



ONTARIO SUPERIOR COURT OF JUSTICE

**COUNSEL SLIP/ENDORSEMENT**

COURT FILE NO.: BK-23-02975175-0031 DATE: 11 October 2023

NO. ON LIST: 2

TITLE OF PROCEEDING: In the Matter of the Notice of Intention to Make a Proposal Under the  
Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as Amended of  
Datatax Business Services Limited

BEFORE JUSTICE: Justice Cavanagh

**PARTICIPANT INFORMATION**

**For Plaintiff, Applicant, Moving Party, Crown:**

Name of Person Appearing	Name of Party	Contact Info
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**ENDORSEMENT OF JUSTICE CAVANAGH:**

1. The Applicant moves for two orders in these NOI proceedings: (i) an Approval and Vesting Order, among other things, approving the transaction contemplated in the asset purchase agreement between Datatax and 2872802 Ontario Inc. (the "Stalking Horse Bidder") dated August 11, 2023, and (ii) a Distribution Termination and Fee Approval Order, among other things, addressing the remaining steps that need to be taken in the NOI proceedings.
2. The factual background to this motion is set out in the Applicant's factum, at paragraphs 4-13.

3. This Court has the authority and jurisdiction pursuant to subsection 65.13 (1) and (7) of the BIA to grant an approval and vesting order for the sale of the assets of the debtor company outside of the ordinary course of business. Section 65.13 (4) of the BIA provides a non-exhaustive list of criteria for the Court to consider when deciding to approve a proposed transaction. In addition, in *Royal Bank of Canada v. Soundair Corp.*, 1991 CanLII 2727 (ON CA), the Court of Appeal set out criteria for approving a sale of the assets of an insolvent person or entity.
4. I have considered these factors and I am satisfied that the proposed transaction should be approved. In this respect, I accept the submissions of the Applicant in paragraph 18 of its factum.
5. The Applicant requests an order sealing the Confidential Appendices until the closing of the transaction and the filing of the Termination Certificate. The requested sealing of the Confidential Appendices relates only to the release of commercially sensitive information prior to the closing of the transaction which could prejudice a future sale process if the transaction fails to close. I am satisfied that redacting the sensitive information in the Confidential Appendices is in the public interest to ensure the integrity of any future sales process. The test in *Sherman Estate* is satisfied.
6. I am satisfied that the requested Distribution Termination and Fee Approval Order should be granted. In this respect, I accept the submissions at paragraphs 27-36 of the Applicant's factum.
7. Orders to issue in form of Orders signed by me today.