

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

BETWEEN:

CHINA MACHINERY ENGINEERING CORPORATION

Applicant

- and -

**2284649 ONTARIO INC., 2270613 LIMITED PARTNERSHIP, and
2270613 ONTARIO INC.**

Respondents

Application Under Section 101 of the *Courts of Justice Act*, R.S.O. 1990,
c. C.43, as amended, and Section 243 of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3, as amended

**ENDORSEMENT OF MR. JUSTICE MCEWEN
Heard July 5, 2018**

Appearing:

Edmond Lamek – for KSV Kofman Inc., the Receiver
Jesse Mighton – for the Applicant
Gregory Azeff – for the Respondents

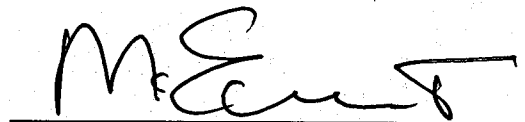
1. The Sale Process Approval Order shall go as per the draft filed and signed.
2. The Applicant also seeks a declaration that the Respondents be denied the right to bring a motion to lift the stay to allow the Respondents to repay the indebtedness.
3. I am not prepared to grant such a declaration.

4. No motion is before me and the Respondents have yet to bring the motion. In my view, I do not have the jurisdiction to deny the Respondents the right to bring a motion to lift the stay and prevent them from having their day in Court. Counsel did not have any jurisprudence to support this in any event.

5. I have scheduled the motion for July 26, 2018 for two hours. The return date is prior to the date when marketing efforts will begin. Further, counsel for the Respondents (including 22706113 Limited Partnership and 2270613 Ontario Inc.) concedes that if the motion fails (if brought) the Respondents will thereafter have to participate like any other bidder with no further attempts of redemption.

6. Motion materials of the Respondents are to be delivered by July 19, 2018.

7. A sealing order shall also go with respect to the bidding process as the *Sierra Club* criteria have been met.



A handwritten signature in black ink, appearing to read "M. S. East", is written over a horizontal line.

- China Machinery Engineering Corporation
Applicant

and 2284649 Ontario Inc. et al.
Respondents

Court File No: CV-18-591534-00CL

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

Proceeding commenced at Toronto

**UNOFFICIAL TRANSCRIPT OF
ENDORSEMENT OF MR. JUSTICE MCEWEN
HEARD JULY 5, 2018**

DLA PIPER (CANADA) LLP
1 First Canadian Place, Suite 6000
100 King Street West
Toronto, ON M5X 1E2
Edmond F.B. Lamek (LSO #33338U)
edmond.lamek@dlapiper.com
Tel: 416.365.4444
Danny M. Nunes (LSO #53802D)
danny.nunes@dlapiper.com
Tel: 416.365.3421

Lawyers for the Receiver