

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) WEDNESDAY, THE 9TH
)
JUSTICE McEWEN) DAY OF SEPTEMBER, 2020

IN THE MATTER OF AN 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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

ONTARIO ORTHOTIC LAB INC., PREMIER FOOTWORKS INC.,
MEDIC HOLDINGS CORP., VEBA SOCK COMPANY INC.,
2335040 ONTARIO INC. and 9339-6497 QUEBEC INC.

Respondents

APPROVAL, DISTRIBUTION AND DISCHARGE ORDER

THIS MOTION, made by The Fuller Landau Group Inc. in its capacity as the Court-appointed receiver ("**Fuller Landau**" or the "**Receiver**") of Ontario Orthotic Lab Inc. and Premier Footworks Inc. (the "**Debtors**"), for an Order, *inter alia*, approving the activities

and fees of the Receiver, authorizing the distribution of funds and discharging the Receiver was heard today by videoconference due to the COVID-19 crisis.

ON READING the Notice of Motion herein, the First Report of the Receiver dated March 11, 2020, (the “**First Report**”), the Affidavits of the Receiver and its counsel as to fees (the “**Fee Affidavits**”), the Supplemental Report dated May 26, 2020 and the Appendices thereto, the Affidavit of Shannon Pelan sworn June 18, 2020, and the Affidavits of Pierre Gagnon sworn April 27, 2020 and June 22, 2020 and the exhibits thereto, and on hearing the submissions of counsel for the Receiver, 9339-6497 Quebec Inc. and Pierre Gagnon, no one else appearing although served as evidenced by the Affidavit of Karen Fox sworn March 16, 2020,

1. **THIS COURT ORDERS** that the actions and activities of the Receiver as set out in the First Report of the Receiver and the Supplemental Report to the First Report dated May 26, 2020, as described therein, are hereby approved.
2. **THIS COURT ORDERS** that the Receiver's Statement of Receipts and Disbursements is hereby approved.
3. **THIS COURT ORDERS** that the Receiver is authorized and directed to distribute the funds held in the receivership estates to Service Canada in relation to the Wage Earner Protection Act for the priority claims of employee wages and vacation pay totaling \$71,408.64.

4. **THIS COURT ORDERS** that the Receiver is authorized and directed to distribute funds to Royal Bank of Canada up to the amount of RBC's outstanding indebtedness.

5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and those of its counsel including the Fee Accruals and all further fees incurred in addressing the matters which are the subject of the Supplemental Report, are hereby approved.

6. **THIS COURT ORDERS** that the Receiver is hereby authorized to destroy the Debtors' books and records ("**Records**") unless the directors of the Debtors take possession of the Records prior to October 30, 2020.

7. **THIS COURT ORDERS** that, effective upon filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership of the Debtors have been completed to the satisfaction of the Receiver, Fuller Landau is hereby discharged as Receiver and is hereby released from any and all liability that Fuller Landau has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Fuller Landau while acting in its capacity as Receiver, save and except for any gross negligence or wilful misconduct on the Receiver's part.

8. **THIS COURT ORDERS** that no one, except the Receiver, will be entitled to rely upon or utilize in any way the approval of the Receiver's activities.

9. **THIS COURT ORDERS** that this order shall be without prejudice to any of the procedural or substantive rights of Pierre Gaston Gagnon and without limiting the

generality of the foregoing, shall be deemed not to constitute any finding or determination respecting the subject of the legal proceedings bearing Toronto court file numbers 31-OR-208344-T and CV-18-00610369 pending in the Superior Court of Justice.

A handwritten signature in black ink, appearing to read "McE T.", is written above a horizontal line.

(Signature of Judge)

SCHEDULE "A"

Court File No. CV-18-00610281-00CL

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B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

ONTARIO ORTHOTIC LAB INC., PREMIER FOOTWORKS INC.,
MEDIC HOLDINGS CORP., VEBA SOCK COMPANY INC.,
2335040 ONTARIO INC. and 9339-6497 QUEBEC INC.

Respondents

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

(A) Pursuant to an Order of the Honourable Mr. Justice Penny of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated December 13, 2018, The Fuller Landau Group Inc. ("**Fuller Landau**") was appointed as receiver (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings and properties of Ontario Orthotic Lab Inc. and Premier Footworks Inc. (collectively, the "**Debtors**").

(B) Pursuant to an Order of the Court dated September 9, 2020 (the "**Discharge Order**"), Fuller Landau was discharged as Receiver of all of the assets, undertakings and properties 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, including the Remaining Activities, have been

completed to the satisfaction of the Receiver, provided, however, that notwithstanding its discharge: (a) the Receiver will remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership; and (b) the Receiver will 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 Fuller Landau, in its capacity as Receiver.

(C) Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Discharge Order.

THE RECEIVER CERTIFIES the following:

1. All matters to be attended to in connection with the receivership of the Debtors, including the Remaining Activities, have been completed to the satisfaction of the Receiver; and
2. This Certificate was filed by the Receiver with the Court on the ____ day of _____, 2020.

The Fuller Landau Group Inc., solely in its capacity as the Court-appointed Receiver of all of assets, undertakings and properties of Ontario Orthotic Lab Inc. and Premier Footworks Inc., and not in its personal capacity

Per: _____
Name: Gary Abrahamson
Title: President

B E T W E E N

ROYAL BANK OF CANADA
Applicant

-and-

ONTARIO ORTHOTIC LAB INC., et al.
Respondents

Court File No. CV-18-00610281-00CL

9 Sept 20

C. Francis
J. Tayar

The Order shall go, on an unopposed basis, as per the draft filed and signed.
The relief sought is fair and reasonable.



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Proceeding commenced at Toronto

RECEIVER'S DISCHARGE CERTIFICATE

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B E T W E E N

ROYAL BANK OF CANADA
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-and-

ONTARIO ORTHOTIC LAB INC., et al.
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