

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE ) FRIDAY, THE 5<sup>th</sup>  
 )  
JUSTICE NICHOLSON ) DAY OF JULY, 2024

BETWEEN:

1112396 ONTARIO LIMITED, BLUEBERRY RECORDS INC.,  
STANART HOLDINGS INC. and FALVO HOLDINGS LIMITED

Applicants

- and -

Z. DESJARDINS HOLDINGS INC. and ZACHARY DESJARDINS

Respondents

APPLICATION UNDER SUBSECTION 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

**ORDER**

**THIS MOTION**, made by TDB Restructuring Limited in its capacity as the Court-appointed receiver and manager (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings and properties of Z. Desjardins Holdings Inc. (the "**Debtor**"), other than the Excluded Assets (as defined in the Order of Tranquilli J. made on October 25, 2023 in this proceeding (the "**Receivership Order**")), was heard this day by judicial videoconference via Zoom.

**ON READING** the second report of the Receiver dated June 28, 2024 and the appendices thereto (collectively, the "**Second Report**"), including without limitation the affidavits of fees of Bryan Tannenbaum sworn on June 27, 2024 and Caitlin Fell sworn on June 25, 2024 (together, the "**Fee Affidavits**"), on hearing the submissions of counsel for the Receiver, the respective counsel for the Applicants, and counsel for those other parties appearing as indicated by the counsel sheet, no one else appearing although properly served as appears from the affidavit of Levi Rivers sworn on July 2, 2024, filed:

**SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the motion record and the Second Report 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 used in this Order and not otherwise defined have the meanings ascribed to them in the Second Report.

**DISTRIBUTION**

3. **THIS COURT ORDERS** that the Receiver is authorized and directed to distribute, holdback and reserve the net proceeds of the Transaction as described in the Second Report, subject to such further holdbacks, reserves and priority payments that the Receiver deems necessary and appropriate, including without limitation with respect to the Receiver's fees and the fees of its counsel.
4. **THIS COURT ORDERS** that the Receiver, its counsel and other agents are hereby authorized to take all necessary or appropriate steps and actions to effect the payments and distributions described in this Order, and shall not incur any liability as a result of making such payments and distributions.
5. **THIS COURT ORDERS** that, notwithstanding anything else contained in this Order, each of the payments and distributions provided for in this Order shall be made free and clear of all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Receivership Order; and (ii) all charges security interests, liens, trusts, or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property or real property registry system.
6. **THIS COURT ORDERS** that the Receiver or any other person facilitating payments and distributions pursuant to this Order shall be entitled to deduct and withhold from any such payment or distribution such amounts as may be required to be deducted or withheld under applicable law and to remit such amounts to the appropriate governmental authority or other

person entitled thereto as may be required by applicable law. To the extent that amounts are so withheld or deducted and remitted to the appropriate governmental authority or other person entitled thereto, such withheld or deducted amounts shall be treated for all purposes as having been paid pursuant to this Order.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such application; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

any payment or distribution made pursuant to this Order are final and irreversible and shall be binding on any trustee-in-bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction pursuant to the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial law.

#### **APPROVAL OF FEES AND ACTIVITIES**

8. **THIS COURT ORDERS** that the Second Report and the activities of the Receiver described in the Second Report, including without limitation the R&D, 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.

9. **THIS COURT ORDERS** that the fees, costs and expenses of the Receiver, including those of its independent legal counsel, as set out in the Fee Affidavits, are hereby approved, and that the Receiver is hereby authorized and directed to pay the same from available funds forthwith, including for avoidance of doubt the proceeds of the Transaction, as the case may be.

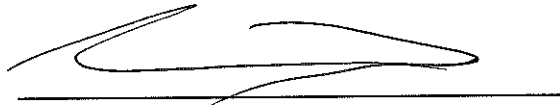
#### **SEALING**

10. **THIS COURT ORDERS** that Confidential Appendix "1" to the Second Report be and is hereby sealed until the earlier of the discharge of the Receiver or further order of this Court.

**GENERAL**

11. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

12. **THIS COURT ORDERS** that this Order is effective from its date without any requirement for filing, issuance or entry.

A handwritten signature in black ink, consisting of several fluid, overlapping strokes, positioned above a solid horizontal line.

1112396 ONTARIO LIMITED ET AL.

-and- Z. DESJARDINS HOLDINGS INC. ET AL.

Applicant

Respondents

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

Proceedings commenced at London

**ORDER**

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capacity as court-appointed Receiver of Z.  
Desjardins Holdings Inc.