

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR. ) TUESDAY, THE 14TH  
JUSTICE CAVANAGH ) DAY OF JUNE, 2022

B E T W E E N:

**ROYAL BANK OF CANADA**

Applicant

- and -

**BACK 40 PICTURES INC.**

Respondent

**DISCHARGE ORDER**

THIS MOTION, made by Deloitte Restructuring Inc. (“**Deloitte**”) in its capacity as the Court-appointed receiver (the “**Receiver**”) without security, of certain of the assets, undertakings and properties of Back 40 Pictures Inc. (the “**Debtor**”) acquired for, or used in relation to businesses carried on by the Debtor for an order:

1. approving the activities of the Receiver as set out in the report of the Receiver dated June 3, 2022 (the “**Second Report**”);
2. approving the fees and disbursements of the Receiver and its counsel, including an accrual for fees and disbursements to be incurred to the completion of this receivership proceeding (the “**Accrual**”);

3. authorizing the Receiver's proposed course of action with respect to a proposed adjustment of GST/HST tax returns to finalize the quantum of certain film tax credits claimed by the Debtor;
4. approving the Receiver's statement of receipts and disbursements, for the period from July 9, 2020 to May 30, 2022 (the "**R&D**");
5. approving the distribution of the remaining proceeds available in the estate of the Debtor after payment of the fees and disbursements of the Receiver and the Accrual;
6. discharging Deloitte as Receiver of the Debtor effective upon the filing of a certificate by the Receiver certifying that all matters to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver, in substantially the form attached hereto at Schedule "A" (the "**Discharge Certificate**"); and
7. releasing Deloitte from any and all liability, as set out herein

was heard this day via Zoom videoconference.

ON READING the Second Report (including the appendices thereto, including, without limitation, the affidavits of the Receiver and its counsel as to fees (the "**Fee Affidavits**")), and on hearing the submissions of counsel for the Receiver and such other counsel as was present, no one else appearing although served as evidenced by the Affidavit of Tamie Dolny sworn June 3, 2022, filed;

1. THIS COURT ORDERS that time for service and filing of the Receiver's notice of motion and the Receiver's corresponding motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. THIS COURT ORDERS that the activities of the Receiver, as set out in the Second Report, are hereby approved.
3. THIS COURT ORDERS that the fees and disbursements of the Receiver and its counsel, as set out in the Report and the Fee Affidavits, are hereby approved.
4. THIS COURT ORDERS that the Accrual, as described within the Second Report, be and is hereby approved.

5. THIS COURT ORDERS that the Receiver is authorized and directed to proceed with the Course of Action on the CRA Proposal as defined and set out in the Second Report.

6. THIS COURT ORDERS that the Receiver's statement of receipts and disbursements, for the period from July 9, 2020 to May 30, 2022 (the "R&D") be and is hereby approved;

7. THIS COURT ORDERS that, after payment of the fees and disbursements of the Receiver, inclusive of the Accrual, and the Receiver's Borrowing Charge, the Receiver be and is hereby authorized and directed to distribute the remaining funds in the Post Receivership Accounts to Royal Bank of Canada ("RBC") up to the amount of its secured claim against the Debtor.

8. THIS COURT ORDERS that upon payment of the amounts set out in paragraph 7 hereof and upon the Receiver filing a certificate certifying that it has completed the other activities described in the Second 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.

9. THIS COURT ORDERS AND DECLARES that Deloitte is hereby released and discharged from any and all liability that Deloitte 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.

10. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this

Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

11. THIS COURT ORDERS that this Order is effective from today's date and is enforceable without the need for entry and filing.

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**SCHEDULE “A”**

Court File No. CV-20-00642755-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

B E T W E E N:

**ROYAL BANK OF CANADA**

Applicant

- and -

**BACK 40 PICTURES INC.**

Respondent

**RECEIVER’S DISCHARGE CERTIFICATE**

**RECITALS**

(A) Pursuant to an Order of The Honourable Mr. Justice McEwen of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made July 9, 2020, Deloitte Restructuring Inc. (“**Deloitte**”) was appointed as receiver and manager (in such capacity, the “**Receiver**”), without security, certain of the assets, undertakings and properties of Back 40 Pictures Inc. (the “**Debtor**”) acquired for, or used in relation to businesses carried on by the Debtor.

(B) Pursuant to an Order of the Court made June 14, 2022 (the “**Discharge Order**”), Deloitte was discharged as the Receiver of all of the assets, undertakings and properties of the Debtor to be effective upon the filing by the Receiver with the Court of a certificate confirming that all matters to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver, provided, however, that notwithstanding its discharge: (a) the Receiver will remain the Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership; and (b) the Receiver will 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 the Receiver.

(C) Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Discharge Order.

**THE RECEIVER CERTIFIES** the following:

1. all matters to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver; and
2. this Certificate was filed by the Receiver with the Court on the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**DELOITTE RESTRUCTURING INC.**, solely in its capacity as the Court-appointed receiver and manager of certain of the assets, undertakings and properties of Back 40 Pictures Inc., and not in its corporate, personal or any other capacity

Per:

\_\_\_\_\_  
Name:

Title:

**ROYAL BANK OF CANADA**

- and -

**BACK 40 PICTURES INC.**

Applicant

Respondent

Court File No. CV-20-00642755-00CL

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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST  
Proceedings commenced at Toronto**

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**RECEIVER'S DISCHARGE CERTIFICATE**

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*Lawyers for the Receiver*

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**ORDER**

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