

**ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY**

THE HONOURABLE
JUSTICE KOEHNEN

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FRIDAY, THE 12TH
DAY OF FEBRUARY, 2021

**IN THE MATTER OF THE PROPOSAL OF S.K. BERNSTEIN
HOLDINGS INC., OF THE CITY OF TORONTO, IN THE
PROVINCE OF ONTARIO**

ORDER

THIS MOTION, made by Dodick Landau Inc., in its capacity as the proposal trustee (in such capacity, the "**Proposal Trustee**") of S.K. Bernstein Holdings Inc. (the "**Company**"), for an order, *inter alia*, approving the proposal filed by the Company with the Official Receiver on January 11, 2021 (the "**Proposal**"), was heard this day virtually via Zoom videoconference as a result of the COVID-19 pandemic.

ON READING the Motion Record of the Proposal Trustee, including the Report of the Proposal Trustee dated February 4, 2021, and on hearing the submissions of counsel for the Proposal Trustee, 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 Katie Parent sworn February 8, 2021, filed:

1. **THIS COURT ORDERS** that capitalized terms used and not defined herein shall have the meanings ascribed thereto in the Proposal.

SERVICE

2. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and the Motion Record of the Proposal Trustee is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF PROPOSAL

3. **THIS COURT ORDERS AND DECLARES** that the Proposal (attached hereto as Schedule "A"), including without limitation Landlord Surplus Claim Methodology provided for therein, as accepted by the requisite majority of the Company's creditors, is fair and reasonable and is hereby approved and is effective in accordance with its terms.

PROPOSAL IMPLEMENTATION

4. **THIS COURT ORDERS** that effective at the Proposal Implementation Time, the Proposal shall be implemented and all of its provisions shall be fully effective and binding on the Company, all Landlord Creditors and on all other Persons affected by the Proposal, and their respective heirs, executors, administrators, legal representatives, successors and assigns.

5. **THIS COURT ORDERS** that in addition to the powers and rights afforded to it under the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, the Proposal Trustee be and is hereby authorized to take all actions and steps necessary or appropriate to implement the Proposal and the transactions contemplated thereby, subject to the terms of the Proposal, and that such steps and actions are hereby approved.

6. **THIS COURT ORDERS AND DECLARES** that the distributions, payments and disbursements delivered pursuant to the Proposal are not delivered by the Proposal Trustee in its personal or corporate capacity or as legal representative of the Company and shall be

without personal or corporate liability of the Proposal Trustee, and without limiting the foregoing, the Proposal Trustee shall have no, and is released from any, obligation or liability in connection with any taxes owing by the Company, or any withholdings or deductions that any person may assert should or should not have been paid or made in connection with such distributions, disbursements or payments.

7. **THIS COURT ORDERS** that, for the avoidance of doubt, the Proposal Trustee shall incur no liability or obligation for any act or omission as a result of carrying out the provisions of this Order and the Proposal, save and except for any gross negligence or wilful misconduct on its part.

8. **THIS COURT ORDERS** that effective at the Proposal Implementation Time, the commencement, continuation or prosecution, whether directly, indirectly, derivatively or otherwise, of any demands, claims, actions, counterclaims, suits, judgment, or other remedy or recovery from or against the Released Parties shall be and are hereby permanently barred, estopped and enjoined.

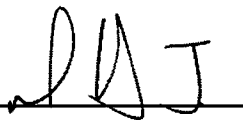
9. **THIS COURT ORDERS AND DECLARES** that effective at the Proposal Implementation Time, any and all claims of any nature against the Released Parties shall be and are hereby compromised, discharged and released in accordance with the Proposal, and the ability of any Person to proceed against the Released Parties in respect of or relating to any such claims shall be and is hereby forever discharged and restrained, and all proceedings with respect to, in connection with or relating to such claims shall be and are hereby permanently stayed.

GENERAL

10. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada against all persons, firms, corporations, governmental, municipal and

regulatory authorities against whom it may be enforceable.

11. **THIS COURT ORDERS AND REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province to act in aid of and to be complementary to this Court 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 as may be necessary or desirable to give effect to this Order or to assist the Proposal Trustee and its agents in carrying out the terms of this Order.

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Schedule "A"
Proposal

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OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

Court/Estate File No.: 31-2648369

**ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY**

Proceeding commenced at TORONTO

**ORDER
(Proposal Approval Order)**

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