

2011

Hfx No. 348504

SUPREME COURT OF NOVA SCOTIA

Court Administration
SEP 14 2012
Halifax, N.S.



THE TORONTO-DOMINION BANK

- and -

KARLSEN SHIPPING COMPANY LIMITED

Applicant

Respondent

Sgd.
AJL
J

ORDER FOR SUBSTITUTION OF RECEIVER

**BEFORE THE HONOURABLE JUSTICE ARTHUR J. LEBLANC
IN CHAMBERS:**

UPON hearing James G. Spurr on behalf of the Applicant (on its behalf and on behalf of 3264741 Nova Scotia Limited as assignee of the security of the Applicant), Stephen Kingston on behalf of PricewaterhouseCoopers Inc. ("PWC"), in its capacity as the Court-appointed Receiver of the Respondent, and Tim Hill on behalf of Grant Thornton Limited ("GTL")

AND UPON Notice of this Motion having been provided to all interested parties;

AND UPON being adjourned without day on August 22, 2012, to enable the parties to address certain concerns raised by PWC and Eckler Ltd ("Eckler"), administrator of the Karlsen Shipping Company Limited Senior Employees Pension Plan;

AND UPON reading the Fifth Report of the Receiver, filed with this Honourable Court on behalf of PWC, on August 16, 2012, and all other material on file herein;

AND UPON PWC. having been appointed as Receiver of all of the property, assets and undertaking of the Respondent by Order of this Honourable Court dated May 17, 2011 (the "Receivership Order") pursuant to a Motion brought by The Toronto-Dominion Bank;

AND UPON The Toronto-Dominion Bank having agreed to assign its debt and security as regards the Respondent to 3264741 Nova Scotia Limited, and that as a result 3264741 Nova Scotia Limited seeks an Order substituting GTL for PWC as Receiver for the Respondent;

AND UPON it appearing that Eckler now consents to this Order

AND UPON it further appearing that PWC does not oppose this Motion;

NOW UPON MOTION:

1. This Court Orders and Declares that the time for service of the Notice of Motion herein is hereby abridged and validated so that this Motion is properly returnable on September 12, 2012 and hereby dispenses with further service.

2. GTL is hereby appointed Receiver in substitution of PWC pursuant to the Receivership Order, effective as of the date of this Order, and from the date of this Order forward GTL shall have the benefit of all powers and protections, and shall have all of the duties as set forth in the Receivership Order.

3. PWC is hereby discharged as Receiver and is relieved of its obligations under the Receivership Order, provided that all privileges and protections afforded by the Receivership Order granted to the Receiver shall continue to accrue to the benefit of PWC. for any and all activities undertaken by PWC prior to its discharge, including but not limited to that charge provided for in section 17 of the Receivership Order over all the assets of the Respondent, charging same with respect to the fees of PWC and its counsel, which shall remain a first charge.

4. PWC. is hereby authorized and directed to transfer forthwith to GTL:

(a) All books and records created, compiled or received by PWC its capacity as Receiver, ~~including but not limited to any books and records of the Respondent and including, without~~ limitation, all electronic data;

(b) All funds received by PWC in its capacity as Receiver, net of any authorized disbursements or fees, together with all banking records relating thereto; and

(c) The sum of \$135,000 presently held in trust by PWC.

5. GTL is hereby directed to receive the aforesaid sum of \$135,000 from PWC and, with the exception of those monies referred to in paragraph 6 hereof, is directed to hold such funds in accordance with the provisions of the Receivership Order.

6. GTL is authorized to pay, from the funds referred to in paragraph 5 hereof, the sum of \$18,909.90 to Pink Larkin, counsel for Eckler.

7. Upon the transfer of those funds referred to in paragraph 5 hereof, PWC shall have no further liability in respect of any deemed trust claim advanced before or after the date of this Order.

DATED at Halifax, Nova Scotia this 14 day of September, 2012.



Deputy Prothonotary

IN THE SUPREME COURT OF NOVA SCOTIA
I hereby certify that the foregoing document,
identified by the Seal of the Court, is a true
copy of the original document on file herein.
Dated the 14 day of September A.D., 2012


Deputy Prothonotary

NANCY ROBERTS
Deputy Prothonotary