



SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

**COUNSEL/ENDORSEMENT SLIP**

COURT FILE NO.: CV-25-00739279-00CL

DATE: August 6, 2025

NO. ON LIST: 5

TITLE OF PROCEEDING:

1001270243 Ontario Inc. vs. BDC Capital, et al

BEFORE: Justice J. Dietrich

**PARTICIPANT INFORMATION**

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

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**For Defendant, Respondent, Responding Party:**

Name of Person Appearing	Name of Party	Contact Info

**For Other, Self-Represented:**

Name of Person Appearing	Name of Party	Contact Info
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## **ENDORSEMENT OF JUSTICE J. DIETRICH:**

### **Introduction**

[1] 1001253954 Ontario Inc., “ResidualCo” became subject to protection under the Companies' Creditors Arrangement Act following the closing of a reverse vesting transaction involving the original CCAA applicant Synaptive Medical Inc. (Synaptive) on June 26, 2025.

[2] ResidualCo now seeks an order, among other things: (i) terminating this CCAA proceeding upon the Monitor filing a certificate confirming that the remaining matters in this CCAA proceeding have been completed; (ii) approving the activities, fees and disbursements of the Monitor and its counsel; and (iii) providing the Monitor and Dylan White, the director of ResidualCo whose appointment was approved in the RVO, with customary releases.

[3] ResidualCo also seeks to schedule Synaptive’s motion for a declaration that Synaptive meets the criteria prescribed by section 3.2 of the Wage Earner Protection Program Regulations, SOR/2008-222. Synaptive originally sought this relief in connection with a motion returnable June 18, 2025 but agreed to adjourn the issue due to opposition from the Attorney General.

[4] A former employee of Synaptive Medical USA, Inc. (“**Synaptive USA**”), Christie Kedzior appeared expressing concern that the proposed order released her claims as a former employee of Synaptive USA. Counsel for ResidualCo and the Monitor confirmed that was not the intent and language was added to the draft order to confirm that.

[5] There is no other opposition to the relief sought by ResidualCo today.

[6] Defined terms not otherwise defined herein have the meaning provided for in the factum of ResidualCo filed for use on this motion.

### **Background**

[7] On March 19, 2025, this Court granted Synaptive protection under the CCAA by way of an initial order. That order granted Synaptive customary “day 1” relief, including the appointment of Richter Inc. (“**Richter**”) as the monitor (in such capacity, the “**Monitor**”), a stay of proceedings, authorization to make an initial draw from a DIP facility and customary charges.

[8] On March 26, 2025, following the comeback hearing, the Court granted an amended and restated initial order expanding the relief under the initial order and extending the stay of proceedings to June 20, 2025. That

same day, this Court also granted an order, among other things, approving a sale and investment solicitation process (the “**SISP**”) in respect of Synaptive and/or its assets.

[9] On June 18, 2025, I granted Synaptive a reverse vesting order (the “**RVO**”) that, among other things, approved and implemented the successful bid under the SISP—a subscription agreement (the “**Subscription Agreement**”) with 1001253954 Ontario Inc. (the “**Purchaser**”)—under a “reverse vesting” structure. The same day, I also granted an ancillary order (the “**Ancillary Order**”) that, among other things: (i) extended the stay of proceeding to September 30, 2025; (ii) approved the Monitor’s reports and the Monitor’s activities described therein; and (iii) approved the fees and disbursements of the Monitor and its legal counsel incurred to June 6 and June 9, 2025, respectively.

[10] The Subscription Agreement successfully closed on June 26, 2025.

## Issues

[11] The issues to be determined are whether the Court should (a) approve, the Monitor’s report and fees of the Monitor and its counsel; (b) order the termination of the CCAA Proceeding upon the Monitor filing a certificate confirming the remaining activities have been completed, and grant the requested release; and (c) set a schedule for the WEPPA determination motion.

## Analysis

[12] ResidualCo seeks approval of the Fourth Report that was prepared in connection with this motion and the conduct and activities of the Monitor described therein.

[13] The request to approve the Fourth Report is not unusual and there are good policy and practical reasons for doing so: see *Laurentian University of Sudbury*, 2022 ONSC 2927 [*Laurentian*] at paras. 13-14, citing *Target Canada Co. (Re)*, 2015 ONSC 7574 at paras. 2, 12, 22.

[14] No opposition to the approval of the Fourth Report has been raised and the approval of the Reports is appropriate in the circumstances as the Monitor has acted reasonably and in good faith. The draft order provided contains the typical language that only the Monitor is entitled to rely on the approval.

[15] ResidualCo also seeks approval of the fees and disbursements of the Monitor and McMillan incurred since those approved by the Ancillary Order for the time period up to July 18, 2025 as well as additional estimated fees to complete of \$65,000 plus HST. Those fees are detailed in the Fourth Report. As set out in *Laurentian* at para 9, this Court’s role on a motion to pass accounts is to evaluate those accounts on the “overriding principle of reasonableness”. In considering this guiding principle, the fees of the Monitor and its counsel are appropriate and are approved.

[16] The proposed order also contemplates that this CCAA proceeding will be terminated upon the Monitor filing a termination certificate in accordance with that order. Given ResidualCo does not have any material assets, the only anticipated remaining activities to be completed in this CCAA proceeding are: (i) this Court’s adjudication of the WEPP Motion; (ii) the Monitor’s final distributions of funds; (iii) the bankruptcy of ResidualCo (which this Court previously authorized in the RVO); and (iv) administrative matters related to the termination of this CCAA proceeding.

[17] Given the limited additional matters to be addressed, the relief requested by ResidualCo in this regard is appropriate.

[18] The proposed order also contemplates that upon filing of the termination certificate, Richter will be released and discharged as the Monitor, and each of the Court-ordered charges will be discharged. Additionally,

the First Director would be released and discharged from any claims against him arising from his role in such capacity.

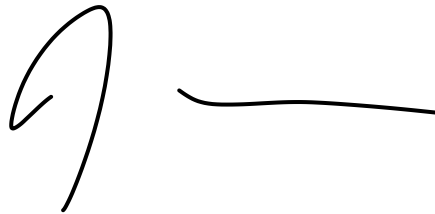
[19] With respect to the Court-ordered charges, counsel advises that the beneficiaries of the Administration Charge, the Directors' Charge and the DIP Lenders' Charge have been served and have not opposed the relief requested. As for the KERP Charge, the Monitor confirmed that all amount to be paid under the KERP have in fact been paid. Accordingly, the requested termination of the Charges is appropriate.

[20] In *Lydian International Limited (Re)*, 2020 ONSC 4006, para 54, Chief Justice Morawetz set out a list of non-exhaustive factors for this Court to consider when determining if a release is appropriate. In considering those factors, I am satisfied that the requested release is appropriate in the circumstances.

[21] The parties have agreed on a timetable for the hearing of the WEPP motion which is incorporated into the revised order. A hearing is scheduled for one full day on November 12, 2025 (in person). Counsel advises that a similar matter is currently before the Quebec Court of Appeal and is scheduled to be heard at the end of September, 2025. To the extent that a case conference is required prior to the scheduled hearing to address any issues that may arise, including with respect a release of the Quebec Court of Appeal decision, a case conference may be arranged through the Commercial List Office.

### **Disposition**

[22] Order to go in the form signed by me this day.

A handwritten signature in black ink, consisting of a large, stylized 'J' followed by a horizontal line.

Justice J. Dietrich

August 6, 2025