



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

THE HONOURABLE) WEDNESDAY, THE 14th
JUSTICE DIETRICH)
DAY OF JULY, 2021

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3
AS AMENDED**

**AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE UNITED
STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE WITH
RESPECT TO CELADON GROUP, INC. AND THE AFFILIATED DEBTORS LISTED
IN FOOTNOTE "1" HERETO¹**

**APPLICATION OF CELADON GROUP, INC. PURSUANT TO PART XIII OF THE
BANKRUPTCY AND INSOLVENCY ACT AND SECTION 101 OF THE *COURTS OF
JUSTICE ACT*, R.S.O. 1990, C. c.-43, AS AMENDED**

DISCHARGE AND DISTRIBUTION ORDER

THIS MOTION, made by KSV Restructuring Inc.² ("**KSV**"), in its capacity as Court-appointed receiver (in such capacity, the "**Receiver**") of the Property (as defined in the Supplemental Order dated January 23, 2020, the "**Supplemental Order**") of Celadon Group Inc. ("**Celadon**") and the affiliated debtors listed in footnote "1" hereto (the "**Chapter 11 Debtors**") pursuant to Section 272 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

¹ In addition to Celadon, the Chapter 11 Debtors are AR Management Services, Inc., Bee Line, Inc., Celadon Canadian Holdings, Limited ("CCHL"), Celadon E-Commerce, Inc., Celadon International Corporation, Celadon Logistics Services, Inc., Celadon Mexicana, S.A. de C.V., Celadon Realty, LLC, Celadon Trucking Services, Inc., Distribution, Inc., Eagle Logistics Services Inc., Hyndman Transport Limited ("Hyndman"), Jaguar Logistics, S.A. de C.V., Leasing Servicios, S.A. de C.V., Osborn Transportation, Inc., Quality Companies LLC, Quality Equipment Leasing, LLC, Quality Insurance LLC, Servicios Corporativos Jaguar, S.C., Servicios de Transportacion Jaguar, S.A. de C.V., Stinger Logistics, Inc., Strategic Leasing, Inc., Taylor Express, Inc., Transportation Insurance Services Risk Retention Group, Inc., and Vorbas, LLC

² KSV Kofman Inc. was the entity appointed as receiver in these proceedings. Effective August 31, 2020, KSV Kofman Inc. changed its name to KSV Restructuring Inc.

(the "**BIA**"), and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, C. c.-43, as amended, was heard this day by Zoom videoconference as a result of the COVID-19 pandemic.

ON READING the Notice of Motion of the Receiver, the Eighth Report of the Receiver dated July 7, 2021 (the "**Eighth Report**"), and on hearing the submissions of counsel for the Receiver, counsel to Luminus Energy Partners Master Fund, Ltd. ("**Luminus**"), Koskie Minsky LLP, the Court-appointed representative counsel for Hyndman's former employees and owner-operator drivers (in such capacity, "**Representative Counsel**"), and no one else appearing although duly served as appears from the affidavit of service of Aiden Nelms, filed.

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion 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 any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Eighth Report.

APPROVAL OF THE REPORTS AND THE RECEIVER'S ACTIVITIES AND FEES

3. **THIS COURT ORDERS** that the Reports, and the activities of the Receiver and its counsel referred to therein be and are hereby approved; provided, however, 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 such approval.
4. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the Eighth Report, be and are hereby approved.
5. **THIS COURT ORDERS** that the Receiver is authorized to pay further professional fees and expenses of the Receiver and its counsel up to the amount of the Fee Accrual without further Court order.

APPROVAL OF DISTRIBUTIONS

6. **THIS COURT ORDERS** that the Receiver be and is hereby authorized to pay:
- a. \$54,773.90 to the Trust Claimants in respect of, and in full and final satisfaction of, the Trust Claim;
 - b. \$100,226.10 to Representative Counsel in respect of its fees and disbursements; and
 - c. the balance of funds in the receivership account to Luminus, net of the Fee Accrual (together, the "**Distributions**").

DISCHARGE AND RELEASE

7. **THIS COURT ORDERS** that upon payment of the Distributions, the filing of the Receiver's final report as required under Section 246 of the BIA, and the filing of a certificate by the Receiver in the form attached as **Schedule "A"** hereto (the "**Discharge Certificate**") confirming the completion of all remaining activities necessary to finalize administration of these proceedings (the "**Remaining Activities**"), the Receiver shall be discharged as Receiver of the Property, 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 its mandate; and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in the Receivership, including all approvals, protections and stays of proceedings in favour of KSV in its capacity as Receiver.

8. **THIS COURT ORDERS AND DECLARES** that, upon the Receiver filing the Discharge Certificate, KSV and its counsel are hereby released and discharged from any and all liability they may now have or may hereafter have by reason of, or in any way arising out of, the acts or omissions of KSV acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on their part. Without limiting the generality of the foregoing, KSV and its counsel are hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the Receivership, save and except for any gross negligence or wilful misconduct on their part.

GENERAL

9. **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.

10. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having the Receivership recognized in a jurisdiction outside Canada.



BD

SCHEDULE "A"
DISCHARGE CERTIFICATE

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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IN FOOTNOTE "1" HERETO³**

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DISCHARGE CERTIFICATE

RECITALS

(A) Pursuant to an initial recognition order and a supplemental order (the "**Supplemental Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") both made January 23, 2020, KSV Restructuring Inc.⁴ ("**KSV**") was appointed as receiver (in such capacity, the "**Receiver**") of the Property (as defined in the Supplemental Order) (the "**Receivership**").

(B) Pursuant to an Order of the Court made July 14, 2021 (the "**Distribution and Discharge Order**"), KSV was discharged as the Receiver of the Property to be effective upon the filing by

³ In addition to Celadon, the Chapter 11 Debtors are AR Management Services, Inc., Bee Line, Inc., Celadon Canadian Holdings, Limited ("CCHL"), Celadon E-Commerce, Inc., Celadon International Corporation, Celadon Logistics Services, Inc., Celadon Mexicana, S.A. de C.V., Celadon Realty, LLC, Celadon Trucking Services, Inc., Distribution, Inc., Eagle Logistics Services Inc., Hyndman Transport Limited ("Hyndman"), Jaguar Logistics, S.A. de C.V., Leasing Servicios, S.A. de C.V., Osborn Transportation, Inc., Quality Companies LLC, Quality Equipment Leasing, LLC, Quality Insurance LLC, Servicios Corporativos Jaguar, S.C., Servicios de Transportacion Jaguar, S.A. de C.V., Stinger Logistics, Inc., Strategic Leasing, Inc., Taylor Express, Inc., Transportation Insurance Services Risk Retention Group, Inc., and Vorbas, LLC

⁴ KSV Kofman Inc. was the entity appointed as receiver in these proceedings. Effective August 31, 2020, KSV Kofman Inc. changed its name to KSV Restructuring Inc.

the Receiver with the Court of a certificate confirming that the Remaining Activities (as defined in the Distribution and Discharge Order), including the Distributions (as defined in the Distribution and Discharge Order), were completed, 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 the Receivership including all approvals, protections, and stays of proceedings in favour of KSV in its capacity as the Receiver.

THE RECEIVER CERTIFIES the following:

1. The Receiver has completed the Remaining Activities, including the Distributions.
2. This Certificate was filed by the Receiver with the Court on the _____ day of _____, 2021.

**KSV RESTRUCTURING INC. SOLELY IN ITS CAPACITY
AS RECEIVER OF THE CANADIAN BUSINESS AND
ASSETS OF CELADON GROUP, INC. AND THE ENTITIES
LISTED IN FOOTNOTE 1 HERETO AND NOT IN ITS
PERSONAL CAPACITY**

Per: _____

Name:

Title:

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ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

DISCHARGE AND DISTRIBUTION ORDER

BENNETT JONES LLP
3400 First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

Sean H. Zweig (LSO #57307I)
Tel: (416) 777-6253
Fax: (416) 863-1716

Aiden Nelms (LSO#74170S)
Tel:(416) 777-4642
Fax: (416) 863-1716

Counsel to KSV Restructuring Inc., solely in its capacity as
Court-appointed receiver and not in its personal capacity