

Court File No.:

CV-19-622048-00 CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(Commercial List)

THE HONOURABLE )

MONDAY, THE 17<sup>TH</sup>

JUSTICE CONWAY )

DAY OF JUNE, 2019 )

BETWEEN

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

- and -

SATIN FINISH HARDWOOD FLOORING, LIMITED

Respondent



APPLICATION UNDER section 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. C.43, as amended

APPROVAL AND VESTING ORDER

THIS APPLICATION made by the Canadian Imperial Bank of Commerce (“CIBC”) for (i) an Order pursuant to section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43 appointing MNP Ltd. (“MNP”) as receiver and manager (in such capacity, the “Receiver”) without security of the assets and property (the “Property”) of Satin Finish Hardwood Flooring, Limited (the “Debtor”) for the primary purpose of completing the sale transaction contemplated by an agreement of purchase and sale (the “Sale Agreement”) between the Debtor and 2340125 Ontario Inc. (the “Purchaser”) dated May 28, 2019 (the “Transaction”) previously approved by the Ontario Superior Court of Justice [Commercial List] pursuant to an Approval and Vesting Order dated 7 June 2019 <sup>per the NOI Approval Order</sup> and administering the Employee Trust Fund, as described and defined in such Order; and (ii) an Order vesting the Purchased Assets (as defined in the Sale Agreement) in the Purchaser; was heard this day at 330 University Ave., Toronto, Ontario.

ON READING the Affidavit of Paul Montgomery sworn 17 June 2019 and the Pre-Appointment Report of MNP in its capacity as proposed Receiver, and on hearing the submissions of counsel for CIBC, MNP and those other parties listed on the counsel slip,

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby ratified and approved.

2. **THIS COURT ORDERS** that the Receiver be and is hereby authorized and directed to execute on behalf of the Debtor all necessary closing documents relating to the Transaction and to take all necessary steps to complete the Transaction.

3. **THIS COURT ORDERS** that the Receiver be and is hereby authorized to change the Debtor's name to 21091 Ontario Limited or another name which does not include "Satin Finish" or any derivation thereof forthwith on closing of the transaction contemplated by the Sale Agreement.

4. **THIS COURT ORDERS AND DECLARES** that, upon the delivery by the Receiver of a Receiver's Certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "**Receiver's Certificate**"), all of the right, title and interest of the Debtor and MNP in its capacity as Receiver in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise save and except for the liabilities and obligations and the security interests, charges, leases and other instruments relating thereto which the Purchaser has expressly agreed to assume under the Sale Agreement.

5. **THIS COURT ORDERS** that the sale of the Purchased Assets to the Purchaser is subject to the security of CIBC including the security identified on the attached Schedule "B" and that the security of CIBC is enforceable against the Purchased Assets without the requirement for CIBC to issue further Notices of Intention to Enforce Security under s. 244 of the *Bankruptcy and Insolvency Act* (the "**BIA**").

6. **THIS COURT ORDERS** that: (a) notwithstanding the Transaction, the Debtor remains liable for the obligations owing to CIBC; and (b) the Excluded Assets, as defined by the Sale Agreement, remain subject to the security of CIBC.

7. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

8. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in its records pertaining to Satin Finish's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

9. **THIS COURT ORDERS** that notwithstanding the bankruptcy of the Debtor, the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on MNP in its capacity as trustee-in-bankruptcy and shall not be void or voidable by creditors of the Debtor and shall not constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.



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ENTRÉ EN MAT / INSCRIT À TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO:

JUN 17 2019

PER / PAR: 



SCHEDULE "A"

Court File No.:

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(Commercial List)

B E T W E E N

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

- and -

SATIN FINISH HARDWOOD FLOORING, LIMITED

Respondent

APPLICATION UNDER section 101 of the *Courts of Justice Act*,  
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RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order dated 17 June 2019, MNP Ltd. ("MNP") was appointed receiver (in such capacity, the "Receiver") of the assets and property of Satin Finish Hardwood Flooring, Limited ("Satin Finish") for the sole purpose of completing the sale transaction contemplated by an agreement of purchase and sale (the "Sale Agreement") between Satin Finish and 2340125 Ontario Inc. (the "Purchaser") dated May 28, 2019 (the "Transaction") previously approved by the Ontario Superior Court of Justice [Commercial List] pursuant to an Approval and Vesting Order dated 7 June 2019 and administering the Employee Trust Fund.

B. Pursuant to a second Order dated 17 June 2019, the Court affirmed and approved the Sale Agreement and provided for the vesting in the Purchaser of the right, title and interest of Satin Finish and MNP in its capacity as Receiver in and to the Purchased Assets, which vesting is to be effective upon the delivery by the Receiver to the Purchaser of a Certificate confirming that the conditions to Closing as set out in Article 4 of the Sale Agreement have been satisfied or waived; and (ii) the Transaction has been completed to the satisfaction of the Receiver.

C. The Receiver has received the amount of 337,087.43 by way of contribution to the Employee Trust Fund.

D. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

**THE RECEIVER CERTIFIES** the following:

1. The conditions to Closing as set out in Article 4 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser.
2. The Transaction has been completed to the satisfaction of the Receiver; and
3. This Certificate was delivered by the Receiver at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**MNP LTD., in its capacity as  
Receiver of the property and  
assets of Satin Finish Hardwood  
Flooring, Limited, and not in its  
personal capacity**

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Name:

Title:

#3699998 | 4112265

BETWEEN:

Canadian Imperial Bank of Commerce  
Applicant

- and -

Satin Finish Hardwood Flooring, Limited  
Respondent

Court File No.: CV-19-62248-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(Commercial List)**

(PROCEEDING COMMENCED AT TORONTO)

**APPROVAL AND VESTING ORDER**

GOWLING WLG (CANADA) LLP  
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1 First Canadian Place  
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SOLICITORS FOR THE APPLICANT