



SUPERIOR COURT OF JUSTICE  
**COUNSEL SLIP/ENDORSEMENT**

COURT FILE

NO.: CV-21-00661436-00CL

DATE: April 13<sup>th</sup> 2022

**IN THE MATTER OF THE PROPOSAL, OF 1776690 ONTARIO INC. COB  
THE COUNTRY WAY HEALTH FOOD STORE OF THE CITY OF SAULT STE  
MARIE IN THE PROVINCE OF ONTARIO  
2655396 ONTARIO INC. (Applicant)**

TITLE OF  
PROCEEDING

**IN THE MATTER OF SECTION 182 OF THE BUSINESS CORPORATIONS  
ACT, R.S.O. 1990, c. B.16, AS AMENDED, AND IN THE MATTER OF A  
PROPOSED ARRANGEMENT OF 2655396 ONTARIO INC. AND INVOLVING  
1776690 ONTARIO INC. COB COUNTRY WAY HEALTH FOOD STORE**

BEFORE MADAM JUSTICE KIMMEL

NAMES OF COUNSEL AND PARTY:

- APPLICANT(S) Patrick Shea, for the Proposal Trustee
- PLAINTIFF(S)

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**ENDORSEMENT OF JUSTICE KIMMEL:**

[1] The January 27, 2022 Interim Order of McEwen J. contemplated that there would be a vote of creditors in respect of a proposal to be filed by 1776690 Ontario Inc. cob Country Way Health Food Store ("Country Way") pursuant to Part II, of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the "BIA") (the "Proposal"), which was also to include notice of the arrangement (the "Arrangement") proposed by the applicant and involving Country Way.

[2] A meeting was held and the Proposal has since been approved by the unsecured creditors of Country Way as required by the BIA.

[3] There was originally opposition to the Proposal by certain creditors who voted against it, but that opposition has now been withdrawn and the order sought today for the court's approval of the Proposal is unopposed. Counsel for the Proposal Trustee advises that the Superintendent was served and did not appear and that no other creditors sought to be added to the service list. No one appeared to oppose the approval of the Proposal.

[4] The Proposal Trustee's Second Report satisfies all of the BIA requirements for the Court's approval of the Proposal. The Trustee is of the view that the Proposal is reasonable and beneficial to the general body of creditors and has set out the support for that view. The court accepts this and finds that the Proposal: (a) satisfies the requirements of the BIA; (b) is reasonable; and (c) is calculated to benefit the general body of creditors. The Proposal is thus approved under s. 59 of the BIA.

[5] Although the Interim Order contemplated that the order approving the Arrangement under s. 182(5)(f) of the *Business Corporations Act*, RSO 1990, s. B.16 (the "OBCA") would be heard by this Court in this proceeding together with any motion brought by the Trustee seeking an Order approving the Proposal, the approval of the Arrangement requires the input and involvement of the Ministry and the applicant now proposes (since the opposition has been withdrawn) to return on a later date to seek the approval of the Arrangement, once the Ministry has had the full opportunity to provide its input.

[6] Accordingly, the Proposal Trustee shall be at liberty to apply separately for an Order or Orders: (a) pursuant to s. 182(5) of the OBCA approving the Arrangement included in the Proposal; and/or (b) pursuant to section s. 186 of the OBCA in connection with any reorganization, as that term is defined by s. 186(1) of the OBCA, included in the Proposal.

[7] Order to go in the form signed by me today, with immediate effect and without the necessity of formal entry.

A handwritten signature in black ink, appearing to read "Kimmel J.", written in a cursive style.

KIMMEL J.