



ONTARIO
SUPERIOR COURT OF JUSTICE
BANKRUPTCY AND INSOVLENCY

M. Justice K.A. Gorman)
)
) TUESDAY, THE 31ST DAY
)
) OF JULY, 2018

IN THE MATTER OF THE PROPOSAL OF 1732427 ONTARIO INC. OF THE CITY OF ST. THOMAS, IN THE PROVINCE OF ONTARIO

ORDER

THIS MOTION made by 1732427 Ontario Inc. (“173”) an insolvent person, for an Order: abridging the time of service of this Notice of Motion, for the administrative consolidation of the proposal of proceedings of 173 and 1787930 Ontario Inc. (“178”), the grant of an Administration Charge, and extending time for 173 to file its proposal to September 14, 2018, was heard at 80 Dundas Street, London, Ontario.

UPON READING the Notice of Motion of 173, the Affidavit of Louise Vonk (aka Louise Hiddink) sworn July 12, 2018, the First Report to the Court submitted by the Proposal Trustee MNP Ltd., and on hearing the submissions of counsel for 173 and no one appearing for the creditors.

1. **THIS COURT DECLARES** that time for service of this motion is abridged and declares that the Notice of Motion is properly returnable today and further that service of this Notice of Motion upon any other interested party is dispensed with.
2. **THIS COURT ORDERS** that the date for filing 173’s proposal is extended from August 1, 2018, to September 14, 2018, and is granted under section 50.4(9) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3 (the “**BIA**”).
3. **THIS COURT ORDERS** that the proposal proceedings of 173 (estate number: 35-

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35-2395481) and 178 (estate number: 35-2395481) (collectively the “**Proposal Proceedings**”) are hereby administratively consolidated and the Proposal Proceedings are hereby authorized and

directed to continue under the following joint title of proceedings:

Court File Numbers: 35-2395487 and 35-2395481
Estate File Numbers: 35-2395487 and 35-2395481

**IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF
1732427 ONTARIO INC. AND 1787930 ONTARIO INC. BOTH OF THE CITY OF ST.
THOMAS, IN THE PROVINCE OF ONTARIO**

4. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee, and counsel to 173 and 178 shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the property of 173 and 178 (the “**Property**”) which charge shall not exceed an aggregate amount of \$75,000.

5. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge shall not be required, and that the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charge coming into existence, notwithstanding any such failure to register, record or perfect.

6. **THIS COURT ORDERS** that the Administration Charge shall constitute a charge on the Property and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively the “**Encumbrance**”) in favour of any person or entity (a “**Person**”) except for (i) any security interest (other than as described in (ii) below) in the Property of any “secured creditor” as defined in the BIA, who did not receive notice of this Motion, and (ii) any statutory Encumbrance existing as at the date 173 filed its Notice of Intention to Make a Proposal, namely July 2, 2018, in favour of any Person which is a “secured creditor”, as defined in the BIA, in respect of (A) any amounts under the Wage Earners’ Protection Program that are subject to a priority claim under the BIA, including source deductions from wages, employer health tax, workers compensation, vacation pay and banked overtime for employees, and (B) any amounts that are subject to priority claims pursuant to Section 81.5(1) of the BIA and subsections 227(4) and (4.1) of the Income Tax Act, subsections 23(3) and (4) of the Canada Pension Plan and subsection 86(2) and (2.1) of the Employment Insurance Act.

7. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any party or parties likely to be affected by the Order sought or upon such other notice, if any, as this Court may order.

K.A. M

IN THE MATTER OF THE PROPOSAL OF 1732427 ONTARIO INC. OF THE CITY OF ST. THOMAS, IN THE PROVINCE OF ONTARIO

Court File No. 35-2395487

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

ORDER
(July 31, 2018)

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