

Endorsement:

The Receiver moves for certain relief in three requested orders as set out in paragraph one of the Notice of Motion. The requested orders are for (a) approval of the Sixth report of the Receiver and the activities of the Receiver described therein; (b) approving the Receiver's interim statement of receipts and disbursements as at October 31, 2021; (c) approving the fees and disbursements of the Receiver for the period August 1, 2021 to October 31, 2021; (e) approving the fees and disbursements of legal counsel to the Receiver for the period August 1, 2021 to October 31, 2021; (f) approving a distribution to Clearflow Commercial Finance Corp. ("Clearflow") in the amount of \$2,400,000 from the proceeds of the Trigger Real Property (as defined in the Sixth Report); (g) approving a distribution to Waterloo North Condominium Corporation No. 9 in the amount of \$4,058.52 solely from the proceeds arising from the sale of property located at 265 Old Post Road, Waterloo, Ontario in full and final settlement of all claims that this entity may have against the Respondents or within the receivership proceeding; (h) declaring that all of the proceeds realized from the Personal Property Assets (as defined in the Second Report), shall be applied to satisfy the amounts that have been paid, or will be paid, to the Receiver and its counsel, on account of their fees and disbursements, as secured by the Receiver's Charge established by the Appointment Order of Mr. Justice McEwen dated October 22, 2020; and (i) approving the settlement of certain claims advanced by J.B. Construction Inc. under the Construction Act in respect of the supply of services and/or materials to certain properties.

The Receiver has served all interested parties and the motion is not opposed.

I am satisfied that the requested orders should be granted. With respect to the relief claimed in item (h) above, I exercise my discretion to approve the proposed allocation of the proceeds from the sale of the Personal Property Assets to satisfy the reasonable fees and disbursements of the Receiver and counsel to the Receiver, as secured by the Receiver's Charge. I accept the Receiver's submission that this is the most practical method to proceed. The transfer of proceeds realized from the Personal Property Assets to the bankruptcy estate of Trigger for distribution to the creditors of Trigger would result in the occurrence of additional administrative costs, as well as the levy payable to the Superintendent of Bankruptcy, pursuant to section 147 of the BIA. The Receiver's Charge would be primarily borne by Clearflow in the within receivership proceedings in any event. In the Receiver's Sixth Report, at para. 77, the Receiver addresses the six proofs of claim that the trustee has received. CRA is the largest claimant (other than Clearflow which is by far the largest claimant with a claim in excess of \$45 million). The Receiver explains that the net result of restated financial statements will show net losses for each year and no income taxes owing. CRA has not appeared to oppose the requested order. I am satisfied that the requested allocation is proper in the circumstances.

Orders to issue in forms of attached orders signed by me.

A handwritten signature in blue ink, appearing to read 'Cavanagh J.', is written over a light blue rectangular background.

Cavanagh J.

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

THE HONOURABLE	)	MONDAY, THE 6 th
	)	
MR. JUSTICE CAVANAGH	)	DAY OF DECEMBER, 2021

B E T W E E N:

CLEARFLOW COMMERCIAL FINANCE CORP.

Applicant

-and-

**TRIGGER WHOLESALE, INC., THE EN CADRE GROUP INC.,
MARK GDAK, JAIMEE LYNN GDAK and JAIMAK REAL PROPERTIES INC.**

Respondents

APPLICATION UNDER Sections 243(1) and 47(1) of the *Bankruptcy and Insolvency Act*,
R.S.C.1985, c. B-3, Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43 and Rule
40.01 of the *Rules of Civil Procedure*

ORDER

THIS MOTION, made by Grant Thornton Limited (“**GTL**”) in its capacity as the Court-appointed receiver (the “**Receiver**”) of the assets, property and undertaking of Trigger Wholesale, Inc. and The En Cadre Group Inc. (collectively, the “**Debtors**”) and certain real property owned by each of Jaimak Real Properties Inc. or Jaimee Lynn Gdak, as set out in Schedule “A” (collectively, the “**Real Property**”) to the Order of Mr. Justice McEwen dated October 22, 2020 (the “**Appointment Order**”), for an order, for the relief as set out in the Notice of Motion dated November 26, 2021, was heard this day by Zoom videoconference due to the COVID-19 pandemic.

ON READING the sixth report of the Receiver dated November 26, 2021 (the "**Sixth Report**"), the affidavit of Jacob Wiebe sworn November 26, 2021 (the "**Wiebe Affidavit**"), the affidavit of Christine Mason sworn November 19, 2021 (the "**Mason Affidavit**") and on hearing the submissions of counsel for the Receiver, counsel for Clearflow Commercial Finance Corp, counsel for the Respondents and such other counsel as listed on the counsel slip, no one appearing for any other person on the service list, although properly served, as appears from the affidavit of Mariela Adriana Gasparini sworn November 26, 2021.

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 capitalized terms not defined herein shall have the meanings ascribed thereto in the Sixth Report.
3. **THIS COURT ORDERS** that the Sixth Report of the Receiver and the activities of the Receiver, as described in the Sixth Report, be and 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.
4. **THIS COURT ORDERS** that the interim statement of receipts and disbursements as at October 31, 2021, be and is hereby approved.
5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver for the period August 1, 2021 to October 31, 2021, as set out in the Wiebe Affidavit, be and is hereby approved.
6. **THIS COURT ORDERS** that the fees and disbursements of Borden Ladner Gervais LLP ("**BLG**"), legal counsel to the Receiver for the period August 1, 2021 to October 31, 2021, as set out in the Mason Affidavit, be and is hereby approved.
7. **THIS COURT ORDERS** that the Receiver is authorized to make a distribution to Clearflow Commercial Finance Corp. ("**Clearflow**") in the amount of \$2,400,000, from the proceeds of the Trigger Real Property, as described in the Sixth Report.

8. **THIS COURT ORDERS** that the Receiver is authorized to make a distribution to Waterloo North Condominium Corporation No. 9 in the amount of \$4,058.52, solely from the proceeds arising from the sale of the property located at 265 Old Post Rd, Waterloo, Ontario, in full and final settlement of all claims that Waterloo North Condominium Corporation No. 9 may have against any of the Respondents, or in the within receivership proceedings.

9. **THIS COURT ORDERS AND DECLARES** that all of the proceeds realized from the Personal Property Assets shall be applied to satisfy the amounts that have been paid, or will be paid, to GTL and BLG on account of the fees and disbursements of GTL and BLG, as secured by the Receiver's Charge established in the Appointment Order.

10. **THIS COURT ORDERS** that the settlement of certain claims advanced by J.B. Construction Inc. under the *Construction Act*, R.S.O. 1990, c. C.30, in respect of the supply of services and/or materials to the properties located at 157 Saugeen Beach Road, Port Elgin, Ontario (the "**Saugeen Property**") and 652 Colby Drive, Waterloo, Ontario (the "**Colby Property**") be and are hereby approved.

11. **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.

CLEARFLOW COMMERCIAL FINANCE CORP.
Applicant

-and-

TRIGGER WHOLESale, INC. et al.
Respondents

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

PROCEEDING COMMENCED AT
TORONTO

ORDER

BORDEN LADNER GERVAIS LLP

Bay Adelaide Centre, East Tower
22 Adelaide St W
Toronto, Ontario M5H 4E3
Tel: 416-367-6000
Fax: 416-367-6749

Roger Jaipargas – LSO No. 43275C

Tel: 416-367-6266
Email: rjaipargas@blg.com

Lawyers for Grant Thornton Limited, in its capacity as Court-appointed Receiver of Trigger Wholesale, Inc. and The En Cadre Group Inc.