

File No. CI 25-01-53267

**THE KING'S BENCH
WINNIPEG CENTRE**

**IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER PURSUANT
TO SECTION 243 OF THE BANKRUPTCY AND
INSOLVENCY ACT R.S.C. 1985, c. B-3 AS
AMENDED AND SECTION 55 OF *THE KING'S
BENCH ACT*, C.C.S.M. c. C280**

B E T W E E N:

STRIDE CREDIT UNION LIMITED

Applicant

- and -

7333651 MANITOBA LTD. and 6844406 MANITOBA LTD.

Respondents.

**AMENDED APPROVAL AND VESTING ORDER, DISTRIBUTION
AND DISCHARGE ORDER**

**TAYLOR McCaffrey LLP
Barristers and Solicitors
2200 – 201 Portage Avenue
Winnipeg, Manitoba, R3B 3L3**

**Charles Roy
Telephone: 204-988-0472
Fax – 204-953-7212**

Client File No. 33827-26

THE KING'S BENCH
WINNIPEG CENTRE

THE HONOURABLE) WEDNESDAY, THE 4 TH
MR. JUSTICE REMPEL) DAY OF MARCH, 2026

IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER PURSUANT TO
SECTION 243 OF THE BANKRUPTCY AND INSOLVENCY
ACT R.S.C. 1985, c. B-3 AS AMENDED AND SECTION 55
OF *THE KING'S BENCH ACT*, C.C.S.M. c. C280

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STRIDE CREDIT UNION LIMITED

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- and -

7333651 MANITOBA LTD. and 6844406 MANITOBA LTD.

Respondents.

**AMENDED APPROVAL AND VESTING ORDER, DISTRIBUTION
AND DISCHARGE ORDER**

THIS MOTION, made by Lazer Grant Inc., the court appointed receiver and manager (the "**Receiver**"), without security, of all of the assets, undertakings and properties of 7333651 Manitoba Ltd. and Portage La Prairie Inn Corp. formerly known as 6844406 Manitoba Ltd. (collectively the "**Respondents**"), acquired for, used or relating to the business carried on by the Respondents, including all proceeds thereof (the "**Property**"), in its capacity as court-appointed Receiver of the Respondents, for an Order approving the sale transaction (the "**Transaction**") contemplated by an Offer to Purchase Agreement (the "**Offer to Purchase**") between the Receiver and 10257122 Manitoba Ltd. (the "**Purchaser**") dated February 3, 2026 appended to the Confidential Supplement to the First Report of the Receiver dated March 3, 2026 (the "**Confidential Report**") and referenced in the First Report of the Receiver dated February 27,

2026 (the "**First Report**"), and vesting in the Purchaser of all the Debtors' right, title, and interest in and to the assets described in the Offer to Purchase (the "**Purchased Assets**") and authorizing distribution of Net Sales Proceeds to the Applicant, Stride Credit Union Limited ("**Stride**"), discharging the Receiver and other relief, was heard this day at the Law Courts Building, 408 York Ave., Winnipeg, Manitoba.

ON READING the First Report, the Confidential Report, on hearing the submissions of counsel for the Receiver, the Applicant, the Respondents, and the creditor, Manitoba Employment Standards, and no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service of Michaela Watson affirmed March 2, 2026, the Affidavit of Service of Michaela Watson affirmed March 3, 2026, and the Affidavit of Service of Michelle Loftus affirmed March 3, 2026, as filed:

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the supporting materials is hereby abridged and validated so this motion is properly returnable today and hereby dispenses with further service thereof.

SEALING ORDER

2. THIS COURT ORDERS AND DECLARES that the Confidential Report be sealed, kept confidential, and not form part of the public record, and shall remain stored electronically with this Court on an encrypted basis limiting access to only the Registrar of this Honourable Court and the presiding Judge, except:

a) by further Order of this Court;

- b) upon the closing of the Transaction and with the filing of the Receiver's Certificate (as defined below);

whichever shall first occur, whereupon the Confidential Report shall form part of the public record and shall no longer be sealed.

SALE APPROVAL AND VESTING

3. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Offer to Purchase by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

4. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule 1** hereto (the "**Receiver's Certificate**"), all of the Respondents' right, title, and interest in and to the Purchased Assets described in the Offer to Purchase shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Mr. Justice Rempel signed October 10, 2025 (the "**Receivership Order**"); and (ii) all charges, security interests or claims evidenced by registrations

pursuant to *The Personal Property Security Act* (Manitoba) or any other personal property registry system, and (iii) those Claims listed in **Schedule “3”** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule “4”**), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

5. THIS COURT ORDERS that upon the registration in the Winnipeg Land Titles Office ("WLTO") of a Transmission in the form prescribed by *The Real Property Act* (Manitoba) duly executed by the Purchaser, and accompanied by a certified true copy of this Order, title to the Real Property as defined in the Offer to Purchase and identified in **Schedule “2”** shall vest in the Purchaser subject to all instruments registered on title at that time, other than those described in **Schedule "3"**, and the District Registrar is hereby directed to issue title accordingly.

6. THIS COURT ORDERS that this Order shall be accepted by the District Registrar notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

ASSIGNMENT OF CONTRACTS AND CHOSE IN ACTION

7. THIS COURT AUTHORIZES AND DIRECTS the Receiver to assign the contracts (the "**Assigned Contracts**") and the Respondents rights, title and interest in the statement of claim under Court File Number CI24-01-47252 (the "**Chose in Action**") as listed in Schedule A of the Offer to Purchase.

8. THIS COURT ORDERS AND DECLARES that upon delivery of the Receiver's Certificate: (i) all of the rights and obligations of the Receivership Defendants under and to the

Assigned Contracts and Chose in Action shall be assigned, conveyed and transferred to, and assumed by, the Purchaser; and (ii) the assignment of the Assigned Contracts is hereby declared valid and binding upon all of the counterparties to the Assigned Contracts, notwithstanding any restriction, condition or prohibition contained in any such Assigned Contract relating to the assignment thereof, including any provision requiring the consent of any party to the assignment.

9. THIS COURT ORDERS AND DECLARES that the assignment and transfer of the Assigned Contracts shall be subject to the provisions herein directing that the Respondents right, title and interest in the Purchased Assets shall vest absolutely in the Purchaser free and clear of all Encumbrances in accordance with the provisions of this Order.

10. THIS COURT ORDERS AND DECLARES THAT, no counterparty under any Assigned Contract, nor any other person, upon the assignment and transfer to, and assumption by, the Purchaser of any Assigned Contract shall make or pursue any demand, claim, action or suit or exercise any right or remedy under such Assigned Contract against the Purchaser relating to:

- a) the Applicant having sought or obtained relief under the *Bankruptcy and Insolvency Act* against the Respondents;
- b) the insolvency of the Respondents; or
- c) any failure by the Respondents to perform a non-monetary obligations under any Assigned Contract;

and all such counterparties and persons shall be forever barred and estopped from taking such action. For greater certainty nothing herein shall limit or exempt the Purchaser in respect of obligations accruing, arising or continuing after the delivery of the Receiver's Certificate under the Assigned Agreements other than in respect of items (a) and (c) above.

PRIORITIES

11. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (the "**Net Sale Proceeds**") shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the Net Sale Proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

12. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

13. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Respondents and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Respondents;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any licensed insolvency trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Respondents, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable

federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct or action other than in good faith pursuant to any applicable federal or provincial legislation.

DISTRIBUTION

14. THIS COURT ORDERS that the Receiver is authorized and directed to pay from the Net Sales Proceeds the Proposed Distributions to Stride as defined in the First Report and detailed in the Statement of Receipts and Disbursements. Furthermore, to the extent any surplus funds remain after payment of the Receiver obligations, including professional fees, may be paid to Stride up to the amount the Respondents owe to Stride.

APPROVALS

15. THIS COURT ORDERS that the activities and actions of the Receiver to date as described in the First Report with respect of its administration of these receivership proceedings are hereby approved, including the Statement of Receipts and Disbursements for the period October 10, 2025 to February 24, 2026 contained in the First Report.

16. THIS COURT ORDERS that the fees and disbursements of the Receiver and its counsel, as set out in the First Report including the estimated fees to conclude these proceedings, are hereby approved without the necessity of a formal passing of accounts.

17. THIS COURT ORDERS that the Receiver is authorized to maintain a holdback of \$176,600.88 (the “**Receiver’s Holdback**”) on account of further fees and disbursements of the Receiver and its legal counsel, and the identified other costs set out in the First Report, and to apply from time to time the amounts so held back against such further fees and disbursements without the requirement of taxation or passing of accounts.

DISCHARGE

18. THIS COURT ORDERS that upon payment of the amounts set out in paragraph 10 hereof and upon the Receiver filing a certificate substantially in the form attached hereto as **Schedule 5** to this Order certifying that:

- (a) The Receiver has completed the Proposed Distribution as set out in the First Report;
- (b) All other matters in the administration of the Respondents' estate have been completed;

the Receiver shall be fully discharged as Receiver of the undertakings, property and assets of the Respondents, provided however that notwithstanding its full discharge (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Lazer Grant Inc. in its capacity as Receiver.

19. THIS COURT ORDERS AND DECLARES that Lazer Grant Inc. is hereby released and discharged from any and all liability that Lazer Grant Inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Lazer Grant Inc. while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, Lazer Grant Inc. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

20. THIS COURT ORDERS AND DECLARES that no action or other proceeding shall be commenced against the Receiver, including its officers, directors, employees, solicitors and agents and assigns in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on notice to the Receiver, and upon such terms as this Court may direct.

MISCELLANEOUS MATTERS

21. 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.

22. THIS COURT ORDERS that this Order shall be served by email to all parties on the Service List, and any other party who appeared at the hearing of this motion, and further service

is hereby
March , 2026

dispensed with.
Herbert H Rempel
Digitally signed by
Herbert H Rempel
Date: 2026.03.18 11:03:58
-05'00'
Justice Rempel

I, Charles Roy, of the firm of Taylor McCaffrey LLP, hereby certify that I have received the consents as to form of the following parties:

Stride Credit Union Limited, as represented by Travis Webber at D’Arcy & Deacon LLP
Manitoba Employment Standards, as represented by Tristan Sandulak, Crown Counsel
7333651 Manitoba Ltd., 6844406 Manitoba Ltd., and Jai Inder Sandhu, as represented by Sushil Simoliya at Progressive Legal Solutions LLP

as directed by the Honourable Mr. Justice Rempel

Schedule "1" – Form of Receiver's Certificate

File No. CI 25-01-53267

**THE KING'S BENCH
WINNIPEG CENTRE**

**IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER PURSUANT
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AMENDED AND SECTION 55 OF *THE KING'S
BENCH ACT*, C.C.S.M. c. C280**

B E T W E E N:

STRIDE CREDIT UNION LIMITED

Applicant

- and -

7333651 MANITOBA LTD. and 6844406 MANITOBA LTD.

Respondents.

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Rempel of the Manitoba Court of King's Bench (the "**Court**") dated October 10, 2025, Lazer Grant Inc. was appointed as the receiver and manager (the "**Receiver**") of the assets, undertakings and properties of each of 7333654 Manitoba Ltd. and 6844406 Manitoba Ltd. (collectively, the "**Respondents**"), acquired for, used or relating to the business carried on by the Respondents, including all proceeds thereof.

B. Pursuant to the Approval and Vesting, Distribution and Discharge Order of this Court pronounced March 4, 2026 ("**AVO and Discharge Order**"), the Court approved the Offer to Purchase Agreement (the "**Offer to Purchase**") between the Receiver and 10257122 Manitoba Ltd. (the "**Purchaser**") dated February 3, 2026, and provided for the vesting in the Purchaser, of the Respondents' right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the

delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Offer to Purchase.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets pursuant to the Offer to Purchase;
2. The conditions to Closing the Offer to Purchase have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**Lazer Grant Inc., in its capacity as Receiver,
without security, of all of the assets,
undertakings and properties of the
Respondents, and not in its personal capacity**

Per: _____
Name:
Title:

Schedule "2" – Real Property

Registered Owner: 6844406 Manitoba Ltd.

Title No. 2709171/3

Legal Description:

LOT 1 PLAN 1817 PLTO
IN RL 22 PARISH OF PORTAGE LA PRAIRIE

Schedule "3" – Claims to be deleted and expunged from title to Real Property

For Title Number ~~3008070/1~~ 2709171/3

- a. Mortgage No. 1207793/3 (6844406 Manitoba Limited Mortgage)
- b. Caveat No. 1242443/3 (from H.M. The King in Right of the Province of Manitoba)

**Schedule "4" – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**

For Title Number ~~3008070/1~~ 2709171/3

- a. Caveat No. 38721/3 (A.A. Kroeker Sons Ltd.)
- b. Caveat No. 94-7391/3 (The City of Portage La Prairie)
- c. Caveat No. 1103781/3 (The City of Portage La Prairie)
- d. Easement 1227661/3 (Manitoba Hydro-Electric Board)

Schedule "5" – Form of Receiver's Certificate

File No. CI 25-01-53267

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B E T W E E N:

STRIDE CREDIT UNION LIMITED

Applicant

- and -

7333651 MANITOBA LTD. and 6844406 MANITOBA LTD.

Respondents.

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Rempel of the Manitoba Court of King's Bench (the "**Court**") dated October 10, 2025, Lazer Grant Inc. was appointed as the receiver and manager (the "**Receiver**") of the assets, undertakings and properties of each of 7333654 Manitoba Ltd. and 6844406 Manitoba Ltd. (collectively, the "**Respondents**"), acquired for, used or relating to the business carried on by or on behalf of the Receivership Defendants, including, but not limited to, the lands and premises commonly known as Highway 1 and Yellowquill Trail, in Portage La Prairie, in the Province of Manitoba (the "**Real Property**"), and more specifically described as: LOT 1 PLAN 1817 PLTO IN RL 22 PARISH OF PORTAGE LA PRAIRIE and including all proceeds thereof (collectively the "**Property**");

B. Pursuant to the Approval and Vesting, Distribution and Discharge Order of this Court pronounced March 4, 2026 ("**AVO and Discharge Order**"), the Receiver has satisfied the conditions including having paid out any net realizations as directed by the Discharge Order and completed the administration of the Respondents' estate;

C. Unless otherwise indicated the Receiver's Certificate shall have the same meaning as given to them in the AVO and Discharge Order.

THE RECEIVER CERTIFIES the following:

1. The Receiver has paid the Net Proceeds in accordance with the AVO and Discharge Order and as detailed in the First Report.
2. The Receiver completed its administration of the Respondents' estate.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**Lazer Grant Inc., in its capacity as Receiver,
without security, of all of the assets,
undertakings and properties of the
Respondents, and not in its personal capacity**
Per: _____

Name:

Title: