

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

FRIDAY, THE 18TH

)

CHIEF JUSTICE MORAWETZ

)

DAY OF OCTOBER, 2019



IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TARGET CANADA CO., TARGET CANADA HEALTH CO., TARGET CANADA MOBILE GP CO., TARGET CANADA PHARMACY (BC) CORP., TARGET CANADA PHARMACY (ONTARIO) CORP., TARGET CANADA PHARMACY CORP., TARGET CANADA PHARMACY (SK) CORP., and TARGET CANADA PROPERTY LLC (the "**Applicants**")

DISCHARGE ORDER

THIS MOTION, made by Alvarez & Marsal Canada Inc. ("**A&M**") in its capacity as monitor of the Applicants (in such capacity, the "**Monitor**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 ("**CCAA**"), for an Order, *inter alia*, terminating these proceedings commenced pursuant to the CCAA (the "**CCAA Proceedings**"), discharging A&M in its capacity as Monitor, and approving the Monitor's fees and disbursements described in its Forty-Second Report, was heard this day at the Courthouse at 330 University Avenue, Toronto, Ontario.

ON READING the Forty-Second Report, including the Monitor's Plan Completion Certificate appended thereto, the affidavit of Douglas R. McIntosh sworn August 27, 2019 and the exhibits thereto, and the affidavit of Jay Carfagnini sworn August 26, 2019 and the exhibits thereto, all filed, and on hearing the submissions of counsel for the Monitor, the Applicants and those other

parties present, no one else appearing for any other person on the service list, although properly served as appears from the affidavit of service, filed:

1. **THIS COURT ORDERS** that capitalized terms used and not defined herein shall have the meanings given to them in the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 15, 2015 (the “**CCAA Filing Date**”) (as amended and restated on February 11, 2015, the “**Initial Order**”) or the Second Amended and Restated Joint Plan of Compromise and Arrangement dated May 19, 2016 (as amended, varied or supplemented from time to time in accordance with the terms thereof, the “**Plan**”).

SERVICE

2. **THIS COURT ORDERS** that the time and method of service and notice of this Motion is, to the extent necessary, hereby abridged and validated and that this Motion is properly returnable today without further service or notice thereof.

APPROVAL OF FEES

3. **THIS COURT ORDERS** that (i) the fees and disbursements of the Monitor from July 3, 2016 to August 3, 2019 totaling CAD\$1,843,530.99 (including HST) and its estimate of fees and disbursements from August 4, 2019 through completion of remaining activities in connection with these CCAA proceedings of CAD\$120,000.00 (inclusive of HST) and (ii) the fees and disbursements of Goodmans LLP in its capacity as legal counsel to the Monitor from July 1, 2016 to August 6, 2019 totaling CAD\$2,885,246.66 (including HST) and its estimate of fees and disbursements from August 7, 2019 through completion of remaining activities in connection with these CCAA proceedings of CAD\$85,000.00 (inclusive of HST), be and are hereby approved and that no further approval of the fees and disbursements of the Monitor or its counsel is required

(i) in respect of the period prior to the CCAA Termination Date (as defined below), or (ii) in respect of the period from and after the CCAA Termination Date in accordance with paragraph 8 herein.

TERMINATION OF CCAA PROCEEDINGS

4. **THIS COURT ORDERS** that effective on the date of this Order (the “**CCAA Termination Date**”), the CCAA Proceedings shall be terminated without any further act or formality.

RELEASE AND DISCHARGE OF THE MONITOR

5. **THIS COURT ORDERS** that the Monitor has satisfied all of its duties and obligations pursuant to the CCAA and the Orders of this Court granted in the CCAA Proceedings.

6. **THIS COURT ORDERS AND DECLARES** that A&M is hereby discharged as Monitor effective immediately and shall have no further duties, obligations, or responsibilities as Monitor, save and except as set out in paragraph 8 herein.

7. **THIS COURT ORDERS** that, notwithstanding any provision of this Order, the termination of the CCAA Proceedings or the discharge of the Monitor, nothing herein shall affect, vary, derogate from, limit or amend, and the Monitor and its counsel shall continue to have the benefit of, the approvals and protections in favour of the Monitor and its counsel at common law or pursuant to the CCAA, the Initial Order, or any other Order of this Court in the CCAA Proceedings, all of which are expressly continued and confirmed, including in connection with any actions taken by the Monitor pursuant to this Order following the CCAA Termination Date.

8. **THIS COURT ORDERS** that notwithstanding the discharge of A&M as Monitor and the termination of these CCAA Proceedings, the Monitor shall remain Monitor and have the authority to complete or address any matters that may be ancillary or incidental to the CCAA Proceedings following the CCAA Termination Date, and in connection therewith: (a) A&M and its counsel shall continue to have the benefit of all approvals and protections in favour of the Monitor at common law or pursuant to the CCAA, the Initial Order and all other Orders made in the CCAA Proceedings, and (b) A&M and its counsel shall be paid by the Applicants their reasonable fees and disbursements at their standard rates and charges for all activities undertaken by them pursuant to this Order following the CCAA Termination Date.

9. **THIS COURT ORDERS** that: (a) any distribution from the Final Distribution returned as undeliverable or any cheque from the Final Distribution that has not been cashed, each within six months of the date of this Order, is and shall be deemed to be an undeliverable distribution (each, an “**Undeliverable Distribution**”) for the purposes of the Plan and paragraph 10 of this Order; and (b) the funds in respect of each Undeliverable Distribution shall be retained in or returned to the TCC Cash Pool Account for distribution in accordance with paragraph 10 of this Order.

10. **THIS COURT ORDERS** that:

- (a) if the aggregate of (i) any Undeliverable Distributions; (ii) any positive balance remaining relating to Administrative Reserve Costs paid by the Target Canada Entities to the recipients thereof in excess of the actual final fees, disbursements or other costs of such recipients; and (iii) any other Cash proceeds that may come into the Target Canada Entities' estates from and after the date of this Order, equal or exceed \$700,000, the Target Canada Entities shall effect a distribution of such Cash (less the costs to so distribute) to Affected Creditors (other than Convenience Class

Creditors and Landlord Guarantee Creditors in respect of their Landlord Guarantee Creditor Base Claim Amounts) with Proven Claims in an amount equal to such Affected Creditor's Pro Rata Share of such Cash, in the manner set out in the Plan; and

- (b) if the aggregate of clause (i), (ii) and (iii) above is less than \$700,000, the Target Canada Entities shall distribute the amount of such Cash in any of their possession to The United Way of Greater Toronto.

11. **THIS COURT ORDERS** that, without in any way limiting the releases set out in Article 7 of the Plan or the provisions of paragraphs 29 or 30 of the Sanction and Vesting Order, the Target Canada Entities, any Directors and Officers holding such office following the Plan Implementation Date, and their respective advisors, including legal counsel, and the Monitor, A&M, the Plan Sponsor, the Plan Sponsor Subsidiaries, and their respective directors, officers, employees and advisors, including legal counsel (collectively, the "**Released Parties**"), shall be and are hereby forever irrevocably released and discharged from any and all present and future claims, liabilities, indebtedness, demands, actions, causes of action, suits, damages, judgments and obligations of whatever nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) based in whole or in part on any act, omission, or other occurrence existing or taking place prior to the date of this Order or completed pursuant to the terms of this Order in any way relating to, arising out of, or in respect of the implementation of the Plan or the terms of this Order (collectively, the "**Released Claims**"), which Released Claims are hereby fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, provided that nothing herein shall

release or discharge any Released party if such Released Party is judged by the express terms of a judgment rendered on a final determination on the merits to have committed criminal, fraudulent or other wilful misconduct.

RELEASE AND DISCHARGE OF CHARGES

12. **THIS COURT ORDERS** that the Administration Charge and the Directors' Charge (each as defined in the Initial Order) are each hereby discharged, released and terminated.

RECORDS

13. **THIS COURT ORDERS** that all records of the Target Canada Entities stored at any Iron Mountain facility where records are currently being held may be destroyed at any time on or after June 30, 2023.

GENERAL

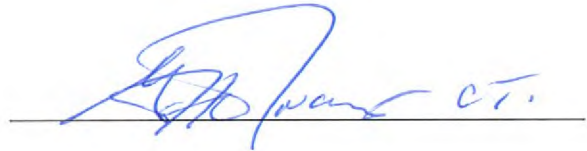
14. **THIS COURT ORDERS** that the Applicants or the Monitor may apply to the Court as necessary to seek further orders and directions to give effect to the Plan and/or this Order.

15. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

16. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or in any other foreign jurisdiction, to give effect to this Order and to assist the Applicants, the Monitor and their respective 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 Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

17. **THIS COURT ORDERS** that the Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.



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

OCT 18 2019

PER / PAR: 

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TARGET CANADA CO., *et al***

Court File No. CV-15-10832-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

**ORDER
(Passing of Accounts and
Discharge of the Monitor)**

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