



Court File No. 35-1979333T

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

THE HONOURABLE

)

TUESDAY, THE 13<sup>TH</sup>

)

MADAM JUSTICE MITCHELL

)

DAY OF SEPTEMBER, 2016

BETWEEN:

*(Court Seal)*

THE BANK OF NOVA SCOTIA

Plaintiff

and

ENTROPEX, 629728 ONTARIO LIMITED, and UNITEC INC.

Defendants

**ORDER**

THIS MOTION, made by MNP LTD. ("MNP") in its capacity as court-appointed receiver (the "Receiver") appointed pursuant to an order of the Court dated July 14, 2016 (the "Appointing Order") of the Property (as defined in the Appointing Order) of the Defendants, Entropex, 629728 Ontario Limited and Unitec Inc. (collectively the "Defendants") for:

- (a) An Order that the time for service, filing and confirmation of the Notice of Motion and the Motion Record be abridged, if necessary, so that this motion is properly returnable today and hereby dispensing with further service and confirmation hereof;
- (b) An Order and Declaration that the interests of:

- (i) Procor Limited in certain rail cars subject to a Rail Car Lease Agreement with Entropex dated August 27, 2001;
- (ii) Vacuum Trucks of Canada in a vacuum truck subject to a rental agreement with Entropex dated November 20, 2014;
- (iii) Ryder Truck Rental Canada Ltd. in a truck subject to a Truck Lease and Service Agreement with Entropex dated June 30, 2015;
- (iv) De Lage Landen Financial Services Canada Inc. in two forklifts subject to lease agreements with Entropex dated March 17, 2015;
- (v) Hewitt Material Handling in a lift truck subject to a Lift Truck Rental Agreement with Entropex dated July 14, 2014;
- (vi) Modspace Financial Services in certain trailers and furniture subject to five (5) lease agreements with Entropex dated June 28, 2012, November 15, 2010, November 15, 2010, March 15, 2012 and February 1, 2015;
- (vii) Waste Management of Canada Corporation in a waste compactor subject to a lease agreement with Entropex dated November 9, 2011; and
- (viii) Vincent Corporation in a screw press and related equipment subject to a rental agreement with Entropex dated September 28, 2012;

are each either:

- (i) unsecured interests that are subordinate to the perfected security interests of both senior secured lenders, The Bank of Nova Scotia ("BNS") and Roynat Inc. ("Roynat"); or

- (ii) secured interests that are subordinate to the perfected security interests of both BNS and Roynat;
- (c) An Order and Declaration that the Receiver is entitled to sell the assets leased to Entropex pursuant to the various leases and agreements set out in paragraph (b) above, and vest title in same free and clear of the interests of the respective lessors pursuant to an approval and vesting Order to be obtained by the Receiver; and
- (d) An Order and Declaration that either BNS or Roynat is entitled to a distribution as will be recommended to the Court by the Receiver of the proceeds of sale from the sale of the assets leased to Entropex pursuant to the various leases and agreements set out in paragraph (b) above, in priority to the relevant lessors pursuant to a distribution Order to be obtained by the Receiver;

was heard this day at the Court House, 80 Dundas St., London, Ontario, N6A 6A3.

ON READING the Second Report of the Receiver dated August 31, 2016 (the "Second Report"), filed, and upon reading the Responding Motion Record of United Autoworkers, Local 251, filed, and upon hearing the submissions of the lawyers for the Receiver, and upon being advised that all persons listed on the service list were served with the Motion Record as evidenced by the Affidavit of Service filed, and upon being advised that each of Procor Limited, Ryder Truck Rental Canada Ltd., De Lage Landen Financial Services Canada Inc. and Modular Space Corporation, ModSpace Financial Services Canada, Ltd. do not oppose the within Motion,

*can* → *United Autoworkers, Roynat and BNS,*

1. **THIS COURT ORDERS** that the time for service, filing and confirmation of the Notice of Motion and Motion Record be and is hereby abridged and validated, if necessary, such that this Motion is properly returnable today and further service thereof is hereby dispensed with.

**PROCOR LIMITED**

2. **THIS COURT ORDERS AND DECLARES** that the interest of Procor Limited ("Procor") in twenty-seven (27) rail cars bearing the following railcar numbers:

# of Railcar	Reporting Mark	Railcar Number	# of Railcar	Reporting Mark	Railcar Number
1	UNPX	122640	15	UNPX	123154
2	UNPX	122643	16	UNPX	123207
3	UNPX	122771	17	UNPX	123278
4	UNPX	122774	18	UNPX	123340
5	UNPX	122791	19	UNPX	123564
6	UNPX	122794	20	UNPX	123855
7	UNPX	122845	21	UNPX	123930
8	UNPX	122882	22	UNPX	123954
9	UNPX	122918	23	UNPX	124104
10	UNPX	123030	24	UNPX	124113
11	UNPX	123044	25	UNPX	124122
12	UNPX	123057	26	UNPX	124155
13	UNPX	123065	27	UNPX	124170
14	UNPX	123069			

that are subject to a Rail Car Lease Agreement with Entropex dated August 27, 2001 (the "Rail Cars") is an unperfected security interest that is subordinate to the perfected security interests of both senior secured lenders, The Bank of Nova Scotia ("BNS") and Roynat Inc. ("Roynat").

3. **THIS COURT ORDERS AND DECLARES** that the Receiver is entitled to sell the Rail Cars and vest title in them free and clear of the interest of Procor pursuant to an approval and vesting Order to be obtained by the Receiver (the "Rail Car Approval and Vesting Order") and that either BNS or Roynat will be entitled to a distribution of the proceeds of sale from the sale

of the Rail Cars in priority to Procor, pursuant to a distribution Order as will be recommended to the Court by the Receiver.

4. **THIS COURT ORDERS** that the Rail Cars shall not be moved from their present location until the Receiver has obtained the Rail Car Approval and Vesting Order, all Procor Reporting Marks have been removed from the Rail Cars and the purchaser of the Rail Cars has applied its own Reporting Mark to each of the Rail Cars and registered its ownership in the UMLER system.

#### **VACUUM TRUCKS OF CANADA**

5. **THIS COURT ORDERS AND DECLARES** that the interest of Vacuum Trucks of Canada ("Vacuum") in a vacuum truck bearing Unit# 8675, Serial Number 14-09G-6010, and Chassis VIN# 1NKDL70X1FJ436310 (the "Vacuum Truck") that is subject to a rental agreement with Entropex dated November 20, 2014, is an unperfected security interest that is subordinate to the perfected security interests of both BNS and Roynat.

6. **THIS COURT ORDERS AND DECLARES** that the Receiver is entitled to sell the Vacuum Truck and vest title in it free and clear of the interest of Vacuum pursuant to an approval and vesting Order to be obtained by the Receiver and that either BNS or Roynat will be entitled to a distribution of the proceeds of sale from the sale of the Vacuum Truck in priority to Vacuum, pursuant to a distribution Order as will be recommended to the Court by the Receiver.

**RYDER TRUCK RENTAL CANADA LTD.**

7. **THIS COURT ORDERS AND DECLARES** that the interest of Ryder Truck Rental Canada Ltd. ("Ryder") in a 2011 International Prostar truck with VIN# 1HSCUAPR2BJ388378 (the "Ryder Truck") that is subject to a Truck Lease and Service Agreement with Entropex dated June 30, 2015 is a perfected security interest that is subordinate to the perfected security interests of both BNS and Roynat.

8. **THIS COURT ORDERS AND DECLARES** that the Receiver is entitled to sell the Ryder Truck and vest title in it free and clear of the interest of Ryder pursuant to an approval and vesting Order to be obtained by the Receiver and that either BNS or Roynat will be entitled to a distribution of the proceeds of sale from the sale of the Ryder Truck in priority to Ryder, pursuant to a distribution Order as will be recommended to the Court by the Receiver.

**DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.**

9. **THIS COURT ORDERS AND DECLARES** that the interest of De Lage Landen Financial Services Canada Inc. ("De Lage") in:

- (a) a 2011 Caterpillar 2C6000 Forklift bearing serial number AT83F31065 c/w attachments and accessories ("De Lage Forklift #1") that is subject to an Equipment Leasing Agreement with Entropex bearing Lease No. 577211; and
- (b) a 2012 Caterpillar 2C6000 Forklift bearing serial number AT83F31350 c/w attachments and accessories ("De Lage Forklift #2") that is subject to an Equipment Leasing Agreement with Entropex bearing Lease No. 577212;

is an unperfected security interest that is subordinate to the perfected security interests of both BNS and Roynat.

10. **THIS COURT ORDERS AND DECLARES** that the Receiver is entitled to sell De Lage Forklift #1 and De Lage Forklift #2 (collectively the "De Lage Forklifts") and vest title in the De Lage Forklifts free and clear of the interests of De Lage pursuant to an approval and vesting Order to be obtained by the Receiver and that either BNS or Roynat will be entitled to a distribution of the proceeds of sale from the sale of the De Lage Forklifts in priority to De Lage, pursuant to a distribution Order as will be recommended to the Court by the Receiver.

#### **MODSPACE FINANCIAL SERVICES**

11. **THIS COURT ORDERS AND DECLARES** that the interest of Modular Space Corporation, ModSpace Financial Services Canada, Ltd. ("ModSpace") in:

- (a) All equipment leased to Entropex pursuant to a Lease Agreement bearing Lease Agreement No. 073812, including equipment bearing Serial No. 140020968 ("ModSpace Lease #1");
- (b) All equipment leased to Entropex pursuant to a Lease Agreement bearing Lease Agreement No. 099726, including equipment bearing Serial No. 240002112 ("ModSpace Lease #2");
- (c) All equipment leased to Entropex pursuant to a Lease Agreement bearing Lease Agreement No. 099726F ("ModSpace Lease #3");
- (d) All equipment leased to Entropex pursuant to a Lease Agreement bearing Lease Agreement No. 154970, including equipment bearing Serial No. 1240P209398 ("ModSpace Lease #4"); and



- (e) All equipment leased to Entropex pursuant to a Lease Agreement dated February 4, 2015 bearing Offer No. 89179, including equipment described as a 10x20 Unit, Class SNGL1020 ("ModSpace Lease #5");

is a perfected security interest that is subordinate to the perfected security interests of both BNS and Roynat.

12. **THIS COURT ORDERS AND DECLARES** that the Receiver is entitled to sell all ModSpace equipment that is subject to ModSpace Lease #1, ModSpace Lease #2, ModSpace Lease #3, ModSpace Lease #4 and ModSpace Lease #5 (collectively the "ModSpace Equipment") and vest title in the ModSpace Equipment free and clear of the interest of ModSpace pursuant to an approval and vesting Order to be obtained by the Receiver and that either BNS or Roynat will be entitled to a distribution of the proceeds of sale from the sale of the ModSpace Equipment in priority to ModSpace, pursuant to a distribution Order as will be recommended to the Court by the Receiver.

#### WASTE MANAGEMENT OF CANADA CORPORATION

~~13. **THIS COURT ORDERS AND DECLARES** that the interest of Waste Management of Canada Corporation ("Waste Management") in a waste compactor model # RJ 400 Ultra – with stand (the "Compactor") that is subject to a Lease Agreement with Entropex dated November 9, 2011 is an unperfected security interest that is subordinate to the perfected security interests of both BNS and Roynat.~~



*Am.* 14. ~~THIS COURT ORDERS AND DECLARES~~ that the Receiver is entitled to sell the Compactor and vest title in it free and clear of the interest of Waste Management pursuant to an approval and vesting Order to be obtained by the Receiver and that either BNS or Roynat will be entitled to a distribution of the proceeds of sale from the sale of the Compactor in priority to Waste Management, pursuant to a distribution Order as will be recommended to the Court by ~~the Receiver.~~ *Am.*

**VINCENT CORPORATION**

15. **THIS COURT ORDERS AND DECLARES** that the interest of Vincent Corporation ("Vincent") in a Model KP-10 Vincent Screw Press bearing serial #12268-E and related equipment (the "Screw Press") that is subject to an International Rental Agreement with Entropex dated September 28, 2012 is an unperfected security interest that is subordinate to the perfected security interests of both BNS and Roynat.

16. **THIS COURT ORDERS AND DECLARES** that the Receiver is entitled to sell the Screw Press and vest title in it free and clear of the interest of Vincent pursuant to an approval and vesting Order to be obtained by the Receiver and that either BNS or Roynat will be entitled to a distribution of the proceeds of sale from the sale of the Screw Press in priority to Vincent, pursuant to a distribution Order as will be recommended to the Court by the Receiver.

**HEWITT MATERIAL HANDLING**

17. **THIS COURT ORDERS** that the within Motion be and is hereby adjourned to Tuesday September 27, 2016 as it relates to any and all relief sought by the Receiver with respect to Hewitt Material Handling. *and Waste Management Canada Corporation.*

  
\_\_\_\_\_  
(Signature of Judge)

RCP-E 59A (July 1, 2007)

THE BANK OF NOVA SCOTIA  
Plaintiff

-and- ENTROPEX ET AL.  
Defendants

Court File No. 35-1979333T

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

PROCEEDING COMMENCED AT  
LONDON

**ORDER**

**ADVOCATES LLP**  
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London ON N6A 5R8

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Lawyers for the receiver

File Number: 16056

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

THE HONOURABLE

)

TUESDAY, THE 27<sup>TH</sup>

MISTER JUSTICE *I.F. LEITCH*

)

DAY OF SEPTEMBER, 2016

)

B E T W E E N:

*(Court Seal)*

THE BANK OF NOVA SCOTIA

Plaintiff

and

ENTROPEX, 629728 ONTARIO LIMITED, and UNITEC INC.

Defendants

**ORDER**

THIS MOTION, originally returnable on Tuesday, September 13, 2016, made by MNP LTD. ("MNP") in its capacity as court-appointed receiver (the "Receiver") appointed pursuant to an order of the Court dated July 14, 2016 (the "Appointing Order") of the Property (as defined in the Appointing Order) of the Defendants, Entropex, 629728 Ontario Limited and Unitec Inc. (collectively the "Defendants"), for:

- (a) An Order that the time for service, filing and confirmation of the Notice of Motion and the Motion Record be abridged, if necessary, so that this motion is properly returnable today and hereby dispensing with further service and confirmation hereof;

- (b) An Order and Declaration that the interests of:
- (i) Procor Limited in certain rail cars subject to a Rail Car Lease Agreement with Entropex dated August 27, 2001;
  - (ii) Vacuum Trucks of Canada in a vacuum truck subject to a rental agreement with Entropex dated November 20, 2014;
  - (iii) Ryder Truck Rental Canada Ltd. in a truck subject to a Truck Lease and Service Agreement with Entropex dated June 30, 2015;
  - (iv) De Lage Landen Financial Services Canada Inc. in two forklifts subject to lease agreements with Entropex dated March 17, 2015;
  - (v) Hewitt Material Handling in a lift truck subject to a Lift Truck Rental Agreement with Entropex dated July 14, 2014;
  - (vi) Modspace Financial Services in certain trailers and furniture subject to five (5) lease agreements with Entropex dated June 28, 2012, November 15, 2010, November 15, 2010, March 15, 2012 and February 1, 2015;
  - (vii) Waste Management of Canada Corporation in a waste compactor subject to a lease agreement with Entropex dated November 9, 2011; and
  - (viii) Vincent Corporation in a screw press and related equipment subject to a rental agreement with Entropex dated September 28, 2012;

are each either:

- (i) unsecured interests that are subordinate to the perfected security interests of both senior secured lenders, The Bank of Nova Scotia ("BNS") and Roynat Inc. ("Roynat"); or
  - (ii) secured interests that are subordinate to the perfected security interests of both BNS and Roynat;
- (c) An Order and Declaration that the Receiver is entitled to sell the assets leased to Entropex pursuant to the various leases and agreements set out in paragraph (b) above, and vest title in same free and clear of the interests of the respective lessors pursuant to an approval and vesting Order to be obtained by the Receiver; and
- (d) An Order and Declaration that either BNS or Roynat is entitled to a distribution as will be recommended to the Court by the Receiver of the proceeds of sale from the sale of the assets leased to Entropex pursuant to the various leases and agreements set out in paragraph (b) above, in priority to the relevant lessors pursuant to a distribution Order to be obtained by the Receiver;

was heard this day at the Court House, 80 Dundas St., London, Ontario, N6A 6A3.

ON READING the Second Report of the Receiver dated August 31, 2016 (the "Second Report"), filed, and upon reading the Responding Motion Record of United Autoworkers, Local 251, filed, and upon being advised that pursuant to the Order of the Honourable Madam Justice Mitchell dated September 13, 2016, the Receiver was granted the relief requested with respect to each of Procor Limited, Vacuum Trucks of Canada, Ryder Truck Rental Canada Ltd., De Lage Landen Financial Services Canada Inc., Modular Space Corporation, ModSpace Financial Services Canada, Ltd. and Vincent Corporation, with the relief sought with respect to Hewitt

Material Handling and Waste Management of Canada Corporation being adjourned to today, and upon hearing the submissions of the lawyers for the Receiver, and upon being advised that all persons listed on the service list were served with the Motion Record as evidenced by the Affidavit of Service filed, and upon being advised that Waste Management of Canada Corporation does not oppose the within Motion, and upon being advised that Hewitt Material Handling opposes the Motion but is not in attendance to make submissions,

**WASTE MANAGEMENT OF CANADA CORPORATION**

1. **THIS COURT ORDERS AND DECLARES** that the interest of Waste Management of Canada Corporation ("Waste Management") in a waste compactor model # RJ 400 Ultra – with stand (the "Compactor") that is subject to a Lease Agreement with Entropex dated November 9, 2011 is an unperfected security interest that is subordinate to the perfected security interests of both BNS and Roynat.

2. **THIS COURT ORDERS AND DECLARES** that the Receiver is entitled to sell the Compactor and vest title in it free and clear of the interest of Waste Management pursuant to an approval and vesting Order to be obtained by the Receiver and that either BNS or Roynat will be entitled to a distribution of the proceeds of sale from the sale of the Compactor in priority to Waste Management, pursuant to a distribution Order as will be recommended to the Court by the Receiver.



**HEWITT MATERIAL HANDLING**

3. **THIS COURT ORDERS AND DECLARES** that the interest of Hewitt Material Handling, a subsidiary of Hewitt Equipment Limited ("Hewitt"), in a lift truck bearing Equipment No. L012971 and Make, Model and Serial No. A1 2C5000 AT3540645 (the "Lift Truck") that is subject to a Lift Truck Rental Agreement with Entropex, is a perfected security interest that is subordinate to the perfected security interests of both BNS and Roynat.

4. **THIS COURT ORDERS AND DECLARES** that the Receiver is entitled to sell the Lift Truck and vest title in it free and clear of the interest of Hewitt pursuant to an approval and vesting Order to be obtained by the Receiver and that either BNS or Roynat will be entitled to a distribution of the proceeds of sale from the sale of the Lift Truck in priority to Hewitt, pursuant to a distribution Order as will be recommended to the Court by the Receiver.

  
\_\_\_\_\_  
(Signature of Judge)

RCP-E 59A (July 1, 2007)

THE BANK OF NOVA SCOTIA  
Plaintiff

-and- ENTROPEX ET AL.  
Defendants

Court File No. 35-1979333T

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

PROCEEDING COMMENCED AT  
LONDON

**ORDER**

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Lawyers for the receiver

File Number: 16056

Sept 13, 2016 Mr. Swift for the Receiver  
Mr. Hamum for the United Auto Workers  
Mr. Hagan for BNS and Raynat  
No other interested parties appearing  
despite proper service

ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY  
PROCEEDING COMMENCED AT  
LONDON

MOTION RECORD

Order signed in form Recs, as amended.  
Order is without prejudice to  
rights of Union (UAW) to claim  
priority to process which right  
is expressly reserved.

Mitchell J.

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Lawyers for the receiver

File Number: 16056

SEP 27 2016

- Mr Swift for the many receivers  
- No one else appearing, although (matter)  
called at 12:15 PM, although Mr  
Swift has filed court correspondence  
for other court indicatory:

1) Court for Union: other not appear  
requested Smith's report, provided a similar  
draft to that made by David  
Middell on Sept 13, 2016, which  
I have worked with on unrolled assets

is requested + confirmed does not  
1) Court for the further relief being  
- as requested  
2) Court for Smith's report, level  
has indicated that no material  
will be filed, + Smith's court  
will not be appearing today  
- Having viewed the work material,  
was satisfied that the request  
made is subject to some  
review + signed, subject to some  
revisions