349 NB Inc., Paramman Bros 002 Ltd., Chimo Developments Inc., and MSG Foods Ltd.;
- d. To Dairy Queen Canada Inc., the sum of \$274,379.36, owing as of March 13, 2026 or such amounts amount as Dairy Queen Canada Inc. determines is outstanding as of the closing date, as collectively owed by 2128797 Nova Scotia Limited, 14592182 Canada Inc., Paramman Bros 002 Ltd., and MSG Foods Ltd.;
- e. To J.A. Kennedy Holdco Inc., the sum of \$250,000.00 owing as of March 6, 2026, plus accrued interest and costs to the date of payment, for the indebtedness secured by the first mortgage bearing PID 122626766, registered against title to the property municipally known as 26 Robert Angus Drive, Amherst, Nova Scotia;
- f. To the Town of New Glasgow, the sum of \$6,775.68 owing as of March 6, 2026, plus accrued amounts owing thereon as of the date of payment, for property taxes owing by 2128797 Nova Scotia Limited on the property municipally known as 85 Westville Road, New Glasgow, Nova Scotia;
- g. The remainder, including proceeds received after the date of this Order, to Manis Law in trust.

10. **THIS COURT ORDERS** that the Debtors, in accordance with the terms of the

Definitive Documents, shall provide the Receiver:

- a. On the closing of the Paramman APA, evidence to the satisfaction of the Receiver, that Paramman's accounts with Canada Revenue Agency ("**CRA**") for HST (RT) and employee deductions at source (RP) are current on remittances and filings (the "**Paramman CRA Evidence**"); and,
- b. On the closing of the Chimo APA, evidence to the satisfaction of the Receiver, that Chimo's accounts with CRA for HST (RT) and employee deductions at source (RP) are current on remittances and filings (the "**Chimo CRA Evidence**").

11. **THIS COURT AUTHORIZES AND DIRECTS** the Receiver to distribute the Receiver Payments to the parties outlined in paragraph 9 above from the Discharge Funds received, without further Court Order.

12. **THIS COURT ORDERS AND DECLARES** that, upon payment of the RBC Indebtedness approved by paragraph 9 of this Order, and the Receiver's receipt of the Paraman CRA Evidence and the Chimo CRA Evidence, all security interests, mortgages, liens, pledges, guarantees, charges and other encumbrances in favour of RBC securing the RBC Indebtedness shall be automatically released and discharged by RBC.

13. **THIS COURT ORDERS** that the Transactions contemplated under this order shall not close until consent is provided in writing by Dairy Queen Canada, Inc. ("**DQCI**"), which may be provided in the absolute and sole discretion of DQCI following the satisfaction of certain conditions precedent that may be required by DQCI. For greater clarity, nothing in this order shall be construed as DQCI having provided such consent.

14. **THIS COURT ORDERS** that immediately prior to the closing of the Paramman APA,

the DQ® Operating Agreement with an effective date of December 1, 2024 as entered into between Paramman Bros 002 Ltd. and DQCI, shall be terminated without further action.

15. **THIS COURT ORDERS** that, upon the Receiver making or causing to be made the Receiver Payments, written confirmation by the Receiver of such payments having been made being sufficient for the purposes of this paragraph of this Order, the order registered as Document Number 126569566 in the Pictou County Land Registration Office (the “**Registered NS Order**”) is hereby fully discharged and released, and the registrar for the Pictou County Land Registration Offices is hereby instructed to register a certified copy of this Order as sufficient proof and evidence of discharge of the Registered NS Order.
16. **THIS COURT ORDERS** that, upon the Receiver making or causing to be made the Receiver Payments, written confirmation by the Receiver of such payments having been made being sufficient for the purposes of this paragraph of this Order, legal title to the property municipally known as 85 Westville Road, New Glasgow, Nova Scotia represented by PID 01006931 and 111 Westville Road, New Glasgow, Nova Scotia represented by PID 01006949, shall be transferred from 2128797 Nova Scotia Limited to MS Guraya Holding Ltd. in accordance with the terms of the 212 SPA.
17. **THIS COURT ORDERS** that, upon the Receiver filing a certificate by the Receiver certifying that all matters to be attended to in connection with the receivership of the Debtors have been completed to the satisfaction of the Receiver in substantially the form attached hereto as Schedule “A” (the “**Discharge Certificate**”), the Receiver shall be discharged as Receiver of the Debtors, provided however that notwithstanding its discharge herein: (a) the Receiver shall remain Receiver for 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 the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Grant Thornton Limited in its capacity as the Receiver.

18. **THIS COURT ORDERS** that CRA shall have no recourse against the Receiver or any of the recipients of any payments made by the Receiver whatsoever.

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

20. **THIS COURT ORERS THAT** the terms of this order shall in no way limit the power, authority nor the terms of the Appointment Order in any way, and despite the transactions contemplated under this order, the Receiver shall have the power and authority to administer the receivership estate in its discretion.

21. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States

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 or to assist the Receiver and its agents in carrying out the terms of this Order.



The Honourable Justice Derstine

SCHEDULE "A"

Court File No. CV-25-00003327-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

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

Respondents

APPLICATION UNDER 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

RECEIVERS DISCHARGE CERTIFICATE

RECITALS

1. Pursuant to an Order of The Honourable Justice Stewart of the Ontario Superior Court of Justice (the "**Court**") made on August 15, 2025 (the "**Appointment Order**"), Grant Thornton Limited ("**GTL**") was appointed as receiver (in such capacity, the "**Receiver**"), without security, of all the assets, undertakings and properties of the Respondents, MSG Foods Ltd., MS Guraya Holding Ltd., Paramman Bros 002 Ltd., Chimo Developments Inc., 2128797 Nova Scotia Limited, 14592182 Canada Inc., 1319227 BC Ltd. and 653349 NB Inc. (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors.
2. Pursuant to an Order of the Court made on April ____, 2026 (the "**Discharge Order**"),

GTL was discharged as the Receiver of the Debtors to be effective upon the filing by the Receiver with the Court of a certificate confirming that all matters to be attended to in connection with the receivership of the Debtors 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 Debtors have been completed to the satisfaction of the Receiver; and
2. This Discharge Certificate was filed by the Receiver with the Court on the ____ day of _____, 2026.

Grant Thornton Limited solely in its capacity as the Court-appointed Receiver, and not in its personal capacity or in any other capacity

Per: _____

Name:

Title:

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at
BRAMPTON

**APPROVAL, DISTRIBUTION AND
DISCHARGE ORDER**

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