

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MADAM )  
JUSTICE HOY )  
FRIDAY, THE 25<sup>TH</sup>  
DAY OF APRIL, 2008

BETWEEN:

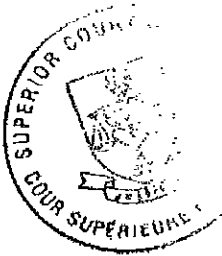
**CLAYBROOKE MARKETING INC.**

Applicant

- and -

**CLAYBROOKE RETAIL CONNECT INC.**

Respondent



**ORDER**

**THIS MOTION** made by A. Farber & Partners Inc., court-appointed interim receiver (the “**Interim Receiver**”) of Claybrooke Retail Connect Inc. (“**CRC**”) for an order to approve the Interim Receiver’s activities set out in the Interim Receiver’s First Report dated April 21, 2008 (“**Interim Receiver’s First Report**”), and to authorize payment of an interim distribution was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Interim Receiver’s First Report (and appendices thereto), and the documents from the Application Record dated March 11, 2008 referred to therein, and upon hearing submissions of counsel for the Interim Receiver, Claybrooke Marketing Inc., Royal Bank of Canada, EMI Music Canada Inc., Universal Music Canada Inc., Jack of All Games (Canada) Inc. and Sony BMG Music (Canada) Inc., present in court;

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and Application Record is hereby abridged so that this Application is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that the actions and activities of the Interim Receiver and its counsel as set out in the Interim Receiver's First Report be and are hereby approved.
3. **THIS COURT ORDERS** that the Interim Receiver be authorized and directed to make a distribution from the proceeds of sale of the Racking of CRC in the amount of \$197,500 to Royal Bank of Canada, and as a condition thereto, to enter into a form of reimbursement agreement substantially as set out as Schedule H to the Interim Receiver's First Report.
4. **THIS COURT ORDERS** that the interim statement of receipts and disbursements set out as Schedule J of the Interim Receiver's First Report be and is hereby approved.
5. **THIS COURT ORDERS** that the Interim Receiver be and is hereby authorized to dispose of inventory as it sees fit in its discretion, subject only to the consent of Royal Bank of Canada and of Claybrooke Marketing Inc. and of the supplier who supplied the inventory, without the necessity of any further court order.
6. **THIS COURT ORDERS** that the Interim Receiver is directed to (a) send a copy of this Order to each of the creditors of CRC of which it is aware before May 1, 2008; and (b) place an advertisement in a national newspaper advising any creditors of CRC that they must file proofs of claim asserting their claim against CRC by no later than May 30, 2008 (the "**Claims Bar Date**");
7. **THIS COURT ORDERS** that all creditors and claimants of CRC file proofs of claim in accordance with the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the



Claybrooke Marketing Inc. (Applicant) and Claybrooke Retail Connect Inc. (Respondent)

Court File # 08-CL-7437

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**Commercial List**

Proceeding Commenced at Toronto

  
**ORDER**

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in its capacity as Court-Appointed Interim  
Receiver of Claybrooke Retail Connect Inc.