

**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

**SUPPLEMENT TO THE SECOND REPORT OF THE RECEIVER**

**February 25, 2020**

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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 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., Black Angus Fine Meats & Game Inc., RSV Investments Inc. (collectively, the “**Black Angus Group**”) and the property municipally known as 21 High Street, MacTier, Ontario (the “**MacTier Property**”) owned by Sean Deer Enterprises Ltd.
2. This report (the “**Supplemental Report**”) is a supplement to the Second Report of the Receiver dated February 19, 2020 (the “**Second Report**”), and should be read together with the Second Report.
3. Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the First and Second Reports.

### **Purpose of the Supplemental Report**

4. The purpose of the Supplemental Report is to provide the Court with information regarding certain issues that have arisen in connection with the MacTier Property subsequent to the Receiver’s filing of the Second Report, as follows:
  - a) the receipt by the Receiver of a notice of intention to enforce security issued by the Town of Georgian Bay for unpaid real property taxes; and
  - b) a sewage line blockage issue that has occurred, which the Receiver is currently attending to.

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## II. MACTIER PROPERTY

### Notice of Intention to Realize on Security

5. On February 25, 2020, the Receiver received by registered mail a notice of intent to realize on security dated February 18, 2020 (the "**Notice**") from the Corporation of the Township of Georgian Bay (the "**Township**"). The Receiver notes that the security described in the Notice is "unpaid realty taxes". A copy of the Notice is attached hereto as **Appendix "A"**.
6. The Receiver has not had the opportunity to discuss the Notice with the Township or obtain any further information in respect thereof.
7. The Receiver understands, based on an interim property tax bill dated February 10, 2020 (the "**Interim Property Tax Bill**") that property tax arrears in respect of the MacTier Property as at that date totaled \$16,287.86. A copy of the Interim Property Tax Bill is attached hereto as **Appendix "B"**.

### Sewage Issue at the MacTier Property

8. On February 21, 2020, the property manager engaged by the Receiver, Richmond Advisory Services ("**RAS**"), contacted the Receiver to advise that there was an urgent plumbing issue at the MacTier Property and that the services of a plumber may be required. The Receiver directed RAS to engage a plumber to investigate the matter.
9. On February 25, 2020, RAS was advised by the plumber that it was necessary to empty the holding tank at the MacTier Property in order to further investigate the issue. After emptying the holding tank and upon further investigation, the plumber confirmed that a grinder pump was burned out and had to be replaced. The replacement pump started malfunctioning shortly after replacement and it was suspected that the issue was that the sewage line was also clogged. The plumber did not have the necessary equipment or specialized knowledge to unclog the

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sewage line and a specialized subcontractor was required to properly investigate and resolve the issue. Notwithstanding its impending discharge but given the urgency of the situation, the Receiver has engaged the services of the subcontractor in order to resolve the sewage issue and requests that all such fees and expenses be added to the Receiver's Charge over the MacTier Property.

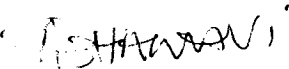
### III. CONCLUSION

10. Based on the foregoing, the Receiver notes that costs, including its professional fees and out of pocket costs, to address the ongoing issues at the MacTier Property continue to mount, which supports the necessity for the Receiver's discharge over the MacTier Property.

All of which is respectfully submitted to this Court as of this 25<sup>th</sup> day of February, 2020.

**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., RSV Investments Inc. and of the real property municipally known as 21 High Street, MacTier, ON and not in its personal or corporate capacity

Per:



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

# **APPENDIX A**

P.O. Box 95501  
350 Davis Drive  
Newmarket, Ontario L3Y 2N6

SEAN DEER ENTERPRISES LTD.  
C/O RSM Canada Usama Emad  
Suite 700 – 11 King Street West  
PO Box 27  
Toronto ON M5H 4C7

FD2 MAGB20-01



Agriculture and  
Agri-Food Canada  
Farm Debt  
Mediation Service

Agriculture et  
Agroalimentaire Canada  
Service de médiation en  
matière d'endettement agricole

Roll No. 44 65 010 005 08700 0000  
File No. MAGB20-01

**NOTICE OF INTENT TO REALIZE ON SECURITY**

**PRÉAVIS DE RÉALISATION DE SÛRETÉ**

As required under Section 21 of the Farm Debt Mediation Act, you are hereby notified that it is the intent of:  
Conformément à l'article 21 de la Loi sur la médiation en matière d'endettement agricole, vous êtes, par la présente, avisé qu'il est dans l'intention de:

**THE CORPORATION OF THE TOWNSHIP OF GEORGIAN BAY**  
(name of creditor / nom du créancier)

To realize on security given against the assets of:  
De réaliser sur la sûreté contre les biens de:

**SEAN DEER ENTERPRISES LTD.**

(name of farmer / nom de l'agriculteur(trice))

of  
domicilié au:

C/O RSM Canada Usama Emad  
Suite 700 – 11 King Street West  
PO Box 27  
Toronto ON M5H 4C7

(address / adresse)

The security being:  
La sûreté qui est:

Unpaid Realty Taxes on / sur  
(type(s) of security / genre(s) de sûreté)

21 High St.  
CON 5 PT LOT 2  
The Corporation of the Township of Georgian Bay, Province of Ontario

(asset(s) / bien(s))

You are hereby notified of your right to make application under Section 5 of the Farm Debt Mediation Act for a review of your financial affairs, mediation with your creditors, and to obtain a stay of proceedings against this action. Provided you are:

Vous êtes, par la présente, avisé de votre droit de présenter une demande en vertu de l'article 5 de la Loi sur la médiation en matière d'endettement agricole en vue d'un examen de vos affaires financières, de la médiation avec vos créanciers et de l'obtention d'une suspension des procédures contre cette action. Sous réserve que vous êtes :

- a) currently engaged in farming for commercial purposes; and
- b) insolvent, meaning that you are:
  - unable to meet your obligations as they generally become due; or
  - have ceased paying your current obligations in the ordinary course of business as they generally become due; or
  - the aggregate of your property is not, at fair valuation sufficient, or if disposed of at a fairly conducted sale under legal process would not be sufficient, to enable payment of all your obligations, due and accruing due.

- a) actuellement engagé en agriculture à des fins commerciales;
- b) insolvable, ce qui signifie :
  - que vous ne pouvez vous acquitter de vos obligations au fur et à mesure de leurs échéances; ou
  - que vous ayez cessé de vous acquitter de vos obligations courantes dans le cours ordinaire de vos affaires au fur et à mesure de leurs échéances; ou
  - que la totalité de vos biens n'est pas suffisante, d'après une juste estimation, ou ne suffirait pas, s'il en était disposé lors d'une vente régulièrement effectuée par autorité de justice, pour permettre l'acquittement de toutes vos obligations échues ou à échoir.

A secured creditor must wait 15 business days after this notice has been deemed served before beginning action to realize on their security. You may apply for mediation and a stay of proceedings at any time, before, during, or after the 15 business day period, by making an application to the Farm Debt Mediation Service.

Le créancier garanti doit attendre 15 jours ouvrables après que cet avis ait été réputé avoir été signifié pour prendre des mesures en vue de réaliser la garantie. Vous pouvez demander une médiation et une suspension des procédures en tout temps, c'est-à-dire avant, pendant ou après les 15 jours ouvrables, en présentant une demande en ce sens au Service de médiation en matière d'endettement agricole.

The Farm Debt Mediation Service provides qualified farm financial counselors to conduct a financial review and to prepare a recovery plan for your mediation meeting. Qualified mediators are provided to help you and your creditors reach a mutually satisfactory arrangement.

Le Service de médiation en matière d'endettement agricole offre les services de conseillers financiers compétents en agriculture qui peuvent mener un examen financier et préparer un plan de recouvrement en prévision de votre réunion de médiation. Les services de médiateurs compétents sont offerts pour vous aider ainsi que vos créanciers à conclure un accord satisfaisant pour toutes les parties

Application forms and more information about the service can be obtained from:

Vous pouvez obtenir les formulaires de demande et un complément d'information sur le service auprès de :

**Farm Debt Mediation Service/ Service de médiation en matière d'endettement agricole**  
**1-866-452-5556**

Dated this 18 day of February 2020 at Township of Georgian Bay  
Daté ce 18 jour de à

Signature of Secured Creditor or authorized representative  
Signature du créancier garanti ou du représentant autorisé

(705) 538-2337 Ext. 264  
Creditor Phone Number  
Numéro de téléphone du créancier



# **APPENDIX B**



**TOWNSHIP OF GEORGIAN BAY**  
 99 LONE PINE ROAD R.R. 1  
 PORT SEVERN ON L0K 1S0  
 Tel : (705) 538-2337 Fax : (705) 538-1850

# TAX BILL

## INTERIM 2020

**Billing Date : February 10, 2020**

**Due Date : March 27, 2020**

**Roll No. 4465 010 00508700.0000**

SEAN DEER ENTERPRISES LTD  
 C/O RSM CANADA USAMA EMAD  
 SUITE 700 - 11 KING STREET WEST P.O. BOX 27  
 TORONTO ON M5H 4C7

SEAN DEER ENTERPRISES LTD  
 21 HIGH ST  
 CON 5 PT LOT 2

2019 Taxes	Rate	2020 Interim Tax Amount
5,629.32	50% of 2019 Taxes	2,814.66
	Sub Total	2,814.66
Special Charges/Credits	Summary	
	Interim 2020 Taxes	2,814.66
	Past Due/Credit as at Billing Date	13,473.20
Total	Total Amount Due	\$ 16,287.86

**Failure to receive a tax bill does not excuse the property owner from responsibility of payment, nor relieve them from liability of interest or penalty for late payment.**

- \* Carefully read over your tax bill and verify that all the information is correct.
- \* Ensure that your mailing address is correct. Updates must be submitted in writing to our office, or by sending an update to [taxes@gbtownship.ca](mailto:taxes@gbtownship.ca)
- \* A list of payment options can be found on the reverse side of this notice.
- \* If a receipt is required, return the entire bill along with a self addressed stamped envelope.
- \* The information presented on this bill is as of the billing date February 10, 2020 and the tax amount is based on 50% of your total taxes levied for 2019.
- \* Failure to receive a tax bill does not excuse the property owner from responsibility for payment, nor relieve them from liability of interest or penalty for late payment.



**TOWNSHIP OF GEORGIAN BAY**

Office Use Only :

Cash  Cheque  Other