

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE ) MONDAY, THE 28<sup>TH</sup>  
 )  
JUSTICE CAVANAGH ) DAY OF MARCH, 2022  
 )

B E T W E E N :

**THE MANUFACTURERS LIFE INSURANCE COMPANY**

Applicant

- and -

**RIVERSIDE PROFESSIONAL CENTRE INC.**

Respondent

APPLICATION UNDER Section 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 MNP Ltd. in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties of Riverside Professional Centre Inc. (the “**Debtor**”) acquired for, or used in relation to, a business carried on by the Debtor, including all proceeds thereof (collectively, the “**Property**”), which Property includes, without limitation, the leasehold interest in real property municipally known as 1919 Riverside Drive, Ottawa, Ontario, and legally described as PT LT 16, CON JG, PTS 1 & 2, 5R12853, Ottawa, being all of PIN 04201-0147 (LT), together

with the freehold interest in the building located on such real property (collectively, the “**Real Property**”), was heard this day by Zoom videoconference due to the Covid-19 pandemic.

ON READING the Notice of Motion and the second report of the Receiver dated March 17, 2022 (the “**Second Report**”) and the appendices thereto, and on hearing the submissions of counsel for the Receiver, the Applicant, The Ottawa Hospital/L’Hopital D’Ottawa (the “**Purchaser**”) and those other parties listed on the Counsel Slip, no one else appearing for any other person on the service list, although duly served, as appears from the affidavit of service of Daniel Richer sworn March 18, 2022 and the affidavit of service of Danny David sworn March 18, 2022 filed:

### **CAPITALIZED TERMS**

1. THIS COURT ORDERS that capitalized terms used in this Order and not otherwise defined herein shall have the meanings given to them in the asset purchase agreement between the Receiver and the Purchaser dated as of December 7, 2021 and appended to the Second Report as Appendix “E” (the “**Sale Agreement**”).

### **REPORT AND ACTIVITIES OF THE RECEIVER**

2. THIS COURT ORDERS that the Second Report, and the actions, conduct and activities of the Receiver described therein, be and are hereby approved, provided, however, that only the Receiver, in its personal capacity only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

### **INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS**

3. THIS COURT ORDERS that the Receiver's interim statement of receipts and disbursements for the period from October 29, 2021 to March 7, 2022, as set out in the Second Report and attached as Appendix "F" thereto, be and is hereby approved.

### **FEES AND DISBURSEMENTS**

4. THIS COURT ORDERS that the fees and disbursements of the Receiver for the period from July 20, 2021 to March 10, 2022 in the total amount of \$148,498.61 and of the Receiver's legal counsel, Fasken Martineau DuMoulin LLP ("**Fasken**"), for the period from July 21, 2021 to March 15, 2022 in the total amount of \$319,720.01, as set out in the Second Report and in Appendices "H" and "I" thereto, be and are hereby approved.

5. THIS COURT ORDERS that the anticipated further fees and disbursements of the Receiver and Fasken in connection with the completion by the Receiver of its remaining duties and administration of this receivership proceeding, estimated not to exceed \$65,000 (the "**Remaining Fees and Disbursements**"), all as set out in the Second Report, be and are hereby approved, and that the Receiver and Fasken shall not be required to pass their accounts in respect of any further activities in connection with the administration of this receivership proceeding, *provided, however*, that if the further fees and disbursements of the Receiver and Fasken in connection with the completion by the Receiver of its remaining duties and administration of this receivership proceeding exceed the above estimate, the Receiver shall return to Court to seek approval to pay any such amounts in excess of the Remaining Fees and Disbursements pursuant to a further Order of the Court.

## DISTRIBUTIONS

6. THIS COURT ORDERS that the Receiver be and is hereby authorized and directed to distribute to Manulife, or as it may in writing direct, \$41,343.86 in partial satisfaction of its secured claims against the Debtor.

7. THIS COURT ORDERS that, upon the Receiver receiving satisfactory statements of account, in the Receiver's sole discretion, from the parties listed below effective as of the date of distribution, the Receiver be and is hereby authorized and directed to make the following distributions from the sale proceeds arising from the sale of the Purchased Assets (the "**Sale Proceeds**"):

- (a) first, to the City of Ottawa, or as it may in writing direct, an amount sufficient to repay in full the outstanding indebtedness of the Debtor to the City of Ottawa in respect of property tax arrears owing in relation to the Real Property, which, as of March 11, 2022, was in the amount of \$723,223.58, and which amount will be updated by the City of Ottawa and approved by the Receiver, in its sole discretion, as of the date of distribution without further order of the Court; and
- (b) second, to Manulife, or as it may in writing direct, an amount sufficient to repay in full the remaining outstanding indebtedness owed by the Debtor to Manulife, which, as of March 28, 2022, is anticipated to be in the amount of \$5,901,355.34, and which amount will be updated by Manulife and approved by the Receiver, in its sole discretion, as of the date of distribution without further order of the Court, in satisfaction in full of its secured claims against the Debtor. *For greater certainty,*

the final amount owing to Manulife as of the date of distribution shall be adjusted to account for the interim distribution contemplated in paragraph 6 of this Order.

### **POWER TO BANKRUPT DEBTOR**

8. THIS COURT ORDERS that the Receiver be and is hereby authorized and empowered, but not obligated, to file an assignment in bankruptcy in the name of and on behalf of the Debtor pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada).

9. THIS COURT ORDERS that the Receiver be and is hereby authorized and empowered to take such steps and execute such documents as may be necessary or desirable to complete the filing of such assignment in bankruptcy, including without limitation, distributing to the Debtor's bankruptcy estate any Sale Proceeds remaining following the payment of the distributions set out in paragraphs 6 and 7 of this Order, including, without limitation any unused balance of the Remaining Fees and Disbursements; *for greater clarity*, the Receiver shall not make any distribution to the Debtor's bankruptcy estate until the fees and disbursements described in paragraph 4 of this Order and any Remaining Fees and Disbursements contemplated in paragraph 5 of this Order have been paid.

10. THIS COURT ORDERS that the Receiver be and is hereby authorized and empowered to nominate MNP Ltd. to act as trustee in bankruptcy of the Debtor.

### **DISCHARGE AS RECEIVER**

11. THIS COURT ORDERS that, upon the Receiver filing a certificate substantially in the form attached hereto as Schedule "A" (the "**Receiver's Discharge Certificate**") certifying that the distributions set out in paragraphs 6 and 7 of this Order have been made and that it has

completed the other activities described in the Second Report, MNP Ltd. shall be discharged as Receiver effective as of the date and time set out in the Receiver's Discharge Certificate (the "**Receivership Termination Time**"), provided, however, that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of MNP Ltd. in its capacity as Receiver.

12. THIS COURT ORDERS AND DECLARES that MNP Ltd. be and is hereby released and discharged from any and all liability that MNP Ltd. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of MNP Ltd. while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, MNP Ltd. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

13. THIS COURT ORDERS that the Receiver's Charge and the Receiver's Borrowing Charge (as defined in the Order of the Honourable Justice Koehnen dated October 29, 2021), and the Break Fee Charge (as defined in the Order of the Honourable Justice Pattillo dated December 14, 2021), shall be terminated, released and discharged at the Receivership Termination Time.

## **GENERAL**

14. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this

Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

15. THIS COURT ORDER that this Order is effective from the date this it is made and is enforceable without any need for entry and filing.

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## Schedule “A” – Form of Receiver’s Certificate

Court File No. CV-21-00668726-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

B E T W E E N :

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Applicant

- and -

**RIVERSIDE PROFESSIONAL CENTRE INC.**

Respondent

APPLICATION UNDER Section 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

### RECEIVER’S DISCHARGE CERTIFICATE

#### RECITALS

A. MNP Ltd. was appointed as Court-appointed receiver (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties of Riverside Professional Centre Inc. (the “**Debtor**”) acquired for, or used in relation to, a business carried on by the Debtor, including all proceeds thereof, which property includes, without limitation, the leasehold interest in real property municipally known as 1919 Riverside Drive, Ottawa, Ontario, and legally described as PT LT 16, CON JG, PTS 1 & 2, 5R12853, Ottawa, being all of PIN 04201-0147 (LT), together with the freehold interest in the building located on such real property (collectively, the “**Property**”), pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated October 29, 2021;



B. Pursuant to an Order of the Court dated March 28, 2022 (the “**Receivership Termination Order**”) the Receiver shall be discharged as Receiver of the Property upon the filing of this Receiver’s Discharge Certificate with the Court;

C. Unless otherwise indicated herein, capitalized terms used in this Receiver’s Discharge Certificate shall have the meanings ascribed thereto in the Receivership Termination Order.

THE RECEIVER CERTIFIES the following:

1. The distributions contemplated at paragraphs 6 and 7 of the Receivership Termination Order have been made.
2. The Receiver has completed the activities in connection with the receivership proceeding described in the Second Report.
3. Accordingly, the Receivership Termination Time has occurred.
4. This Certificate was delivered by the Receiver at \_\_\_\_\_ on \_\_\_\_\_, 20\_\_.

**MNP Ltd., in its capacity as Receiver of all of the assets, undertakings and properties of Riverside Professional Centre Inc., and not in its personal capacity**

Per: \_\_\_\_\_

Name:

Title:

**THE MANUFACTURERS LIFE INSURANCE COMPANY** - and -  
Applicant

**RIVERSIDE PROFESSIONAL CENTRE INC.**

Respondent

Court File No.: CV-21-00668726-00CL

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**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**  
**Proceeding commenced at**  
**Toronto**

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**ORDER**  
**(DISTRIBUTION & DISCHARGE)**

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**FASKEN MARTINEAU DuMOULIN LLP**

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