

COURT FILE NUMBER 2001-12759
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF ROYAL BANK OF CANADA
DEFENDANTS SWIMCO AQUATIC SUPPLIES LTD., SWIMCO PARTNERSHIP, BLUE CRUCH BIKINI & BOARDSHORT COMPANY LTD., LORI BACON HOLDINGS LTD., STEVE FORSETH HOLDINGS LTD., STEVE FORSETH ENTERPRISES LTD. and LORI JO HOLDINGS LTD.



DOCUMENT **DISCHARGE ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
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Attention: Danielle Marechal
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File No.: 49073-8

DATE ON WHICH ORDER WAS PRONOUNCED: Monday, February 22, 2021

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam Justice K.M. Eidsvik

UPON THE APPLICATION of Deloitte Restructuring Inc. in its capacity as the Court-appointed receiver and manager (the "**Receiver**") if the undertaking, property and assets of Swimco Aquatic Supplies Ltd., Swimco Partnership, Blue Crush Bikini & Boardshort Company Ltd., Lori Bacon Holdings Ltd. and Steve Forseth Holdings Ltd. for an Order for the final distribution of proceeds, approval of the Receiver's fees and disbursements, approval of the Receiver's activities and discharge of the Receiver; **AND UPON** having read the Receiver's Second Report dated February 16, 2021 (the "**Receiver's Report**"); **AND UPON** hearing from counsel for the Receiver, counsel for the Debtor and counsel for various creditors; **AND UPON** being satisfied that it is appropriate to do so, **IT IS HEREBY ORDERED THAT:**

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.
2. The Receiver's accounts for fees and disbursements with respect to the receivership, as set out in the Receiver's Report are hereby approved without the necessity of a formal passing of its accounts.

3. The accounts of the Receiver's legal counsel Cassels Brock & Blackwell LLP, for its fees and disbursements with respect to the receivership, as set out in the Receiver's Report are hereby approved without the necessity of a formal assessment of its accounts.
4. The accounts of the Receiver's legal counsel Pitblado Law, for its fees and disbursements with respect to the receivership, as set out in the Receiver's Report are hereby approved without the necessity of a formal assessment of its accounts.
5. The Receiver's activities as set out in the Receiver's Report and in all of its other reports filed herein, and the Statement of Receipts and Disbursements as attached to the Receiver's Report, are hereby ratified and approved.
6. The Receiver is authorized and directed to make the following distributions and holdbacks:
 - (a) a distribution to Service Canada in the amount of \$78,800 for prior Wage Earner Protection Program payments ("**WEPPA Distribution**");
 - (b) a holdback in the approximate amount of \$127,600, followed by a distribution to Canada Revenue Agency ("**CRA**") in the estimated amount of \$102,600 ("**CRA Distribution**") upon the CRA's completion of their trust audit for statutory deemed trust claims; and
 - (c) a distribution to D. Bacon Holdings Ltd. of all residual funds held in the estate in the estimated amount of \$400,000, following the payment of
 - (i) the professional fees of the Proposal Trustee, Trustee and Receiver and each's respective counsel for the NOI proceedings, bankruptcy proceedings and receivership (as set out in Appendix "E" of the Receiver's Report);
 - (ii) the WEPPA Distribution; and
 - (iii) the CRA Distribution.
7. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any in fraud, gross negligence or willful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.
8. No action or other proceedings shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on Notice to the Receiver, and upon such terms as this Court may direct.
9. Upon the Receiver filing with the Clerk of the Court a Certificate of a licensed Trustee employed by the Receiver confirming that all matters set out in paragraph 6 of this Order have been completed, the Receiver shall be discharged as Receiver of the Debtor, 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 the Receiver in its capacity as Receiver.

10. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by Facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
11. Service of this Order on any party not attending this application is hereby dispensed with.



Justice of the Court of Queen's Bench of Alberta