

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

**IN THE MATTER OF SECTION 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**

THE HONOURABLE ) FRIDAY, THE 12<sup>th</sup>  
)  
JUSTICE STEELE ) DAY OF JULY, 2024

B E T W E E N:

**TANDIA FINANCIAL CREDIT UNION LIMITED**

Applicant

- and -

**1557113 ONTARIO INC., 1870431 ONTARIO INC., 2500994 ONTARIO LTD. AND  
2544924 ONTARIO INC.**

Respondents

**ADMINISTRATION ORDER**

THIS MOTION, made by BDO Canada Limited in its capacity as the Court-appointed receiver and manager (in such capacities, the “**Receiver**”) of the assets, undertakings and properties of the Respondents (collectively, the “**Debtors**”), was heard this day by Zoom videoconference.

ON READING the Second Report of the Receiver dated July 3, 2024 (the “**Second Report**”) and on hearing the submissions of counsel for the Receiver, counsel for Tandia Financial Credit Union Limited, in-house counsel for McDougall Energy Inc., no one appearing for any other person on the service list, although served as appears from the affidavit of service of Janet Nairne, sworn July 3, 2024, filed,

## **SERVICE**

1. THIS COURT ORDERS that that the time for service of the Receiver's Motion Record, including the Second Report, is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

## **SECOND REPORT AND RECEIVER'S ACTIVITIES**

2. THIS COURT ORDERS AND DECLARES that the Second Report and the activities of the Receiver described in the Second Report are hereby approved.

3. THIS COURT ORDERS that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the Second Report detailed in paragraph 2 hereof.

## **FEES AND DISBURSEMENTS**

4. THIS COURT ORDERS that the fees and disbursements of the Receiver for the period of January 1, 2024 to and including May 31, 2024, as set out in the fee affidavit of Peter Crawley appended to the Second Report, are hereby approved.

5. THIS COURT ORDERS that the fees and disbursements of the Receiver's independent counsel, Dickinson Wright LLP, for the period of December 29, 2023 to and including June 18, 2024, as set out in fee affidavit of John Leslie appended to the Second Report, are hereby approved.

## **STATEMENT OF RECEIPTS AND DISBURSEMENTS**

6. **THIS COURT ORDERS** that the Receiver's interim statements of receipts and disbursements for the period of December 1, 2023 to June 15, 2024, appended to the Second Report, is hereby approved.

## **SEALING**

7. THIS COURT ORDERS that the Receiver is authorized and directed, *nunc pro tunc*, to redact from the Second Report served on the parties named in the service list Confidential Appendices 1, 2A, 2B, 2C, 2D and 3.

8. THIS COURT ORDERS that the unredacted version of the Receiver's Motion Record, including the Confidential Appendices 1, 2A, 2B, 2C, 2D and 3 and to the Second Report shall be sealed, kept confidential, and shall not form part of the public record, but shall rather be placed separate and apart from all other contents of the Court File in a separately sealed envelope on which is affixed a notice setting out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be unsealed after the Transactions (as defined in the Second Report) is completed, or further Order of this Court.

9. THIS COURT ORDERS that the Receiver is authorized to cause each of the Debtors to make assignments in bankruptcy, and authorizes BDO Canada Limited to act as trustee in bankruptcy.

#### **DISTRIBUTION**

10. THIS COURT ORDERS that the Receiver is authorized and directed to make one or more distributions to Tandia Financial Credit Union Limited up to the amount of the Debtors' indebtedness owing thereto, with such distributions to occur upon or immediately following closing of each of the Kaladar Transaction, the Cloyne Transaction, the Trenton Transaction and the Belleville Transaction (as those terms are defined in the Second Report).

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**TANDIA FINANCIAL CREDIT UNION LIMITED**  
Applicant

-and- **1557113 ONTARIO INC. et al.**  
Respondents

Court File No. CV-23-00707172-00CL

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PROCEEDING COMMENCED AT  
**TORONTO**

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**ADMINISTRATION ORDER**

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