

SUPERIOR COURT OF JUSTICE
COUNSEL SLIP/ENDORSMENT

ENDORSEMENT OF JUSTICE KIMMEL :

[1] KSV Restructuring Inc. ("KSV"), in its capacity as the Court-appointed receiver and manager (in such capacities, the "Receiver"), without security, of all the assets, undertakings and properties (collectively, the "Property") of Claireville Property Holdings Inc. (the "Debtor"), brought a motion for the approval of the First Report of the Receiver dated March 2, 2022 (the "First Report") and for approval of the actions of the Receiver described therein, and for certain relief in connection with a Sale Agreement with an Attempted Purchaser, as described therein.

[2] After the Receiver's motion was brought, the Attempted Purchaser elected to waive certain conditions under the Sale Agreement that rendered much of the relief that the Receiver was seeking on this motion moot.

[3] A scaled back form of order dealing with limited ancillary relief and sealing certain confidential appendices to the Receiver's report is sought, that is not opposed by any party on the service list.

[4] The Receiver's counsel provided to the court, in accordance with the current commercial list practice direction, with three confidential appendices to the Receiver's First Report (an offer summary and unredacted versions of the Sale Agreement and another unsigned APS) that are proposed to be sealed under a partial sealing order (the "Proposed Sealing Order").

[5] The court is satisfied that the proposed sealing of these confidential Appendices is necessary while the closing of the Sale Agreement is pending to avoid any interference with any future attempts to market and sell the Property if for any reason the transaction contemplated by the Sale Agreement does not close and the Property has to be remarketed, and to avoid any prejudice that might be caused by publicly disclosing confidential and commercially-sensitive information pending the completion of any sale of the Property. These salutary effects outweigh any deleterious effects, including the possible negative effects on the right to free expression and the public interest in open and accessible court proceedings.

[6] The proposed sealing is as narrow as possible (only those confidential appendices that pose a risk are being sealed) while still achieving the legitimate requirement of protecting the sale process, in the interests of all stakeholders. Accordingly, it appropriately balances the open court principle and legitimate commercial requirements for confidentiality. I am satisfied that the proposed Partial Sealing Order is appropriate under the *Sierra Club of Canada v. Canada (Minister of Finance)*, 2002 SCC requirements. The nature and scope of the Proposed Sealing Order is consistent with the court's practice of granting limited sealing orders in conjunction with the marketing and sale of properties in receivership proceedings.

[7] Order to go in the form signed by me today, with immediate effect and without the necessity of formal entry.

[8] The Receiver's counsel shall submit to the court, together with a copy of this endorsement and the signed order, a sealed envelope containing the three sealed confidential Appendices and request that the sealed envelope be filed, so as to give effect to the Partial Sealing Order contained in paragraphs 4, 5 and 6 of this endorsement and paragraph 3 of the signed order.

[9] A 30-minute hearing has been scheduled on April 14, 2022 at 11:00 a.m., at which time the Receiver anticipates bringing a motion for an approval and vesting order, if the Sale Agreement is completed. The material for that motion shall be served in the normal course with appropriate time afforded to interested stakeholders to respond.

A handwritten signature in black ink, appearing to read "Kimmel J.", with a stylized, cursive script.

KIMMEL J.