

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

THE HONOURABLE) THURSDAY, THE 25th DAY
JUSTICE CAMPBELL) OF OCTOBER, 2012

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

MARNLEN MANAGEMENT LTD. AND LABELAD LTD.

Respondents

APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O 1990, C. C-43, AS AMENDED

ORDER

THIS MOTION, made by PricewaterhouseCoopers Inc. (“**PwCI**”) in its capacity as the Court-appointed receiver (the “**Receiver**”) of the undertaking, property and assets of Marnlen Management Ltd. (“**Marnlen**”) and 1547937 Ontario Ltd., formerly Labelad Ltd. (“**154**” and, together with Marnlen, the “**Debtors**”) for an order: (i) approving the Second Report of the Receiver dated October 16, 2012, filed (the “**Second Report**”) and the Receiver’s activities set out therein; (ii) amending the title of these proceeding to reflect 154’s name change; (iii) approving the accounts of the Receiver and its legal counsel; (iv) approving the Receiver’s receipts and disbursements; and (v) approving certain distributions to secured creditors of the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report and on hearing the submissions of counsel for the Receiver, counsel for Royal Bank of Canada ("**RBC**"), Counsel for Nanlark Holdings Limited ("**Nanlark**"), _____ and no one appearing for any other person on the service list, although properly served as appears from the affidavit of Daphne Porter sworn October 17, 2012 filed:

1. **THIS COURT ORDERS** that the title of these proceedings shall be and is hereby amended to the following:

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

MARNLEN MANAGEMENT LTD. AND 1547937 ONTARIO LTD.

Respondents

**APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3,
AS AMENDED AND SECTION 101 OF THE COURTS OF
JUSTICE ACT, R.S.O. 1990, C. C-43, AS AMENDED**

2. **THIS COURT ORDERS** that the Second Report be and is hereby approved and the activities of the Receiver described therein be and are hereby approved.
3. **THIS COURT ORDERS** that the fees and disbursements with respect to the Debtors of PwCI for the period to September 30, 2012, in the amounts of \$301,945.50 for fees and \$19,202.14 for disbursements (both excluding HST), be and the same are hereby approved.
4. **THIS COURT ORDERS** that the fees and disbursements of the Receiver's legal counsel, Aird & Berlis LLP, for the period to September 30, 2012, in the amounts of

\$47,672.00 for fees and \$1,405.64 for disbursements (both excluding HST), be and the same are hereby approved.

5. **THIS COURT ORDERS** that the Receiver's Statement of Receipts and Disbursements for the period from July 18, 2012 to September 30, 2012 be and the same is hereby approved.

6. **THIS COURT ORDERS** that the following payments be made and that such payments are hereby approved and that the Receiver is hereby authorized and instructed to make the following payments from the proceeds of the disposition of the assets of the Debtors, subject to the maintenance of reserves adequate to discharge any prior ranking charges and to provide for costs associated with the completion of the administration of the receivership:

- (a) payments to RBC in amounts sufficient to satisfy the Debtors' Canadian dollar and US dollar indebtedness to RBC, such amounts not to exceed CDN\$600,000 and US\$101,000, respectively;
- (b) a payment to Export Development Canada in the amount of \$1,000,000; and
- (c) a payment to, or on behalf of, Nanlark in the amount of \$140,000.

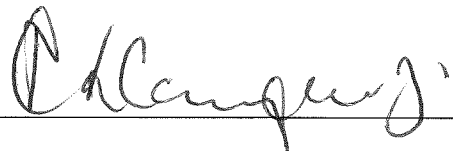
7. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, 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.

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LE / DANS LE REGISTRE NO.:

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OCT 25 2012



ROYAL BANK OF CANADA

Applicant

and

MARNLEN MANAGEMENT LTD. and LABELAD LTD.

Respondents

Court File No. CV-12-9788-00CL

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SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceedings commenced at Toronto

ORDER

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