

THE TORONTO-DOMINION BANK
Applicant

-and- DRYTECH INTERNATIONAL INC. and 6892639 CANADA INC.
Respondents

APPLICATION UNDER s. 101 of the Courts of Justice Act, R.S.O. 1990, c.C-43 and s. 243 (1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3, ss. 67(1)(a) and (e) of the Personal Property Security Act, R.S.O. 1990, c. P.10 and Rules 3.02, 14.05(2) and (3) (g) of the Rules of Civil Procedure

Court File No. 16-68152

Having consulted Mr. Kornetkov's affidavit and submissions of counsel I am satisfied that the applicant TD Bank's motion for the appointment of a receiver herein is justified in order to gather the necessary information concerning the secured equipment and to properly address the secured creditor's respective priorities and to deal with the secured assets as may be required.

I acknowledge the submissions of counsel for Drytech and for BSI. Can. Inc. that the financial situation appears to have stabilized and that Kevin Doherty requires time to buy out the interests of the other shareholders and to pay out the TD Bank in respect of its \$4.0 million debt. At this point it is not certain that this will occur. This is a highly dynamic situation and with very recently, highly artificial, it may mean the interests of all the secured lenders will not be served by a court appointed receiver. DeLoche is appointed for that purpose. An order will issue in the form which I have signed this date.

Haddock J.
Apr 11 2016

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT OTTAWA

FACTUM AND AUTHORITIES OF THE APPLICANT

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Mr. P. Thompson for 6892639 Canada Inc.
Mr. A. DuCasse for BDB.