

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE TORONTO-DOMINION BANK

Applicant

and

DRYTECH INTERNATIONAL INC. and 6892639 CANADA INC.

Respondents

**NOTICE OF MOTION
[RECEIVER'S THIRD REPORT TO THE COURT]**

Deloitte Restructuring Inc. (the "Receiver"), in its capacity as the receiver of all of the assets, undertakings and properties of Drytech International Inc. ("Drytech") and 6892639 Canada Inc. (collectively the "Debtors"), will make a motion to a Judge on Monday September 12, 2016 at 4:30 p.m. or as soon after that time as the motion can be heard, at the Court House, 161 Elgin Street, Ottawa, Ontario.

PROPOSED METHOD OF HEARING:

The motion is to be heard orally.

THE MOTION IS FOR:

- (a) if necessary, an Order abridging the time for, and validating the method of, service of the Notice of Motion and directing that any further service of the Notice of Motion be dispensed with such that this motion is properly returnable on September 12, 2016;
- (b) an Order accepting and approving the Third Report of the Receiver to the Court dated September 6, 2016 (the "Third Report") and approving the activities of the

Receiver described therein including, without limitation, the marketing and sale process undertaken by the Receiver;

- (c) an Order wherein the Court accepts the Supplementary Report to the Third Report (the "Supplemental Report") and, following the Court's review of the Supplemental Report, permanently seals the Supplemental Report;
- (d) an Order authorizing and directing the Receiver to accept and be bound by each of the offers referenced and summarized in the Supplemental Report, except the offers for lots 61 and 70, together with the Terms and Conditions of Sale referenced and incorporated in and forming part of each such offer (referred to individually as a "Purchase Agreement") in which each offeror making such respective accepted offer shall be referred to as a "Purchaser";
- (e) an Order authorizing and directing the Receiver to carry out the terms of each Purchase Agreement between the Receiver as vendor and each of the respective Purchasers together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, and vesting in each such Purchaser title to the assets more particularly referenced in the Purchase Agreement to which the Purchaser is a party, or as such Purchaser may further direct in writing, upon closing of the transaction of purchase and sale contemplated in each such Purchase Agreement;
- (f) an Order approving the Receiver's Statement of Receipts and Disbursements for the period from April 12, 2016 to August 26, 2016;
- (g) an Order approving the Receiver's interim distribution of funds to secured creditors;
- (h) an Order permitting Enterprise Fleet Management Canada Inc. to avail itself of its power to sell certain vehicles it has a registered security interest in pursuant to the *Personal Property Security Act*, R.S.O. 1990, c. P.10 and in accordance with the terms and conditions set out in this Third Report; and

- (i) such further relief as counsel may advise and this Honourable Court may permit

THE GROUNDS FOR THE MOTION ARE:

- (a) pursuant to an Order dated as of April 11, 2016, the Receiver was appointed as receiver of all of the assets, undertakings and properties of Drytech and 6892639 Canada Inc. (the "Property") pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. C.43;
- (b) since its appointment on April 11, 2016, the Receiver has pursued its mandate to take possession of, and exercise control over, the Property and to sell, convey, transfer, lease or assign the Property;
- (c) on January 1, 2016, the Receiver submitted its first report to the Court which report is dated May 20, 2016 (the "First Report");
- (d) on August 8, 2016, the Receiver submitted its second report to the Court, which report is dated July 26, 2016 (the "Second Report");
- (e) the Receiver wishes to present the Court with its Third Report to the Court on the status of the receivership and its activities to date which is dated September 6, 2016;
- (f) the Receiver wishes to present the Court with a Supplementary Report to the Third Report to the Court (the "Supplemental Report") which, following the Court's review of the Supplemental Report, the Receiver requests be permanently sealed;
- (g) Rules 1.04, 2.03, 3.02 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194; and
- (h) such further and other grounds as counsel may advise and this Honourable Court permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- (a) the Receiver's Third Report to the Court dated September 6, 2016;
- (b) the Supplementary Report to the Third Report to the Court dated September 6, 2016; and
- (c) such further and other materials as counsel may advise and this Honourable Court may permit.

DATE: September 7, 2016

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TO: <http://www.insolvencies.deloitte.ca/en-ca/drytech>

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