

No. S-194717
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, [S.B.C. 2002] c. 57
and *THE BUSINESS CORPORATIONS ACT*, R.S.A 2000, c. B-9

-AND-

IN THE MATTER OF THE LOUIS RACZ CO. LTD.

-AND-

Between

1012109 B.C. Ltd. and LISA MADDESS

Petitioners

and

ETHEL MARY RACZ a/k/a ETUS MARIA RACZ
and MICHAEL SIWIK

Respondents

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)
)
MADAM JUSTICE ADAIR) Monday July 29, 2019
)

The Petition in this proceeding having come on for hearing before me this day at Vancouver, British Columbia; and on hearing Scott A. Turner, counsel for the Petitioners; and no one appearing for the Respondents, although duly served; and on reading the materials filed:

THIS COURT ORDERS that:

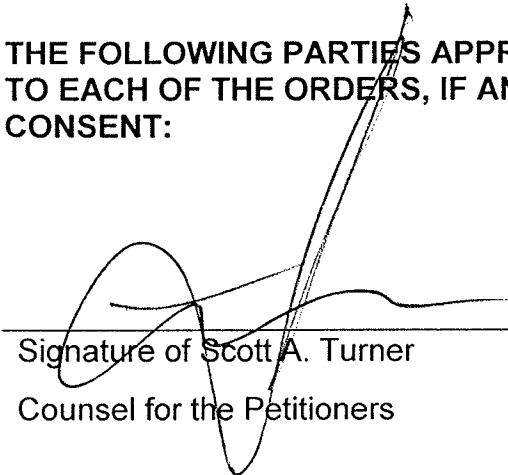
1. The Louis Racz Co. Ltd. (the "**Company**") may redeem the 415 Class D shares of the Company held as of the date of this Order by the Respondent Ethel Mary Racz, also known as Etus Maria Racz ("**Ethel Racz**"), by paying the said Ethel Racz the sum of \$415,000 (the "**Redemption Amount**"), being the sum of \$1,000 per Class D share held by Ethel Racz, without further notice to Ethel Racz;

2. Payment of the Redemption Amount may be made by cheque drawn on the account of Burns Fitzpatrick LLP, payable to the order of Ethel Racz and delivered to Ethel Racz at her residence at 715 Saraguay Street East, Pierrefonds QC.
3. Upon the Company exercising its right to redeem the Class D shares of Ethel Racz in accordance with paragraph 1 of this Order, the said Ethel Racz shall be deemed to have sold, assigned and transferred the said Class D Shares to the Company, effective on the date of exercise.
4. Rita Racz, being the sole director of the Company (the "**Director**") is authorized to:
 - a. Cause the Company to file its income tax return for the fiscal year ended June 30, 2019, and pay such income and capital gains taxes as may be due and payable by the Company to the Canada Revenue Agency on or before August 31, 2019;
 - b. Declare a capital dividend of \$57,000 per Class C common share of the Company (the "**Capital Dividend**") and cause the Company to pay the same;
 - c. Declare a further non-capital, taxable dividend of \$43,000 per Class C common share of the Company (the "**Taxable Dividend**") and cause the Company to pay the same; and
 - d. Cause the Company to pay any costs awarded to the Petitioners pursuant to this Order.
5. Payment to the Respondents of their respective shares of the Capital Dividend and the Taxable Dividend may be made by cheque drawn on the account of Burns Fitzpatrick LLP, payable to the orders of Ethel Racz and Michael Siwik, respectively, and delivered to their residence at 715 Saraguay Street East, Pierrefonds QC. Payment to the Petitioners may be made in such manner as the Director shall determine.
6. As of the date the transactions contemplated by paragraphs 1-5 of this Order are completed (the "**Liquidation Date**"), the Company be liquidated pursuant to s. 324 of the *Business Corporations Act*, [SBC 2002], c. 57 (the "**Act**").

7. Effective as of the Liquidation Date, MNP Ltd. ("**MNP**") be appointed as liquidator of the Company pursuant to the Act (the "**Liquidator**"), with all of the powers of a liquidator as set out in the Act.
8. Without limiting the generality of paragraph 7, upon its appointment the Liquidator is empowered and directed to:
 - a. take possession of the assets of the Company;
 - b. pay the creditors of the Company;
 - c. engage outside accountants to prepare financial statements for the Company, as necessary;
 - d. file tax returns for the Company;
 - e. take possession of any tax refunds payable to the Company; and, thereafter,
 - f. distribute any remaining assets to the Class C shareholders of the Company, *pro rata* in accordance with their shareholdings; and, thereafter,
 - g. apply for an Order dissolving the Company.
9. No proceeding or enforcement process in any court or tribunal shall be commenced or continued against the Liquidator except with the written consent of the Liquidator or with leave of this Court.
10. The Liquidator shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:
 - a. For any harm caused by any gross negligence or wilful misconduct on its part; or
 - b. in respect of obligations imposed specifically on liquidators by applicable legislation.
11. Nothing in this Order shall derogate from the protections afforded the Liquidator by the Act or by any other applicable legislation

12. The Liquidator shall be paid its fees and disbursements pursuant to its standard hourly rates and as set out in the engagement agreement between the Liquidator and the Company (the "**Engagement Agreement**").
13. The Liquidator and its legal counsel, if any, are granted a charge (the "**Liquidator's Charge**") on the assets of the Company as security for the payment of their fees and disbursements, in accordance with the Engagement Agreement, whether incurred before or after the making of this Order. The Liquidator's Charge shall form a first charge on the assets of the Company in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any person.
14. Nothing in this Order shall prevent the Liquidator from acting as a receiver or licensed insolvency trustee of the Company or its estate
15. The parties and the Liquidator shall be at liberty to apply to the Court for further Orders or directions regarding this Order or the liquidation of the Company.
16. The Petitioners shall have their reasonable costs of this proceeding, payable by the Company on a solicitor-and-client basis. The Respondents shall have the right to have Petitioners' costs assessed in accordance with the *Legal Profession Act* [SBC 1998] c. 9.

THE FOLLOWING PARTIES APPROVE THIS ORDER AS TO FORM AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of Scott A. Turner
Counsel for the Petitioners



BY THE COURT
REGISTRAR



