

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE  
JUSTICE MCEWEN

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TUESDAY, THE 7<sup>TH</sup>  
DAY OF NOVEMBER, 2017

B E T W E E N:

COVINGTON FUND II INC.

Applicant

and

AXELA INC.

Respondent

**INTERIM DISTRIBUTION ORDER**

THIS MOTION, made on an urgent, *ex parte* basis by Link & Associates Inc. in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of Axela Inc. (the "Debtor") and supported by the Applicant, for an order authorizing and directing the Receiver to make an interim distribution from the net proceeds of realization to the Applicant, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated November 6, 2017 and on hearing the submissions of counsel for the Receiver:

1. THIS COURT ORDERS that the Receiver be and is hereby authorized and directed to forthwith make an interim distribution from the net proceeds of realization to the Applicant in the amount of \$2.75 million, in partial satisfaction of the indebtedness owing by the Debtor to the Applicant.

ENTERED AT / INSCRIT À TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO:



NOV 07 2017



PER / PAR:

**COVINGTON FUND II INC.**

Applicant

**-AND- AXELA INC.**

Respondent

Court File No. CV-17-583069-00CL

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PROCEEDING COMMENCED AT  
TORONTO

**INTERIM DISTRIBUTION ORDER**

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Lawyers for Link & Associates Inc., in its  
capacity as court-appointed receiver of the  
Respondent

RCP-E 4C (May 1, 2016)