

ONTARIO
**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.

)

THURSDAY, THE 3rd

JUSTICE HAINEY

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)

DAY OF SEPTEMBER, 2020



ECN FINANCIAL INC.

Applicant

- and -

2345760 ONTARIO INC., RANDO DRUGS LTD., 2275518 ONTARIO INC., FAMILY HEALTH PHARMACY WEST INC. formerly known as M. BLACHER DRUGS LTD., 2501380 ONTARIO INC., 2527218 ONTARIO INC., DUMOPHARM INC. and 2527475 ONTARIO INC. and GRACE DIENA

Respondents

**ORDER
(Miscellaneous Matters)**

THIS MOTION, made by KSV Kofman Inc. ("**KSV**") in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") of the property, assets and undertaking of Rando Drugs Ltd. ("**Rando**"), 2275518 Ontario Inc. ("**2275518**") and the other Respondents listed above (collectively, the "**Debtors**") for orders, among other things,:

- a) authorizing and directing the Receiver, on behalf of the Debtors, to make one or more distributions to ECN Financial Inc. ("**ECN**");

- b) approving the minutes of settlement (the "**Minutes of Settlement**") between Chopra, Joshi, Karnik & Lamont Medicine Professional Corporation and the Receiver substantially in the form attached to the Third Report (defined below);
- c) approving the Receiver's activities as described in the Third Report of the Receiver dated August 27, 2020 (the "**Third Report**"); and
- d) sealing the confidential appendix to the Third Report pending further order of the Court,

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Receiver's Motion Record, including the Notice of Motion, the Third Report, and on hearing the submissions of counsel for the Receiver and those other parties present no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service of Gianni Bianchi sworn and filed on September 1, 2020:

NOTICE AND SERVICE

1. **THIS COURT ORDERS** that the time for service of the Motion Record in respect of this motion and the Third Report is hereby abridged and validated so that the motion is properly returnable today, and that further service thereof is hereby dispensed with.

DISTRIBUTION

2. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed, on behalf of the Debtors, to make one or more distributions (each a "**Distribution**") to ECN, in respect of its respective secured claims against the Debtors other than 2275518.

3. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) the assignment in bankruptcy or any application for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") or other applicable legislation in respect of the Debtors and any order issued pursuant to any such application; and

(e) any provisions of any federal or provincial legislation,

each Distribution shall be made free and clear of all encumbrances (including charges) and shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

MINUTES OF SETTLEMENT

4. **THIS COURT ORDERS** that the Minutes of Settlement are hereby approved, and the execution of the Minutes of Settlement, substantially in the form attached to the Third Report, by the Receiver is hereby authorized approved, with such minor amendments as the Receiver may deem necessary.

APPROVAL OF RECEIVER'S REPORT AND ACTIVITIES

5. **THIS COURT ORDERS** that the Third Report and the activities and conduct of the Receiver described 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 approvals.

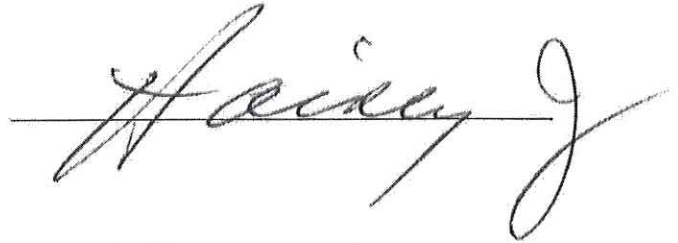
SEALING

6. **THIS COURT ORDERS** the confidential appendices to the Third Report be and are hereby sealed pending further Order of the Court.

MISCELLANEOUS

7. **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.

A handwritten signature in black ink, appearing to read "A. J. Hainey", written over a horizontal line.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

SEP 08 2020

PER / PAR: *RW*

ECN FINANCIAL INC. and 23-45760 ONTARIO INC., et al
Applicant Respondents

Court File No.: CV-19-632106-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

**ORDER
(Miscellaneous Matters)**

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