

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



THE HONOURABLE MR.)

TUESDAY, THE 16th

JUSTICE HAINEY)

DAY OF OCTOBER, 2018)

HSBC BANK CANADA

Applicant

- and -

SAFETY SEAL PLASTICS INC.

Respondent

APPLICATION UNDER SUBSECTION 243(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

**APPROVAL AND VESTING ORDER
(Assignment of Certain Claims)**

THIS MOTION made by Deloitte Restructuring Inc., in its capacity as the Court-appointed Receiver (in such capacity, the “**Receiver**”), without security, of all the assets, undertakings and properties used in connection (collectively, the “**Property**”) of Safety Seal Plastics Inc. (the “**Debtor**”), acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the second report of the Receiver dated October 12, 2018 and the Appendices thereto (the “**Second Report**”) and on hearing the submissions of counsel for the Receiver, Packaging Growth Investors, LLC (“**PGI**”), HSBC Bank Canada, and such other

counsel listed on the Counsel Slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Katie Parent sworn October 12, 2018, filed.

All capitalized terms herein shall unless otherwise indicated have the meanings ascribed to them in the Assignment Agreement (as defined below).

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that the assignment agreement made as of October 3, 2018 between the Receiver and PGI (the “**Assignment Agreement**”) is hereby approved, and the execution of the Assignment Agreement by the Receiver is hereby authorized and approved, and that the Receiver be and is hereby authorized to do all things necessary to carry out the terms of the Assignment Agreement.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver’s certificate to the Assignee substantially in the form attached as Schedule “A” hereto (the “**Receiver’s Certificate**”), all of the Applicant’s right, title and interest in and to the Safety Seal Claims shall vest absolutely in the Assignee, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or

filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Dunphy dated August 7, 2018; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal or movable property registry system in any provinces or territories in Canada, including, without limitation, under the Civil Code of Quebec (all of which are collectively referred to as the “**Encumbrances**”), which term shall not include the obligations of the parties under the Assignment Agreement. This Court orders that all of the Encumbrances affecting or relating to the Safety Seal Claims are hereby expunged and discharged as against the Safety Seal Claims.

4. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Safety Seal Claims in the Assignee pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or

provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

5. **THIS COURT ORDERS** that the Assignment is on a without recourse basis, and that neither the Receiver nor HSBC shall be liable for any costs or otherwise in connection with the pursuit of any claims or causes of action, whether through litigation proceedings or otherwise in any way relating to the Safety Seal Claims.

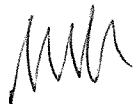
6. **THIS COURT FURTHER ORDERS** that the Assignee is required to advise any party to any litigation proceeding, and any Court in any litigation proceeding relating to the Safety Seal Claims of the existence of and terms of this Order.

7. **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 Debtor and the Receiver and their respective 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 Debtor and the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Debtor and the Receiver and their respective agents in carrying out the terms of this Order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

OCT 16 2018

PER / PAR:



Schedule “A” - Form of Receiver’s Certificate

Court File No. CV-18-00602325-00CL

HSBC BANK CANADA

Applicant

- and -

SAFETY SEAL PLASTICS INC.

Respondent

APPLICATION UNDER SUBSECTION 243(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

**RECEIVER’S CERTIFICATE
(Safety Seal Claims)**

RECITALS

A. Pursuant to an Order of the Honourable Justice Dunphy of the Ontario Superior Court of Justice (Commercial List) (the “Court”) dated August 7, 2018, Deloitte Restructuring Inc. was appointed as the receiver of property of Safety Seal Plastics Inc (the “Debtor”) as more particularly set out in such Order (the “Receiver”).

B. Pursuant to an Order of the Court made as of October ■, 2018, the Court approved the Assignment Agreement made as of October 3, 2018 (the “Assignment Agreement”) assigning the Debtor’s right, title and interest, if any in and to the Safety Seal Claims as defined in the Assignment Agreement between the Receiver and Packaging Growth Investors, LLC. (the “Assignee”) and provided for the vesting in the Assignee of the Debtor’s right, title and interest in and to the Safety Seal Claims, which vesting is to be effective with respect to such claims upon the delivery by the Receiver to the Assignee of a certificate confirming that the condition set out in paragraph 5 of the Assignment Agreement have been satisfied.

Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Assignment Agreement.

THE RECEIVER CERTIFIES the following:

1. The condition to completion of the Assignment as set out in paragraph 5 of the Assignment Agreement has been satisfied; and

2. The Assignment has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

HSBC BANK CANADA

and

SAFETY SEAL PLASTICS INC.

Court File No.: CV-18-00602325-00CL

Applicant

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

**APPROVAL AND VESTING ORDER
(Assignment of Certain Claims)**

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