

Court File Number: 32-2634165

Estate File No. 32-2634165

Superior Court of Justice

Commercial List

FILE/DIRECTION/ORDER

Re Notice of Intention to Make a Proposal of 134-8441 Ontario Inc.

Plaintiff(s)

AND

Defendant(s)

Case Management  Yes  No by Judge: Koehnen J.

Counsel	Telephone No:	Email/Facsimile No:
Graham Phoenix for the applicant		
S. Kour for the Proposal Trustee		
T. Hogan for the Bank of Nova Scotia		

Order  Direction for Registrar (**No formal order need be taken out**)  
 Above action transferred to the Commercial List at Toronto (**No formal order need be taken out**)

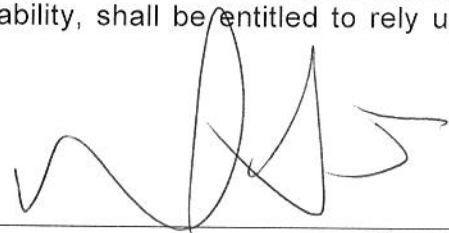
Adjourned to: \_\_\_\_\_

Time Table approved (as follows): \_\_\_\_\_

Date Heard: April 22, 2020

1. The applicant seeks an extension of 45 days up to and including June 9, 2020 to make a proposal that to its creditors, approval of a \$500,000 DIP loan and of a \$100,000 Administration Charge.

2. The Proposal Trustee supports the relief sought. None of the creditors opposes relief the applicant seeks. The applicant has been working closely with its first ranking secured creditor, Bank of Nova Scotia, to work out a solution to its financial difficulties which have been complicated by the current Covid 19 pandemic.
3. The DIP financing is being provided by the applicant's principal shareholder. It is at 0% interest and without fees or charges. I am satisfied from the affidavit of Gurmej Walia that the DIP should be approved based on the factors set out in section 50.6 (5) of the BIA. Without the DIP the applicant will not be able to carry on business or make a proposal to its creditors. A bankruptcy in the current environment will be highly prejudicial to all creditors.
4. The proposed Administration Charge is for \$100,000. I am also satisfied from the affidavit of Gurmej Walia that the Administration Charge is appropriate. The advice to be provided by the applicant's counsel and the Proposal Trustee are essential to the applicant. The roles of each are distinct and avoid duplication. No creditors oppose the charge.
5. In addition to the foregoing, the First Report of the Proposal Trustee dated April 20, 2020 and the conduct and activities of the Proposal Trustee described therein are approved, provided, however, that only the Proposal Trustee, 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.



Koehnen J.

April 22, 2020