

**ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]**

**THE HONOURABLE
JUSTICE PATTILLO**

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**THURSDAY, THE 23rd DAY
OF DECEMBER, 2015**

IN THE MATTER OF AN APPLICATION UNDER SECTION
47(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

B E T W E E N:

**DESJARDINS FINANCIAL SECURITY LIFE
ASSURANCE COMPANY**

Applicant

- and -

CRAIGLEE NURSING HOME LIMITED

Respondent

DISCHARGE ORDER

THIS MOTION made by Deloitte Restructuring Inc. (“**Deloitte**”, formerly known as Deloitte & Touche Inc.), in its capacity as the Court-appointed interim receiver and receiver and manager (the “**Receiver**”) over all of the current and future assets, undertakings and properties (the “**Assets**”) of the Respondent Craiglee Nursing Home Limited (“**Craiglee**” or the “**Debtor**”),

for an Order (i) confirming and approving the actions and activities of the Receiver with respect to the Craiglee receivership (the “**Receivership**”) as set out in the Fourth Report of the Receiver dated December 15, 2015 (the “**Fourth Report**”); (ii) approving the Fourth Report; (iii) approving and accepting the Receiver’s Final Statement of Receipts and Disbursements for the period from April 28, 2009 to November 30, 2015; (iv) approving the fees for services rendered by the Receiver and its counsel; (v) authorizing and directing the Receiver to distribute to Desjardins Financial Security Life Assurance Company (“**Desjardins**”) the remaining funds from the trust account held by the Receiver in respect of Craiglee (the “**Craiglee Trust Account**”) after payment of the fees and disbursements of the Receiver and its counsel, and any required amounts incidental to the completion of the Receivership, as recommended in the Fourth Report; (vi) discharging Deloitte as Receiver of the undertakings, property and assets of the Debtor; and (vii) releasing Deloitte from any and all liability it now has or may have by reason of, or in any way arising out of, the acts or omissions of Deloitte while acting in its capacity as Receiver herein, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Receiver’s Notice of Motion dated December 15, 2015, the Fourth Report filed, including the affidavits of Hartley Bricks sworn November 10, 2015 and Chad Kopach sworn December 15, 2015 (collectively, the “**Fee Affidavits**”) and upon hearing the submissions of counsel for the Receiver, no other parties attending, although duly served as appears from the Affidavit of Service of Eric Golden sworn December 16, 2015, filed,

1. **THIS COURT ORDERS** that service of the Notice of Motion and the Motion Record herein is hereby abridged, if necessary, and that this motion is properly returnable today and that service, including the form, manner and time that such service was actually effected on all parties, is hereby validated, and where such service was not effected such service is hereby dispensed with.
2. **THIS COURT ORDERS** that the Fourth Report is hereby accepted and approved.
3. **THIS COURT ORDERS** that the conduct of the Receiver and its agents to December 15, 2015, as detailed in the Fourth Report, be and the same is hereby accepted and approved.
4. **THIS COURT ORDERS** that the Receiver's Final Statement of Receipts and Disbursements in respect of Craiglee as set out in **Appendix "F"** to the Third Report, filed, is hereby approved.
5. **THIS COURT ORDERS** that after payment of the fees and disbursement of the Receiver and its counsel, and any required amounts incidental to the completion of the Receivership, the Receiver is hereby authorized and directed to distribute to Desjardins Financial Security Life Assurance Company ("**Desjardins**"), the funds currently remaining in the trust account held by the Receiver in respect of Craiglee (the "**Craiglee Trust Account**"), and any additional funds subsequently received by the Receiver in respect of Craiglee, as partial payment on account of Desjardins' secured claims against Craiglee, which amount is to be applied against the balance outstanding on the Desjardins security, as recommended in the Fourth Report.

6. **THIS COURT ORDERS** that upon payment of the funds currently remaining in the Craiglee Trust Account and upon the Receiver filing a certificate in the form attached as Schedule “A” certifying that it has completed the other activities described in the Report, the Receiver shall be discharged as Receiver of the undertaking, property and assets 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 Deloitte in its capacity as Receiver.

7. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the Fourth Report and the Fee Affidavits, are hereby approved.

8. **THIS COURT ORDERS AND DECLARES** that Deloitte is hereby released and discharged from any and all liability that it now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Deloitte 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, Deloitte 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 within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

Robino T.

Schedule "A"

Court File No. CV- 09-8156-00CL

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B E T W E E N:

**DESJARDINS FINANCIAL SECURITY LIFE
ASSURANCE COMPANY**

Applicant

- and -

CRAIGLEE NURSING HOME LIMITED

Respondent

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice C. Campbell of the Ontario Superior Court of Justice (the "**Court**") dated April 28, 2009, Deloitte Restructuring Inc. ("**Deloitte**", formerly known as Deloitte & Touch Inc.) was appointed Interim Receiver and Receiver and Manager (the "**Receiver**") of all of the current and future assets, undertakings, and properties of the Respondent (the "**Debtor**").

B. Pursuant to an Order of the Honourable Justice Pattillo dated December 23, 2015 (the "**Discharge Order**"), Deloitte was discharged as Receiver of the assets, undertakings and properties of the Debtor to be effective upon the payment of the funds remaining in the trust account held by the Receiver in respect of the Debtor as of December 23, 2015, and upon the filing by the Receiver with the Court of a certificate confirming that the Receiver has completed the activities described in its Fourth Report dated December 15, 2015 (the "**Report**") provided, however, that notwithstanding its discharge: (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 Deloitte in its capacity as Receiver.

THE RECEIVER CERTIFIES that the Receiver has completed the distribution of funds and other activities as set out in the Report, and a copy of the Receiver's Final Statement of Receipts and Disbursements is attached hereto as Schedule "A".

DELOITTE RESTRUCTURING INC. in its capacity as Court Appointed Interim Receiver and Receiver and Manager of Craiglee Nursing Home Limited, and not in its personal capacity

Per: _____

Name: Hartley Bricks
Title: Senior Vice-President

DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY
Applicant

and **CRAIGLEE NURSING HOME LIMITED**
Respondent

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COURTS OF JUSTICE ACT, R.S.O. 1990, c.

C-43, AS AMENDED

Proceeding Commenced at **TORONTO**

DISCHARGE ORDER

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Eric Golden (LSUC #38239M)
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Lawyers for the Receiver, Deloitte Restructuring Inc. in its
capacity as Interim Receiver and Receiver and Manager of the
current and future assets, undertakings and properties of
Craiglee Nursing Home Limited