

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3, as amended**

B E T W E E N:

LAURENTIAN BANK OF CANADA

Applicant

- and -

**RSV INVESTMENTS INC., BLACK ANGUS FREEZER BEEF (2005) LTD.,
BLACK ANGUS FINE MEATS & GAME INC. and SEAN DEER ENTERPRISES LTD.**

Respondents

**MOTION RECORD
(Vesting Certain Property, Discharge of Receiver and Other Relief)
(returnable March 16, 2021)**

March 8, 2021

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Lawyers for the Court-appointed Receiver,
RSM Canada Limited

**TO: THIS HONOURABLE COURT
AND TO: THE ATTCHED SERVICE LIST**

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,
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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3, as amended**

B E T W E E N:

LAURENTIAN BANK OF CANADA

Applicant

- and -

**RSV INVESTMENTS INC., BLACK ANGUS FREEZER BEEF (2005) LTD.,
BLACK ANGUS FINE MEATS & GAME INC. and SEAN DEER ENTERPRISES LTD.**

Respondents

**NOTICE OF MOTION
(Vesting Certain Property, Discharge of Receiver and Other Relief)
(returnable March 16, 2021)**

RSM Canada Limited (“**RSM**”), in its capacity as receiver and manager (in such capacity, the “**Receiver**”) of Black Angus Freezer Beef (2005) Ltd., Black Angus Fine Meats & Game Inc. and RSV Investments Inc. (“**RSV**”) will make a motion before a Judge of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on **Tuesday, March 16, 2021 at 12:30p.m.** or as soon after that time as the motion can be heard. Please refer to the conference details attached as Schedule “**A**” hereto in order to attend the motion and advise if you intend to join the motion by emailing Puya Fesharaki at pfesharaki@tgf.ca.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order (the “**Vesting Order**”), substantially in the form attached as Tab 3, among other things:
 - (a) approving as contemplated by a purchase agreement dated September 28, 2020 between the Receiver, as vendor, and 1469046 Ontario Inc., as purchaser (the “**Purchaser**”), as amended from time to time (as amended, the “**Purchase Agreement**”), the vesting of certain real property located at 207484 ON-26, Thornbury, Ontario, which is more specifically described as Part of Lot 36; Part of road allowance between Lots 36 & 37, Collingwood closed by R102245 designated as Part 1, 16R-11180; Town of the Blue Mountains, being all of PIN37129-0197(LT) and Part of Lot 36, Concession 11 Collingwood designated as Parts 1, 2, 3, & 4, 16R-3221; Part of road allowance between Lots 36 & 37, Collingwood closed by R102245 designated as Parts 5, 6, & 7, 16R-3221; save & except as Parts 1 & 2, 16R-11180; Town of the Blue Mountains, being all of PIN37129-0199 (LT) (collectively, the “**Thornbury Property**”) in the Purchaser pursuant to, *inter alia*, sections 97 and 100 of the *Courts of Justice Act*, R.S.O 1990, c. C-43;
 - (b) approving the activities and fees of the Receiver and its counsel;
 - (c) approving a final distribution to the Applicant;
 - (d) discharging the Receiver upon completion of its mandate;
 - (e) destroying the books and records of Sean Deer Enterprises Ltd. (“**Sean Deer**”) located at the Thornbury Property;

- (f) sealing Confidential Appendix 1 to the Final Report until the closing of the sale of the Thornbury Property; and
- (g) such further and other relief as this Court may deem just.

THE GROUNDS FOR THIS MOTION ARE:

Background

- 2. On September 18, 2019, this Court issued an Order (the “**Appointment Order**”), appointing RSM as Receiver over certain property, assets and undertaking of the Respondents (the “**Property**”), including the Thornbury Property.
- 3. The Appointment Order authorized the Receiver to, among other things, take possession and exercise control over the Property, and to market any or all of the Property for sale in accordance with the terms of the Appointment Order. The Receiver has previously reported to the Court in respect of its activities since the date of its appointment, most recently on March 5, 2020. The conduct and activities of the Receiver up to and including March 5, 2020 have been approved by this Court.

Receiver’s Activities & Conduct

- 4. A summary of the activities of the Receiver since March 5, 2020 is outlined in the Third and Final Report of the Receiver dated March 8, 2021 (the “**Final Report**”), and includes, without limitation:
 - (a) completing and submitting tax documentation requested by Canada Revenue Agency;

- (b) finalizing all matters relating to the sale of the MacTier Property (as defined in the Final Report) and the discharge of the Receiver over same;
 - (c) obtaining an independent security opinion in respect of the Applicant's security, in anticipation of the distribution to the Applicant; and
 - (d) finalizing all matters relating to the Purchase Agreement and the sales transaction contemplated thereby in respect of the Thornbury Property.
5. The Receiver is seeking approval of its conduct and activities, as described in the Final Report.

Vesting of the Thornbury Property

6. The Thornbury Property consists of two parcels, both of which are subject to the Applicant's security. The Receiver understands that one parcel was conveyed by RSV to Ms. Jennifer Anderson (the "**Anderson Parcel**") for no consideration, and without notice to or the consent of the Applicant.
7. After the conveyance was discovered, on November 26, 2019, the Applicant initiated power of sale proceedings in respect of the Anderson Parcel, by delivering to Ms. Anderson a Notice of Sale under Charge/Mortgage of Land in respect of the Applicant's security over such property, in accordance with the *Mortgages Act* (Ontario).
8. On January 14, 2020, the Receiver entered into a listing agreement with CBRE Ltd. to market the Thornbury Property for sale.

9. In or about September 2020, the Receiver received an offer from the Purchaser for the Thornbury Property, which for greater certainty includes the Anderson Parcel. After negotiations between the Receiver and the Purchaser, the parties entered into the Purchase Agreement on September 28, 2020 in respect of the purchase and sale of the Thornbury Property, as amended from time to time.
10. The Purchase Agreement provides that the transaction thereunder shall close 15 days after the issuance of a vesting order (the “**Vesting Order**”), and by no later than March 23, 2021.
11. The Receiver is seeking the Vesting Order to complete the sale of the Thornbury Property.

Sealing of Confidential Appendix

12. Unredacted copies of the Purchase Agreement and a number of documents in respect of the Thornbury Property sales process, including commercially sensitive information about the offer received and the purchase price obtained for the Thornbury Property, have been filed with the Court on a confidential basis as public disclosure of their key terms may prejudice the sales process.
13. The Receiver is requesting that Confidential Appendix 1 to the Final Report be sealed until such time as the Purchase Agreement transaction closes.

Approval of Fees and Disbursements

14. In performing their duties pursuant to the Appointment Order, the Receiver and counsel to the Receiver, Thornton Grout Finnigan LLP (“**TGF**”), have incurred fees and disbursements as more particularly detailed in the Final Report, the Affidavit of Arif

Dhanani (the “**Dhanani Affidavit**”), in support of the Receiver’s fees and disbursements, and the Affidavit of Puya Fesharaki (the “**Fesharaki Affidavit**”) in support of TGF’s fees and disbursements.

15. The Receiver’s Final Statement of Receipts and Disbursements for the period of September 15, 2019 to February 15, 2021, comprises of total receipts of \$814,612, total disbursements of \$681,807, and a net cash surplus of \$132,805 for that period.
16. The Receiver’s fees and disbursements for the period from March 1, 2020 to February 28, 2021 were \$88,963.00, plus disbursements of \$2,409.43, plus HST of \$11,878.42 for a total of \$103,250.85, together with estimated fees and disbursement totalling \$15,000 plus HST.
17. TGF’s fees and disbursements for the period from March 3, 2020 to February 28, 2021 are CAD \$43,087.50 in fees, CAD \$233.02 in disbursements and CAD \$5,626.71 in taxes for a total of CAD \$48,947.23, together with estimated fees and disbursement totalling \$30,000 plus HST.
18. The fees and disbursements of the Receiver and TGF are fair and reasonable in the circumstances.

Distribution & Discharge

19. The Receiver seeks the Court’s approval, after payment of the fees and disbursements described provided for in the Vesting Order, to pay the monies remaining in its hands to the Applicant as a final distribution to the Applicant.

20. Subject to the approval of the Vesting Order and the closing of the sale of the Thornbury Property, the administration of the receivership estate will be substantially complete, and it is therefore appropriate to approve the discharge of the Receiver.
21. The Receiver is requesting that the Court discharge the Receiver, provided that the Receiver shall (a) remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership mandate, and (b) continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceeding in favour of RSM in its capacity as Receiver.

Miscellaneous

22. The Receiver also seeks the authority by the Court to destroy the books and records of Sean Deer located at the Thornbury Property, as the representatives of Sean Deer have indicated they have no interest in taking possession of same as described in greater detail in the Final Report.
23. The *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended.
24. Sections 97 and 100 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended.
25. Such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENT EVIDENCE will be used at the hearing of the motion:

- (a) the Final Report; and
- (b) such further and other material as counsel may advise and this Court may permit.

March 8, 2021

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Lawyers for the Receiver

TO: THIS HONOURABLE COURT

AND TO: THE ATTCHED SERVICE LIST

Schedule "A"
Zoom conference details

Zoom Meeting

Time: Mar 16, 2021 12:30 PM Eastern Time (US and Canada)

Join Zoom Meeting

<https://tgf-ca.zoom.us/j/81152157809>

Meeting ID: 811 5215 7809

Participant one tap mobile

+16473744685,,81152157809#,# Canada (Toronto)

Dial by your location

- +1 587 328 1099 Canada (Calgary)
- +1 613 209 3054 Canada (Ottawa)
- +1 647 374 4685 Canada (Toronto)
- +1 778 907 2071 Canada (Vancouver)
- +1 204 272 7920 Canada (Winnipeg)
- +1 438 809 7799 Canada (Montreal)
- +1 647 558 0588 Canada

SERVICE LIST
(as at March 8, 2021)

TO:	<p>THORNTON GROUT FINNIGAN LLP TD West Tower, Toronto-Dominion Centre 100 Wellington Street West, Suite 3200 Toronto, ON M5K 1K7 Fax: (416) 304-1313</p> <p>Puya Fesharaki Tel: (416) 304-7979 Email: pfesharaki@tgf.ca</p> <p>Lawyers for RSM Canada Limited, in its capacity as Court-appointed Receiver</p>
AND TO:	<p>NATIONAL LEASING GROUP INC. / CWB NATIONAL LEASING INC. 1525 Buffalo Place (2811368) Winnipeg, MB R3T 1L9</p> <p>Jude Vermette Counsel Fax: 1 (855) 857-2468 Email: jude.vermette@nationalleasing.com</p>
AND TO:	<p>REISER (CANADA) CO. 1549 Yorkton Court, Unit 4 Burlington, ON L7P 5B7</p> <p>Wayne Bryant - Manager Fax: (905) 631-6607 Email: wbryant@reiser.com</p>
AND TO:	<p>MERCEDES-BENZ FINANCIAL SERVICES CANADA CORPORATION 2680 Matheson Blvd E. Suite 500 Mississauga, ON L4W 0A5 Fax: 1 (866) 246-4435</p> <p>Shana Movassaghi <i>Legal Counsel</i> Email: Shana.Movassaghi@mercedes-benz.ca</p>

AND TO:	MILTOM SERVICES LIMITED c/o Miller Thomson LLP 295 Hagey Blvd., Suite 300 Waterloo, ON N2L 6R5 Andrew S. Roth Tel: (519) 593-3264 Email: aroth@millerthomson.com Mortgagee
AND TO:	FRONT DESK LTD. c/o Joshua Valler Barriston Law 151 Ferris Lane, Suite 202 Barrie, ON, L4M 6C1 Email: JValler@barristonlaw.com
AND TO:	HER MAJESTY IN RIGHT OF ONTARIO REPRESENTED BY THE MINISTER OF FINANCE INSOLVENCY UNIT Ontario Ministry of Finance – Legal Services Branch 11-777 Bay Street Toronto, ON M5G 2C8 Leslie Crawford Fax: (416) 325-1460 Email: leslie.crawford@ontario.ca ; insolvency.unit@ontario.ca
AND TO:	DEPARTMENT OF JUSTICE The Exchange Tower Suite 3400, 130 King St. W. Toronto, ON M5X 1K6 Diane Winters Fax: (416) 973-0810 Email: diane.winters@justice.gc.ca

AND TO:	SEAN KELLY 397387 11 th Line Thornbury, ON N0H 2P0 Email: seankelly939@gmail.com <i>copy to counsel:</i> Ron Palleschi Email: rpalleschi@rogers.com
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AND TO:	THORNTON GROUT FINNIGAN LLP 100 Wellington Street West, Suite 3200 Toronto, ON M5K 1K7 Leanne Williams Fax: (416) 304-1313 Email: lwilliams@tgf.ca Lawyers for the Applicant

**EMAIL SERVICE LIST
(as at March 8, 2021)**

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IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended

LAURENTIAN BANK OF CANADA

- and -

RSV INVESTMENTS INC., BLACK ANGUS FREEZER BEEF (2005) LTD., BLACK ANGUS FINE MEATS & GAME INC. and SEAN DEER ENTERPRISES LTD.

Applicant

Respondents

Court File No.: CV-19-626953-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto, Ontario

**Notice of Motion
(returnable March 16, 2021)**

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Lawyers for the Receiver

TAB 2

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

LAURENTIAN BANK OF CANADA

Applicant

- and -

**RSV INVESTMENTS INC., BLACK ANGUS FREEZER BEEF (2005) LTD., BLACK
ANGUS FINE MEATS & GAME INC. and SEAN DEER ENTERPRISES LTD.**

Respondents

THIRD AND FINAL REPORT OF THE RECEIVER

March 8, 2021

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I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated September 18, 2019 (the “**Appointment Order**”), RSM Canada Limited (“**RSM**”) was appointed receiver and manager (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties of Black Angus Freezer Beef (2005) Ltd. (“**Freezer Beef**”), Black Angus Fine Meats & Game Inc. (“**Fine Meats**”), RSV Investments Inc. (“**RSV**” and together with Freezer Beef and Fine Meats, the “**Black Angus Group**”) and the property municipally known as 21 High Street, MacTier, Ontario (the “**MacTier Property**”), owned by Sean Deer Enterprises Ltd. (“**Sean Deer**”). A copy of the Appointment Order is attached as **Appendix “A”**.
2. Capitalized terms not otherwise defined herein have the definitions ascribed to them in the Appointment Order.
3. On December 11, 2019, the Court issued an Order (the “**Authorization and Approval Order**”) which, among other things:
 - a) directed the Receiver to enter into an auction services agreement with Danbury Global Ltd. (“**Danbury**”) for the sale of the non-real estate assets of the Black Angus Group;
 - b) authorized the Receiver to enter into a real estate listing agreement with CBRE Limited (“**CBRE**”) for the sale of the real property located at 207484 ON-26, Thornbury, Ontario; and
 - c) authorized and directed the Receiver to enter into a real estate listing agreement with CBRE for the sale of the MacTier Property on terms acceptable to the Applicant and to perform its obligations thereunder.

A copy of the Authorization and Approval Order is attached as **Appendix “B”**.

-
4. On March 12, 2020, the Court issued an Order (the “**Approval and MacTier Discharge Order**”) which, among other things:
- a) approved the Receiver’s interim statement of receipts and disbursements for the period September 18, 2019 to January 31, 2020;
 - b) discharged RSM as Receiver over the MacTier Property and authorized and directed the Receiver to take such ancillary and administrative steps the Receiver deemed necessary to transfer management of the MacTier Property to Sean Deer; and
 - c) ordered that the Receiver’s Charge with respect to the MacTier Property continue unamended in respect of the reasonable fees and disbursements of the Receiver incurred in respect of the MacTier Property only, as agreed to between the Receiver, the first mortgagee in respect of the MacTier Property and the Applicant.

A copy of the Approval and MacTier Discharge Order is attached as **Appendix “C”**.

5. The Court documents filed in this proceeding have been posted on the Receiver’s website, which can be found at <https://rsmcanada.com/what-we-do/services/consulting/financial-advisory/restructuring-recovery/current-restructuring-recovery-engagements/black-angus-group.html>.

Purpose of the Final Report

6. The purpose of this third and final report of the Receiver (the “**Final Report**”) is to report in respect of:
- a) the activities of the Receiver since the Second Report dated February 19, 2020 as supplemented on February 25, 2020 and March 5, 2020 (collectively, the “**Second Report**”);
 - b) the finalization of the results of the auction of the Black Angus Group’s non-real estate assets and the sale of its perishable inventory;

-
- c) the Receiver's finalization of its insurance claim for the theft of certain vehicles from the Thornbury Property (as defined below) and receipt of the related insurance proceeds in respect of same;
 - d) the sale of the MacTier Property and the allocation between Front Desk Ltd. (the "**MacTier First Mortgagee**") and the Receiver of the net sale proceeds;
 - e) the proposed sale of the Thornbury Property;
 - f) request an order of the Court:
 - i. approving the transaction (the "**Transaction**") detailed in the agreement of purchase and sale (the "**APS**") between the Receiver and 1469406 Ontario Inc. (the "**Purchaser**") dated September 28, 2020 and amendments thereto dated November 13, 2020, December 6, 2020, December 22, 2020, January 21, 2021 and February 11, 2021 (together with the APS, the "**Sale Agreement**") and vesting all of the Applicant's, Jennifer Anderson's, the Receiver's and RSV's right, title and interest, if any, in and to the Thornbury Property and to the Purchaser, upon the closing of the Transaction;
 - ii. sealing Confidential Appendix 1 (as defined below);
 - iii. authorizing and directing the Receiver to make a distribution to Laurentian Bank of Canada (the "**Bank**") from the funds held by the Receiver, after payment of all professional fees and costs related to the receivership administration;
 - iv. approving the Receiver's cash receipts and disbursements for the period September 18, 2019 to February 28, 2021 (the "**February 2021 R&D**");
 - v. approving the destruction of certain books and records of Sean Deer Enterprises Ltd.;

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- vi. approving this Final Report and the Receiver's conduct and activities described herein;
 - vii. approving the fees and disbursements of the Receiver and its counsel and the estimated costs to complete the receivership administration;
 - viii. discharging the Receiver upon the filing of a certificate with the Court confirming that the Remaining Duties (defined below) have been completed (the "**Discharge Certificate**"), and authorizing the Receiver to complete certain administrative matters following the discharge of the Receiver; and
 - ix. directing that RSM, in its capacity as former Receiver (i) pay to the Bank any funds the Receiver receives following the date of the Order made in connection with the Receiver's discharge, provided that the amounts paid do not exceed the Black Angus Group's indebtedness to the Bank or (ii) apply to the Court for further direction if the Receiver is of the view that the direction of the Court is required.

Terms of Reference

7. In preparing this Final Report and making the comments herein, the Receiver has relied upon information from the books and records of the Black Angus Group and third-party sources (collectively, the "**Information**"). Certain of the information contained in this Final Report may refer to, or is based on, the Information. As the Information has been obtained from the Black Angus Group's books and records, provided by other parties, or obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the *Chartered Professional Accountants Canada Handbook*

and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

8. Unless otherwise stated, all dollar amounts contained in the Final Report are expressed in Canadian dollars.

II. BACKGROUND

9. As at the date of the Appointment Order, Freezer Beef and Fine Meats operated a butcher shop business, selling meat and ancillary products online and through three “Black Angus” retail outlets, located at the MacTier Property, the Thornbury Property and at leased premises located at 360 Revus Avenue, Unit 10, Mississauga, Ontario.
10. Sean Deer was, until the sale of that property by the MacTier First Mortgagee, the registered owner of the MacTier Property which contained three third-party tenants. RSV is the registered owner of the RSV Property, which comprises a portion of the Thornbury Property. The MacTier Property and the Thornbury Property are situated in relatively remote locations in Ontario.
11. Mr. Sean Kelly is the sole director and officer of each member of the Black Angus Group. Mr. Kelly and his spouse, Jennifer Anderson, are directors of Sean Deer.
12. The Bank is the primary secured creditor of the Black Angus Group and Sean Deer. The security held by the Bank is outlined in the affidavit of Christopher Corcoran sworn September 9, 2019 (the “**Corcoran Affidavit**”) in respect of the initial application, a copy of which is attached hereto as **Appendix “D”**.

III. RECEIVER’S ACTIVITIES SINCE THE SECOND REPORT

13. In addition to the activities described in detail in this Final Report, the Receiver has conducted the following activities since the Second Report:
 - a) corresponded with the Receiver’s insurance broker regarding required extensions of insurance over the MacTier Property and the Thornbury Property;

-
- b) corresponded with the Receiver's property manager, Richmond Advisory Services ("**RAS**"), a third party contractor engaged by the Receiver, and tenants of the MacTier Property regarding the Receiver's discharge in respect of the MacTier Property and cessation of the repair of a sewage issue that occurred at the MacTier Property immediately prior to the Receiver's discharge over that property;
 - c) finalized all matters relating to the discharge of the Receiver over the MacTier Property;
 - d) prepared documentation related to a Canada Revenue Agency ("**CRA**") audit with regard to the Receiver's HST account in respect of the MacTier Property;
 - e) completed and filed documentation at the request of CRA;
 - f) corresponded with the Black Angus Group's external IT provider for the continued back up and hosting of data of the electronic books and records of the Black Angus Group and subsequent turnover of same;
 - g) finalized and obtained the remaining proceeds of sale from Danbury with respect to the auction of the Black Angus Group's non-real estate assets;
 - h) attended to the return of various point of sale terminals to First Data Corporation;
 - i) reconciled and filed documentation related to the Wage Earner Protection Program and paid super priority claims in relation thereto; and
 - j) prepared the Receiver's reports pursuant to Section 246(2) of the Bankruptcy and Insolvency Act and filing same with the Office of the Superintendent of Bankruptcy.

Non-Real Estate Assets and Perishable Inventory

14. Since the Second Report, the Receiver obtained the remaining proceedings of the auction of the Black Angus Group's tangible non-real estate assets and has received its final commission payments in respect of the perishable inventory.
15. In June 2020, the Receiver negotiated the sale of the name Black Angus Fine Meats & Game Inc. and the domain name used by same for a nominal amount.

Insurance Proceeds

16. As previously reported, a homemade trailer and GMC Savanna 2500 Cargo van were stolen from the Thornbury Property on September 30, 2019 and October 2, 2019 (the "**Stolen Vehicles**").
17. After reporting the theft of the Stolen Vehicles and completing the necessary insurance documentation, the Receiver obtained proceeds totaling \$16,500 in respect of the Stolen Vehicles from the insurance company.

IV. SALE OF THE MACTIER PROPERTY

18. Pursuant to the terms of the Approval and MacTier Discharge Order, the Receiver was discharged in respect of the MacTier Property. Notwithstanding the discharge, the Receiver's Charge was ordered to continue in respect of the MacTier Property until such time as the MacTier Property was liquidated and the proceeds could be distributed.
19. The MacTier First Mortgagee sold the MacTier Property pursuant to power of sale proceedings on February 1, 2021. The Receiver and the MacTier First Mortgagee negotiated and agreed on a distribution of the net proceeds between the indebtedness to the MacTier First Mortgagee and the Receiver which provided for the payment of \$156,881.04 in respect of the Receiver's Charge. This amount has been paid to the Receiver's counsel and the Appointment Order has been discharged from title to the MacTier Property.

V. SALE OF THE THORNBURY PROPERTY

Background

20. The Receiver commenced a sales process on October 15, 2019 for the furniture, equipment, vehicles, brand rights, and customer lists of Freezer Beef and Fine Meats as well as the Thornbury Property and the MacTier Property (the “**Sales Process**”).
21. During that process, the Receiver was informed by a potential purchaser that the Thornbury Property was severed in May 2019 into two parcels. One parcel comprised approximately 4 acres and continued to be owned by RSV (the “**RSV Property**”), and the second parcel comprised approximately 2 acres, which was transferred to Ms. Anderson (the “**Transferred Thornbury Property**” and together with the RSV Property, the “**Thornbury Property**”) for no consideration. The Transferred Thornbury Property was transferred without notice to, or the consent of, the Bank in contravention of the terms of the Bank’s security, and it is the Bank’s position that the Transferred Thornbury Property remains subject to the Bank’s security.
22. On November 26, 2019, the Bank initiated power of sale proceedings in respect of the Transferred Thornbury Property, by delivering to Ms. Anderson a Notice of Sale under Charge/Mortgage of Land in respect of the Bank’s security, in accordance with the *Mortgages Act* (Ontario) (the “**Notice of Sale**”). Together with the Notice of Sale, the Bank delivered to Ms. Anderson a (i) Notice of Intention to Enforce Security under the *Bankruptcy and Insolvency Act* (Canada) (the “**NITES**”), which set out the Bank’s intention to enforce its security against the Transferred Thornbury Property, and (ii) a Consent form for Ms. Anderson to execute if she consented to the Bank taking immediate enforcement steps against the Transferred Thornbury Property (the “**Consent**”).
23. Ms. Anderson returned a signed copy of the Consent to the Bank, witnessed by her counsel. The signed copy of the Consent, together with copies of the NITES and

Notice of Sale, including proof of delivery thereof, are attached hereto as **Appendix “E”**. The notice period under the Notice of Sale has expired.

24. The only offer received for the Thornbury Property during the Sales Process was not acceptable to the Bank. As a result, the Receiver proceeded to obtain listing proposals from various real estate brokers and, pursuant to the Approval and Authorization Order, entered into a listing agreement with CBRE Ltd. on January 14, 2020 to market the Thornbury Property for sale.

The Purchaser’s Offer

25. In or about September 2020, the Receiver received an offer from the Purchaser for the Thornbury Property (which included the Transferred Thornbury Property). The offer was negotiated and ultimately resulted in the executed APS, which is supported by the Bank. A condition of the APS required that the Receiver obtain an Approval and Vesting Order in respect of the Thornbury Property.
26. Because the APS was subject to certain conditions, the terms of the APS were negotiated to permit the Receiver to continue to market the Thornbury Property in the event that a more favourable transaction was presented.
27. On or about November 13, 2020, the Purchaser advised the Receiver that it was waiving all conditions in the APS, except for the conditions related to: (i) the requirement that the Court grant an Approval and Vesting Order in respect of the contemplated Transaction; and (ii) approval of the rezoning of the Thornbury Property (the “**Rezoning Condition**”) from the Town of the Blue Mountains (the “**Town**”).
28. The Purchaser requested several extensions with respect to the Rezoning Condition as the Town took longer than anticipated to address the rezoning of the Thornbury Property. Ultimately, the Receiver and the Purchaser agreed to a waiver of the Rezoning Condition in exchange for a reduction in the selling price. On February 11, 2021, the Receiver and the Purchaser entered into an Amending Agreement to reflect the aforementioned amendment.

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29. Pursuant to the provisions of the Sale Agreement, closing of the Transaction is scheduled to occur on the earlier of (i) 15 days after the issuance of an Approval and Vesting Order, and (ii) March 23, 2021. A copy of the Sale Agreement including the various amendments thereto and other information relating to the Sale Agreement, is attached as **Confidential Appendix “1”**.
30. The Receiver believes that the offer from the Purchaser is the best and highest offer achievable for the sale of the Thornbury property for the following reasons:
- a) no acceptable offers were received for the Thornbury Property from the Sales Process during which the Receiver contacted approximately 244 parties;
 - b) the Thornbury Property has been listed for sale by CBRE since January 2020 and has been exposed to the market in a fair and open manner;
 - c) notwithstanding that the Thornbury Property was continually marketed, no superior offers have been received by the Receiver;
 - d) the Purchaser’s offer is all cash and provides the greatest cash recovery available;
 - e) the Purchaser has paid the deposit due to be paid pursuant to the terms of the Sale Agreement; and
 - f) the Bank is supportive of the Receiver proceeding to complete the Transaction.
31. The Receiver seeks an order sealing Confidential Appendix 1. The Confidential Appendix contains commercially sensitive information about the purchase price obtained for the Thornbury Property. In the Receiver’s view, this information should remain confidential until such time as the Transaction closes. In the event that the Sale Agreement fails to close and the Thornbury Property needs to be re-marketed, the disclosure of the information in Confidential Appendix 1 could be prejudicial to any future sale process that may be required.

VI. LEGAL OPINION ON THE BANK'S SECURITY

32. Details regarding the Bank's mortgages and security agreements are set out in the Corcoran Affidavit.
33. According to a statement provided to the Receiver by the Bank (the "**March 3 LBC Statement**"), as at March 3, 2021, the indebtedness of Black Angus Group to the Bank is \$1,438,896.37. A copy of the March 3 LBC Statement is attached hereto as **Appendix "F"**.
34. The Receiver has obtained an independent legal opinion (the "**Legal Opinion**") from Chaitons LLP which sets out, subject to the assumptions and qualifications contained therein, that:
- a) the Bank's security in respect of the personal property of the Respondents is valid and enforceable and has been properly perfected; and
 - b) the Bank has a valid and enforceable registered first-ranking charge over the Thornbury Property.

A copy of the Legal Opinion is attached hereto as **Appendix "G"**.

35. Copies of the electronic PPSA Enquiry Response Certificates from the Ontario Ministry of Government Services and real property sub-searches relating to the Thornbury Property are attached as **Appendix "H"**.

VII. DISTRIBUTION

36. On the closing of the sale of the Thornbury Property, the Receiver will receive the proceeds of sale, net of any closing expenses (the "**Net Sale Proceeds**") which will be insufficient to fully repay the Black Angus Group's indebtedness to the Bank.
37. The Receiver proposes to distribute the Net Sale Proceeds as follows:
- a) any amount which must be paid in order to close the Transaction;

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- b) any amount having priority over the Bank's security;
 - c) the commission payable to CBRE;
 - d) the fees and disbursements owing under the Receiver's Charge; and
 - e) any remaining balance to the Bank as a permanent reduction of the Respondent's indebtedness to the Bank.

38. The Receiver proposes that any funds received following the date of this Order be paid over to the Bank provided that the amounts paid do not exceed the Black Angus Group's indebtedness to the Bank.

VIII. SEAN DEER BOOKS AND RECORDS

39. After commencement of the receivership administration in September 2019, the Receiver arranged for an inventory to be conducted of the books and records of the Black Angus Group and various personal belongings of Mr. Kelly. At that time, most of the books and records of the Black Angus Group and personal belongings of Mr. Kelly, were placed in boxes and stored on the RSV Property.

40. In anticipation of the potential sale and closing of the Thornbury Property, the Receiver attended at the Thornbury Property in November 2020 to inventory the remaining books and records.

41. It was determined by the Receiver that the remaining books and records relate to Sean Deer (the "**Sean Deer Books and Records**"). In addition, there were certain items at the RSV Property that appeared to be personal belongings of Mr. Kelly.

42. Mr. Kelly attended at the RSV Property on December 22, 2020. RAS informed the Receiver that, upon Mr. Kelly's attendance, Mr. Kelly picked up his remaining personal belongings and advised RAS that he would not take the Sean Deer Books and Records.

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43. Sean Deer is not a party to these receivership proceedings. Tara Foods Products Limited (“**Tara Foods**”) is a subsidiary of Sean Deer, the directors of which are Mr. Kelly and Mr. David Kitchen (“**Mr. Kitchen**”).
 44. The Receiver contacted Mr. Kitchen to ascertain if he wanted to look through the Sean Deer Books and Records at the RSV Property to determine if any of the books and records related to Tara Foods, in the event that he wanted to retain them. Mr. Kitchen attended at the RSV Property on January 15, 2021 and advised RAS that he did not wish to take any of the Sean Deer Books and Records.
 45. The Sean Deer Books and Records remain at the RSV Property. The Receiver is therefore seeking the Court’s authorization to destroy the Sean Deer Books and Records.

IX. DISCHARGE OF THE RECEIVER

46. Upon the closing of the sale of the Thornbury Property, the Receiver’s remaining duties to complete the receivership administration (the “**Remaining Duties**”) include, subject to the Court issuing the Order being sought by the Receiver in the within motion:
 - a) making the distributions provided for under the requested Order;
 - b) paying any remaining utility and/or service providers for goods and services rendered and closing the Receiver’s accounts with those providers;
 - c) filing any remaining HST returns and closing the Receiver’s accounts with CRA;
and
 - d) preparing the Final Statement of Receiver pursuant to section 246(3) of the Bankruptcy and Insolvency Act.
47. The Receiver’s administration is substantially complete. In order to avoid the costs of making a further motion to the Court to obtain the Receiver’s discharge, the

Receiver is presently seeking an order discharging RSM from the powers, duties and obligations attendant to its appointment as Receiver (the “**Discharge Order**”) upon the filing of the Discharge Certificate, with the proviso that RSM may perform such incidental duties as may be required by it as Receiver to complete its obligations pursuant to its appointment as Receiver including, but not limited to, the Remaining Duties.

X. RECEIVER’S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

48. Attached to this report as **Appendix “I”** is the February 2021 R&D, which sets out the cash receipts and disbursements attributable to each company within the Black Angus Group and for the MacTier Property as well as on a combined basis. As set out on the February 2021 R&D, there were receipts totaling \$814,612, and disbursements totaling \$681,807, resulting in a balance of \$132,805 in the Receiver’s bank accounts.

XI. FEES AND DISBURSEMENTS OF THE RECEIVER AND COUNSEL

49. Pursuant to paragraph 18 of the Appointment Order, the Receiver and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges. Pursuant to paragraph 19 of the Appointment Order, the Receiver and its counsel are to pass their accounts before the Court.

50. The fees and disbursements of the Receiver and its counsel, Thornton Grout Finnigan LLP, for the period from September 18, 2019 to February 29, 2020 were previously approved by the Court.

51. The total fees and disbursements for the Receiver for the period from March 1, 2020 to February 28, 2021 were \$88,963.00, plus disbursements of \$2,409.43, plus HST of \$11,878.42, for a total of \$103,250.85 (the “**Receiver’s Invoices**”). The Receiver estimates that its fees for the period March 1, 2021 to completion of the receivership administration will be up to \$30,000.00 plus HST of \$3,900 for a total of \$33,900 (the “**Provision**”). The Receiver is therefore requesting approval of its fees in the amount

of \$137,150.85, inclusive of HST, representing the Receiver's Invoices plus the Provision (collectively, the "**Receiver's Accounts**"). The Receiver's Invoices are included in the Affidavit of Arif Dhanani sworn March 8, 2021, which is attached hereto and marked as **Appendix "J"**.

52. The total fees of TGF for the period from March 1, 2020 to February 28, 2021, were \$43,087.50 plus disbursements of \$233.02, plus taxes of \$5,626.71, for a total of \$48,947.23. The time spent by TGF is more particularly described in the Affidavit of Puya Fesharaki sworn March 8, 2021, which is attached hereto as **Appendix "K"**. TGF anticipates that it will incur an additional \$30,000 plus HST from March 1, 2021 to the closing of this proceeding.

XII. CONCLUSION

53. Based on the foregoing, the Receiver respectfully requests that the Court grant the order described in paragraph 6 f) above.

All of which is respectfully submitted to this Court as of this 8th day of March, 2021.

RSM CANADA LIMITED, in its capacity as Court-appointed Receiver and Manager of Black Angus Fine Meats & Game Inc., Black Angus Freezer Beef (2005) Ltd., and RSV Investments Inc. and not in its personal or corporate capacity

Per:



Arif Dhanani, CPA, CA, CIRP, LIT
Vice-President

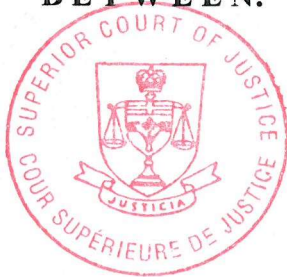
APPENDIX A

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) WEDNESDAY, THE 18TH DAY
)
JUSTICE GLENN A. HAINEY) DAY OF SEPTEMBER, 2019

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3, as amended

BETWEEN:



LAURENTIAN BANK OF CANADA

Applicant

- and -

RSV INVESTMENTS INC., BLACK ANGUS FREEZER BEEF (2005) LTD.,
BLACK ANGUS FINE MEATS & GAME INC. and SEAN DEER ENTERPRISES LTD.

Respondents

ORDER
(Appointing Receiver)

THIS APPLICATION made by Laurentian Bank of Canada (the "Applicant") for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended (the "CJA"), appointing RSM Canada Limited ("RSM") as receiver and manager (in such capacities, the "Receiver") without security, of those assets, undertakings and properties of Black Angus Beef (2005) Ltd. ("Black Angus Beef"), Black Angus Fine Meats & Game Inc. ("Black Angus Meats"), RSV Investments Inc. ("RSV" and together with Black Angus Beef and Black Angus Meats, the "Debtors") and Sean Deer Enterprises Ltd. ("SD Enterprises") as provided for herein, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Christopher Corcoran sworn September 9, 2019 and the Exhibits thereto, the Supplementary Affidavit of Christopher Corcoran sworn September 17, 2019 and the Exhibits thereto, and on hearing the submissions of counsel for the Applicant, counsel for the Respondents and other counsel in attendance as listed on the Counsel Slip, no one else appearing although duly served as it appears from the Affidavit of Service of Roxana G. Manea sworn September 9, 2019, and the Affidavit of Service of Puya Fesharaki sworn September 17, 2019, respectively, and on reading the Consent of RSM to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, RSM is hereby appointed as Receiver, without security of:

- (a) all of the assets, undertakings and properties of the Debtors, including all proceeds thereof, including but not limited to,
 - (i) the real property registered in the name of RSV and municipally known as 207484 Highway 26, Thornbury, Ontario, more specifically described as: PIN37129-0199(LT): PART OF LOT 36, CONCESSION 11 COLLINGWOOD DESIGNATED AS PARTS 1, 2, 3 & 4, 16R-3221; PART OF ROAD ALLOWANCE BETWEEN LOTS 36 & 37, COLLINGWOOD CLOSED BY R102245 DESIGNATED AS PARTS 5, 6 & 7, 16R-3221; SAVE & EXCEPT PARTS 1 & 2, 16R-11180; TOWN OF THE BLUE MOUNTAINS;
 - (ii) any meat and ancillary inventory held by the Debtors that is perishable and likely to depreciate rapidly in value (the “**Perishable Property**”);

(iii) all of the books, records and documents of the Debtors acquired for, or used in relation to any business carried on by Debtors;

(collectively, the “**Debtors’ Property**”); and

(b) the real property registered in the name of SD Enterprises and municipally known as 21 High Street, MacTier, Ontario, more specifically described as: PIN48006-0247(LT): PCL 13891 SEC MUSKOKA; PT LT 2 CON 5 FREEMAN AS IN LT139263, LT130267; GEORGIAN BAY; THE DISTRICT MUNICIPALITY OF MUSKOKA (the “**MacTier Property**” and collectively with the Debtors’ Property, the “**Property**”).

RECEIVER’S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property and to summarily dispose of any Perishable Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtors or in relation to the Property, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors or in relation to the Property;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors or in relation to the Property and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (f) to settle, extend or compromise any indebtedness owing to the Debtors or in respect of the Property;
- (g) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (h) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceedings;
- (i) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (j) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction relating to the Perishable Property;

- (ii) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; and
- (iii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;
- (k) and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be;
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property on title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (p) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;
- (q) to make an assignment in bankruptcy on behalf of any or all of the Respondents;
and

- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Respondents, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Respondents, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Respondents, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued, except with the written consent of the Receiver or with leave of the Court, and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph shall: (i) empower the Receiver or the Debtors to carry on any business that the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of the Debtors or in relation to the Property, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtors or with respect to the Property or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors or relating to the Property are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the

supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with the normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employee. Nothing in this Order requires that the Receiver be the successor employer of the employees of the Debtors and that the Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of any obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Respondents, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be in Possession

of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations, if any, under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06, specifically including but not limited to section 14.06(2), of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver’s Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver’s Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “A” hereto (the “**Receiver’s Certificates**”) for any amount borrowed by it pursuant to this Order.

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver’s Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver’s Certificates.

RETENTION OF LAWYERS

25. **THIS COURT ORDERS** that the Receiver may retain solicitors, including the Applicant’s solicitors, to represent and advise the Receiver in connection with the exercise of the Receiver’s powers and duties, including without limitation, those conferred by this Order. Such

solicitors may include the solicitors for the Applicant herein, in respect of any aspect where the Receiver is satisfied that there is no actual or potential conflict of interest.

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure* (Ontario) (the “**Rules**”). Subject to Rule 3.01(d) of the Rules and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <http://www.rsmcanada.com/black-angus-group>.

27. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Respondents’ creditors or other interested parties at their respective addresses as last shown on the records of the Respondents and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

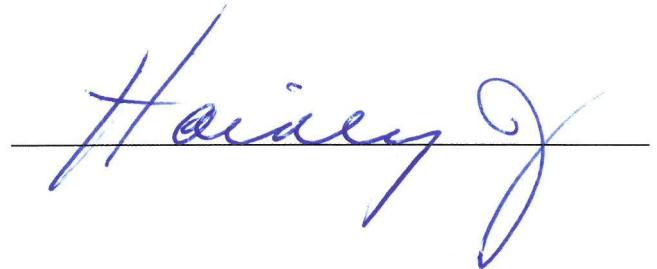
28. **THIS COURT ORDERS** that the Receiver may, from time to time, apply to this Court for advice and directions in the discharge of its powers and duties hereunder, or to seek any additional powers that it deems appropriate for carrying out the purpose of this Order.

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Respondents.

30. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

31. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



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

SEP 18 2019

PER / PAR: 

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that RSM Canada Limited, the receiver (the "Receiver") of the assets, undertakings and properties of [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 11th day of September, 2019 (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Montreal, Quebec.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 2019.

RSM Canada Limited, solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended

LAURENTIAN BANK OF CANADA

- and -

RSV INVESTMENTS INC., BLACK ANGUS FREEZER BEEF (2005) LTD., BLACK ANGUS FINE MEATS & GAME INC. and SEAN DEER ENTERPRISES LTD.

Applicant

Respondents

Court File No. CV-19-626953-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto, Ontario

**ORDER
(Appointing Receiver)**

Thornton Grout Finnigan LLP
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Leanne M. Williams (LSO# 41877E)
Email: lwilliams@tgf.ca
Tel: (416) 304-0060

Puya Fesharaki (LSO# 70588L)
Email: pfesharaki@tgf.ca
Tel: (416) 304-7979

Lawyers for the Applicant, Laurentian Bank of Canada

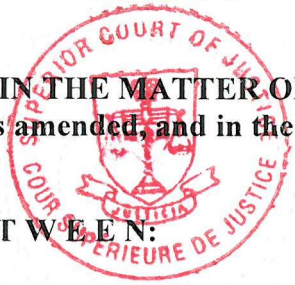
APPENDIX B

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) WEDNESDAY, THE 11TH DAY
JUSTICE *CONWAY*)
DAY OF DECEMBER, 2019

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3, as amended**

B E T W E E N:



LAURENTIAN BANK OF CANADA

Applicant

- and -

**RSV INVESTMENTS INC., BLACK ANGUS FREEZER BEEF (2005) LTD.,
BLACK ANGUS FINE MEATS & GAME INC. and SEAN DEER ENTERPRISES LTD.**

Respondents

**ORDER
(Approval of Sale of Assets and Other Relief)**

THIS MOTION made by RSM Canada Limited (“**RSM**”), in its capacity as Court-appointed receiver and manager (in such capacity, the “**Receiver**”) of Black Angus Freezer Beef (2005) Ltd. (“**Freezer Beef**”), Black Angus Fine Meats & Game Inc. (“**Fine Meats**”), RSV Investments Inc. (“**RSV**” and together with Freezer Beef and Fine Meats, the “**Black Angus Group**”) and certain real property owned by Sean Deer Enterprises Ltd. (“**Sean Deer**”), for an order approving the activities and fees of the Receiver and its counsel, Thornton Grout Finnigan LLP (“**TGF**”), among other relief described herein, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Receiver's Motion Record, including the First Report of the Receiver dated December 3, 2019 (the "**First Report**"), the Supplemental Report of the Receiver dated December 9, 2019 (the "**Supplemental Report**"), and on hearing the submissions of counsel for the Receiver, and such other counsel as were present, *Mr. Kelly and Don and Maureen Henderson in attendance and ✓* no one else appearing for any other person on the service list, although duly served as it appears from the Affidavit of Service of Roxana G. Manea sworn December 9, 2019 and the Affidavit of Service of Puya Fesharaki sworn December 10, 2019, filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service of this Motion Record is validated such that this motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF AUCTION AGREEMENT

2. **THIS COURT ORDERS AND DIRECTS** the Receiver to enter into the Danbury Agreement (as defined in the First Report) and to perform its obligations thereunder.

APPROVAL OF ACTIVITIES AND PROFESSIONAL FEES

3. **THIS COURT ORDERS** that the First Report, the Supplemental Report and all of the conduct and activities of the Receiver described therein are hereby ratified and approved.

4. **THIS COURT ORDERS** that the professional fees and disbursements of the Receiver for (i) the period ending October 15, 2019 in the amount of \$124,193.68 plus HST of \$16,146.19 for a total of \$140,339.87 as set out in the Affidavit of Arif Dhanani sworn December 3, 2019

and attached as Appendix “R” to the First Report, and (ii) for the period from October 16, 2019 to November 15, 2019 in the amount of \$111,144.73 plus HST of \$14,448.82 for a total of \$125,593.55 as set out in the Affidavit of Arif Dhanani dated December 9, 2019 and attached as Appendix “A” to the Supplemental Report, are hereby approved.

5. **THIS COURT ORDERS** that the professional fees and disbursements of TGF for the period ending November 15, 2019, being \$59,765.00 in fees, \$1,391.48 in disbursements and \$7,917.63 in taxes for a total of \$69,074.11 as set out in the Affidavit of Puya Fesharaki sworn December 3, 2019 and attached as Appendix “S” to the First Report, are hereby approved.

APPROVAL OF CBRE LISTING AGREEMENTS

6. **THIS COURT AUTHORIZES AND DIRECTS** the Receiver to enter into a real estate listing agreement with CBRE Limited for the sale of the Thornbury Property (as defined in the First Report) and to perform its obligations thereunder.

7. **THIS COURT AUTHORIZES** the Receiver to enter into a real estate listing agreement with CBRE Limited for the sale of the MacTier Property (as defined in the First Report) on terms acceptable to the Applicant and to perform its obligations thereunder.

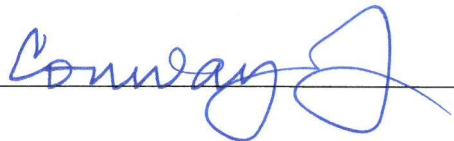
SEALING OF CONFIDENTIAL APPENDICES

8. **THIS COURT ORDERS** that Confidential Appendices 1 through 4 to the First Report and Confidential Appendices 1 through 3 to the Supplemental Report shall be and are hereby sealed, kept confidential and shall not form part of the public record pending further Order of this Court.

MISCELLANEOUS RELIEF

9. **THIS COURT ORDERS AND DIRECTS** Storage on Site to immediately return any Property (as defined in the Order of this Court dated September 18, 2019, the “**Appointment Order**”) of the Black Angus Group in its possession or control to the Receiver.

10. **THIS COURT ORDERS** that the reference to “Black Angus Beef (2005) Ltd.” in the preamble of the Appointment Order be deleted in its entirety and replaced with “Black Angus Freezer Beef (2005) Ltd.”.



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

DEC 11 2019

PER / PAR: 

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

LAURENTIAN BANK OF CANADA

- and -

Applicant

RSV INVESTMENTS INC., BLACK ANGUS FREEZER BEEF (2005) LTD., BLACK ANGUS FINE MEATS & GAME INC. and SEAN DEER ENTERPRISES LTD.

Respondents

Court File No. CV-19-626953-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto, Ontario

**ORDER
(Approval of Sale of Assets and Other Relief)**

Thornton Grout Finnigan LLP

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Puya Fesharaki (LSO# 70588L)

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Tel: (416) 304-7979

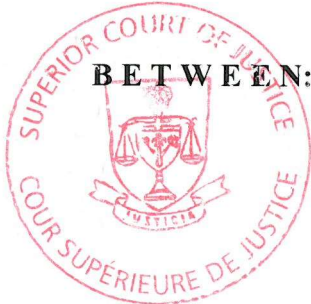
Lawyers for the Receiver

APPENDIX C

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
JUSTICE CONWAY) THURSDAY, THE 12TH DAY
DAY OF MARCH, 2020

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3, as amended**



BETWEEN:

LAURENTIAN BANK OF CANADA

Applicant

- and -

**RSV INVESTMENTS INC., BLACK ANGUS FREEZER BEEF (2005) LTD.,
BLACK ANGUS FINE MEATS & GAME INC. and SEAN DEER ENTERPRISES LTD.**

Respondents

**ORDER
(Approval of Receiver’s Activities, Discharge of Receiver over
Certain Property, and other Relief)**

THIS MOTION made by RSM Canada Limited (“**RSM**”), in its capacity as Court-appointed receiver and manager (in such capacity, the “**Receiver**”) of Black Angus Freezer Beef (2005) Ltd. (“**Freezer Beef**”), Black Angus Fine Meats & Game Inc. (“**Fine Meats**”), RSV Investments Inc. (“**RSV**” and, together with Freezer Beef and Fine Meats, the “**Black Angus Group**”) and certain real property owned by Sean Deer Enterprises Ltd. (“**Sean Deer**”) situated in MacTier, Ontario (the “**MacTier Property**”), for an order (i) discharging the Receiver over the

MacTier Property, and (ii) approving the activities and fees of the Receiver and its counsel, Thornton Grout Finnigan LLP (“TGF”), among other relief described herein, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Receiver’s Motion Record, including the Second Report of the Receiver dated February 19, 2020 (the “**Second Report**”), the Supplement to the Second Report of the Receiver dated February 25, 2020 (the “**First Supplement**”) and the Second Supplement to the Second Report of the Receiver dated March 5, 2020 (the “**Second Supplement**” and, together with the Second Report and the First Supplement, the “**Receiver’s Reports**”) and on hearing the submissions of counsel for the Receiver, and such other counsel as were present, Mr. Sean Kelly in attendance, no one else appearing for any other person on the service list, although duly served as it appears from the Affidavits of Service of Roxana G. Manea sworn February 20, 2020 and March 9, 2020, filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service of this Motion Record is validated such that this motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF RECEIVER’S ACTIVITIES, RECEIPTS AND DISBURSMENTS, AND PROFESSIONAL FEES

2. **THIS COURT ORDERS** that the Receiver’s Reports and all of the conduct and activities of the Receiver described therein are hereby ratified and approved.

3. **THIS COURT ORDERS** that the Receiver’s Interim Statement of Receipts and Disbursements for the period from September 18, 2019 to January 31, 2020, comprising of total

receipts of \$397,023, total disbursements of \$236,903, and a net cash surplus of \$160,120 for that period and attached as Appendix "I" to the Second Report, are hereby approved.

4. **THIS COURT ORDERS** that the professional fees and disbursements of the Receiver for the period from November 16, 2019 to January 31, 2020, being the amount of \$89,535.04, plus HST of \$11,639.56, for a total of \$101,174.60 as set out in the Affidavit of Arif Dhanani sworn February 19, 2020 and attached as Appendix "J" to the Second Report, and for the period from February 1, 2020 to February 29, 2020, being \$31,109.50, plus HST of \$4,044.24, for a total of \$35,153.74 as set out in the Affidavit of Arif Dhanani sworn March 4, 2020 and attached as Appendix "A" to the Second Supplement, are hereby approved.

5. **THIS COURT ORDERS** that the professional fees and disbursements of TGF for the period from November 16, 2019 to January 31, 2020, being the amount of \$69,718.10, plus HST of \$9,021.75, for a total of \$78,739.85 as set out in the Affidavit of Puya Fesharaki sworn February 19, 2020 and attached as Appendix "K" to the Second Report, and for the period from January 22, 2020 to February 29, 2020, being fees in the amount of \$38,115.00, disbursements in the amount of \$545.27, and taxes in the amount of \$4,984.24, for a total of \$43,644.51 as set out in the Affidavit of Puya Fesharaki sworn March 5, 2020 and attached as Appendix "B" to the Second Supplement, are hereby approved.

DISCHARGE OF RECEIVER OVER MACTIER PROPERTY

6. **THIS COURT ORDERS** that, immediately upon the issuance of this Order, the Receiver is hereby discharged as Receiver over the MacTier Property such that possession of the MacTier Property shall revert to Sean Deer, provided that the Receiver is authorized and directed to take any and all administrative and ancillary steps it deems necessary to, among other things, transfer

the management of the MacTier Property to Sean Deer, including communicating with interested third-parties and stakeholders to advise them of such transfer and to complete any repairs underway at the MacTier Property at the time of the making of this Order and engaging any persons necessary to assist with the Receiver's powers and duties set out herein. Effective immediately upon the issuance of this Order, the Receiver, its counsel and agents shall have no further obligation or liability to any Person, as defined in the Order of Justice Hainey in these proceedings dated September 18, 2019 (the "**Appointment Order**"), in any way relating to the ongoing management, upkeep or maintenance of the MacTier Property.

CONTINUATION OF RECEIVER'S CHARGE OVER MACTIER PROPERTY

7. **THIS COURT ORDERS** that notwithstanding anything else, the Receiver's Charge, as defined in the Appointment Order, shall continue unamended with respect to the MacTier Property in respect of the reasonable fees and disbursements of the Receiver incurred in respect of the MacTier Property only, as agreed to between the Receiver, the first mortgagee in respect of the MacTier Property and the Applicant. The Receiver is further authorized and permitted to register a copy of this Order against title to the MacTier Property.



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ON / BOOK NO:
LE / DANS LE REGISTRE NO:

MAR 12 2020

PER / PAR: 

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

LAURENTIAN BANK OF CANADA

- and -

RSV INVESTMENTS INC., *et al*

Applicant

Respondents

Court File No.: CV-19-626953-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto, Ontario

ORDER

**(Approval of Receiver's Activities, Discharge of Receiver over
Certain Property, and other Relief)**

Thornton Grout Finnigan LLP

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Puya Fesharaki (LSO# 70588L)

Email: pfesharaki@tgf.ca

Tel: (416) 304-7979

Lawyers for the Court-appointed Receiver

APPENDIX D

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43,
as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3, as amended**

B E T W E E N:

LAURENTIAN BANK OF CANADA

Applicant

- and -

**RSV INVESTMENTS INC., BLACK ANGUS FREEZER BEEF (2005) LTD.,
BLACK ANGUS FINE MEATS & GAME INC. and SEAN DEER ENTERPRISES LTD.**

Respondents

**AFFIDAVIT OF CHRISTOPHER CORCORAN
(Sworn September 9, 2019)**

I, **Christopher Corcoran**, of the City of Montreal, in the Province of Québec, MAKE
OATH AND SAY AS FOLLOWS:

1. I am a Manager, Special Loans, at Laurentian Bank of Canada (the “**Bank**”) and, as such, I have knowledge of the matters to which I depose herein and attest to the fact that they are true. Unless I indicate to the contrary, the facts herein are within my personal knowledge. Where I have indicated that I have obtained facts from other sources, I have identified the sources and believe those facts to be true.
2. This affidavit is sworn in support of an application by the Bank for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the

“**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended appointing RSM Canada Limited (“**RSM**”) as receiver and manager (in such capacities, the “**Receiver**”), without security, of:

- (a) all of the assets, undertakings and properties of Black Angus Beef (2005) Ltd. (“**Black Angus Beef**”), Black Angus Fine Meats & Game Inc. (“**Black Angus Meats**”) and together with Black Angus Beef, the “**Black Angus Companies**”) and RSV Investments Inc. (“**RSV**”) including all proceeds thereof; and
- (b) the real property registered in the name of Sean Deer Enterprises Ltd. (“**SD Enterprises**”) known as the MacTier Property (defined below) including all proceeds thereof.

3. The Black Angus Companies and RSV are collectively referred to herein as the “**Debtors**”.

Background

RSV Investments Inc.

4. According to the records maintained by Corporations Canada, RSV was incorporated under the *Canada Business Corporations Act* (the “**CBCA**”) on February 8, 2008. The registered office of RSV is at 207484 Highway 26, Thornbury, Ontario (the “**Thornbury Property**”). The Corporation Profile Report for RSV lists Sean Kelly (“**Kelly**”) as the sole Director of the company. A copy of RSV’s Corporation Profile Report is attached as **Exhibit “A”**.
5. Pursuant to an Offer of Financing dated December 10, 2013 between the Bank and RSV, as amended from time to time (as amended, the “**RSV Offer of Financing**”), the Bank made available to RSV two term loans in the principal amounts of \$1,163,000 and

\$175,000, respectively (collectively, the “**RSV Credit Facilities**”). A copy of the RSV Offer of Financing is attached as **Exhibit “B”**.

6. RSV is the sole registered owner of the Thornbury Property, more specifically described as: PIN37129-0199 (LT): PART OF LOT 36, CONCESSION 11 COLLINGWOOD DESIGNATED AS PARTS 1, 2, 3 & 4, 16R-3221; PART OF ROAD ALLOWANCE BETWEEN LOTS 36 & 37, COLLINGWOOD CLOSED BY R102245 DESIGNATED AS PARTS 5, 6 & 7, 16R-3221; SAVE & EXCEPT PARTS 1 & 2, 16R-11180; TOWN OF THE BLUE MOUNTAINS. A copy of the current sub-search in respect of the Thornbury Property is attached as **Exhibit “C”**.
7. The Bank understands that the primary asset of RSV is the Thornbury Property which it leases to one or both of the Black Angus Companies who operate from the premises. The Bank and the Consultant (defined below) have repeatedly requested particulars in respect of the leasing agreement governing the Thornbury Property, which requests have not been fulfilled by the Debtors.
8. RSV also maintains a bank account with the Bank (the “**RSV Account**”) into which payments under the RSV Credit Facilities are automatically debited. Because sufficient funds have not been deposited into the RSV Account by the Debtors, significant unauthorized overdrafts have resulted in the RSV Account. RSV failed to make the last 3 scheduled payments under the RSV Credit Facilities.
9. As of September 9, 2019, the principal amount outstanding under the RSV Credit Facilities, including the unauthorized overdrafts in the RSV Account, was the aggregate amount of

\$1,218,860.36, together with interest and costs (including, without limitation, legal fees and disbursements).

10. As security for its obligations to the Bank, RSV granted security to the Bank over all of its personal property pursuant to a General Security Agreement dated November 4, 2009 (the “**RSV GSA**”), a copy of which is attached as **Exhibit “D”**. It is a term of the RSV GSA that the Bank may appoint a receiver upon default by RSV of any of its obligations to the Bank.
11. The Bank made a registration against RSV pursuant to the *Personal Property Security Act* (Ontario) (the “**PPSA**”) on October 29, 2009 against all classes of collateral, except “consumer goods” (the “**RSV Registration**”). Attached as **Exhibit “E”** is a copy of a certified PPSA Enquiry Response Certificate from the Ontario Ministry of Government Services (the “**Ministry**”) current as of August 14, 2019 in respect of RSV. There are no PPSA registrations against RSV in favour of any other party.
12. RSV also granted to the Bank a first-ranking charge in the principal amount of \$2,085,000 (the “**RSV Charge**”) over the Thornbury Property. The RSV Charge, initially in the principal amount of \$1,800,000, was registered on title to the Thornbury Property on April 11, 2013, and was subsequently amended and increased to \$2,085,000 by Mortgage Amending Agreement dated October 10, 2017, registered on the same date on title to the Thornbury Property under Notice instrument. Copies of the RSV Charge instruments registered on title to the Thornbury Property are attached as **Exhibit “F”**.

The Black Angus Companies, as Guarantors

13. According to the records maintained by the Ministry, Black Angus Beef was incorporated under the Ontario *Business Corporations Act* (the “**OBCA**”) on May 25, 2005. The registered office of Black Angus Beef is at 360 Revus Avenue, Unit 10, Mississauga, Ontario (the “**Mississauga Location**”). It is the Bank’s understanding that the Mississauga Location is owned by a third party. The Corporation Profile Report lists Kelly as the sole Director and Officer of Black Angus Beef. A copy of Black Angus Beef’s Corporation Profile Report is attached as **Exhibit “G”**.

14. According to the records maintained by Corporations Canada, Black Angus Meats was incorporated under the CBCA on February 5, 2008. The registered office of Black Angus Meats is at 207484 Highway 26, Thornbury, Ontario (the “**Thornbury Property**”). The Corporation Profile Report for Black Angus Meats lists Kelly as the sole Director of the company. A copy of Black Angus Meats’ Corporation Profile Report is attached as **Exhibit “H”**.

15. The Black Angus Companies operate from three “Black Angus” outlets located at the Thornbury Property, the Mississauga Location and the MacTier Property. As described in greater detail herein, the Bank has registered charges on title to each of the Thornbury Property and the MacTier Property. The Bank was formerly a direct lender to the Black Angus Companies.

16. Black Angus Meats has guaranteed the indebtedness and obligations of Black Angus Beef and RSV to the Bank pursuant to a written guarantee dated November 4, 2009 limited to the principal amount of \$500,000, together with interest accruing from the date of demand.

17. Black Angus Beef has guaranteed the indebtedness and obligations of Black Angus Meats and RSV to the Bank pursuant to a written guarantee dated November 4, 2009 limited to the principal amount of \$500,000, together with interest accruing from the date of demand.
18. As security for their obligations to the Bank, each of the Black Angus Companies granted to the Bank security over all of their personal property pursuant to separate General Security Agreements each dated November 4, 2009 (together, the “**Black Angus GSAs**”), copies of which are attached as **Exhibit “I”**. It is a term of each of the Black Angus GSAs that the Bank may appoint a receiver upon default by either of the Black Angus Companies in any of their obligations to the Bank.
19. The Bank made registrations pursuant to the PPSA against each of Black Angus Beef and Black Angus Meats, both on October 29, 2009, in each case against all classes of collateral, except “consumer goods”. Attached as **Exhibit “J”** are copies of certified PPSA Enquiry Response Certificates from the Ministry current as of August 14, 2019 in respect of each of Black Angus Beef and Black Angus Meats.
20. There are no PPSA registrations against Black Angus Beef prior in time to the Bank’s registration. There is only one other PPSA registration against Black Angus Beef, subsequent in time to the Bank’s registration, made in favour of Mercedes-Benz Financial over collateral categories “equipment” and “other”.
21. There are no PPSA registrations against Black Angus Meats prior in time to the Bank’s registration. There are several other PPSA registrations subsequent in time to the Bank’s registration, all of which relate to equipment collateral.

Sean Deer Enterprises Ltd., as Guarantor

22. According to the records maintained by the Ministry, SD Enterprises was incorporated under the OBCA on January 19, 2016. The registered office of SD Enterprises is at the Thornbury Property. SD Enterprises' Corporation Profile Report lists Kelly as Director and Jennifer M. Anderson ("**Anderson**") as Director and Officer of the company. A copy of SD Enterprises' Corporation Profile Report is attached as **Exhibit "K"**.

23. SD Enterprises is the registered owner of the real property municipally known as 21 High Street, MacTier, Ontario more specifically described as: PIN48006-0247 (LT): PCL 13891 SEC MUSKOKA; PT LT 2 CON 5 FREEMAN AS IN LT139263, LT130267; GEORGIAN BAY; THE DISTRICT MUNICIPALITY OF MUSKOKA (the "**MacTier Property**"). SD Enterprises leases the MacTier Property to one or both of the Black Angus Companies who operate from the premises. A copy of the sub-search in respect of the MacTier Property is attached as **Exhibit "L"**.

24. SD Enterprises has guaranteed the indebtedness and obligations of each of the Debtors to the Bank, on a joint and several basis, pursuant to a written guarantee dated November 13, 2018 limited to the principal amount of \$600,000, together with interest accruing from the date of demand (the "**SD Guarantee**"). A copy of the SD Guarantee is attached as **Exhibit "M"**.

25. In support of the SD Guarantee, SD Enterprises has granted to the Bank a charge in the principal amount of \$600,000 (the "**SD Charge**") registered on title to the MacTier Property on November 14, 2018. It is a term of the SD Charge that the Bank may appoint

a receiver over the MacTier Property upon default by SD Enterprises of any of its obligations to the Bank. A copy of the SD Charge is attached as **Exhibit “N”**.

26. The SD Charge ranks second in priority to a charge in the principal amount of \$275,000 registered on title to the MacTier Property in favour of Front Desk Ltd. on March 24, 2016.

Additional Corporate Guarantors

27. In addition to SD Enterprises, several other companies (collectively, the “**Additional Corporate Guarantors**”), all of which are directly or indirectly controlled by Kelly, provided guarantees to the Bank, as follows:

- (a) Blue Mountain Fine Foods Corp. (“**Blue Mountain**”) has guaranteed the indebtedness and obligations of each of the Debtors to the Bank, on a joint and several basis, pursuant to a written guarantee dated August 31, 2018, limited to the principal amount of \$750,000 together with interest accruing from the date of demand (the “**Blue Mountain Guarantee**”)
- (b) Tara Food Products Limited (“**Tara Foods**”) has guaranteed the indebtedness and obligations of each of the Debtors to the Bank, on a joint and several basis, pursuant to a written guarantee dated November 13, 2018, limited to the principal amount of \$600,000, together with interest accruing from the date of demand (the “**Tara Foods Guarantee**”); and
- (c) 2506699 Ontario Ltd. (“**2506699**”) has guaranteed the indebtedness and obligations of each of the Debtors to the Bank, on a joint and several basis, pursuant to a written guarantee dated November 13, 2018, limited to the principal amount of \$600,000