

File No. CI 20-01-28589

THE QUEEN'S BENCH
WINNIPEG CENTRE

IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER PURSUANT
TO SECTION 243 OF THE *BANKRUPTCY AND*
INSOLVENCY ACT, RSC 1985, c B-3, AS AMENDED
AND SECTION 55 OF *THE COURT OF QUEEN'S*
BENCH ACT, CCSM c C280

BETWEEN:

THE TORONTO-DOMINION BANK,

Plaintiff,

- and -

KINGS CARGO EXPRESS LTD. AND
CANADA CARGO LINES LTD.,

Defendants.

DISTRIBUTION AND CONDITIONAL DISCHARGE ORDER

TAYLOR McCAFFREY LLP

Barristers and Solicitors
2200 – 201 Portage Avenue
Winnipeg, Manitoba, R3B 3L3

DAVID R.M. JACKSON

Direct Line: (204) 988-0375/Fax: (204) 953-7178

Email: djackson@tmlawyers.com

CHARLES ROY

Direct Line: (204) 988-0472/Fax: (204) 953-7231

croy@tmlawyers.com

Client File No. 32608-6

THE QUEEN'S BENCH
WINNIPEG CENTRE

THE HONOURABLE
MR. JUSTICE CHARTIER

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MONDAY, THE 8TH
DAY OF NOVEMBER, 2021

B E T W E E N:

THE TORONTO-DOMINION BANK,

Plaintiff,

- and -

KINGS CARGO EXPRESS LTD. AND CANADA CARGO LINES LTD.,

Defendants.

DISTRIBUTION AND CONDITIONAL DISCHARGE ORDER

THIS MOTION made by Deloitte Restructuring Inc. in its capacity as the Court-appointed receiver and manager (the "Receiver") of the undertaking, property and assets of Kings Cargo Express Ltd. and Canada Cargo Lines Ltd. (the "Defendants"), for an Order authorizing distribution of Net Sale Proceeds to the Plaintiff, The Toronto-Dominion Bank ("TD Bank"), conditionally discharging the Receiver and other relief was heard this day at Winnipeg, Manitoba.

ON READING the Second Report of the Receiver dated November 1, 2021 and the Affidavit of Laura Leigh Buley sworn November 1, 2021, and on hearing the submissions of counsel for the Receiver, TD Bank and Lavish Transport Ltd., no one else appearing although served as evidenced by the Affidavit of Service of Laura Leigh Buley sworn November 3, 2021, filed:

Service

1. THIS COURT ORDERS that the time for service of the Notice of Motion and supporting materials is hereby validated.

Interim Distribution

2. THIS COURT ORDERS that the Receiver is authorized and directed to pay from the Net Sale Proceeds the amounts as set out in paragraph 43 of the Second Report.

Approvals

3. THIS COURT ORDERS that the activities of the Receiver, as set out in the Second Report, are hereby approved, including the Statement of Receipts and Disbursements for the period October 5, 2020 to October 29, 2021.

4. THIS COURT ORDERS that the fees and disbursements of the Receiver and its counsel, as set out in the Second Report, are hereby approved without the necessity of a formal passing of accounts.

Conditional Discharge

5. THIS COURT ORDERS that upon payment of the amount set out in paragraph 2 hereof and upon the Receiver filing a certificate substantially in the form attached hereto as Schedule A to this Order certifying that:

- (a) The Receiver's interest in the six Co-Leased Units referenced in paragraph 21(e) of the Second Report has been addressed to the satisfaction of the Receiver;
- (b) The Receiver has completed the Proposed Distributions as set out in the Second Report;
- (c) All other matters in the administration of the Defendants' estate have been completed including distribution of any residual funds from the Receiver's Holdback;

the Receiver shall be fully discharged as Receiver of the undertakings, property and assets of the Defendants, provided however that notwithstanding its full 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 Restructuring Inc. in its capacity as Receiver.

6. THIS COURT ORDERS AND DECLARES that Deloitte Restructuring Inc. is hereby released and discharged from any and all liability that Deloitte Restructuring Inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Deloitte Restructuring Inc. 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 Restructuring Inc. 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.

7. THIS COURT ORDERS AND DECLARES that no action or other proceeding shall be commenced against the Receiver, including its officers, directors, employees, solicitors and agents and assigns 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.

Miscellaneous

8. THIS COURT ORDERS AND DIRECTS that the Confidential Report shall no longer remain stored electronically on an encrypted basis with this Court and hereby directs the Registrar of this Court to make the Confidential Report accessible to the public and to form part of the public record.

G.L. Chartier, J. Digitally signed by G.L. Chartier, J.
Date: 2021.11.10 11:45:34 -06'00'

I, David R.M. Jackson , of the firm of Taylor McCaffrey LLP hereby certify that I have received the consents as to form of the following parties:

Sam Gabor, Dentons Canada LLP, counsel for TD Bank

Norman Boudreau, Boudreau Law, counsel to Manjinder Rehal and Lavish Transport Ltd.

As directed by the Honourable Mr. Justice Chartier

SCHEDULE A

**THE QUEEN'S BENCH
WINNIPEG CENTRE**

B E T W E E N:

THE TORONTO-DOMINION BANK,

Plaintiff,

- and -

KINGS CARGO EXPRESS LTD. AND CANADA CARGO LINES LTD.,

Defendants.

RECEIVER'S DISCHARGE CERTIFICATE

A. Deloitte Restructuring Inc. was appointed receiver and manager (the "Receiver") of all of the assets, property and undertakings of the Defendants, Kings Cargo Express Ltd. and Canada Cargo Lines Ltd. ("Defendants"), pursuant to an Order of the Court of Queen's Bench dated October 5, 2020 ("Receivership Order");

B. Pursuant to the Distribution and Conditional Discharge Order of this Court pronounced November 10, 2021 ("Conditional Discharge Order") the Receiver has satisfied the conditions including having paid out any net realizations as directed by the Conditional Discharge Order and completed the administration of the Defendants' estate;

C. Unless otherwise indicated the Receiver's Certificate shall have the same meaning as given to them in the Conditional Discharge Order.

THE RECEIVER CERTIFIES the following:

1. The Receiver has paid the Net Sale Proceeds in accordance with the Conditional Discharge Order and as detailed in the Second Report.

2. The Receiver has satisfied the conditions of the Conditional Discharge Order, resolved its interest in the six Co-Leased Units, completed the outstanding activities described in the Second Report, and completed its administration of the Defendants' estate.

DATED at _____, Manitoba, this ____ day of _____, 20__.

DELOITTE RESTRUCTURING INC.
in its capacity as Receiver of
Kings Cargo Express Ltd. and Canada Cargo Lines Ltd.

Per: _____