

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY

MASTER JEAN

) TUESDAY, THE 12<sup>TH</sup> DAY  
) OF NOVEMBER, 2013  
)  
)

IN THE MATTER OF THE PROPOSAL OF  
TRIPLE STARR STAFFING INC.  
A COMPANY DULY INCORPORATED UNDER THE LAWS  
OF THE PROVINCE OF ONTARIO AND HAVING ITS OFFICE IN THE  
CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

**ORDER APPROVING PROPOSAL**

UPON THE APPLICATION of Albert Gelman Inc., Trustee (the "Trustee") *in re* the Further Amended Proposal of Triple Starr Staffing Inc., filed on October 2, 2013, upon reading the Report of Trustee on Proposal, dated October 30, 2013, and upon hearing counsel for the Trustee; and the Court being satisfied that the required majority of creditors duly accepted the Proposal, dated October 30, 2013 (the "Proposal"), and the terms contained in the paper writing marked Exhibit "A" annexed hereto, and being satisfied that the said terms are reasonable and calculated to benefit the general body of creditors and that no offences or facts have been proved to justify the Court in withholding its approval;

1. THIS COURT HEREBY ORDERS that the Further Amended Proposal be and is hereby approved.

Master Jean

A handwritten signature in black ink, appearing to be 'M. Jean', is written over a horizontal line. The signature is stylized and cursive.

District of Ontario  
Division No. 09-Toronto  
Estate No.: 32-1733766  
Court No.: 32-1733766

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(In Bankruptcy and Insolvency)**

IN THE MATTER OF THE PROPOSAL OF

**TRIPLE STARR STAFFING INC.**

A company duly incorporated under the laws  
of the Province of Ontario and having its head office in the  
City of Toronto in the Province of Ontario

**FURTHER AMENDED PROPOSAL**

**Triple Starr Staffing Inc.**, the above named Debtor, hereby submits the following Proposal under Part III of the *Bankruptcy and Insolvency Act*, R.S.C. (1985), c.B-3, as amended (the "BIA"):

**1. DEFINITIONS**

In this Proposal, the following terms have the meaning herein set out:

- (a) **Claim.** Any right of any person against the Debtor in connection with any indebtedness, liability or obligation of the Debtor of any kind which was in existence at the NOI Date, whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, unknown, by guarantee, surety or otherwise, and whether or not such a right is executory in nature, including, without limitation, any claim referred to in this Proposal in respect of the termination or disclaimer by the Debtor of a lease, any product warranty liability and the right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause of action or chose in action, whether existing at present or commenced in the future based in whole or in part on facts which existed prior to or on the NOI Date;
- (b) **Debtor.** Triple Starr Staffing Inc.;
- (c) **Final Approval.** Approval of the Proposal by the Creditors and the Court and any appeal period with respect to the Court Approval having expired;

- (d) **NOI Date.** Date of the filing of the Notice of Intention to make a Proposal with the Official Receiver being April 8, 2013;
- (e) **Ordinary Creditors.** Unsecured Creditors, excluding the Preferred Creditors;
- (f) **Preferred Creditors.** Creditors with proven claims for which the BIA prescribes payment in priority to claims of Ordinary Creditors;
- (g) **Proposal.** This Proposal, as it may be amended from time to time;
- (h) **Proposal Date.** Date of the filing of the Proposal with the Official Receiver;
- (i) **Proven Claim.** Any claim which was the subject of a proof of claim in accordance with the BIA, filed with the Trustee and considered admissible by it;
- (j) **Secured Creditors.** The Debtor does not have any Secured Creditors;
- (k) **Trustee.** Albert Gelman Inc., as Trustee to the Proposal of the Debtor;
- (l) **Unsecured Creditors.** Collectively, the Preferred Creditors, the Ordinary Creditors;

## 2. SECURED CREDITORS

- (a) The Debtor does not have any Secured Creditors.

## 3. DEBTS OWED TO THE CROWN

- (a) Proven claims of Her Majesty in right of Canada or a province of all amounts of a kind that could be subject to a demand under subsection 224(1.2) of the Income Tax Act or under any substantially similar provision of provincial legislation that were outstanding at the NOI Date, namely the Claim of the Canada Revenue Agency dated May 29, 2013 in the amount of \$312,005.24 ("**Source Deduction Claim**"), shall be paid directly by the Debtor to the Canada Revenue Agency ("**CRA**"), in monthly instalments of at least \$7,500 per month for a period of 42 month, commencing in the month following Final Approval of this Proposal, until such time as these amounts are paid in full. The Debtor shall provide the CRA with 42 post-dated monthly cheques in the amount of \$7,500.

## 4. PREFERRED CREDITORS

- (a) Proven Claims of Preferred Creditors, without interest, shall be paid in full in priority to all Unsecured Creditors;

- (b) Claims of employees and former employees of amounts equal to the amounts that they would be qualified to receive under paragraph 136(1)(d) of the BIA as well as wages, salaries, commissions or compensation for services rendered after the NOI Date and before Final Approval of this Proposal, together with, in the case of travelling salesmen, disbursements properly incurred by those salesmen in and about the bankrupt's business during the same period shall be paid by the Debtor immediately after Final Approval of this Proposal.

## 5. UNSECURED CREDITORS

- (a) The Debtor shall remit to the Trustee the sum of \$60,000.14, paid in the following instalments (the "Proposal Fund"):
  - i. Seventeen consecutive monthly payments of \$3,529.42, commencing 43 months following Final Approval.
- (b) The Trustee will distribute the Proposal Fund in the order set out below:
  - i. Those amounts required to be made under paragraph 4(a);
  - ii. To Unsecured Creditors with Proven Claims under the Proposal on a *pro rata pari passu* basis.

Creditors shall accept these payments as full, final and complete satisfaction of their claims.

## 6. GENERAL PROVISIONS

- (a) The Trustee's fees shall be \$10,000, plus HST and disbursements, plus legal fees ("Trustee's Fees") and shall be paid by the Debtor in the following manner:
  - i. \$5,000, plus HST and disbursements, in the month following Final Approval;
  - ii. \$2,500, plus HST and disbursements, payable six months following Final Approval;
  - iii. \$2,500, plus HST and disbursements, payable twelve months following Final Approval; and,
  - iv. the balance of the Trustee's Fees shall be paid by the Debtor at or prior to the issuance of a Certificate of Full Performance of this Proposal.
- (b) Albert Gelman Inc., of the City of Toronto, in the Province of Ontario, shall be the Trustee of this Proposal.
- (c) The Trustee is acting in its capacity as trustee under this Proposal and shall not be responsible or liable for any obligations of the Debtor. The Trustee

shall have the powers granted to it by the Proposal, by the Act, and by any order of the Court. The Trustee will be exempt from all personal liability in fulfilling any duties or exercising any powers conferred upon it by the Proposal or generally in carrying out the terms of this Proposal unless such acts have been carried out in bad faith and constitute a wilful or wrongful act or default. Sections 91 to 101 of the Act (with the exception of Section 97(3)) shall not apply in connection with this Proposal or any dealing by the Debtor prior to the NOI Date, and the Trustee shall have no responsibility, liability or authority whatsoever in connection therewith. The Trustee shall not monitor or in any way manage the Debtor's business.

- (d) The Trustee under this Proposal is acting solely as Trustee and not in its personal capacity and shall not be responsible or liable for any obligations of the Debtor.
- (e) All monies payable under the terms of this Proposal, with the exception of the amount to be paid pursuant to paragraphs 3(a) and 4(b), shall be paid over to the Trustee who shall make all payments in accordance with the terms of this Proposal.
- (f) Upon making all payments in accordance with the terms of this Proposal, the Trustee shall be entitled to be discharged.
- (g) The Creditors, at the meeting of creditors to consider this Proposal, may appoint up to five Inspectors who will have, in addition to any powers of Inspectors under the BIA, the power to:
  - i. receive any notice of default in the performance of the Proposal and waive any such default;
  - ii. advise the Trustee in respect of such matters as may be referred to the inspectors by the Trustee;
  - iii. approve any amendment to the Proposal without calling a meeting of creditors, where the amendment would alter the schedule for and the amounts of payments to be made by the Debtor, but would not change the total amount to be paid; and
  - iv. extend the time for any payment due under this Proposal.
- (h) Upon this Proposal being completed, each and every present and former director of the Debtor shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, options, liens and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Creditor may be entitled to assert, against any such director, including, without limitation, any and all claims in respect of the potential statutory liabilities of the present or former directors of the Debtor and any and all claims relating to the obligations of the Debtor, where the present or former directors are or may be

by law liable in their capacity as directors for payment of such obligations, and provided that nothing herein shall release or discharge any of the present or former directors of the Debtor from the exceptions set out in Section 50(14) of the BIA.

- (i) All proper claims against the Debtor arising with respect to goods supplied, services rendered, or other consideration given or provided after the NOI Date, up to the date of approval of this Proposal by the Superior Court of Justice in Bankruptcy, and not otherwise dealt with pursuant to this Proposal, shall be paid in full by the Debtor in the ordinary course, in priority to the claims of all other Creditors.
- (j) The provisions of this Proposal will be binding on the creditors with Claims and the Debtor, and their respective heirs, executors, administrators, successors and assigns, upon issuance of the Final Approval.
- (k) In the event that any date on which any action is required to be taken herewith is not a business day, such action will be required to be taken on the next succeeding day that is a business day.
- (l) The Debtor may propose amendments to this Proposal at any time prior to the conclusion of the meeting of creditors called to vote on the Proposal, provided that any such amendment does not reduce the rights and benefits given to the Creditors pursuant to this Proposal before such amendment and any or all such amendments shall be deemed to be a part of and incorporated into this Proposal.
- (m) Upon Final Approval, the directors shall be released and discharged by all Creditors from all Claims, which any Preferred Creditors or Ordinary Creditors may have or have been entitled to assert against any of the directors for which they would be, by law, liable in their capacity as directors for the payment of such Claims which arose prior to the NOI Date, provided that nothing herein shall release or discharge any of the directors from Claims that:
  - i. Relate to contractual right of one or more of the Ordinary Creditors arising from contract with one or more of the directors; or
  - ii. Are based on allegations of misrepresentation made by the directors to the Ordinary Creditors or of wrongful or oppressive conduct by the directors.
- (n) The payment, compromise or other satisfaction of any Claim under this Proposal will be binding upon such creditor, its heirs, executors, administrators, successors and assigns, for all purposes and will also be effective to relieve any third party directly or indirectly liable for such indebtedness, whether as guarantor, indemnitor, tenant, director, joint covenantor, principal or otherwise.

(o) Any notices or communication to be made or given hereunder shall be in writing and shall refer to this Proposal and may, subject as hereinafter provided, be made or given by personal delivery, by prepaid mail or by telecopier (except for Proofs of Claim which may only be sent by personal delivery, telecopier or registered mail) addressed to the respective parties as follows:

i. if to the Debtor:

c/o Macdonald Sager Manis LLP  
150 York Street, Suite 800  
Toronto ON, M5H 3S5

Attention: Howard Manis  
Telecopier: 416-364-1453

ii. if to an Unsecured Creditor, to the address or telecopier number for such Unsecured Creditor specified in the Proof of Claim filed by such Unsecured Creditor or, if no proof of Claim has been filed, to such other address or telecopier number at which the notifying party may reasonably believe that the Unsecured Creditor may be contacted; and

iii. if to the Trustee:

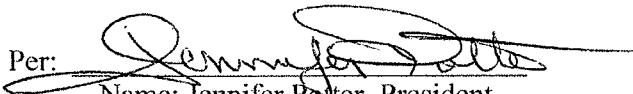
Albert Gelman Inc.  
100 Simcoe Street, Suite 125  
Toronto ON M5H 3G2  
Attention: Bryan A. Gelman, *CIRP, Trustee in Bankruptcy*  
Telecopier: 416.504.1655

or to such other address or telecopier number as any party may from time to time notify the others in accordance with this section. In the event of any strike, lock-out and other event which interrupts postal service in any part of Canada, all notices and communications during such interruption may only be given or made by personal delivery or by telecopier and any notice or other communication given or made by prepaid mail within the five (5) Business Day period immediately preceding the commencement of such interruption will be deemed not to have been given or made. All such notices and communications will be deemed to have been received, in the case of notice by telecopier or by delivery prior to 5:00 p.m. (local time) on a Business Day, when received or if received after 5:00 p.m. (local time) on a Business Day or at any time on a non-Business Day, on the next following Business Day and in to case of notice mailed as aforesaid, on the fifth (5<sup>th</sup>) Business Day following the date on which such notice or other communication is mailed. The unintentional failure to give a notice contemplated hereunder to any particular Creditor will not invalidate this Proposal or any action taken by any Person pursuant to this Proposal.

- (p) For purposes of this Proposal, Claims denominated in a currency other than Canadian funds will be converted to Canadian Dollars at the closing spot rate of exchange of the Bank of Canada on the NOI Date.
- (q) That following Final Approval the Debtor will remain current on all HST, payroll source deduction and income taxes filings and payment of any balances due.
- (r) The Debtor acknowledges that throughout the term of this Proposal, the Canada Revenue Agency may apply any refunds owing to the Debtor against the Source Deduction Claim of the Canada Revenue Agency.
- (s) The Canada Revenue Agency acknowledges that the Trustee is not responsible to monitor and report to the Creditors on a default pursuant to paragraphs 3(a) and 6(q) of this Proposal.

Dated at Toronto Ontario this 2<sup>nd</sup> day of October, 2013.

**TRIPLE STARR STAFFING INC.**

Per:   
Name: Jennifer Potter, President  
*I have authority to bind the corporation.*

IN THE MATTER OF THE PROPOSAL OF TRIPLE STARR STAFFING INC., A COMPANY DULY INCORPORATED  
UNDER THE LAWS OF THE PROVINCE OF ONTARIO AND HAVING ITS OFFICE IN THE CITY OF TORONTO, IN THE  
PROVINCE OF ONTARIO

Court File No. 32-1733766

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

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**ORDER**

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**MACDONALD SAGER MANIS LLP**  
Lawyers  
Suite 800, 150 York Street  
TORONTO, ON M5H 3S5

Telephone: (416) 364-1553  
Telefax: (416) 364-1453

**Howard F. Manis**  
Direct: (416) 364-5289  
LSUC: 34366V

Solicitors for Albert Gelman Inc.,  
Trustees in Bankruptcy