

COURT OF APPEAL FOR ONTARIO

B E T W E E N:

**DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS TRUSTEE IN
BANKRUPTCY OF ELLEN'S FOOD GROUP INC.**

Applicant (Respondent)

and

TFI FOODS LTD.

Respondent (Appellant)

IN THE MATTER OF THE *BULK SALES ACT*, R.S.O. 1990, c. B. 14, AS AMENDED
AND IN THE MATTER OF A TRANSFER OF ASSETS FROM ELLEN'S FOOD GROUP
INC. TO TFI FOODS LTD.

APPEAL BOOK AND COMPENDIUM

February 9, 2015

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COURT OF APPEAL FOR ONTARIO

BETWEEN:

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INC. TO TFI FOODS LTD.

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Tab 1

COURT OF APPEAL FOR ONTARIO

BETWEEN:

**DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS TRUSTEE IN
BANKRUPTCY OF ELLEN'S FOOD GROUP INC.**

Applicant/Respondent

and

TFI FOODS LTD.

Respondent/Appellant

IN THE MATTER OF THE *BULK SALES ACT*, R.S.O. 1990, c. B. 14, AS AMENDED

AND IN THE MATTER OF A TRANSFER OF ASSETS FROM ELLEN'S FOOD GROUP
INC. TO THE TFI FOODS LTD.

NOTICE OF APPEAL

THE RESPONDENT, TFI FOODS LTD. APPEALS to the Court of Appeal from
the order of the Honourable Justice Michael Penny dated December 30, 2014 (the
"Order"), made at Toronto, Ontario.

THE APPELLANT ASKS that the Order be set aside and a judgment be granted
as follows:

1. Dismissing the application in its entirety; and
2. The Appellant be awarded his costs of the application and this appeal.

THE GROUNDS OF APPEAL are as follows:

1. The application judge erred in law and in principle by:
 - a. holding that all of a seller's creditors are entitled to the protection of the *Bulk Sales Act*, R.S.O. 1990, c. B.14 ("*Bulk Sales Act*"); and
 - b. holding that non-trade creditors are entitled to the same protection as trade creditors under the *Bulk Sales Act*.
2. The application judge erred in principle by failing to limit the appellant's liability to the value of the assets purchased by the appellant.
3. The application judge made a palpable and overriding error in holding that the Canada Revenue Agency is a creditor within the meaning of the *Bulk Sales Act* in the total amount of \$585,000 in the absence of an adequate evidentiary basis.
4. The application judge made palpable and overriding errors in disregarding the following uncontradicted evidence, which undermined and misdirected his analysis with respect to HSBC's right to be protected as a creditor by the *Bulk Sales Act*:
 - a. HSBC was involved on both sides of the transaction the appellant entered into with the bankrupt entity, Ellen's Food Group Inc., dated June 7, 2012, and signed by the parties on June 12, 2012, for the purchase by TFI of

certain food processing equipment and related intellectual property (the "Transaction");

- b. TFI told HSBC about the Transaction, including the exact amounts being paid; and
- c. TFI was entitled to expect that HSBC would take the necessary steps to ensure that it was protected.

THE BASIS OF THE APPELLATE COURT'S JURISDICTION IS:

- 1. Section 6(1)(b) of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, which provides that an appeal lies to the Court of Appeal from a final order of the Superior Court of Justice;
- 2. Rule 61 of the *Rules of Civil Procedure*;
- 3. Leave to appeal is not required.

January 9, 2015

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**DELOITTE
RESTRUCTURING INC.**
Applicant/Respondent

v.

TFI FOODS LTD.
Respondent/Appellant

Court of Appeal File No.
Court File No. CV-14-10628-00CL

COURT OF APPEAL FOR ONTARIO

NOTICE OF APPEAL

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Tab 2

6.

CITATION: Deloitte Restructuring v. TFI Foods, 2014 ONSC 7476
COURT FILE NO.: CV-14-10628-00CL
DATE: 20141230

SUPERIOR COURT OF JUSTICE - ONTARIO

RE: Deloitte Restructuring Inc., in Its Capacity as Trustee in Bankruptcy of Ellen's Food Group Inc., Applicant

AND:

TFI Foods Ltd., Respondent

BEFORE: Penny J.

COUNSEL: *M. D. Abramovitz* for the Applicant

K. Borg-Olivier and R. Walker for the Respondent

HEARD: November 20, 2014

JUDGMENT

Overview

[1] This is an application for:

- (a) a declaration that a July 3, 2012 transaction between Ellen's Food Group and TFI Foods in 2012 was a bulk sale;
- (b) a declaration that the transaction is void for failure to comply with the *Bulk Sales Act*, R.S.O. 1990, c. B.14;
- (c) a declaration that the respondent is liable to account to the Trustee for the value of the property purchased in the transaction; and
- (d) an order requiring the respondent to pay to the Trustee the consideration paid for the transaction, being the sum of \$1,078,020 plus interest.

[2] For the reasons that follow, I grant the application in part. The sale was a bulk sale. It did not comply with the BSA and must be declared void, in part. The sale proceeds were clearly used to pay \$150,000 to a secured creditor, HSBC. TFI is not liable to any creditors for that amount. The evidence is unclear what additional amounts may be owed to HSBC. HSBC, Dr. Lee, CRA and perhaps others are "creditors" within the meaning of s. 16(2) of the BSA and are entitled to a remedy. The evidence does not permit the precise determination of amounts, such as HST, owing as of July 3, 2012. If the parties are not able to agree on these amounts, a further application may be brought on better evidence.

Background

[3] Ellen's Food Group was in the business of manufacturing and distributing frozen foods. In July 2012, TFI acquired all Ellen's manufacturing equipment for \$954,000 plus HST for a total of \$1,078,020. Following the transaction, Ellen's made payments to various suppliers and creditors, related entities and to the owner, Ellen Pun.

[4] In February 2013, the applicant was appointed by the court as receiver of Ellen's under s. 243 of the BIA.

[5] Following its appointment, the applicant went to the former premises of Ellen's to discover that all the equipment had been sold. The applicant tried unsuccessfully to obtain Ellen's books and records but was only able to obtain limited documentation.

[6] In November 2013, Ellen's was assigned into bankruptcy and the applicant was appointed trustee.

[7] Neither the receiver nor the trustee received any funds. Pun herself is also bankrupt.

[8] The claim for recovery of some or all of the proceeds of sale paid by TFI is said to represent the only asset in the Ellen's bankruptcy (and, therefore, the only prospect for recovery by Ellen's creditors).

[9] TFI concedes that it failed to comply with the BSA. In particular, TFI did not: a) obtain a statement listing Ellen's secured and unsecured trade creditors and the amounts of the debts or liabilities owing to each; b) cause adequate provision to be made for immediate payment of these creditors; c) deliver the proceeds of sale to a trustee for the benefit of Ellen's creditors; or d) seek a judicial exemption.

[10] The applicant says that under s. 16 of the BSA the sale of Ellen's equipment to TFI is void and that TFI is therefore personally liable to account to the creditors of the seller for the value of the proceeds of sale.

[11] TFI, while conceding that it failed to comply with the BSA, argues that:

- (1) the principal creditors are not "proper creditors" under the BSA; and
- (2) the amounts sought to be recovered are speculative or excessive.

Issues

[12] Thus the two main issues on this application are:

- (1) whether Dr. Lee, CRA, HSBC and perhaps others are entitled to the protection of the BSA at all; and
- (2) whether the amounts claimed from TFI have been established as amounts properly owing to Ellen's creditors.

8.

Analysis

Trade Creditors v. Creditors

[13] The BSA defines a trade creditor to be a person to whom the seller is indebted for “stock, money or services furnished for the purposes of enabling the seller to carry on business.”

[14] The evidence is that Dr. Lee loaned money personally to Pun. Ellen’s appears to have been a guarantor of the debt. There is no evidence demand was ever made on the guarantee. The security interest was not registered against Ellen’s for two years after the debt was incurred and several months after the sale. Pun apparently continued to make payments on the loan for several months after the sale closed.

[15] The trustee lists CRA as a creditor of Ellen’s in the amount of \$637,000. \$124,020 was the HST payable on the TFI purchase. TFI received a credit against the HST it paid on the sale.

[16] TFI argues that neither Dr. Lee nor CRA were trade creditors of Ellen’s because they did not furnish stock, money or services for the purposes of enabling Ellen’s to carry on business. TFI relies on the decision of the Supreme Court of Canada in *National Trust Co. v. H&R Block Canada Inc.*, [2003] 3 S.C.R. 160, 2003 SCC 66 for the proposition that “a creditor was due only what he might have recovered if the buyer had complied with the Act; anything more would be unjust enrichment.”

[17] TFI reasons that, since neither CRA nor Dr. Lee would have been listed as trade creditors if the BSA had been complied with, no amount of the value of the purchase price would have been apportioned to them in any event.

[18] I am unable to agree with TFI. The *National Trust* case is distinguishable. In *National Trust*, all the proceeds of sale went to pay off a secured creditor, even though the BSA had not been complied with. The court held that requiring the purchaser to pay more to an unsecured creditor would constitute unjust enrichment because the unsecured creditor, which ranked in priority behind the secured creditor which received all the proceeds, would have received nothing even if the BSA had been complied with.

[19] The *National Trust* case does not address the simpler question of whether a non-trade creditor may attack a sale for non-compliance with the BSA where a secured creditor did not receive the entire proceeds of sale.

[20] The governing case concerning this latter scenario is, in my view, *Sidaplex-Plastics Suppliers Inc. v. Elta Group Inc.* (1998), 162 D.L.R. (4th) 376 (Ont. C.A.). There, Rosenberg J.A., writing for the court, found that merely because “adequate provision” need not be made for the payment of non-trade creditors under s. 8(1)(c) does not dispose of the issue. There are *two* ways in which a buyer might complete a bulk sale. Making “adequate provision” is the first. The second is by payment to a trustee. The trustee’s responsibility is to distribute the proceeds to *all* creditors, not just trade creditors (s. 12). Rosenberg J.A. wrote:

Thus, even though a creditor is not a person for whom provision need be made under s. 8, it is entitled to apply to set aside the sale.

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9.

A non-trade creditor still has a remedy under the BSA. Section 16(2) of the BSA makes the buyer personally liable to “the creditors.” The availability of that remedy is not limited to trade creditors.

[21] Although the majority in *National Trust* was critical of one aspect of the *Sidaplex-Plastics* decision, it was not this aspect. Rather, the Supreme Court of Canada was critical of the mechanical exclusion of discretion to affect a result that could not possibly have obtained even if the BSA had been fully complied with. That is not the case (at least, not entirely the case) here.

[22] As noted by the Supreme Court in *National Trust*, the primary purpose of the BSA is to protect the interests of all creditors, secured and unsecured alike, whose debtors have disposed of all or substantially all of their assets. As a secondary purpose, the BSA ensures the fair distribution of the proceeds of the sale in bulk; specifically, that the creditors of a seller receive their ratable share of the proceeds of a sale, based on their priority ranking, and are, therefore, not prejudiced by the sale. The clear legislative intent is to deter fraud and to ensure that creditors are properly paid. The Court wrote (at para. 30):

In light of the objectives of the *Bulk Sales Act*, a purposive approach to the interpretation of the buyer’s duty to account under s. 16(2), after having failed to comply with the Act, requires that the buyer pay to the seller’s creditors the amount that such creditors were deprived of as a result of the non-compliant sale. In other words, when a buyer fails to conform with the Act, he or she will be liable to the creditors for any shortfall they incurred.

[23] Here, it seems Pun mislead TFI about Ellen’s creditors and diverted the proceeds of sale to uses other than the payment of those creditors. This is precisely the evil which the provisions of the BSA were designed to prevent. While it is true that the result of voiding a bulk sale may be disruptive and somewhat draconian, the BSA has not been repealed in Ontario.

[24] As between creditors and a purchaser, the risk of non-compliance falls on the purchaser. It was within TFI’s power to ensure Ellen’s creditors would not be disadvantaged or to seek a judicial exemption. Having failed to do so, TFI must bear the cost, subject to a credit for all amounts paid to creditors from the proceeds (as per *National Trust*) and proper proof of the amounts of valid creditor claims as of July 3, 2012.

[25] Dr. Lee and CRA, as creditors, therefore, have a remedy under the BSA to the extent the proceeds of sale were not paid to a creditor with priority. I will return to this issue below when dealing with the evidence of debts owing at the time of sale.

[26] TFI’s next argument with respect to Dr. Lee is that, because there is no evidence demand was ever made on the Ellen’s guarantee and no evidence about the guarantor’s rights and remedies under its guarantee, Dr. Lee’s claim against Ellen’s is “contingent” and does not qualify as a “debt” under the BSA.

[27] In *Pizzolati & Chittaro Manufacturing Co. Ltd. v. May*, [1072] 2 O.R. 606 (C.A.) it was held that “debt” has a well-defined meaning as a sum payable in respect of a liquidated money demand which does not include an unliquidated claim for damages. Thus a person with an unliquidated claim for damages is not a creditor under the BSA.

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10.

[28] I am unable to conclude that *Pizzolati* assists TFI in this case. The fact that there may be contractual or common-law preconditions to the enforcement of a guarantee does not render the claim a claim for unliquidated damages. Form 4 under the BSA lists, as liabilities to be disclosed, “contingent liabilities” such as “endorsements and guarantees.” A contingent liability is not the same as an unliquidated claim.

[29] Thus, I cannot agree that Dr. Lee’s claim was unliquidated and therefore excluded from the BSA.

[30] TFI also argues that a significant portion of the purchase price was not for “stock, money or services” but, rather, for Ellen’s licence. I must dismiss this argument. There is simply no evidence, beyond TFI’s after-the-fact, self-serving affidavit, to support this position. None of the contemporaneous documents allocate any portion of the sale price to the licence and there is no independent evidence that the licence had any value.

[31] Finally, TFI argues that HSBC is disqualified from seeking relief under the BSA because of its alleged involvement as both TFI’s banker and as a lender to Ellen’s which received partial payment from Ellen’s on July 3, 2012.

[32] I fail to see how HSBC’s status as banker for both parties relieves TFI of the consequences of failing to comply with the BSA. There is no evidence which could possibly rise to the level of HSBC having knowingly assisted Ellen’s or placing on HSBC an obligation to advise TFI about Ellen’s disposition of the sale proceeds. I therefore reject this argument.

Speculative or Excessive

HSBC

[33] The applicant concedes that any amount otherwise recoverable from TFI under s. 16 of the BSA must be reduced by any amounts paid to creditors from the sale proceeds.

[34] The receiver’s report states that on July 3, 2012, Ellen’s made a partial payment of its debt to HSBC of \$150,000. This was the day TFI paid Ellen’s the final installment of \$278,000 on the sale.

[35] In the financial circumstances of Ellen’s described in the receiver’s report, a strong inference arises, and I find, that the HSBC payment of \$150,000 came from the funds paid by TFI to Ellen’s on July 3, 2012. Accordingly, on the strength of this finding, I find \$150,000 of the sale proceeds was paid to the secured creditor, HSBC. TFI cannot, therefore, be called upon to pay that amount a second time.

[36] The evidence was not challenged that HSBC was still owed \$279,276.17 as of July 3, 2012. TFI must account for and pay this amount to the trustee.

CRA/HST

[37] HST was exigible on the sale in the amount of \$124,020. There is no evidence that Ellen’s remitted any of this tax to CRA. CRA conducted a source deduction audit in 2013. In

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11.

August 2013 CRA issued a notice of reassessment in the total amount of \$633,900. CRA filed a proof of claim in the Ellen's bankruptcy for about \$624,000 owing from the period 2010 to July 31, 2012. The applicant argues that all of this tax was a debt and is subject to s. 16 of the BSA.

[38] The evidence discloses that by the end of July 2012, Ellen's owed about \$637,000 on account of HST. The evidence suggests that that only about \$50,000 of this amount accrued after the transaction in issue. I conclude, therefore, that CRA's claim, in the context of this application against TFI, has a value of about about \$585,000, being the approximate amount CRA was owed to and including the date of the sale.

Dr. Lee

[39] The evidence concerning what Dr. Lee was owed as of July 3, 2012 is highly unsatisfactory and internally contradictory. The trustee has not proffered any accounting of what Dr. Lee was owed. It has, instead, presented only a claim by Dr. Lee's counsel which seems at odds with other information about payments by Pun against her debt to Dr. Lee. It is therefore impossible on the evidence to know what, if any, additional liability TFI may have on account of amounts owing to Dr. Lee although it seems clear that there is some.

Other Creditors

[40] The receiver's report says that between \$330,000 and \$367,000 was also owed to Ellen's unsecured creditors. However, there is evidence that significant amounts included in this number may not have been owed by Ellen's at all but rather by some other Pun-owned entity. In the absence of clear evidence that Ellen's in fact owed money to these additional creditors, I do not think a claim lies against TFI for these amounts.

Conclusion

[41] In conclusion, I find that TFI is not liable to pay to the trustee \$150,000 of the amount claimed because that amount was paid to HSBC from the proceeds of sale. TFI is liable for accrued HST owed by Ellen's to and including the sale, which I estimate at \$585,000, although this number must be confirmed through negotiation or further evidence. The evidence filed does not enable me to determine what, if any, additional amounts may be owing on account of actual debts owed by Ellen's to other creditors as of July 3, 2012.

[42] I expect the parties to obtain all reasonably available data on valid claims of creditors for purposes of determining what, if any, additional amounts are properly owing by TFI on account of the value of the proceeds of sale. There should be a negotiated solution but, if accommodation cannot be reached, a further application may be made to the court for purposes of finalizing the amount for which TFI is properly liable in accordance with the principles established in these Reasons.

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12.

Costs

[43] Although success was divided, the applicant was substantially successful on the application. I fixed costs payable by TFI to the applicant in the amount of \$15,000.



Penny J.

Date: December 30, 2014

Tab 3

C 14-10628-0001

Court File No.

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

**IN THE MATTER OF THE *BULK SALES ACT*,
R.S.O. 1990, c.B.14, AS AMENDED**

**AND IN THE MATTER OF A TRANSFER OF ASSETS FROM
ELLEN'S FOOD GROUP INC. TO TFI FOODS LTD.**

B E T W E E N:

**DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS TRUSTEE
IN BANKRUPTCY OF ELLEN'S FOOD GROUP INC.**

Applicant

and

TFI FOODS LTD.

Respondent

NOTICE OF APPLICATION

TO THE RESPONDENT(S)

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The Claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing on a date to be fixed by the Commercial List Office, at 330 University Avenue, Toronto, Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve

a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date July 14, 2014 **Issued by** _____

 Local Registrar **A. Anissimova**
 Registrar
Address of court office: 330 University Avenue, 7th Floor
Toronto, Ontario
M5G 1R7

TO: TFI FOODS LTD.
44 Milner Avenue
Scarborough, ON M1S 3P8

APPLICATION

1. The applicant (the "Trustee") makes this Application for an order:
 - (a) declaring that the transaction (the "Transaction") contemplated by the sale agreement (the "Sale Agreement") dated June 7, 2012 and sales invoice (the "Invoice") dated July 5, 2012 between Ellen's Food Group Inc. ("Ellen's") and the Respondent ("TFI") constitutes a sale in bulk under the *Bulk Sales Act*, R.S.O. 1990, c. B.14 (the "BSA").
 - (b) Declaring that the Transaction is void for failure to comply with the terms of the BSA;
 - (c) Declaring that, in accordance with the BSA, TFI is personally liable to account to the Trustee for the value of the property purchased by TFI pursuant to the Sale Agreement and the Invoice (the "Purchased Assets");
 - (d) Requiring TFI to pay to the Trustee the sum of \$1,078,020.00, being the amount paid by TFI to Ellen's in respect of the Purchased Assets; and,
 - (e) Such further and other relief as counsel may advise and to this Court may seem just.

2. The grounds for the application are:
- (a) Ellen's was engaged in the manufacturing and distribution of quick frozen, ready-to-eat meals and leased a manufacturing facility located at 30 Sims Crescent, Richmond Hill, Ontario (the "Facility");
 - (b) Pursuant to the Order of the Honourable Justice Morawetz, dated February 25, 2013, Deloitte & Touche Inc. (which subsequently changed its name to Deloitte Restructuring Inc., hereinafter referred to as "Deloitte") was appointed as Receiver of Ellen's, pursuant to Section 243 of the *Bankruptcy and Insolvency Act* and Section 101 of the *Courts of Justice Act*;
 - (c) Upon its appointment, the Receiver attended at the Facility and was advised by certain individuals working there that Ellen's no longer operated out of the premises and that Ellen's had sold its business to TFI, including the Purchased Assets;
 - (d) Shortly thereafter, the Receiver was advised by David Lam, TFI's president, and Ellen Pun, the principal of Ellen's, that TFI had acquired the Purchased Assets and assumed the lease for the Facility back in July 2012;
 - (e) In or around the same time, Ms. Pun provided the Receiver with a copy of the Sale Agreement and the Invoice;

- (f) According to the Sale Agreement, TFI agreed to pay Ellen's the amount of \$954,000.00 for the Purchased Assets and the estimated closing date of the transaction was August 30, 2012;
- (g) The Invoice provided for a total purchase price of \$1,078,020.00, including HST, which was to be paid in four (4) installments;
- (h) On July 3, 2012, TFI paid the final installment to Ellen's for the Purchased Assets;
- (i) As of July 3, 2012, Ellen's was, and continues to be, indebted to numerous creditors, both secured and unsecured, including HSBC Bank Canada, Canada Revenue Agency, Dr. Sai-Kui Lee, numerous former employees of Ellen's, as well as numerous trade creditors;
- (j) On November 5, 2013, Ellen's filed an assignment in bankruptcy and Deloitte was appointed Trustee in Bankruptcy for the estate of Ellen's;
- (k) It appears that Ellen's improperly diverted the proceeds from the sale of the Purchased Assets, in contravention of the BSA;
- (l) As the purchaser of the Purchased Assets, TFI failed to comply with the provisions of the BSA and therefore ought to be held liable to account to Ellen's creditors for the value of the Purchased Assets;
- (m) The Trustee has requested that TFI provide evidence of its compliance with the BSA, but TFI has failed to provide any such evidence;
- (n) Sections 16(1), (2) and 17(1) of the BSA;

- (o) Rules 1.04 and 38 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and,
- (p) Such further and other grounds as counsel may advise and this Court deem just.

3. The following documentary evidence will be used at the hearing of the application:

- (a) The First Report of the Trustee; and,
- (b) Such further and other evidence as counsel may advise and this Court permit.

14
 July 2, 2014
 A

**KRONIS, ROTSZTAIN,
 MARGLES, CAPPEL LLP**
 Barristers and Solicitors
 8 King Street East, Suite 1000
 Toronto ON M5C 1B5

Mervyn D. Abramowitz (LSUC # 28325R)
 mabramowitz@krmc-law.com
 Tel: (416) 218-5620
 Fax: (416) 306-9874

Stephen Wolpert (LSUC # 57609Q)
 swolpert@krmc-law.com
 Tel: (416) 218-5763
 Fax: (416) 306-9874

Lawyers for the Applicant

DELOITTE RESTRUCTURING INC. IN ITS CAPACITY AS
TRUSTEE IN BANKRUPTCY OF ELLEN'S FOOD GROUP
INC.

Applicant

-and- TFI FOODS INC.

Respondent

14-10628-002

Court File No.

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

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF APPLICATION

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Lawyers for the Applicant

Tab 4

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

IN THE MATTER OF THE *BULK SALES ACT*,
R.S.O. 1990, c.B.14, AS AMENDED

AND IN THE MATTER OF A TRANSFER OF ASSETS FROM
ELLEN'S FOOD GROUP INC. TO TFI FOODS LTD.

B E T W E E N:

**DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS TRUSTEE
IN BANKRUPTCY OF ELLEN'S FOOD GROUP INC.**

Applicant

and

TFI FOODS LTD.

Respondent

**FIRST REPORT OF DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS
TRUSTEE IN BANKRUPTCY OF ELLEN'S FOOD GROUP INC.
(as at August 22, 2014)**

1. This is the First Report of Deloitte Restructuring Inc. ("**Deloitte**") in its capacity as Trustee in Bankruptcy (the "**Trustee**") of Ellen's Food Group Inc. (the "**Company**").

BACKGROUND AND PURPOSE OF THIS REPORT

2. By Order of the Honourable Justice Morawetz dated February 25, 2013 (the "**Receivership Order**"), Deloitte & Touche Inc. was appointed as the receiver (the "**Receiver**") of all of the assets, undertaking and properties of the Company pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") and section 101 of the *Courts of Justice Act* (Ontario).

3. On July 1, 2013, Deloitte & Touche Inc. changed its name to Deloitte Restructuring Inc.
4. By Order of the Honourable Justice Morawetz dated October 30, 2013, the Receiver was authorized to assign the Company into bankruptcy.
5. On November 5, 2013, the Receiver assigned the Company into bankruptcy, and Deloitte was duly appointed trustee of the bankrupt estate. A copy of the Certificate of Appointment is attached as **Appendix "A"**.
6. The First Meeting of Creditors was held on November 26, 2013. At that meeting, the Trustee's appointment was confirmed and the following individuals were appointed as the inspectors of the estate: John Borch, Adrian Dominguez, Pat Confalone and Dr. Sai Kui Lee. A copy of the Minutes of the First Meeting of Creditors is attached hereto as **Appendix "B"**.
7. This First Report is being filed in support of the Trustee's application for, among other things:
 - a. a declaration that a certain sale transaction which was completed on July 5, 2012 (the "**Transaction**") between the Company and the Respondent, TFI Foods Ltd. ("**TFI**") is void for failure to comply with the *Bulk Sales Act*, R.S.O. 1990, c. B.14, as amended (the "**BSA**");
 - b. a declaration that TFI is personally liable to account to the Trustee for the value of the property purchased by TFI from the Company; and,

- c. an order requiring TFI to pay to the Trustee the sum of \$1,078,020.00, being the amount paid by TFI to the Company.

8. Pursuant to the Transaction, the Company transferred substantially all of its assets to TFI. However, TFI failed to comply with the BSA, thereby prejudicing the interests of the creditors of the Company.

9. Historical information, financial and otherwise, included in this First Report is largely based upon information that was provided to, or was available to, the Receiver, as reported to the Court, as referenced below. Where that information is not supported by specific documents, the Trustee cannot verify the accuracy or completeness of that information, but nothing has come to the attention of the Trustee that suggests that the information is not accurate, except as may be expressly set out herein.

THE ACTIVITIES OF THE RECEIVER

10. On October 30, 2013, the Court approved the activities of the Receiver as set out in the First Report of the Receiver dated October 17, 2013 (the "**Receiver's Report**"). Attached hereto as **Appendix "C"** is a true copy of the Order of Justice Morawetz dated October 30, 2013.

11. The Receiver's Report described the Receiver's activities and findings, with respect to the Transaction, much of which is relevant to and relied upon by the Trustee in support of the relief sought in the within Application. Attached hereto as **Appendix "D"** is a true copy of the Receiver's Report without Appendices.

12. The specific portions of the Receiver's Report relied upon by the Trustee in this matter are set out below.

BACKGROUND OF THE COMPANY AND APPOINTMENT OF THE RECEIVER

13. As noted in paragraph 6 of the Receiver's Report, the Company was engaged in the business of manufacturing and distributing quick frozen, ready-to-eat meals to nursing homes in the Asian community and federal institutions. The Company operated out of leased facilities in Richmond Hill located at 30 Sims Crescent, Richmond Hill, Ontario (the "**Sims Crescent Property**").¹

14. As described in paragraphs 7 – 8 of the Receiver's Report, the Company also had certain credit facilities with HSBC Bank Canada ("**HSBC**"). The payment of amounts owing to HSBC and the performance of the Company's obligations under these credit facilities were secured by a security interest over all of the Company's personal property.

15. As described in paragraphs 9 – 11 of the Receiver's Report, following the Company's default and failure to repay the amounts outstanding under its credit facilities to HSBC, HSBC brought an application to appoint Deloitte as receiver. On February 25, 2014, the Court granted the Receivership Order.

¹ The Trustee has learned that the Scarborough property referred to in paragraph 6 of the Receiver's First Report was not leased by the Company but by a related company.

SALE OF ASSETS TO TFI

16. As described at paragraphs 33 – 35 of the Receiver's Report, upon the Receiver attending the Sims Crescent Property, it learned that the Company no longer operated out of the premises and that TFI had purchased all of the property located at the Sims Crescent Property in July 2012.

17. According to the Receiver's Report, Pun provided the Receiver with copies of:
- a. a sales agreement between the Company and TFI dated June 7, 2012, accepted on June 15, 2012 (the "**Sales Agreement**");
 - b. an invoice from the Company to TFI dated July 5, 2012 (the "**Sales Invoice**");
and,
 - c. an assignment of lease agreement dated June 29, 2012 (the "**Assignment of Lease Agreement**").

Attached hereto as **Appendices "E", "F", and "G"** are true copies of the Sales Agreement dated June 7, 2012, the Sales Invoice dated July 5, 2012, and Assignment of Lease Agreement dated June 29, 2012, respectively, referred to in the Receiver's Report and attached thereto as Appendices "P", "Q" and "R", respectively.

18. According to the Sales Agreement, TFI purchased any and all equipment (the "**Assets**") located at the Sims Crescent Property for \$954,000 plus HST of \$124,020 for a total of \$1,078,020 (the "**Sale Proceeds**").

19. According to the Sales Invoice, the purchase price was paid by TFI in four installments as follows:

- i. June 15, 2012 - \$200,000.00;
- ii. June 20, 2012 - \$100,000.00;
- iii. June 21, 2012 - \$500,000.00; and
- iv. July 3, 2012 - \$278,020.00.

20. Although the Sales Agreement contemplated that the Transaction would close on August 30, 2012, according to the Sales Invoice the Transaction was completed on July 5, 2012.

21. Paragraph 39 of the Receiver's Report makes reference to the Company's bank statements and confirms that the Company received funds corresponding to the payments set out above.

DISTRIBUTION OF SALE PROCEEDS

22. Paragraphs 40, 42, 43, 44 and 46 of the Receiver's Report provide information with respect to the use to which the Sale Proceeds were put. While some of the funds were paid to various suppliers, related entities and to Pun personally, only \$150,000 was paid to the secured creditor HSBC on July 3, 2012.

TFI AND THE BULK SALES ACT

23. As described in paragraph 54 of the Receiver’s Report, on March 11, 2013, the Receiver’s counsel notified TFI that TFI may not have complied with the requirements of the BSA. Attached hereto as **Appendix “H”** is a true copy of the correspondence from the Receiver’s counsel to TFI dated March 11, 2013, which is Appendix “X” to the Receiver’s Report.

24. As set out in paragraph 55 of the Receiver’s Report, TFI responded to the Receiver and advised that, in its view, there was no need to provide any further information than had already been provided to the Receiver. Attached hereto as **Appendix “I”** is a true copy of the correspondence from TFI to the Receiver’s counsel dated March 11, 2013, which is Appendix “Y” to the Receiver’s Report.

25. The Receiver notes, at paragraph 56 of the Receiver’s Report, that it has not been provided with any evidence that TFI sought and received a judicial exemption under Section 3 of the BSA, or that TFI has otherwise complied with the BSA.

THE TRUSTEE’S FURTHER EFFORTS TO OBTAIN EVIDENCE OF COMPLIANCE WITH THE *BULK SALES ACT*

26. On February 5, 2014, the Trustee’s counsel, Kronis Rotsztain Margles Cappel LLP (“**KRMC**”), wrote to TFI’s counsel and, among other things, requested evidence that TFI complied with its obligations under the BSA. Attached hereto as **Appendix “J”** is a true copy of KRMC’s letter of February 5, 2014.

27. The Trustee notes that counsel for TFI has failed to provide any evidence of compliance with the BSA, or of any order exempting the Transaction from the application of the BSA.

CONCLUSION AND RECOMMENDATION

28. Based on information received from the creditors listed below and from information set out in the Receiver's Report, it appears that the following outstanding debts existed as at the time of the Transaction:

- a. HSBC was owed the sum of \$279,276.17;
- b. Dr. Sai Kui Lee was owed the sum of \$674,284.07;
- c. Canada Revenue Agency filed a proof of claim which indicates that it was owed approximately \$624,000 for HST for the period February 1, 2010 to July 31, 2012;
- d. Canada Revenue Agency filed a proof of claim which indicates that it was owed \$13,340.95 for source deductions for the 2012 tax year; and,
- e. As set out in paragraph 45 of the Receiver's Report, unsecured creditors were owed the sum of \$330,580.40 and \$367,827.57, as at June 30, 2012 and at July 31, 2012, respectively.

29. Attached hereto as **Appendices "K" and "L"** are true copies of correspondence recently provided to the Trustee from HSBC and Dr. Lee, respectively, confirming the amounts owing to them by the Company as at July 5, 2012.

30. Attached hereto as **Appendices "M" and "N"** are true copies of the proofs of claim submitted by Canada Revenue Agency for the HST claim and for the source deduction claim, respectively.

31. The Trustee also notes that on July 3, 2014, Pun filed for personal bankruptcy. Attached hereto as **Appendix "O"** is a copy of the Notice of Bankruptcy of Pun.

32. The Receiver stated at paragraph 12 of its Notice and Statement of Receiver dated August 28, 2013, that there have not been any receipts in this administration. Attached hereto as **Appendix "P"** is a true copy of the Notice and Statement of Receiver.

33. To date the Trustee has also not recovered any funds from Pun or any of the related companies that may have received part of the Sale Proceeds.

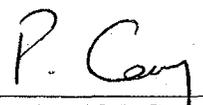
34. The only reasonable prospect of any recovery for the creditors of the Company, of which the Trustee is aware at this time, is the funds that may be recovered from TFI herein.

35. The failure to comply with the BSA has prejudiced the interests of the creditors of the Company in that substantially all of the Company's assets have been disposed of without ensuring the fair distribution of the Sale Proceeds among the Company's creditors based on their respective priorities.

36. The Trustee, therefore, requests that this Court declare the Transaction void, declare that TFI is personally liable to account to the creditors of the Company for the value thereof, and order TFI to pay to the Trustee the sum of \$1,078,020, forthwith.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 22nd day of August, 2014

DELOITTE RESTRUCTURING INC. in its capacity as Trustee in Bankruptcy of Ellen's Food Group Inc. and not in its personal capacity



Name: Paul M. Casey, CPA, CA, CIRP
Title: Senior Vice President

APPENDIX “A”



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of: Ontario
Division No.: 09 - Toronto
Court No.: 31-1806748
Estate No.: 31-1806748

In the Matter of the Bankruptcy of:

Ellen's Food Group Inc.
Debtor

**DELOITTE RESTRUCTURING INC/RESTRUCTURATION
DELOITTE INC**
Trustee

Ordinary Administration

Date and time of bankruptcy:	November 05, 2013, 13:07	Security:	\$0.00
Date of trustee appointment:	November 05, 2013		
Meeting of creditors:	November 26, 2013, 11:00 25 St. Clair Avenue East, 6th floor Toronto, Ontario Canada,		
Chair:	Official Receiver		

CERTIFICATE OF APPOINTMENT - Section 49 of the Act: Rule 85

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify that:

- the aforementioned debtor filed an assignment under section 49 of the *Bankruptcy and Insolvency Act*;
- the aforementioned trustee was duly appointed trustee of the estate of the debtor.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy;
and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

Date: November 05, 2013, 14:49

E-File/Dépôt Electronique

Official Receiver

25 St. Clair Avenue East, 6th floor, Toronto, Ontario, Canada, M4T1M2, (877)376-9902



APPENDIX “B”



Industry Canada

Industrie Canada

Office of the Superintendent
of Bankruptcy Canada

Bureau du surintendant
des faillites Canada

25 St. Clair Avenue E, 6th Floor
Toronto, Ontario
M4T 1M2
osb.ic.gc.ca

25, avenue St. Clair Est, 6^e étage
Toronto (Ontario)
M4T 1M2
bsf.ic.gc.ca

District of ONTARIO
Division No. 09 - Toronto
Court No. 31-1806748
Estate No. 31-1806748

IN THE MATTER OF THE BANKRUPTCY OF
ELLEN'S FOOD GROUP INC.
MINUTES OF THE FIRST MEETING OF CREDITORS

November 26, 2013, (11:00 AM)
OSB Toronto Division Office
25 St. Clair Avenue E.
Suite 600
Toronto, Ontario

ATTENDANCE

Chairperson:	Avi Koren - OSB
Trustee:	Catherine Hristow - Deloitte Restructuring Inc.
Trustee:	Anna Koroneos - Deloitte Restructuring Inc.
Estate Solicitor:	Danny Nunes - TGF LLP
Secretary:	Danny Truong - OSB

The attendance is recorded as per the attached list.

ABSENT

Corporate Officer: Ellen Pun

QUORUM

Avi Koren acted as Chair for the meeting under the authority of s.105(1) of the Bankruptcy and Insolvency Act ('BIA').

The Chair determined that a quorum was established from the individuals present.

CALL TO ORDER

The Chairperson called the meeting legally constituted and called the meeting to order at 11:00am. A short recess was called to review the proof of claims that were submitted just prior to the meeting.



Protecting the
Integrity of the
Insolvency System

Protéger l'intégrité
du système
d'insolvabilité

The Chairperson explained that the purpose of the meeting was set out in section 102(5) of the BIA.

TABLE DOCUMENTS

The Trustee tabled the estate documents including the trustee's preliminary report, affidavit of mailing and proof of publication.

The Trustee provided an oral presentation of the trustee's report.

GENERAL DISCUSSION/QUESTION

Yu Zhang ("Mr. Zhang"), a creditor for Ellen's Investment Ltd. asked if his claim would be considered in this bankruptcy. The Trustee explained that there are several different entities created by the corporate director (Ellen Pun), but for the sake of this administration, Mr. Zhang's claim would be disallowed for the sake of the vote as his claim is for another entity. Mr. Zhang opted to withdraw the claim filed.

Peter Welsh ("Mr. Welsh"), on behalf of TFI Foods Ltd. ("TFI"), asked if Ms. Pun was in the room. The Trustee confirmed that she was not present at the meeting, nor does the Trustee know where Ms. Pun's current whereabouts is. A creditor, Sara Ching ("Ms. Ching"), identified that she was aware as to Ms. Pun's current residential address and provided the details to the Trustee.

Leslie Kowal, on behalf of the Canada Revenue Agency ("CRA"), asked the trustee if there will be any more attempts to obtain more information on the books & records of the company. The Trustee indentified that she will endeavour to obtain more information if the corporate officer re-appears.

Dau Lien Wong (Wellington Poultry Limited) requested to know if the trustee had received her proof of claim. The Trustee confirmed that the proof of claim was received, but it was filed for another entity. Similar to Mr. Zhang's situation, the Trustee informed Ms. Wong that they can leave it as is and mark it as disallowed for the sake of voting today, and have it determined by the court. Ms. Wong opted to withdraw her claim.

Mr. Zhang asked if any of the other companies related to Ellen Pun have gone bankrupt. The Trustee was unaware if the other entities have filed for bankruptcy.

AFFIRMATION OF THE APPOINTMENT OF THE TRUSTEE

It was moved by CRA and seconded by Dr. Sai-Kui Lee ("Dr. Lee") that Deloitte Restructuring Inc. be affirmed the Trustee. The motion to affirm the appointment of Deloitte Restructuring Inc. was carried.

NOMINATIONS OF INSPECTOR(S)

There was a general discussion as to whether Adrian Dominguez (TFI Foods Ltd.) could act as an inspector on the estate as the Trustee had indicated that the Trustee may file an action, on behalf of the estate,

against TFI Foods Ltd. After consideration, the Chair allowed Mr. Dominguez's name to be put forward as consideration for estate inspector.

Other nominations include:

- Pat Confalone (CRA)
- Dr. Sai-Kui Lee
- Jay Borch (HSBC)

APPOINTMENT OF INSPECTOR(S)

All four names nominated were appointed as estate inspectors.

Name:	Moved:	Seconded:	Carried? Y/N
Adrian Dominguez	CRA	Sara Ching	Yes
Pat Confalone	HSBC	Sai-Kui Lee	Yes
Sai-Kui Lee	HSBC	CRA	Yes
Jay Borch	Sai-Kui Lee	CRA	Yes

DIRECTONS TO THE TRUSTEE/INSPECTORS AND OTHER MATTERS

There were no directions provided to trustee at this time. A meeting of Inspectors would be scheduled at a later date.

ADJOURNMENT of MEETING

There being no other business a motion was made to adjourn the meeting. Motion to adjourn the meeting was moved by HSBC and seconded by Dr. Lee. The motion was carried and the meeting was adjourned at 11:40 hrs.



Date: November 27, 2013

Avi Koren

Chairperson / Official Receiver

Dated the 27th of November 2013 at the City of Toronto

OFFICE OF THE SUPERINTENDENT OF BANKRUPTCY

Encl.: Attendance List

APPENDIX “C”



Court File No.: CV-10-9031-00CL

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

**THE HONOURABLE MR.)
JUSTICE MORAWETZ)
WEDNESDAY, THE 30TH DAY
OF OCTOBER, 2013**

B E T W E E N:

HSBC BANK CANADA

Applicant

- and -

ELLEN'S FOOD GROUP INC.

Respondent

**ORDER
(Approval of Receiver's Activities)**

THIS MOTION made by Deloitte Restructuring Inc. (formerly Deloitte & Touche Inc.), in its capacity as the receiver (the "**Receiver**") of all of the assets, undertakings and properties of Ellen's Food Group Inc. (the "**Debtor**"), for the relief set out in its Notice of Motion herein dated October 22, 2013, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated October 17, 2013, and the Appendices thereto (the "**First Report**"), and on hearing the submissions of counsel for the Receiver and HSBC Bank Canada, no one else appearing although served as evidenced by the Affidavit of Maria Magni sworn October 23, 2013, filed.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged such that this Motion is properly returnable today, that all parties entitled to notice of the Motion have been duly served with notice, that no other parties are affected by this Order, and that any requirement for service of the Notice of Motion and the Motion Record upon any party other than the parties served is unnecessary and is hereby dispensed with and that the service of the Notice of Motion and the Motion Record is hereby validated in all respects.

APPROVAL OF RECEIVER'S ACTIVITIES

2. **THIS COURT ORDERS** that the First Report, and the activities of the Receiver to date as detailed in the First Report, be and they are hereby approved.

APPROVAL OF PROFESSIONAL FEES

3. **THIS COURT ORDERS** that the professional fees and disbursements of the Receiver for the period from February 25, 2013 to September 30, 2013, as described in the First Report and the Affidavit of Catherine Hristow sworn on October 17, 2013, be and they are hereby approved.

4. **THIS COURT ORDERS** that the professional fees and disbursements of the Receiver's legal counsel, Thornton Grout Finnigan LLP, for the period from February 25, 2013 to September 30, 2013, as described in the First Report and the Affidavit of Leanne Williams sworn on October 17, 2013, be and they are hereby approved.

5. **THIS COURT ORDERS** that the professional fees and disbursements of the Receiver's independent legal counsel, Kronis, Rotsztain, Margles, Cappel, LLP, for the period from February 25, 2013 to September 30, 2013, as described in the First Report and the Affidavit of Lawrence D. Adelberg sworn on October 15, 2013, be and they are hereby approved.

ASSIGNMENT OF DEBTOR INTO BANKRUPTCY

6. **THIS COURT ORDERS** that the Receiver is authorized to assign the Debtor into bankruptcy.



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

OCT 31 2013

NB

HSBC BANK CANADA

Applicant and

ELLEN'S FOOD GROUP INC.

Respondent

Court File No.: CV-10-9031-00CL

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

Proceedings commenced at **Toronto**

ORDER
(Approval of Receiver's Activities)

Thornton Grout Finnigan LLP
Barristers and Solicitors
TD West Tower
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7

Danny M. Nunes (LSUC#53802D)
Tel: 416-304-1616
Fax: 416-304-1313
E-mail: dnunes@tgf.ca

Lawyers for the Receiver, Deloitte & Touche Inc.

APPENDIX “D”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

HSBC BANK CANADA

Applicant

- and -

ELLEN'S FOOD GROUP INC.

Respondent

FIRST REPORT OF THE RECEIVER
DATED OCTOBER 17, 2013

INTRODUCTION

1. By Order of the Honourable Mr. Justice Morawetz dated February 25, 2013 (the "Appointment Order"), Deloitte & Touche Inc. was appointed as the receiver (the "Receiver") of all of the assets, undertakings and properties (the "Property") of Ellen's Food Group Inc. (the "Company") pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "BIA") and Section 101 of the *Courts of Justice Act* (Ontario). Attached hereto as Appendix "A" is a true copy of the Appointment Order.
2. On July 1, 2013, Deloitte & Touche Inc. changed its name to Deloitte Restructuring Inc. (hereinafter referred to as, "Deloitte").

PURPOSES OF THE RECEIVER'S REPORT

3. The purpose of this First Report of the Receiver (the "**First Report**") is to inform the Court of the status of the receivership since the date of the Appointment Order. This First Report is filed in support of a motion brought by the Receiver for an Order:
 - (a) authorizing the Receiver to assign the Company into bankruptcy;
 - (b) approving the conduct and activities of the Receiver since the date of the Appointment Order; and
 - (c) approving the professional fees and disbursements of the Receiver and its legal counsel, Thornton Grout Finnigan LLP ("**TGF**"), and Kronis, Rotsztain, Margles, Cappel, LLP ("**KRMC**") for the period February 25, 2013 to September 30, 2013.
4. All references to dollars are in Canadian currency unless otherwise noted.
5. Unless otherwise provided, capitalized terms not otherwise defined in this First Report are as defined in the Appointment Order.

BACKGROUND TO THE RECEIVERSHIP

6. The Company was engaged in the business of manufacturing and distributing quick frozen, ready-to-eat meals to nursing homes in the Asian community and federal institutions. The Company operated out of leased facilities in Richmond Hill and Scarborough, Ontario, including the property located at 30 Sims Crescent, Richmond Hill, Ontario (the "**Sims Crescent Property**").

7. Pursuant to a credit facility letter dated February 10, 2005, as amended, HSBC Bank Canada (the “**Bank**”) extended certain credit facilities to the Company, including an operating lease line to finance the Company’s acquisition of equipment for use in its production plant located at the Sims Crescent Property and a revolving operating loan to assist with the Company’s working capital requirements and the importing of equipment for use in the Company’s business operations (the “**Credit Facilities**”).
8. As security for its obligations to the Bank, the Company granted security over all of its personal property to the Bank pursuant to, among other things, a General Security Agreement dated June 3, 2005 and a Master Lease Agreement No. 230857.ON dated June 3, 2005.
9. On June 24, 2010, the Bank demanded payment from the Company of all amounts then outstanding under the Credit Facilities, namely the sum of \$1,753,971.19, together with interest, fees and costs to the date of payment, and issued a Notice of Intention to Enforce Security to the Company pursuant to Section 244 of the BIA.
10. The Company and the Bank entered into a series of forbearance agreements beginning in November 2010. In consideration for the Bank’s forbearing from taking any further steps to enforce its security, the Company agreed, among other things, to execute a consent to the appointment of a receiver which was to be held in escrow and would only become effective upon the occurrence of a Forbearance Terminating Event or the Forbearance Deadline (as such terms were defined in the

forbearance agreements executed by the Company and the Bank). Attached hereto as Appendix "B" is a true copy of the consent executed by the Company.

11. Having failed to satisfy the terms of the last forbearance agreement dated December 21, 2012, the Bank brought an application to have Deloitte appointed as receiver which relief was granted pursuant to the Appointment Order.
12. As at the date of the Appointment Order, the Company's indebtedness to the Bank was \$269,162.36.
13. The Receiver requested that its independent counsel, KRMC, review the Bank's security and provide an independent legal opinion on its validity and enforceability. The Receiver obtained an opinion confirming the validity, enforceability and first registered priority of the Bank over the Property, subject only to the usual qualifications. Attached hereto as Appendix "C" is a true copy of the independent legal opinion.

THE COMPANY RECORDS

14. In accordance with the terms of the Appointment Order, the Receiver attended at the Company's corporate head office at 245 Centurian Drive, Suite 203, Richmond Hill, Ontario, on February 26, 2013.
15. While at the Company's corporate head office, the Receiver spoke to the Company's principal, Ms. Ellen Pun ("**Pun**"), by telephone and was advised by Pun that the Company's books and records (the "**Records**") were not located at the

corporate head office. Pun did not advise the Receiver at that time as to the location of the Records or when the Records would be delivered to the Receiver.

16. On February 27, 2013, the Receiver again spoke to Pun and was advised that the Records were kept by the Company's accountant, Mr. Gabriel Lee ("Lee"). The Receiver was advised by Pun to contact Lee for delivery of the Records and Pun provided the Receiver with contact information for Lee.
17. After efforts to contact Lee on February 27, 2013 proved unsuccessful, the Receiver was able to speak to Lee on the morning of February 28, 2013, at which time the Receiver requested the delivery of the Records. The Receiver was advised by Lee that the Records would be delivered shortly to the Receiver. Attached hereto as Appendix "D" is a true copy of email correspondence between the Receiver and Lee during the period of February 28, 2013 to March 5, 2013.
18. The Receiver's solicitors reiterated the Receiver's request for delivery of the Records and confirmed that Lee had advised the Receiver on February 28, 2013 that the Records would be delivered shortly. Attached hereto as Appendix "E" is a true copy of correspondence from Danny Nunes of TGF dated February 28, 2013 to Keith Juriansz of Juriansz & Li, the Company's then counsel.
19. On or about March 5, 2013, despite having made numerous requests of Pun and Lee for delivery of the Records and having been advised that the Records would be delivered shortly, the Receiver was advised by Pun that the Company had not operated in over a year and did not have any Records. Furthermore, the Receiver

was also advised at that time by Lee that he did not have any Records in his possession and did not act as the accountant for the Company.

20. The Receiver was provided with certain of the Company's bank statements by Pun and based upon its review of a search conducted under the *Personal Property Security Act* (Ontario) (the "PPSA Search"), the Receiver prepared and sent the creditor notice required under Section 245(1) of the BIA (the "Creditor Notice"). Attached hereto as Appendices "F" and "G" are true copies of the PPSA Search and the Creditor Notice, respectively.
21. On March 26, 2013, Pun sent the Receiver the following documentation:
 - (a) copies of the Company's bank statements in respect of accounts held at ICBC for the period January 1, 2013 to October 31, 2013 along with the cancelled cheques;
 - (b) copies of the Company's HST returns for May 2012 to January 2013;
 - (c) the Company's accounts payable listing (without addresses) for the period ending October 31, 2012; and
 - (d) a related party listing for the period ending October 31, 2012.
22. On March 26, 2013 and on June 10, 2013, the Receiver requested that the following related party accounts receivable be settled:
 - (a) 2274965 Ontario Inc. in the amount of \$1,005.24;
 - (b) 2213813 Ontario Inc. in the amount of \$212.50; and
 - (c) 2200657 Ontario Ltd. in the amount of \$23,600.96.

No payments have been received.

23. On August 29, 2013, the Receiver prepared and sent the creditor notice required under Subsection 246(2) of the BIA. Attached hereto as Appendix "H" is a true copy of the Subsection 246(2) notice.

THE COMPANY'S SECURED CREDITORS

24. The PPSA Search revealed that, aside from the Bank, other parties had registered security interests against the Property, including the following:
- (i) Redstone Investment Corporation ("**Redstone**") on April 6, 2011 in respect of "accounts" and "other";
 - (ii) Industrial and Commercial Bank of China (Canada) ("**ICBC**") on April 3, 2012 in respect of all classes of collateral with the exception of "motor vehicle" and "consumer goods"; and
 - (iii) Dr. Sai Kui Lee on January 28, 2013 in respect of all classes of collateral with the exception of "motor vehicle" and "consumer goods".
25. The Receiver sent correspondence to Redstone, ICBC and Dr. Lee advising of the Receiver's appointment and requesting copies of all security documentation, including any history of payments made to and from the Company. Attached hereto as Appendix "I" is a true copy of the correspondence (excluding enclosures) sent by the Receiver to Redstone, ICBC and Dr. Lee dated March 1, 2013.

26. In the letter sent to ICBC, the Receiver also requested information regarding any bank accounts held at ICBC by the Company. The Receiver was advised by ICBC that the Company's bank account at ICBC was opened on October 21, 2011 and closed on October 26, 2012. With respect to ICBC's PPSA registration, the Receiver was advised that it had been registered in anticipation of a credit facility that was to be extended to the Company. However, ICBC ultimately did not extend the credit facility to the Company and, as such, it advised the Receiver that it would discharge the PPSA registration. Attached hereto as Appendix "J" is a true copy of correspondence from ICBC to the Receiver dated March 1, 2013.
27. With respect to Dr. Lee, the Receiver was provided with copies of a promissory note from Pun in favour of Dr. Lee (the "Promissory Note") and a General Security Agreement from the Company in favour of Dr. Lee (the "Lee GSA"), both dated April 18, 2011, by Robert Leck of Stiver Vale, counsel to Dr. Lee. Attached hereto as Appendices "K" and "L" are the Promissory Note and the Lee GSA.
28. The Promissory Note provides that Pun promised to pay the amount of \$857,623.00, plus interest, to Dr. Lee and as collateral security for payment of the Promissory Note, the Company agreed to guarantee Pun's obligations and provide the Lee GSA.

29. In a letter dated March 5, 2013, counsel for Dr. Lee advised the Receiver that Dr. Lee had received payments on account of the Promissory Note indebtedness in the aggregate amount of \$468,220.41 on the following dates:

- (i) April 27, 2011 - \$69,985.00;
- (ii) May 5, 2011 - \$80,000.00;
- (iii) May 19, 2011 - \$103,000.00;
- (iv) June 16, 2011 - \$85,235.41;
- (v) June 29, 2011 - \$50,000.00;
- (vi) October 18, 2012 - \$10,000.00;
- (vii) October 20, 2012 - \$10,000.00;
- (viii) October 27, 2012 - \$10,000.00;
- (ix) November 3, 2012 - \$10,000.00;
- (x) November 13, 2012 - \$10,000.00;
- (xi) November 25, 2012 - \$10,000.00;
- (xii) December 1, 2012 - \$10,000.00; and
- (xiii) December 8, 2012 - \$10,000.00.

Attached hereto as Appendix "M" is a true copy of correspondence from Robert Leck of Stiver Vale to the Receiver dated March 5, 2013.

30. Counsel for Dr. Lee also advised the Receiver that as of January 18, 2013, the outstanding indebtedness under the Promissory Note was \$620,708.92, inclusive of legal costs. Attached hereto and marked as Appendix "N" is a true copy of correspondence from Robert Leck to the Receiver dated March 15, 2013.

31. The Receiver also requested that KRMC review Dr. Lee's security and provide an independent legal opinion on its validity and enforceability. The Receiver obtained

an opinion confirming the validity and enforceability of Dr. Lee's security. Attached hereto as Appendix "O" is a true copy of the independent legal opinion.

32. On April 19, 2013, the Receiver was advised by legal counsel to Redstone that Redstone did not advance any funds to the Company.

SALE OF EQUIPMENT TO TFI FOODS LTD.

33. In accordance with the terms of the Appointment Order, the Receiver attended at the Sims Crescent Property.
34. Upon attending at the Sims Crescent Property, the Receiver noted that the sign affixed to the building read "Imago Foods" which is the operating name of 3243222 Ontario Inc. ("3243222"). The Receiver was advised by individuals working at the premises that the Company no longer operated out of the premises and that TFI Foods Ltd. ("TFI"), a related company to 3243222, had purchased all of the Property located at the Sims Crescent Property (the "Purchased Assets").
35. The Receiver was advised by David Lam ("Lam"), TFI's president, and Pun that TFI had acquired the Purchased Assets and assumed the lease for the Sims Crescent Property in July 2012.
36. Pun provided the Receiver with a copy of the Sales Agreement, the Sales Invoice and the Assignment of Lease Agreement executed by, among others, Pun, Lam, the Company and 3243222 o/a Imago Foods. Attached hereto as Appendices "P", "Q" and "R" are true copies of the Sales Agreement, Sales Invoice and Assignment of Lease Agreement, respectively.

37. Pursuant to the Sales Agreement, TFI agreed to pay the Company \$954,000.00 for any and all equipment located at the Sims Crescent Property. The estimated closing date for the transaction contemplated in the Sales Agreement was August 30, 2012.
38. According to the Sales Invoice issued by the Company to TFI, TFI paid the amount of \$1,078,000.00, including Harmonized Sales Tax (“HST”), on account of the Purchased Assets. TFI paid the purchase price in four installments:
- (i) June 15, 2012 - \$200,000.00;
 - (ii) June 20, 2012 - \$100,000.00;
 - (iii) June 21, 2012 - \$500,000.00; and
 - (iv) July 3, 2012 - \$278,020.00
39. Based upon the Receiver’s review of the Company’s bank statements, it was determined that funds corresponding to the four installments noted above were received by the Company.

DISTRIBUTION OF SALE PROCEEDS

40. Based upon the Receiver’s review of the Company’s bank statements and discussions with Pun, it determined that on June 22, 2012, \$400,000 was paid to 1812238 Ontario Inc., a related party, and \$70,000 was paid to Pun, the principal of the Company.
41. Pun claimed that, at the time of the transaction with TFI, the Company was no longer indebted to the Bank. From the information made available to it, the Receiver does not agree with this statement.

42. On July 3, 2012, HSBC Bank Canada received a partial repayment of its secured advances in the amount of \$150,000.
43. During this period, Pun was actively funding other business and personal interests from the Company's bank account. A review of the bank statements and supporting documents provided by ICBC regarding the transfer of funds between related parties indicates that from June 1, 2012 to July 31, 2012 there were the following net transfers to/(from) the Company:

i.	2220968 Ontario Inc.	\$37,600.00
ii.	2192607 Ontario Inc.	\$28,700.00
iii.	Ellen's Health Food Ltd.	\$ 8,900.00
iv.	2133185 Ontario Corporation	\$ 5,400.00
v.	2213813 Ontario Inc.	\$35,600.00
vi.	2200657 Ontario Limited	\$28,500.00
vii.	Ellen Pun	(\$67,000.00)
viii.	1812238 Ontario Inc.	(\$124,600.00)
ix.	2282698 Ontario Limited	<u>(\$7,100.00)</u>
	Total net transfers	<u>(\$54,000.00)</u>

44. The opening bank balance as at June 1, 2012 was \$1,113.06 and the closing balance as at June 30, 2012 and July 31, 2012 were \$21,275.43, and \$45,258.82, respectively. During the month of June, there were cash withdrawals totalling \$50,000.00. For the month of June, there were related party deposits of \$299,600.00 and withdrawals of \$669,900.00. In the month of July, there were related party deposits of \$316,300.00 and nil withdrawals. Attached as Appendices "S" and "T" are true copies of the bank statements for June and July 2012.

45. The Receiver was provided information by Pun including amounts owed to other unsecured creditors of the Company at this time. A review of the accounts payable listing indicated the following amounts were owed as at the corresponding dates:

(i)	June 30, 2012	\$330,580.40;
(ii)	July 31, 2012	\$367,827.57; and
(iii)	October 31, 2012	\$923,805.14.

46. A summary of the related party indebtedness prepared from information provided to the Receiver by the Company is as follows:

Name of Related Party	Amount (\$) owed as at 06/30/2012	Amount (\$) owed as at 07/31/2012	Increase/ (decrease) (\$) from June 2012	Amount (\$) owed as at 10/31/2012
2274965 Ontario Inc.				(1,005.24)
1812238 Ontario Inc.	1,355,257.62	1,215,790.79	(139,466.83)	1,229,132.63
2192607 Ontario Ltd.	253,464.07	302,200.91	48,736.84	279,926.04
2213813 Ontario Inc.	39,032.65	71,332.19	32,299.54	(212.50)
Long Ho Fong Restaurant	30,000.00	30,000.00	-	30,000.00
2200657 Ontario Ltd.	(24,938.28)	(24,878.95)	59.33	(23,600.96)
2133195 Ontario Limited	155,767.53	135,864.56	(19,902.97)	131,693.64
2282698 Ontario Ltd.	330,541.77	370,105.90	39,564.13	481,993.32
2220968 Ontario Inc.	422,293.05	443,297.88	21,004.83	497,331.06
Total	2,561,418.41	2,543,713.28	(17,705.13)	2,625,257.99

47. The related party schedule provided by the Company does not include Pun. The information provided by ICBC regarding the transfers between related parties does not tie into the related party schedule provided by the Company.

48. On May 28, 2013, the Receiver contacted Canada Revenue Agency (“CRA”) and requested both an HST and source deduction audit. The Receiver provided CRA with copies of certain documents in its possession, including an undated, unsigned 2012 T4 summary which showed that CRA was owed \$17,427.62. The Receiver has not audited or otherwise verified the amounts owing to CRA.
49. CRA was also provided with copies of the GST/HST netfile confirmations for the period January 31, 2011 to January 31, 2013. The returns for the period ending June 30, 2012 and July 31, 2012 did not record any sales or other revenue but did claim income tax credits (“ITCs”) of \$37,791.88 and \$9,273.50 respectively.
50. On September 11, 2013, the Receiver was sent a copy of the results of the CRA audit from Pun’s legal counsel. CRA issued a notice of reassessment on August 27, 2013 in the total amount of \$633,900.04, including penalties and interest. Attached hereto as Appendix “U” is a true copy of the CRA assessment. CRA assessed the following amounts:

Disallowed all ITC 2010	\$132,015
Disallowed all ITC 2011	\$181,475
Disallowed all ITC 2012 January-June, August - November	\$102,321
Disallowed ITC 2012 July	\$9,274
Assessed HST Collectible-sale of equipment July 2012	\$124,020
Total adjustments	\$549,105

TFI FOODS LTD. AND THE *BULK SALES ACT*

51. Upon being advised by Lam and Pun of the transaction between the Company and TFI, the Receiver's counsel sent correspondence to Lam advising that the Purchased Assets may be subject to security held by the Company's creditors, including the Bank. As such, the Receiver requested that it be allowed to re-attend at the Sims Crescent Property to conduct a detailed inventory of the equipment located at the premises. Attached hereto as Appendix "V" is a true copy of correspondence from Danny Nunes to David Lam dated February 28, 2013.
52. The Receiver was advised by Adrian Dominguez ("**Dominguez**"), Director- Legal and Risk Management Department at TFI, that the Receiver's request to re-attend at the Sims Crescent Property was denied. Attached hereto as Appendix "W" is a true copy of email correspondence between the Receiver and Adrian Dominguez dated March 1, 2013.
53. In response to TFI's refusal to allow the Receiver to re-attend at the Sims Crescent Property, the Receiver's counsel sent further correspondence advising that, given that the Bank had a security interest over all of the Company's assets, the Company could not have sold the equipment located at the Sims Crescent Property without the Bank's consent. Counsel for the Receiver also reiterated the Receiver's request to re-attend at the Sims Crescent Property for the purpose of conducting a detailed inventory. Attached hereto as Appendix "X" is a true copy of correspondence from Danny Nunes to Adrian Dominguez dated March 11, 2013.

54. The Receiver's counsel also advised that it appeared that the transaction contemplated by the Sales Agreement did not comply with the terms of the Bulk Sales Act ("BSA").
55. Dominguez advised the Receiver's counsel that TFI's position was that it was a *bona fide* purchaser of the Purchased Assets and would not grant access to the Sims Crescent Property as it was not in possession of any property that belonged to the Company. Furthermore, the Receiver was advised that TFI saw no need to provide any further information than it had already provided to the Receiver in respect of TFI's acquisition of the Purchased Assets. Attached hereto as Appendix "Y" is a true copy of email correspondence from Adrian Dominguez to Danny Nunes dated March 11, 2013.
56. The Receiver has not been provided with any evidence by TFI that it sought and received a judicial exemption under Section 3 of the BSA. Furthermore, the Receiver has not been provided with evidence that TFI requested or received a statement of creditors as set out in Section 4 of the BSA. Lastly, the Receiver has not been provided with any evidence that TFI filed any documents with the Court as required under Section 11 of the BSA.

PROFESSIONAL FEES

57. The Receiver and its legal counsel have maintained detailed records of their professional time and costs since the Appointment Order was granted.

58. The total fees of the Receiver during the period from February 25, 2013 to September 30, 2013 amount to \$36,812.00, together with expenses and disbursements in the sum of \$277.53, and HST in the amount of \$4,821.64, totalling 41,911.17. Time spent by the Receiver in the administration of the receivership proceedings is more particularly described in the Affidavit of Catherine Hristow, Vice President at Deloitte & Touche Inc. filed in support hereof. Attached hereto as Appendix "Z" is the Affidavit of Catherine Hristow sworn October 17, 2013.
59. The total legal fees incurred by the Receiver during the receivership for services provided to the Receiver by its legal counsel, TGF, during the period from February 25, 2013 to September 30, 2013 amount to \$32,172.50, together with disbursements in the sum of \$29.64, and HST in the amount of \$4,186.29, totalling \$36,388.43. The time spent by TGF for legal services rendered to the Receiver is more particularly described in the Affidavit of Leanne Williams, the partner with TGF having carriage of this proceeding as counsel to the Receiver, filed in support hereof. Attached hereto as Appendix "AA" is the Affidavit of Leanne Williams sworn October 17, 2013.
60. The total legal fees incurred by the Receiver during the receivership for services provided to the Receiver by its legal counsel, KRMC, during the period from February 25, 2013 to September 30, 2013 amount to \$4,900.00, together with disbursements in the sum of \$211.25, and HST in the amount of \$664.47, totalling \$5,775.72. The time spent by KRMC for legal services rendered to the Receiver is

more particularly described in the Affidavit of Lawrence Adelberg, the partner with KRMC having carriage of the independent legal review of security, for the Receiver, filed in support hereof. Attached hereto as Appendix "BB" is the Affidavit of Lawrence Adelberg sworn October 15, 2013.

61. The Receiver respectfully requests that its fees and disbursements and those of its legal counsel be approved as filed.

RECEIVER'S RECOMMENDATION

62. For the reasons set out above, the Receiver respectfully requests that this Honourable Court make an Order:
 - (a) authorizing the Receiver to assign the Company into bankruptcy;
 - (b) approving the conduct and activities of the Receiver since the date of the Appointment Order as set out in the First Report; and
 - (c) approving the professional fees and disbursements of the Receiver and its legal counsel, TGF and KRMC, for the period from February 25, 2013 to September 30, 2013, as described in the First Report.

All of which is respectfully submitted at Toronto, Ontario this 17 day of October, 2013.

Deloitte Restructuring Inc.
solely in its capacity as the
Court-appointed receiver of
Ellen's Food Group Inc. and
without personal or corporate
liability

Per:



Paul M. Casey, CPA, CIRP
Senior Vice-President

APPENDIX “E”

AGREEMENT made June 7th, 2012

Sales Agreement of Intent to purchase:

2

ELLEN'S FOOD GROUP INC, ALL AND ANY, FOOD PROCESSING EQUIPMENT
LOCATED AT THE LEASED PREMISES 30 SIMS CRES, RICHMOND HILL, ONTARIO

Between

ELLEN'S FOOD GROUP INC

25 CENTURIAN DRIVE, SUIT 203

RICHMOND HILL ONTARIO

ELLEN PUN, OWNER AND OPERATOR

OF CFIA APPROVED PRODUCTION PLANT AND EQUIPMENT (SELLER)



AND

TAI-FOONG INTERNATIONAL

(BUYER)

2900 MARKHAM ROAD

SCARBOROUGH ONTARIO M1X 1E6

MR DAVID LAM OWNER

#954,000.00 ⁵⁰ ~~1,000,000.00~~ J/B

- (1) The parties have agreed on a sale price of ~~\$1,000,000.00~~ for all and any equipment located at 30 Sims Cres Richmond Hill Ontario
- (2) The parties have agreed to a 20% deposit of \$200,000.00CDN (certified cheque) which will be held in trust by Legal counsel of Ellen's Food Group Inc.
- (3) The parties desire to provide access to said premises for production to commence is at the buyers request and convenience, once this agreement has been signed and a deposit received by sellers legal counsel.
- (4) Seller agrees to cooperate fully with buyer in supplying all production information, The Food Safety Enhancement Program and the Hazard Analysis Critical Control Point (HACCP) systems as required in all federally registered establishments including all intellectual properties.
- (5) Consideration by the buyer must be given to include or release the present HACCP QA Manager employed at 30 Sims Cres.
- (6) The lease agreement as set out is understood and agreed to be discussed by both parties that all terms and conditions remain the same, both seller and buyer must agree to treat this as a separate item for discussion with the landlord and seller as required.
- (7) Seller agrees to provide full cooperation to the buyer in the training of employees in production equipment and startup (where possible) for the first three months of operations

ATTACHMENTS (PENDING) J/B

- A. Attached equipment list as per discussion.
- B. Auto CAD layout of said premises.
- C. All building construction drawings
- D. All office, laboratory and chemical equipment
- E. All any other plant and office equipment

ESTIMATED closing date August 30, 2012. J/B

THIS AGREEMENT WITNESSES that the parties covenant and agree to a BUY-SELL AGREEMENT

Offer to sell as per above agreement:

ELLEN'S FOOD GROUP INCORPORATED:

Signing Officer: [Signature] Date: Jun 15, 2012

Offer to purchase as per above agreement:

TAI-FOONG INTERNATIONAL: TFI Foods LTD.

Signing Officer: [Signature] Date: JUN 15, 2012

H.F.E.C. HALFORD FOOD EQUIPMENT & CONSULTING. 

223 REBECCA ST OAKVILLE ONTARIO

EQUIPMENT LIST TO BUYER AS INSPECTED BY H.F.E.C. JUNE 2012

ALL AND ANY EQUIPMENT LOCATED INSIDE 30 SIMS CRES RICHMOND HILL ONTARIO

30 SIMS CRES. RICHMOND HILL ON. BUILDING EXTERIOR IN EXCELLENT CONDITION + PARKING AREA

FEDERAL INSPECTED AND APPROVED ESTABLISHMENT: WITH HACCP EMPLOYEE

COMPLETE RECEPTION AND OFFICE SPACE

LADIES AND GENTS LOCKER ROOMS

LUNCH ROOM

OVERALL PLANT SIZE 22,000 SQ.FT.

PRODUCTION SPACE AVAILABLE FOR IQF 12,000 SQ.FT.

COOLER SPACE AVAILABLE FOR IQF 1200 SQ.FT.

WELFARE AREAS FOR MALE & FEMALE 700 SQ.FT.

LABORATORY ON SITE.

COMPLETE FREEZER AND COOLER RACKING SYSTEM-NEW.

ONE RECEIVING DOCK- ONE SHIPPING DOCK.

FREEZER STORAGE / HOLDING AREA 2,000 SQ.FT.

SELF CONTAINED DRY STORAGE AREA- PACKAGING AND INGREDIENTS

IQF EQUIPMENT IN PLANT AND AVAILABLE:

WEIGH FLOOR SCALES

GLAZING EQUIPMENT CONVEYOR

ONE 750 LITRE TUMBLER.

ONE 500 LITRE TUMBLER.

ONE ICE MACHINE.

ONE INJECTSTAR INJECTOR.

ONE PRAXAIR FREEZER TUNNEL IQF- n2

ONE SIZING SYSTEM (SCANVECT) 4 DROP / TRAY SYSTEMS EACH SIDE.

TWO CONVEYOR SYSTEMS.

PACKAGING CONVEYORS.

BAR CODE SCANNER

NITROGEN PAD AND STORAGE EXTERNAL TANK

COMPLETE KLINK LOK PACKAGING SYSTEM- NEW (FROM 50 GR- 900GR)

NEW VACCUUM PACK MACHINE-NEW- two small separate

METAL DETECTOR

BARTLETT PACKAGING MACHINE-

MEZZANINE ALL STAINLESS STEEL

COMPLTE SCANVECT SIZING SYSTEM- NEW

25 200 LITRE STAILESS BINS - 3 300 LITRE STAINLESS BINS

ONE FORK LIFT TRUCK- BATTERY CHARGING STATION

COMPLETE CLEANING SYSTEM-CHEMICAL ROOM

4 STAILESS STEEL WORK TABLES

ONE 90GPM HYDRAULIC SYSTEM

SEPARATE ANTI SEORATION ROOM

FULL COOK AREA ONLY

TWO FULL COOK OVENS -NEW

TWO GAS COOKING SKILLETS

THREE STEAM COOK TILTING KETTLES

TWO SIDE BY SIDE FLOOR FRYERS

ONE MIXING BOWL

COMPLETE FIRE SUPPRESSION SYSTEM- FOR ABOVE EQUIPMENT

SPIRAL FREEZER SYSTEM

MECHANICAL DEPOSITORS

COMPLETE CONVEYING SYSTEM TO FREEZER

FREEZER DISCHARGE AREA FOR PACKAGING

THREE ANKO MACHINES

DEPOSITOR EQUIPMENT

FORK LIFT TRUCK

FLOOR SCALES - TABLE SCALES

COMPLETE CONVEYING SYSTEM IN FULL COOK ROOM

BOILER ROOM / CHEMICAL ROOM

ALL OFFICE EQUIPMENT INCLUDING LABEL MACHINES

COMPUTERS AND ALL INTELLECTUAL PROPERTIES

ALL IS SUBJECT TO INSPECTION BY BUYER.....

APPENDIX “F”

63

ELLEN'S FOOD GROUP INC.

25 Centurian Drive, Suite 102, Markham, Ontario, L3R 5N8
Business number: 85068 0141RT0001

Tel: 905-947-8268

SALES INVOICE

July 5, 2012

Invoice: 12002

TFI Foods Ltd.
2900 Markham Road
Scarborough, Ontario
M1X 1E6

RE: Sale of Equipment located at 30 Sims Crescent, Richmond Hill, Ontario

Description

Food Processing Equipment as per list	\$ 954,000
HST @ 13%	<u>124,020</u>
Total	<u>\$ 1,078,020</u>

Payments received

June 15, 2012	\$ 200,000
June 20, 2012	100,000
June 21, 2012	500,000
July 03, 2012	<u>278,020</u>
Total	<u>\$ 1,078,020</u>

APPENDIX “G”

Assignment of Lease

THIS AGREEMENT made as of the 29th day of June, 2012

BETWEEN:

ELLEN'S FOOD GROUP INC.
hereinafter called the "Assignor"

OF THE FIRST PART

and

3243222 CANADA INC. o/a IMAGO FOODS
hereinafter called the "Assignee"

OF THE SECOND PART

and

TERYLE ANN KIDMAN AND ELEANORE MUCENIK
hereinafter called the "Landlord"

OF THE THIRD PART

and

^{C.L.}
DAVID ~~G.E.~~ LAM
hereinafter called the "Indemnifier"

OF THE FOURTH PART

and

ELLEN FUN
hereinafter called the "Previous Indemnifier"

OF THE FIFTH PART

WHEREAS by a lease dated August 18, 2004 (the "Lease") as amended by a Lease Amending Agreement dated January 22, 2007 and extended by an Extension of Lease dated November 10, 2011, the Landlord leased to the Assignor the premises known as 30 Sims Crescent, Richmond Hill, Ontario;

AND WHEREAS the Indemnifier has agreed to guarantee the performance of the obligations of the Assignee under the Lease;

AND WHEREAS the Lease contains a covenant in Article 1.16 on the part of the Assignor not to assign the premises without the written consent of the Landlord;

AND WHEREAS the Assignor has agreed to assign the Lease to the Assignee and the Landlord has agreed to consent to such assignment;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the mutual covenants and agreements between the parties to this Agreement and the sum of TWO DOLLARS (\$2.00) now paid by each party to the other (the receipt and sufficiency of which is hereby acknowledged), the parties hereby agree as follows:

1. Assignment

The Assignor hereby transfers, sets over and assigns unto the Assignee, as of and from the date of execution of this Agreement (the "Effective Date") all of its right, title and interest in the Leased Premises, together with the unexpired residue of the Term and all benefit and advantages to be derived from the Lease.

TO HAVE AND TO HOLD the same, subject to the payment of rent and the observance and performance of the tenant's covenants and the conditions and agreements contained in the Lease.

2. Assignor's Covenants

The Assignor covenants and agrees with the Assignee that:

(a) notwithstanding any act of the Assignor, the Lease is a good, valid and subsisting lease and the rent thereby reserved has been duly paid up to the Effective Date and the covenants and conditions therein contained have been duly observed and performed by the Assignor up to the Effective Date;

(b) the Assignor has good right, full power and absolute authority to assign its interest in the Leased Premises and the Lease in the manner aforesaid, according to the true intent and meaning of this

Agreement;

(c) subject to the payment of rent and to the observance and performance of the tenant's covenants and the conditions and agreements contained in the Lease, the Assignee may enter into and upon and hold and enjoy the Leased Premises for the unexpired residue of the Term granted by the Lease for its own use and benefit without any interruption by the Assignor or by any person whomsoever claiming through or under the Assignor;

(d) the Assignor will from time to time hereafter at the request and cost of the Assignee promptly execute such further assurances pertaining to the Leased Premises as the Assignee may reasonably require; and

(e) the Assignor shall remain liable for all the obligations contained in the Lease despite the herein assignment, and the Assignor shall be responsible for the due performance of the obligations of the tenant as specified in Article 1.16 of the Lease.

3. Assignee's Covenants

The Assignee covenants and agrees with the Assignor and the Landlord that:

(a) It will at all times during the unexpired residue of the Term observe and perform the Tenant's covenants and the conditions and agreements contained in the Lease and indemnify and save harmless the Assignor from all actions, suits, costs, losses, charges, demands and expenses for and in respect thereof;

(b) Without restricting the generality of the foregoing, the Assignee covenants and agrees that it will at all times during the unexpired residue of the Term pay all rentals, including all Minimum or Basic Rent, Percentage Rent and Additional Rent reserved by the Lease, and all other payments covenanted to be paid by the Tenant therein at the times and in the manner provided for in the Lease, and will observe and perform all of the terms, covenants, conditions and agreements contained in the Lease on the part of the tenant to be observed and performed.

4. Indemnifier's Covenants

The Indemnifier covenants and agrees with the Landlord that:

(a) The Indemnifier will be jointly and severally bound with the Assignee for the fulfilment of all covenants, obligations, and agreements of the Tenant under the Lease, and that in the enforcement of its rights under the Lease the Landlord may proceed against the Indemnifier as if the Indemnifier was named as the Tenant under the Lease;

(b) The Landlord shall not be required to proceed against the Tenant or to proceed against or to exhaust any security held from the Tenant or to pursue any other remedy whatsoever which may be available to the Landlord before proceeding against the Indemnifier, and the Indemnifier hereby waives any rights to require the Landlord to do so; and

(c) No neglect or forbearance of the Landlord in endeavouring to obtain payment of the rent reserved in the Lease or other payments required to be made under the Lease as and when they become due, no delay of the Landlord in taking any steps to enforce performance or observance of the covenants, obligations, or agreements contained in the Lease to be performed, or observed, by the Tenant, nor extensions of time which may be given by the Landlord from time to time to the Tenant and no other act or failure to act of or by the Landlord shall release, discharge, or in any way reduce the obligations of the Indemnifier under its obligations hereunder.

5. Landlord's Consent

The Landlord hereby consents to the assignment of the Lease as set out herein in accordance with Section 9 of the Lease, and hereby does not release the Assignor from all liabilities, covenants, obligations, rights, claims, and causes of action under the Lease which may arise after the Effective Date.

The Landlord hereby confirms and acknowledges that:

(a) all rent and other payments required to be made by the Assignor to the Landlord pursuant to the Lease up to and including the date of this Agreement have been made;

(b) the Landlord is holding a security deposit in the amount of \$ 16,046.⁸⁴/₁₀₀; and

(c) the Lease is in good standing.

6. Release of Previous Indemnifier

The Landlord hereby releases the Ellen Pun, the Previous Indemnifier from her obligations as Indemnifier.

7. Binding Effect

Handwritten signature and initials

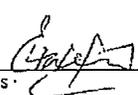
This Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

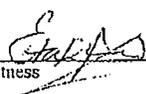
8. Confirmation

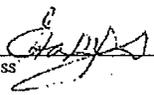
The parties hereto do in all other respect hereby confirm that the Lease is in full force and effect, unchanged and unmodified except in accordance with this Agreement. It is understood and agreed that all terms and expressions used in this Agreement have the same meaning as the terms and expressions used in the Lease. Provided that the Landlord and Tenant are also referred to as "Lessor" and "Lessee"; and if some expression other than "Leased Premises" is used in the Lease to describe the premises demised and leased by the Landlord or Lessor to the Tenant or Lessee, the words "Leased Premises" as used herein shall have the same meaning as such other expression.

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement.

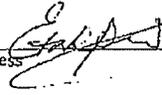
SIGNED, SEALED AND DELIVERED

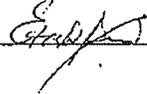
witness 

witness 

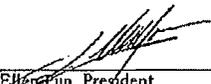
witness 

witness 

witness 

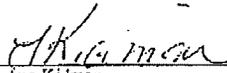
witness 

ELLEN'S FOOD GROUP INC.
Per:


Ellen Pun, President
I have authority to bind the corporation.

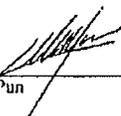
3243222 CANADA INC. o/a IMAGO FOODS
Per:


David C.K. Lam, Director, President, Secretary
I have authority to bind the corporation.
C.L.


Teryle Ann Kidman


Eleonore Muchnik


David C.K. Lam


Ellen Pun

APPENDIX “H”

67.



Thornton Grout Finnigan LLP
RESTRUCTURING + LITIGATION

Toronto-Dominion Centre
100 Wellington Street West
Suite 3200, P.O. Box 329
Toronto, ON Canada M5K 1K7
T 416.304.1616 F 416.304.1313

Danny M. Nunes
T: 416-304-0592
E: dnunes@tgf.ca
File No. 100-333

March 11, 2013

VIA EMAIL

TFI Foods Ltd.
2900 Markham Road
Scarborough, ON M1X 1E6

Attention: Adrian Dominguez

Dear Sir:

Re: HSBC Bank Canada (the "Bank") v. Ellen's Food Group Inc. (the "Company")
(Court File No. CV-10-9031-00CL)

As you are aware, we act as counsel to Deloitte & Touche Inc. in its capacity as the Court-appointed receiver (the "Receiver") of all of the assets, undertakings and properties of the Company. We also act as counsel to the Bank, the applicant in the above-captioned action.

David Lam, President of TFI Foods Ltd. ("TFI"), previously advised the Receiver that TFI purchased certain food processing equipment (the "Purchased Equipment") from the Company pursuant to a sales invoice dated July 5, 2012. The Purchased Equipment was located at 30 Sims Crescent, Richmond Hill, Ontario which property was previously leased by the Company.

Pursuant to the Sales Invoice, TFI paid the sum of \$1,078,020.00, inclusive of taxes, for the Purchased Equipment. Based upon the Receiver's review of the Company's bank statements and discussions with the Company's principal, we understand that the purchase price was paid by TFI or an affiliate, Lotus Wholesale Food, to the Company.

In our letter dated February 28, 2013, we advised Mr. Lam on behalf of the Receiver that the Purchased Equipment may be subject to security held by the Company's creditors, including the Bank. Further, we requested that the Receiver be allowed to re-attend at the Sims Crescent property to take a detailed inventory of the Purchased Equipment.

In your email dated March 1, 2013, you advised the Receiver that Mr. Lam and Roger Chan would no longer be handling matters relating to the Company on behalf of TFI. Further, you advised that the Receiver's request to attend at the Sims Crescent property to conduct a detailed inventory was denied.

Both TFI and the Company have acknowledged the sale of the Purchased Equipment. If the Receiver is unable to conduct a detailed inventory, we can only assume that the Purchased Equipment is equipment subject to the Bank's security. As such, the Company could not have sold the Purchased Equipment without the Bank's consent.

tgf.ca



Thornton Grout Finnigan LLP

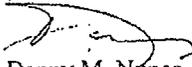
2.

Further in that regard, it would appear that the transaction did not comply with the terms of the *Bulk Sales Act* (Ontario) and that TFI did not do the necessary due diligence to determine whether the Purchased Equipment was subject to any security interests, something which could have been easily determined by reviewing a PPSA search. If TFI was represented by counsel in completing the transaction for the Purchased Equipment, it should notify counsel that they should put their insurer on notice of a possible claim.

We reiterate the Receiver's original request for access to the Sims Crescent property to conduct a detailed inventory of the Purchased Equipment. In the event that this request is again denied, the Receiver will seek a Court order finding TFI in violation of the Order dated February 25, 2013 appointing the Receiver and requiring that TFI provide the Receiver with immediate access.

Should you have any questions, please do not hesitate to contact me.

Yours truly,
Thornton Grout Finnigan LLP


Danny M. Nunes

DMN/mm

cc: John Borch, *HSBC Bank Canada (via email)*
Catherine Hristow, *Deloitte & Touche Inc. (via email)*
David Lam, *TFI Foods Ltd. (via email)*

APPENDIX “I”

Maria Magni

From: Adrian Dominguez [adominguez@tfifoods.com]
Sent: Monday, March 11, 2013 2:29 PM
To: Danny Nunes
Cc: john_borch@hsbc.ca; christow@deloitte.ca; david.lam@tfifoods.com
Subject: RE: HSBC Bank Canada v. Ellen's Food Group Inc.

Dear Mr. Nunes,

I am writing you further to your correspondence.

Your clients, either the Bank or the Court Appointed Receiver, has not provided yet any evidence to TFI that the equipment acquired from Ellen's Food (The "Company") is subject to any enforceable security interest by the bank.

If the Receiver has an extensive review of the Company's bank statement and discussion with the Company's principal, the transaction and the inventory list should be reflected at "The Company's" statements therefore is no need to provide you with any further information other than what has been provided already. We do not believe that the access to our premises will accomplish anything at this stage, you can proceed to do you Forensic Audit to confirm if the assets in questions are subject to any bank security.

It is our position that we acted as a Bona Fide purchaser on this transaction. The access is not granted as TFI does not have any control or possession of property that belong to "The Company".

If you have any further information that can assist us to change our position, please do not hesitate to contact me.

Regards,

Adrian Dominguez BLC. MA.
Director, Legal and Risk Management Department
TFI Food Ltd.
44 Milner Ave
Scarborough, ON.
M1S 3P8
Phone: 416 297-3992
Mobile: 416-873-2385



TFI Foods

From: Maria Magni [mailto:MMagni@tqf.ca] **On Behalf Of** Danny Nunes
Sent: Monday, March 11, 2013 12:58 PM

To: adominguez@tfifoods.com
Cc: john_borch@hsbc.ca; christow@deloitte.ca; david.lam@tfifoods.com
Subject: HSBC Bank Canada v. Ellen's Food Group Inc.

Please find attached correspondence of today's date.



Maria Magni | Legal Assistant to Leanne M. Williams, Danny M. Nunes and Jessica Prince | mmagni@tgf.ca | Direct Line: 416-304-1012 |
Thornton Grout Finnigan LLP | Suite 3200, 100 Wellington Street West, P.O. Box 329, Toronto-Dominion Centre, Toronto, Ontario M5K 1K7 |
416-304-1616 | Fax: 416-304-1313 | www.tgf.ca

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APPENDIX “J”



**Kronis, Rotsztain,
Margles, Cappel LLP**
Barristers and Solicitors

8 King Street East
Suite 1000, Toronto, ON
Canada M5C 1B5

February 5, 2014

By E-Mail Only

Peter R. Welsh Professional Corporation
Barrister & Solicitor
203-1540 Cornwall Road
Oakville, ON L6J 7W5
Attention: Peter R. Welsh

Dear Mr. Welsh:

Re: Purchase of assets from Ellen's Food Group Inc. ("Ellen's") by TFI Foods Ltd. ("TFI")

We are counsel to Deloitte Restructuring Inc. ("Deloitte") in its capacity as trustee in bankruptcy ("Trustee") for Ellen's Food Group Inc. ("Ellen's").

We have been provided with a series of emails sent by you to the Trustee in this matter, in particular those dated December 6 and 11, 2013 (some portions of which are said to be "without prejudice", others of which purport to require the Trustee to do certain things) and January 30, 2014, and have been instructed to respond to you as follows.

It is not our intention to respond to all of the many different issues you raise in those emails. If your client wishes to challenge the security of the various secured creditors, and the numerous other matters referenced in your emails, it may take such steps as it deems appropriate.

However, to respond directly to your question with respect to the security of Dr. Lee and the "Guarantor's Clause", please have regard to the Promissory Note attached as Appendix K of the Receiver's First Report to the Court ("Report"). Clause 9 deals with Collateral Security and clause 13 is titled Guarantors' Clause.

As regards the question with respect to the Receiver's notice under the *Bankruptcy and Insolvency Act* ("BIA"), we presume your question deals with Deloitte's initial appointment as a receiver privately by HSBC Bank, pursuant to its security agreement. As you know, Deloitte was later appointed by the Superior Court of Justice as a receiver, and the notices issued by the Receiver pursuant to ss. 245 and 246 of the BIA are attached as Appendices G and H to the Report. As regards the private appointment by HSBC, Deloitte initially attempted to execute its mandate as receiver, but was unable to do so when Ellen's refused to cooperate. In particular, Ellen's refused to provide access to the Receiver to the company's premises and its books and records, claiming that it had not consented to the appointment of the Receiver. Ellen's then contacted HSBC, and the parties negotiated a series of forbearance

Mervyn D. Abramowitz, C.S.
Partner

Direct Line: (416) 218-5620

Telephone: (416) 225-8750

Facsimile: (416) 306-9874

Email: mabramowitz@krmc-law.com

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agreements, which had the effect of putting the receivership in abeyance. At that point, the Receiver was not in possession or control of any of the business or property of Ellen's, including its books and records. Thus, there was no requirement to issue the notices under the BIA. Later, when Ellen's defaulted under the forbearance agreement, rather than revive the private appointment, HSBC commenced the court proceedings and sought the appointment of a receiver by the Court.

In any event, and more importantly, as you know, the Receiver and Trustee have advised you of its collective position that TFI does not appear to have complied with its obligations under the *Bulk Sales Act*, when it acquired the assets of Ellen's back in July/August 2012. We understand that you have been requested by the Receiver's counsel for evidence of such compliance and that none has been received to date. If you have any such evidence, please provide it forthwith. None of the matters raised in your various emails to the Trustee addresses this issue. If you do not provide such evidence forthwith, the Trustee will be forced to take steps on behalf of the creditors to recover from TFI those amounts that are properly payable to the Trustee. Your attempts to try to deflect attention from this point by raising other, irrelevant matters do not assist your client.

If your client wishes to try to resolve this matter without the need for further proceedings, please provide us with your written proposal by not later than Friday, February 14, 2014. Please note that any such offer must be bona fide, and self-contained, and ought not to include any extraneous or irrelevant matters. Please also note that the prior offer, such as it was, is not acceptable to the Trustee.

Yours very truly,

KRONIS, ROTSZTAIN, MARGLES, CAPPEL LLP

Per:


Mervyn D. Abramowitz, C.S.
MDA/sw

APPENDIX “K”



Via E-mail

August 12, 2014

Deloitte Restructuring Services Inc.
181 Bay Street
Brookfield Place, Suite 1400
Toronto, ON M5J 2V1

Attention: Ms. Catherine Hristow
Vice President

Dear Ms. Hristow,

Subject: In the matter of Ellen's Food Group Inc. (the "Company")

I am writing to confirm that the indebtedness owing by the Company to HSBC Bank Canada as at July 5, 2012 was CAD 279,276.17.

Yours truly,

HSBC BANK CANADA

A handwritten signature in black ink, appearing to read "J. Borch".

John Borch
Assistant Vice-President
Special Credit

APPENDIX “L”

DR. SAI-KUI LEE
17150 Keele Street
Kettleby,
Ontario, L7B 0J7

August 13, 2014

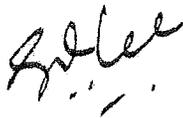
Deloitte Restructuring Services Inc.
181 Bay Street
Brookfield Place, Suite 1400
Toronto,
Ontario, M5J 2V1

Dear Catherine Hristow,

Re: Ellen's Food Group Inc.

This is to confirm that as at July 5, 2012 Ellen's Food Group Inc. owed to Dr. Sai-Kui Lee an amount of \$674,284.07.

Yours truly,



Dr. Sai-Kui Lee

APPENDIX “M”



Canada Revenue Agency / Agence des Revenus du Canada

Legal Documents - Ottawa

Contact **L. Kowal**
(O) (416) 954-5647
(F) (416) 954-5742

Facsimile Cover Sheet

IMPORTANT NOTE:

The following material is intended for use only by the individual or entity to which it is specifically addressed below and should not be read by or delivered to any other person. Such material may contain privileged or confidential information, the disclosure or other use of which by other than the intended recipient may result in the breach of certain laws or the infringement of rights of third parties. If you have received this transmission in error, please notify us immediately by telephone (collect if necessary) at 416-954-5647 so that arrangements can be made for its return. We thank you in advance for your cooperation and assistance.

Date: November 25, 2013
YOUR FAX #: (416) 601-6690
YOUR PH#: (416) 601-6150

TO: Deloitte Restructuring Inc.
Attn: Catherine Hristow

RE: Ellen's Food Group Inc.
Date of Bankruptcy: November 5, 2013
ACCT: 850680141R0001

Total number of pages including transmittal sheet: 7
Remarks: Urgent For your handling Please comment
Message:

Please see attached documentation regarding the Bankruptcy of Ellen's Food Group Inc., dated November 5, 2013, in preparation for the 1st Meeting of Creditors, November 26th, 2013 at the Office of the Superintendent of Bankruptcy, 25 St. Clair Avenue East, Suite 600, Toronto ON at 11:00 o'clock . Documents attached are as follows:

- Proof of Claim-Attached Unsecured Claim (Schedule "A")
- General Proxy, Canada Revenue Agency

Please also be advised that we are in the process of filing an Unsecured Proof of Claim for a Source Deductions debt, owed by Ellen's Food Group Inc, Account #850680141RP0001. You will receive this Proof of Claim shortly.

Please contact me should you require anything further.

Regards,

Mr. L. Kowal

NOV. 25. 2013 3:22PM

NO. 7229 P. 2

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Canada Revenue Agency
Agence du revenu du Canada

Tax Centre
Toronto ON M5J 2X6

November 25, 2013

DELOITTE RESTRUCTURING INC.
C/O CATHERINE HRISTOW
181 BAY ST.
SUITE 1400
TORONTO ON M5J 2V1

Account Number
85068 0141 RT0001

Dear Madam:

Re: ELLEN'S FOOD GROUP INC.
Date of Bankruptcy: November 5, 2013

To support our claim for unpaid GST / HST in the above Bankruptcy, we have enclosed a proof of claim, with Schedule "A", as an unsecured creditor for \$634,079.35.

Filing these proof of claim forms does not affect any rights Canada Revenue Agency (CRA) may have under the "Excise Tax Act." Accordingly filing them should not be construed as a waiver of those rights.

If you require further information with respect to our claim, please contact our office at one of the telephone numbers provided in this letter.

Yours truly,

Leslie Kowal
Insolvency Officer

Enclosure (s)

Northern Ontario Regional
Collections/Compliance Centre
1 Front St. W. Suite 100
Toronto ON M5J 2X6

Local : 416-954-5647
Fax : 416-954-6411
Web site : www.cra.gc.ca

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ATTACHMENT PAGE 1

Account Number

85068 0141 RT0001

Proof of Claim (Form 31)
Bankruptcy and Insolvency Act (Act)

All notices or correspondence regarding this claim must be sent to the following address:

Toronto Centre Tax Services Office
Collections/Compliance Centre
1 Front St. W. Suite 100
Toronto ON M5J 2X6
Attention: Leslie Kowal

In the matter of the bankruptcy of Ellen's Food Group Inc. of the Town of Markham in the Province of Ontario, and the claim of Her Majesty the Queen in Right of Canada as represented by the Minister of National Revenue, creditor.

I, Leslie Kowal, of the Township of Ajax in the Province of Ontario, do hereby certify:

1. That I am a collections officer of the Canada Revenue Agency.
2. That I have knowledge of all the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of the bankruptcy, namely the 5th of November, 2013, and still is, indebted to the creditor in the sum of \$634,079.35, as specified in the statement of account attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled.
4.
 - (X) UNSECURED CLAIM of \$634,079.35.

That in respect of this debt, I do not hold any assets of the debtor as security and

- (X) Regarding the amount of \$634,079.35, I do not claim a right to a priority.

5. That, to the best of my knowledge, the above-named creditor is not related to the debtor within the meaning of section 4 of the Act, and has not dealt with the debtor in a non-arm's length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to the debtor within the three

ATTACHMENT PAGE 2

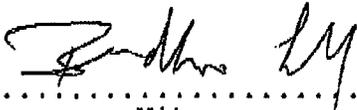
Account Number

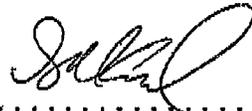
85068 0141 RT0001

months immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act.

NIL

Dated at Toronto, the 25th of November, 2013.


.....
Witness


.....
Creditor
(Signature of person completing this Proof of Claim)

ATTACHMENT PAGE 3

Account Number

85069 0141 RT0001

SCHEDULE "A"

REGISTRANT: Ellen's Food Group Inc.
 GST/HST Account #: 850690141RT0001
 Date of Bankruptcy : November 5, 2013

Filing Period From - To YYMMDD - YYMMDD	Net Tax	Interest	Penalty	Period Total
100201 - 100228	\$ 3,822.83	\$ 836.42	\$0.00	\$4,659.25
100301 - 100331	3,948.86	755.58	0.00	4,704.44
100401 - 100430	4,030.66	669.93	0.00	4,700.59
100501 - 100531	4,076.60	667.84	0.00	4,744.44
100601 - 100630	4,231.50	675.46	0.00	4,906.96
100701 - 100731	9,496.02	1,467.00	0.00	10,963.02
100801 - 100831	9,834.84	1,273.58	0.00	11,108.42
100901 - 100930	8,037.70	1,033.65	0.00	9,071.35
101001 - 101031	65,893.77	10,476.64	0.00	76,370.41
101101 - 101130	6,608.40	834.13	0.00	7,442.53
101201 - 101231	6,694.18	838.95	0.00	7,533.13
110101 - 110131	6,900.31	859.14	0.00	7,759.45
110201 - 110228	6,840.92	844.50	0.00	7,685.42
110301 - 110331	8,431.67	1,035.43	0.00	9,467.10
110401 - 110430	7,319.64	891.89	0.00	8,211.53
110501 - 110531	7,159.51	866.66	0.00	8,026.17
110601 - 110630	6,568.79	780.03	0.00	7,348.82
110701 - 110731	19,333.03	2,068.86	0.00	21,401.89
110801 - 110831	26,521.78	2,838.13	0.00	29,359.91
110901 - 110930	33,731.95	2,848.65	0.00	36,580.60
111001 - 111031	52,971.03	4,873.57	696.15	58,540.75
111101 - 111130	3,430.99	254.12	0.00	3,685.11
111201 - 111231	1,935.15	143.32	0.00	2,078.47
120101 - 120131	6,619.28	490.27	0.00	7,109.55
120201 - 120229	13,156.00	1,005.94	35.10	14,197.04
120301 - 120331	4,731.25	351.68	0.00	5,082.93
120401 - 120430	19,772.15	1,464.46	0.00	21,236.61
120501 - 120531	11,968.92	847.93	0.00	12,816.85
120601 - 120630	37,791.88	2,506.31	0.00	40,298.19
120701 - 120731	133,293.50	10,291.37	33,323.38	176,908.25
120801 - 120831	4,102.60	229.84	0.00	4,332.44
120901 - 120930	2,929.67	149.81	0.00	3,079.48
121001 - 121031	366.70	17.28	0.00	383.98
121101 - 121130	882.49	37.80	0.00	920.29
130201 - 130225	1,363.98	0.00	0.00	1,363.98
TOTAL	\$544,798.55	\$55,226.17	\$34,054.63	\$634,079.35

NOV. 25. 2013 3:24PM

NO. 7229 P. 6

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Canada Revenue Agency
Agence du revenu du Canada

Tax Centre
Toronto ON M5J 2X6

November 25, 2013

DOLOITTE RESTRUCTURING INC.
C/O CATHERINE HRISTOW
181 BAY ST.
SUITE 1400
TORONTO ON M5J 2V1

Account Number
85068 0141 RT0001

Dear Madam:

Yours truly,

Leslie Kowal
Insolvency Officer

Enclosure(s)

Canada

Northern Ontario Regional
Collections/Compliance Centre
1 Front St. W. Suite 100
Toronto ON M5J 2X6

Local : 416-954-5647
Fax : 416-954-6411
Web site : www.cra.gc.ca

ATTACHMENT PAGE 1

Account Number

85068 0141 RT0001

PROXY

.....

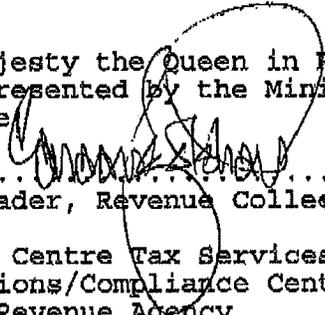
In the matter of the bankruptcy of: ELLEN'S FOOD GROUP INC.

Her Majesty the Queen in Right of Canada as represented by the Minister of National Revenue, a creditor, hereby appoints Leslie Kowal, of the City of Toronto, ON, an officer of the Canada Revenue Agency to be Her general proxy in the above proceedings, except for the receipt of dividends.

Dated at Toronto, the 25th of November, 2013


.....
WITNESS

Her Majesty the Queen in Right of Canada,
as represented by the Minister of National
Revenue



Per:

Team Leader, Revenue Collections

Toronto Centre Tax Services Office
Collections/Compliance Centre
Canada Revenue Agency

APPENDIX “N”



Canada Revenue Agency Agence du revenu du Canada

Tax Centre
Toronto ON M5J 2X6

February 21, 2014

DELOITTE RESTRUCTURING INC.
CATHERINE HRISTOW
181 BAY ST
SUITE 1400
TORONTO ON M5J 2V1

Dear Madam:

Re: ELLEN'S FOOD GROUP INC.
Date of Bankruptcy: November 5, 2013

To support our claim for unpaid Source Deductions in the above Bankruptcy, we have enclosed an amended property claim, with Schedule "B", for \$27,638.72.

Filing these proof of claim forms does not affect any rights Canada Revenue Agency (CRA) may have under the "Income Tax Act," "Canada Pension Plan," the "Unemployment Insurance Act" or the "Employment Insurance Act." Accordingly filing them should not be construed as a waiver of those rights.

If you require further information with respect to our claim, please contact our office at one of the telephone numbers provided in this letter.

Yours truly,

Rakhee Bhandari
Collections Officer

Enclosure(s)



Toronto Centre Tax Services Office
Bankruptcy and Insolvency Unit
1 Front St. W. Suite 100
Toronto ON M5J 2X6

Local : 416-954-5647
Fax : 416-954-6411
Web site : www.cra.gc.ca

ATTACHMENT PAGE 1

"PROOF OF CLAIM (PROPERTY)"
The Bankruptcy and Insolvency Act

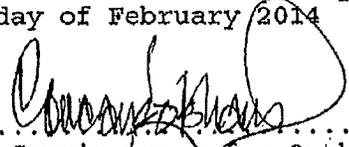
In the matter of the bankruptcy of ELLEN'S FOOD GROUP INC. of MARKHAM, ON, debtor, and the claim of Her Majesty the Queen in Right of Canada, as represented by the Minister of National Revenue, claimant and DELOITTE RESTRUCTURING INC., trustee.

I, Rakhee Bhandari of the city of Mississauga in the Province of Ontario

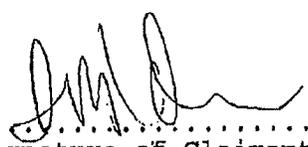
DO HEREBY CERTIFY:

- 1. That I am a Collections Officer of the Canada Revenue Agency.
- 2. That I have knowledge of all the circumstances connected with the claim referred to in this form.
- 3. That on 5th day of November, the debtor herein made an assignment in accordance with the Bankruptcy and Insolvency Act.
- 4. That on the said date, the property enumerated in the statement of account attached hereto and marked Schedule "B" was in possession of the debtor and still remains in the possession of the debtor and (or) the trustee.
- 5. That the claimant hereby claims the said property, or interest in it, by virtue of attached Schedule "B".
- 6. That the claimant is entitled to demand from the trustee the return of the property enumerated in Schedule "B".

Sworn before me at the City of Toronto, in the Province of ON this 21st day of February 2014



A Commissioner for Oaths
An Officer designated under subsection 220(5) of
the Income Tax Act to Administer Oaths, etc.



Signature of Claimant

SCHEDULE "B"
PROPERTY CLAIM

Name : ELLEN'S FOOD GROUP INC.
Account Number: 850680141 RP 0001

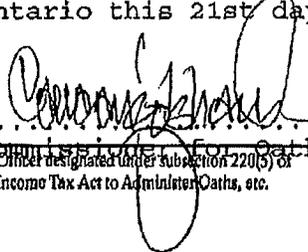
DATE OF ASSESSMENT (d/m/y): 02/07/2013
TAX YEAR: 2012
FEDERAL TAX: \$9,678.51
PROVINCIAL TAX: \$0.00
CPP EMPLOYEE PORTION: \$2,601.95
EI EMPLOYEE PORTION: \$1,060.49
TOTAL: \$13,340.95

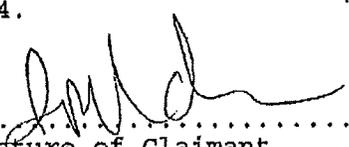
DATE OF ASSESSMENT (d/m/y): 02/07/13
TAX YEAR: 2013
FEDERAL TAX: \$5,243.99
PROVINCIAL TAX: \$
CPP EMPLOYEE PORTION: \$1,572.61
EI EMPLOYEE PORTION: \$658.01
TOTAL: \$7,474.61

DATE OF ASSESSMENT (d/m/y): 17/07/13
TAX YEAR: 2013
FEDERAL TAX: \$5,091.92
PROVINCIAL TAX: \$1,731.24
CPP EMPLOYEE PORTION: \$
EI EMPLOYEE PORTION: \$
TOTAL: \$6,823.16

GRAND TOTAL \$27,638.72

Sworn before me at the City of Toronto in the Province
of Ontario this 21st day of February 2014.


.....
A Commissioner for Oaths
An Officer designated under subsection 220(5) of
the Income Tax Act to Administer Oaths, etc.


.....
Signature of Claimant

ATTACHMENT PAGE 3

"SCHEDULE A"
Unsecured Claim
(continued)

Name : ELLEN'S FOOD GROUP INC.
Account Number: 850680141RP0001

DATE OF ASSESSMENT (dd/mm/yyyy)	TAX YEAR	CPP EMPLOYER PORTION	UI EMPLOYER PORTION	PENALTY AND INTEREST	TOTAL
-----	-----	-----	-----	-----	-----
02/07/2013	2012	2,601.95	1,484.68	2,252.76	6,339.39
02/07/2013	2013	1,572.61	921.22	1,061.84	3,555.67
17/07/2013	2013	0.00	0.00	508.84	508.84
Accrued Interest					759.61

			SUB TOTAL		\$ 11,163.51

Proof of Claim (Form 31)
Bankruptcy and Insolvency Act (Act)

All notices or correspondence regarding this claim must be sent to the following address:

Toronto Centre Tax Services Office
Bankruptcy and Insolvency Unit
1 Front St. W. Suite 100
Toronto ON M5J 2X6
Attention: Rakhee Bhandari

In the matter of the bankruptcy of ELLEN'S FOOD GROUP INC. of the town of Markham in the Province of Ontario, and the claim of Her Majesty the Queen in Right of Canada as represented by the Minister of National Revenue, creditor.

I, Rakhee Bhandari, of the City of Mississauga in the Province of Ontario, do hereby certify:

1. That I am a collections officer of the Canada Revenue Agency.
2. That I have knowledge of all the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of the bankruptcy, namely the 5th day of November 2013, and still is, indebted to the creditor in the sum of \$11,163.51, as specified in the statement of account attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled.
4. (X) UNSECURED CLAIM of \$11,163.51.

That in respect of this debt, I do not hold any assets of the debtor as security and

(X) Regarding the amount of \$11,163.51, I do not claim a right to a priority.

5. That, to the best of my knowledge, the above-named creditor is not related to the debtor within the meaning of section 4 of the Act, and has not dealt with the debtor in a non-arm's length manner.
6. That the following are the payments that I have received from, and the credits that I have allowed to the debtor within the three months immediately before the date of the initial proposal event

within the meaning of subsection 2(1) of the Act.

NIL

7. Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to subsection 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.

I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at Toronto, the 21st day of February 2014.

P. Corfalone

.....
Witness

[Handwritten Signature]

.....
Creditor
(Signature of person completing this Proof of Claim)

APPENDIX “O”



District of Ontario
 Division No. 09 - Toronto
 Court No. 31-1887098
 Estate No. 31-1887098

FORM 69
 Notice of Bankruptcy and of Impending Automatic Discharge
 of Bankrupt, and Request of a First Meeting of Creditors
 (Paragraphs 155(d.1), 155(h) and 168.1(4) and section 168.2 of the Act)

Original Amended

In the matter of the bankruptcy of
 YUK YEE ELLEN PUN (AKA Pun Yuk Yee)
 of the Town of Markham, in the Province of Ontario

Take notice that:

1. YUK YEE ELLEN PUN filed (or was deemed to have filed) an assignment on the 3rd day of July 2014, and the undersigned, Russo Corp., was appointed as trustee of the estate of the bankrupt by the official receiver (or the Court), subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.
2. Pursuant to paragraph 155(d.1) of the Act, a first meeting of creditors will be required only if the official receiver or creditors who have in the aggregate at least 25 percent in value of the proven claims, request a meeting to be held.
3. To request such a meeting and to vote at the meeting, a creditor must lodge with the trustee, before such request for a meeting, a proof of claim and, where necessary, a proxy.
4. Enclosed with this notice is a proof of claim form, proxy form, and list of creditors with claims amounting to \$25 or more showing the amounts of their claims.
5. Also enclosed pursuant to subsection 102(3) of the Act is information concerning the financial situation of the bankrupt and the obligation of the bankrupt to make payments to the estate of the bankrupt, as required under section 68 of the Act.
6. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.
7. Pursuant to section 168.1 of the Act, the bankrupt will be given an automatic discharge on the 4th day of April 2015, unless the Superintendent of Bankruptcy, the trustee of the estate of the bankrupt or a creditor of the bankrupt gives notice of intended opposition to the discharge of the bankrupt before that date.

Check appropriate provision in respect to the bankrupt's discharge

In the case of an individual who has never before been bankrupt:

- on the expiry of 9 months after the date of bankruptcy;
- on the expiry of 21 months after the date of bankruptcy where the bankrupt is required to make payments under section 68 of the Bankruptcy and Insolvency Act (BIA) to the estate.

In the case of an individual who has been a bankrupt one time before:

- on the expiry of 24 months after the date of bankruptcy;
- on the expiry of 36 months after the date of bankruptcy where the bankrupt is required to make payments under section 68 of the BIA to the estate.

8. Any creditor who intends to oppose the discharge of the bankrupt shall state in writing the grounds for his/her opposition and send a notice to this effect to the division office, the trustee of the estate of the bankrupt and the bankrupt at any time before the 4th day of April 2015.

9. If any creditor opposes the discharge of the bankrupt, a court fee applies.

10. If the discharge of the bankrupt is opposed, the trustee will apply to the Court without delay for an appointment for the hearing of the opposition in the manner prescribed by the Act unless it is a matter to be dealt with by mediation pursuant to subsection 170.1(4) of the Act.

Dated at the Town of Aurora in the Province of Ontario, this 3rd day of July 2014.

Russo Corp. - Trustee
 78 Wellington St E
 Aurora ON L4G 1H8
 Phone: (905) 503-3328 Fax: (905) 503-2338

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District of:
Division No. -
Court No.
Estate No.

-- FORM 21--
Assignment for the General Benefit of Creditors
(Section 49 of the Act)

In the matter of the bankruptcy of
YUK YEE ELLEN PUN (AKA Pun Yuk Yee)
of the Town of Markham, in the Province of Ontario

This indenture made this 2nd day of July 2014

between
YUK YEE ELLEN PUN
273 Angus Grand Blvd
Markham ON L6C 0K1
hereinafter called "the debtor"
and
Russo Corp.
hereinafter called "the trustee."

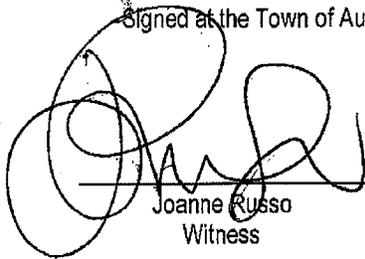
Natural person

Corporate or other legal entity

Whereas the debtor is insolvent and desires to assign and to abandon all his/her property for distribution among his/her creditors, in pursuance of the Act,

This indenture witnesses that the debtor does hereby assign to the trustee all the debtor's property for the uses, intents and purposes provided by the Act.

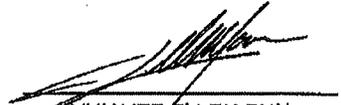
Signed at the Town of Aurora in the Province of Ontario, in the presence of Joanne Russo.



Joanne Russo
Witness

2-Jul-2014

Date



YUK YEE ELLEN PUN
Debtor

District of
Division No.
Court No.
Estate No.

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- FORM 79 -
Statement of Affairs (Non-Business Bankruptcy)
(Subsection 49(2) and 158(d) of the Act / Subsections 50(2) and 62(1) and Paragraph 66.13(2)(d) of the Act)

Original Amended

In the matter of the bankruptcy of
YUK YEE ELLEN PUN (AKA Pun Yuk Yee)
of the Town of Markham, in the Province of Ontario

ASSETS						
Type of assets	Description (Provide details)	Estimated Dollar Value	Exempt Property		Secured Amount/ Liens	Estimated net realizable dollar value
			Yes	No		
1. Cash on Hand						
2. Furniture		2,500.00	x		0.00	0.00
3. Personal Effects		2,500.00	x		0.00	0.00
4. Policies & RRSPs						
5. Securities						
6. Real Property or Immovable	House	137779 Leslie St - Aurora - ON		x	4,200,000.00	0.00
	Cottage					
	Land					
7. Motor Vehicles	Automobile	2013 - Mercedes - CL S 5504M - WDDLJ9888DA081039	1.00	x	0.00	0.85
		2013 - Mercedes - S550W4M - WDDNF9EBXDA524216	1.00	x	1.00	0.00
		MERCEDES - E350W4M - WDDHF8HB9BA429906	1.00	x	1.00	0.00
	Motorcycle					
	Snowmobile					
Other						
8. Recreational Equipment						
9. Taxes						
10. Other	Other	Shares- 1871273 Ontario Inc.	1.00	x	0.00	1.00
		Shares - 2282698 Ontario Inc.	1.00	x	0.00	1.00
		Shares - 2213813 Ontario Inc.	1.00	x	0.00	1.00
		shares -1812238 Ontario Inc.	1.00	x	0.00	1.00
		shares-2133195 Ont Corp	1.00	x	0.00	1.00
		shares-2200657 Ontario limited	1.00	x	0.00	1.00

02-Jul-2014

Date


YUK YEE ELLEN PUN
Bankrupt

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District of
Division No.
Court No.
Estate No.

FORM 79 – Continued

ASSETS							
Type of assets	Description (Provide details)	Estimated Dollar Value	Exempt Property		Secured Amount/ Liens	Estimated net realizable dollar value	
			Yes	No			
10. Other	Other	shares- Ellen's Health Food Ltd.	1.00		x	0.00	1.00
		shares-2192607 Ont ltd	1.00		x	0.00	1.00
		shares-Ellen's Food Group Inc.	1.00		x	0.00	1.00
		shares -2220968 Ontario Inc.	1.00		x	0.00	1.00
		shares-PSS Holdings Inc.	1.00		x	0.00	1.00
		Shares of Ellen & Associates Inc.	1.00		x	0.00	1.00
		Shares of P. Yin Management Services Inc.	1.00		x	0.00	1.00
		TOTAL	4,205,016.00			4,200,002.00	13.85

02-Jul-2014

Date


YUK YEE ELLEN PUN
Bankrupt

92

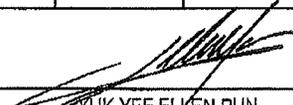
District of
Division No.
Court No.
Estate No.

FORM 79 – Continued

LIABILITIES						
Liabilities type code (LTC): 1 Real Property or Immovable Mortgage or Hypothec 2 Bank Loans (except real property mortgage) 3 Finance Company Loans 4 Credit Cards Bank/Trust Companies Issuers 5 Credit Cards Other Issuers 6 Taxes Federal/Provincial/Municipal 7 Student Loans 8 Loans from Individuals 9 Other						
Creditor	Address including postal code	Account No.	Amount of debt			Enter LTC
			Unsecured	Secured	Preferred	
1710814 Ontario Inc. o/a Redstone Management Services	c/o Macdonald Sager Manis LLP 150 York Street Suite 800 Toronto ON M5H 3S5	mortgage on Aurora Property	200,000.00	0.00	0.00	
407 c/o Christensen Law Firm	66 Ellis Road CaMBRIDGE ON N3C 2V4	212823145	3,042.44	0.00	0.00	9
407 ETR Express Toll Route Attn: Marion Richardson/Collections	6300 Steeles Avenue West Woodbridge ON L4H 1J1		1.00	0.00	0.00	9
935791 Ontario Limited Attn: D> Barry Prentice	c/o Blaney McMurtry LLP 1500 - 2 Queen Street East Toronto ON M5C 3G5	mortgage Aurora Property	170,000.00	530,000.00	0.00	9
Alcohol & Gaming Commission of Ontario	90 Sheppard Ave. E. Suite 200 Toronto ON M2N 0A4		1.00	0.00	0.00	9
BMO Financial Group c/o BankruptcyHighway.com Attn: Mike Timko	PO Box 57100 Etobicoke ON M8Y 3Y2	5191 2301 58178443	5,200.00	0.00	0.00	
Ching, Sara	503- 1650 Sheppard Ave E. North York ON M2J 1V3	judgment-CV 1311406200	10,434.19	0.00	0.00	9
Ching, Sara	c/o Hung Law Office 1033 Bay Street Suite 319 Toronto ON M5B 3A5		11,000.00	0.00	0.00	
Costco Canada c/o American Express FCT Default Solutions Attn: Insolvency Department	PO Box 2514, Station B London ON N6A 4G9	3746 179813 61008	1,000.00	0.00	0.00	5
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 113,598.79	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir. liability -2220968 Ont	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 101,284.56	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir. liability 2213813 Ontario	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 133,822.60	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir. liability-2213813 Ontario	0.00	0.00	0.00	6

02-Jul-2014

Date


YUK YEE ELLEN PUN
Bankrupt

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District of
Division No.
Court No.
Estate No.

FORM 79 - Continued

LIABILITIES						
Creditor	Address including postal code	Account No.	Amount of debt			Enter LTC
			Unsecured	Secured	Preferred	
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 1.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir. liability-unpaid wages etc.	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 186,365.95	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir liability -2220968 Ont	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 1.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir. liability-re 2133195 Ontari	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 1.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir. liability re 2133195 Ont.	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 3,822.28	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir liability re 2200657 Ont Ltd	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 1.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir. liability 2200657 Ont Ltd.	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 1.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir. liability re Ellen's Health	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 1.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir. liability-re Ellen's Health	0.00	0.00	0.00	6

02-Jul-2014

Date


YUK YEE ELLEN PUN
Bankrupt

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District of
 Division No.
 Court No.
 Estate No.

FORM 79 - Continued

LIABILITIES						
Creditor	Address including postal code	Account No.	Amount of debt			Enter LTC
			Unsecured	Secured	Preferred	
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 1.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir. liability 2282698 Ont Ltd	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 1.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir liab 2282698 Ont Ltd	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 402,283.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir liab. 1812238 Ontario Inc.	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 210,655.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir liab 1812238 Ont inc.	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 109,684.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir liab. 2192607 Ont Ltd	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 71,580.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir liab. 2192607 Ontario Ltd.	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 633,900.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir. liab. Ellen's Food Group In	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 1.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir. liab Ellen's Food Group Inc	0.00	0.00	0.00	6

02-Jul-2014

Date


 YUK YEE ELLEN PUN
 Bankrupt

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District of
Division No.
Court No.
Estate No.

FORM 79 -- Continued

LIABILITIES						
Creditor	Address including postal code	Account No.	Amount of debt			Enter LTC
			Unsecured	Secured	Preferred	
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 1.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir. liab 2220968 Ontario Inc.	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency Contingent \$ = 1.00	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	dir liab 2220968 Ontario inc.	0.00	0.00	0.00	6
CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Insolvency	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	t1	0.00	0.00	0.00	6
Credit Bureau of Canada Collections Attn: Client Services	1450 Meyerside Drive, 2nd Floor Mississauga ON L5T 2N5	8526395-900619930 507(powerstream)	1,866.41	0.00	0.00	9
CTC Bank of Canada	c/o Blaney McMurtry Suite 1500 -2 Queen Street East Toronto ON M5C 3G5	acct: 70227PPSA re Guarantee ass	1,122,000.00	0.00	0.00	9
Fairview Refrigeration Inc.	c/o John Weisdorf 425 University Ave. 6th Floor Toronto ON M5G 2T6		3,000.00	0.00	0.00	
Hanin Credit Consulting	c/o Martin Zenia Goose Barrister & Solicitor 555 Burnhamthorpe Road Suite 504 Toronto ON M9C 2Y3		1.00	0.00	0.00	9
HE, Linda	c/o Dentons Canada LLP 77 King Street West Suite 400 TD Centre, Toronto ON M5K 0A1		1.00	0.00	0.00	
HSBC Bank Canada c/o BankruptcyHighway.com	PO Box 57100 Etobicoke ON M8Y 3Y2	PPSA Registration - Guarantee of	1.00	0.00	0.00	
HSBC MasterCard c/o BankruptcyHighway.com	PO Box 57100 Etobicoke ON M8Y 3Y2	5193951000533414	10,000.00	0.00	0.00	5
Industrial and Commercial Bank of China (Canada)	c/o Dale & Lessmann LLP 181 University Ave. Suite 2100 Toronto ON M5H 3M7	mige - aurora property	0.00	3,120,000.00	0.00	
INDUSTRIAL AND COMMERCIAL BANK OF CHINA (CANADA)	c/o Dale & Lessmann LLP 181 University Ave. SUite 2100 Toronto ON M5H 3M7	MORTGAGE Aurora Property	175,000.00	0.00	0.00	

02-Jul-2014

Date


YUK YEE ELLEN PUN
Bankrupt

District of
Division No.
Court No.
Estate No.

FORM 79 – Continued

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LIABILITIES						
Creditor	Address including postal code	Account No.	Amount of debt			Enter LTC
			Unsecured	Secured	Preferred	
JVJ Consulting Inc.	c/o Roger A. Gosbee 94 Pathlane Road Richmond Hill ON L4B 4C7	mortgage Aurora Property and oth	0.00	550,000.00	0.00	
Kinsun Properties Incorporated Contingent \$ = 1.00	40 Wynford Drive Suite 316 Toronto ON M3C 1J5	guarantor lease 2220968 Ontario	0.00	0.00	0.00	9
Lawrence C. Wesson	Suite 410- Thornhill Square- 300 JOhn St. Thornhill ON L3T 5W4		1.00	0.00	0.00	
Lee, Sai Kui	c/o Stive Vale 195 Main Street Soute Newmarket ON L3Y 3V9	mortgage Aurora Property	639,331.00	0.00	0.00	
Lee, Sai Kui	c/o Stiver Vale 195 Main Street South Newmarket ON L3Y 3V9	Promissory Note	620,708.00	0.00	0.00	
Li, Linda and Simon	83 Clansnan Blvd Toronto ON M2H 1X7		168,819.52	0.00	0.00	9
Li/Zhang	c/o Eric Freedman Barister, 1033 Bay Street Suite 319 Toronto ON M5S 3A5		1.00	0.00	0.00	9
Linda He et al.	C/o Denton's Canada LLP 77 King Street West Suite 400 Toronto ON M5K 0A1	re: CV12460780	1,550,000.00	0.00	0.00	9
Lo, Greg	73 Fawdale Crest Scarborough ON M1W 2X3		300,000.00	0.00	0.00	
Mercedes Benz Finance	c/o Kronis, Rotsztain 11th Floor 25 Sheppard Ave. W. Toronto ON M2N 6S6		89,500.00	0.00	0.00	
Mercedes-Benz Financial Services Canada Corporation Attn: Collections Department	500 - 2680 Matheson Blvd East Mississauga ON L4W 0A5	2013 MERCEDES CLS550M	1.00	0.00	0.00	3
Mercedes-Benz Financial Services Canada Corporation Attn: Collections Department	500 - 2680 Matheson Blvd East Mississauga ON L4W 0A5	MERCEDES S550W4M	99,999.00	1.00	0.00	3
Mercedes-Benz Financial Services Canada Corporation Attn: Collections Department	500 - 2680 Matheson Blvd East Mississauga ON L4W 0A5		0.00	1.00	0.00	3
Mercedes-Benz Financial Services Canada Corporation Attn: Collections Department	500 - 2680 Matheson Blvd East Mississauga ON L4W 0A5	re7003191335- DEFICIENCY	1.00	0.00	0.00	3
Ministry of Finance - ON PST, EHT & Other Taxes Attn: Mrs. Asta Alberry	Ministry of Revenue 33 King Street West 6th Floor Oshawa ON L1H 8H5	dir. liability re 2133195 Ont Co	6,985.89	0.00	0.00	6

02-Jul-2014

Date


YUK YEE ELLEN PUN
Bankrupt

District of
Division No.
Court No.
Estate No.

FORM 79 - Continued

LIABILITIES						
Creditor	Address including postal code	Account No.	Amount of debt			Enter LTC
			Unsecured	Secured	Preferred	
Ministry of Finance - ON PST, EHT & Other Taxes Attn: Mrs. Asta Alberry Contingent \$ = 5,439.27	Ministry of Revenue 33 King Street West 6th Floor Oshawa ON L1H 8H5	dir. liability EHT	0.00	0.00	0.00	6
Ministry of Labour Attn: Director Contingent \$ = 1.00	11th Floor 400 University Ave. Toronto ON M7A 1T7	dir. liability-unpaid wages	0.00	0.00	0.00	9
Mississauga Chinese Centre Limited	c/o Garth Low, Barrister 70 Bond Street Suite 200 Toronto ON M5B 1X3	judgment -CV-13-478468	314,414.63	0.00	0.00	9
MJR Collection Services Limited Attn: Robert Chirwa, Collections Department	7033 Telford Way, Unit 17-18 Mississauga ON L5S 1V4	023522116921	515.35	0.00	0.00	9
Ng, Alfred et al	c/o Millars Law Professional Corp 29 Kilworth Park Drive Kilworth ON N0L 1R0		400,000.00	0.00	0.00	
Ng, Henry	c/o Kurt A Sunn Barrister 7030 Woodbine Ave Suite 500 Markham ON L3R 6G2		621,750.00	0.00	0.00	
Orbit International Co. Ltd.	c/o Victor E. Kasowski Professional Corporation 205-28 Finch Ave. West Toronto ON M2N 2G7	RE: CV-13-477030	130,500.00	0.00	0.00	9
RBC Royal Bank Visa c/o BankruptcyHighway.com Attn: Alison Houston	PO Box 57100 Etobicoke ON M8Y 3Y2	4514 0114 0006 0974	1.00	0.00	0.00	4
Redstone Investment Corp	c/o Macdonald Sager Manis 150 York St Suite 800 Toronto ON M5H 3S5	mortgage -245 Midwest Road, Toro	1.00	0.00	0.00	9
Redstone Investment Corp.	c/o Macdonald Sager Manis LLP 150 York St. Suite 800 Toronto ON M5H 3S5		1.00	0.00	0.00	
Schumacher, Christian Attn: Jordan Hill Contingent \$ = 1.00	77 King Street West Suite 400 Toronto ON M5K 0A1	re:Ellen's Investment Holding-te	0.00	0.00	0.00	9
Shao, Jiong	c/o Haiyun Wang, Barrister & Solicitor 20 Queen Street Suite 3300 po box 33 Toronto ON M5H 3R3		124,750.00	0.00	0.00	
Situ, Connie			50,000.00	0.00	0.00	9
Sitzer Group Holdings No. 1 Limited coba Rockwood Mall Attn: Ken Pimentel	c/o Daoust Vukovich 20 Queen Street West Suite 3000 Toronto ON M5H 3R3	130270	1.00	0.00	0.00	9

02-Jul-2014

Date

YUK YEE ELLEN PUN
Bankrupt

District of
Division No.
Court No.
Estate No.

FORM 79 -- Continued

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LIABILITIES							
Creditor	Address including postal code	Account No.	Amount of debt			Enter LTC	
			Unsecured	Secured	Preferred		
Tong, Henry & Phillip	c/o Basman Smith LLP 1 Dundas Street West Suite 2400 Box 37 Toronto ON M5G 1Z3		46,200.00	0.00	0.00	9	
Town of Aurora	Aurora Town Hall 100 John West Way Box 1000 Aurora ON L4G 6J1	property taxes -1946000 10531000	46,242.72	0.00	0.00	9	
Wong, Kit Ling Eliza	c/o Ho Tse Wai, Phillip Li & Partners 7th Floor Bangkok Bank Building No 28 Des Voeux Road Central Hong Kong		110,000.00	0.00	0.00	9	
Workplace Safety and Insurance Board Attn: c/o Collection Services Contingent \$ = 1.00	200 Front Street West Toronto ON M5V 3J1	2192607 Ontario Ltd.	0.00	0.00	0.00	9	
Yee Hong Community Wellness Foundation	c/o Fasken Martineau 333 Bay Street Suite 2400 Bay Adelaide Centre Box 20 Toronto ON M6H 2T6	sc-12-16647-00	11,500.00	0.00	0.00		
Yu Zhang and Jonefu Realty Inc.	c/o Gregory Roberts 1595 16th Ave, Suite 301 Richmond Hill ON L4B 3N9		131,125.00	0.00	0.00	9	
	TOTAL	Unsecured	7,174,897.15				
	TOTAL	Secured		4,200,002.00			
	TOTAL	Preferred			0.00		
	TOTAL					11,374,899.15	

Pledged Assets		
Creditor	Rank	Asset
1710814 Ontario Inc. o/a Redstone Management Services	5	Real Property or Immovable - House - Aurora - 137779 Leslie St
935791 Ontario Limited	3	Real Property or Immovable - House - Aurora - 137779 Leslie St
Industrial and Commercial Bank of China (Canada)	1	Real Property or Immovable - House - Aurora - 137779 Leslie St
INDUSTRIAL AND COMMERCIAL BANK OF CHINA (CANADA)	6	Real Property or Immovable - House - Aurora - 137779 Leslie St
JVJ Consulting Inc.	2	Real Property or Immovable - House - Aurora - 137779 Leslie St

02-Jul-2014

Date


YUK YEE ELLEN PUN
Bankrupt

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District of
Division No.
Court No.
Estate No.

FORM 79 – Continued

Pledged Assets		
Creditor	Rank	Asset
Lee, Sai Kui	4	Real Property or Immovable - House - Aurora - 137779 Leslie St
Mercedes-Benz Financial Services Canada Corporation	1	Motor Vehicles - Automobile - 2013 - Mercedes - S550W4M - WDDNF9EBXDA524216
Mercedes-Benz Financial Services Canada Corporation	1	Motor Vehicles - Automobile - MERCEDES - E350W4M - WDDHF8HB9BA429906

02-Jul-2014

Date


YUK YEE ELLEN PUN
Bankrupt

District of
Division No.
Court No.
Estate No.

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FORM 79 -- Continued

INFORMATION RELATING TO THE AFFAIRS OF THE BANKRUPT			
A. PERSONAL DATA			
1. Family name: PUN	Given names: YUK YEE ELLEN Gender: Female	Date of birth: YYYY / MM / DD 1957/04/12	
2. Also known as:	Pun Yuk Yee, Cindy Ho, Sindy Ho		
3. Complete address, including postal code: 273 Angus Grand Blvd Markham ON L6C 0K1			
4. Marital status: (Specify month and year of event if it occurred in the last five years)		Single	
5. Full name of spouse or common-law partner:			
6. Name of present employer:		Occupation:	
7A. Number of persons in household family unit, including bankrupt:		2	
7B. Number of persons 17 years of age or less:		0	
8. Have you operated a business within the last five years?		Yes	
Business Name	Business Type	From	To
2351412 Ontario Inc.		27-Nov-2012	
2274965 Ontario Inc.		17-Feb-2011	
1812238 Ontario Inc. o/a Regal Chinese Cuisine and Banquet Hall	Chinese Restaurant	14-Dec-2009	28-Feb-2014
Ellen's International Inc.		02-Aug-2007	
Ellen's Investment Holding Ltd.		01-Jan-2001	
Full Smart Consultants Limited	immigration consultant (incorporated in China)	01-Jan-2001	
1454083 Ontario Limited (amalg. to Ellen's Health Food Ltd.)		13-Dec-2000	
1395982 Ontario Ltd (amalg. to Ellen's Health Food Ltd.)		12-Feb-2000	
1395983 Ontario Ltd (amalg to Ellen's Health Food Ltd.)		12-Jan-2000	
Long Ho FONG Restaurant ?	fro deloitee report of related co payments	01-Jan-2000	
1871273 Ontario Inc.	Chinese Restaurant	01-Jan-2000	28-Jan-2014
2282698 Ontario Inc.	Chinese Restaurant	01-Jan-2000	
2213813 Ontario Inc. o/a Regal Palace on Yonge	Chinese Restaurant	01-Jan-2000	
2133195 Ontario Corp	Chinese Restaurant	01-Jan-2000	
2200657 Ontario Limited	Chinese Restaurant	01-Jan-2000	
Ellen's Health Food Ltd.		01-Jan-2000	
2192807 Ontaril Ltd.o/a Regal Palace Chinese Cuisine	Chinese Restaurant	01-Jan-2000	01-Aug-2013
Ellen's Food Group Inc.		01-Jan-2000	05-Nov-2013
2220968 Ontario Inc.o/a Regal Palace on Mississauga	Chines Restaurant	01-Jan-2000	
Ellen Associates Ltd.		16-Nov-1999	
PSS Holdings Inc.	Holding Co.	04-Jun-1998	

02-Jul-2014

Date

YUK YEE ELLEN PUN
Bankrupt

District of
Division No.
Court No.
Estate No.

FORM 79 -- Concluded

P. Yin Management Services Inc.	holding co	28-May-1998
Jardine Hills Realty Inc.	real estate- brokerage	16-Nov-1996
Ellen's Cleaning Service Company Ltd.	cleaning services -incorporated in Hong Kong	21-Jun-1983
B. WITHIN THE 12 MONTHS PRIOR TO THE DATE OF THE INITIAL BANKRUPTCY EVENT, HAVE YOU, EITHER IN CANADA OR ELSEWHERE:		
9A. Sold or disposed of any of your property?		No
9B. Made payments in excess of the regular payments to creditors?		No
9C. Had any property seized by a creditor?		Yes
C. WITHIN FIVE YEARS PRIOR TO THE DATE OF THE INITIAL BANKRUPTCY EVENT, HAVE YOU, EITHER IN CANADA OR ELSEWHERE:		
10A. Sold or disposed of any property?		No
10B. Made any gifts to relatives or others in excess of \$500?		No
D. BUDGET INFORMATION: Attach Form 65 to this Form.		
11A. Have you ever made a proposal under the Bankruptcy and Insolvency Act?		No
11B. Have you ever been bankrupt before in Canada?		No
12. Do you expect to receive any sums of money which are not related to your normal income, or any other property within the next 12 months?	No	
13. If you answered Yes to any of questions 9, 10 and 12, provide details: 9C: Home at 13779 Leslie St. Aurora under Power of Sale Proceedings.		
14. Give reasons for your financial difficulties: I had several businesses. I had cash flow problems with the businesses which resulted in landlord's locking me out and various lawsuits were begun by landlords, suppliers and various people I borrowed money from. I was a director on many companies and have large debts for director's liabilities potentially owing also. I have very limited income and can not pay my debts as they come due.		

I, YUK YEE ELLEN PUN of the Town of Markham in the Province of Ontario, do swear (or solemnly declare) that this statement is, to the best of my knowledge, a full, true and complete statement of my affairs on the 2nd day of July 2014, and fully discloses all property and transactions of every description that is or was in my possession or that may devolve on me in accordance with the Bankruptcy and Insolvency Act.

SWORN (or SOLEMNLY DECLARED)
before me at the Town of Aurora in the Province of Ontario, on
this 2nd day of July 2014.

Joanne Russo, Commissioner of Oaths
For the Province of Ontario
Expires Nov. 1, 2016

Joanne Russo, a Commissioner, etc.,
Province of Ontario
for Russo Corp., Trustee in Bankruptcy
Expires November 1, 2016

02-Jul-2014

Date

YUK YEE ELLEN PUN
Bankrupt

District of
Division No.
Court No.
Estate No.

- FORM 65 -
Monthly Income and Expense Statement of the Bankrupt and the Family Unit
and Information (or Amended Information) Concerning
the Financial Situation of the Individual Bankrupt
(Section 68 and Subsection 102(3) of the Act; Rule 105(4))

Original Amended

In the matter of the bankruptcy of
YUK YEE ELLEN PUN (AKA Pun Yuk Yee)
of the Town of Markham, in the Province of Ontario

Information concerning the monthly income and expense statement of the bankrupt and the family unit, the financial situation of the bankrupt and the bankrupt's obligation to make payments required under section 68 of the Act to the estate of the bankrupt are as follows:

MONTHLY INCOME	Bankrupt	Other Members of the family unit	Total
Net employment income	0.00		
Net pension/Annuities	0.00		
Net child support	0.00		
Net spousal support	0.00		
Net employment insurance benefits	0.00		
Net social assistance	0.00		
Self-employment income			
Gross 0.00 Net	1,250.00		
Child tax benefit	0.00		
Other net income	0.00		
TOTAL MONTHLY INCOME	1,250.00 (1)	0.00 (2)*	
TOTAL MONTHLY INCOME OF THE FAMILY UNIT ((1) + (2))			1,250.00 (3)
MONTHLY NON- DISCRETIONARY EXPENSES			
Child support payments	0.00		
Spousal support payments	0.00		
Child care	0.00		
Medical condition expenses	0.00		
Fines/penalties imposed by the Court	0.00		
Expenses as a condition of employment	0.00		
Debts where stay has been lifted	0.00		
Other expenses	0.00		
TOTAL MONTHLY NON-DISCRETIONARY EXPENSES	0.00 (4)	0.00 (5)	
TOTAL MONTHLY NON-DISCRETIONARY EXPENSES OF THE FAMILY UNIT ((4) + (5))			0.00 (6)
AVAILABLE MONTHLY INCOME OF THE BANKRUPT ((1) - (4))	1,250.00 (7)		
AVAILABLE MONTHLY INCOME OF THE FAMILY UNIT ((3) - (6))			1,250.00 (8)
BANKRUPT'S PORTION OF THE AVAILABLE MONTHLY INCOME OF THE FAMILY UNIT			100.00 % (9)

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MONTHLY DISCRETIONARY EXPENSES: (Family unit)

Housing expenses

Rent/mortgage/hypothec.	3,800.00
Property taxes/condo fees.	0.00
Heating/gas/oil.	180.00
Telephone.	200.00
Cable.	0.00
Hydro.	200.00
Water.	50.00
Furniture.	0.00
Other.	0.00

Personal expenses

Smoking.	0.00
Alcohol.	0.00
Dining/lunches/restaurants.	50.00
Entertainment/sports.	0.00
Gifts/charitable donations.	0.00
Allowances.	0.00
Other.	0.00

Non-recoverable medical expenses

Prescriptions.	50.00
Dental.	0.00
Other.	0.00

Living expenses

Food/grocery.	1,000.00
Laundry/dry cleaning.	0.00
Grooming/toiletries.	50.00
Clothing.	0.00
Other.	0.00

Transportation expenses

Car lease/payments.	0.00
Repair/maintenance/gas.	300.00
Public transportation.	0.00
Other.	0.00

Insurance expenses

Vehicle.	300.00
House.	150.00
Furniture/contents.	0.00
Life insurance.	0.00
Other.	0.00

Payments

Payments to the estate.	0.00
To secured creditor.	0.00
(Other than mortgage and vehicle).	0.00
Other.	0.00

TOTAL MONTHLY DISCRETIONARY EXPENSES (FAMILY UNIT)	6,330.00 (10)
MONTHLY SURPLUS OR (DEFICIT) FAMILY UNIT ((8) - (10))	-5,080.00 (11)

Information (or Amended Information) Concerning the Financial Situation of the Individual Bankrupt

Payments to the estate as per agreement:

Number of persons in household family unit, including bankrupt: _____	2
Total amount bankrupt has agreed to pay monthly.	0.00 (12)
Amount bankrupt has agreed to pay monthly to repurchase assets.	0.00 (13)
Residual amount paid into the estate ((12) - (13)).	0.00 (14)

Payments required by Directive No. 11R2 (Surplus Income):

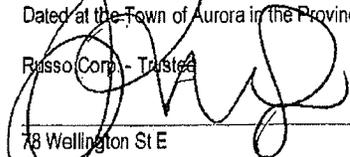
Monthly amount required by Directive No. 11R2 (Surplus Income) based on percentage established on line (9). ...	0.00 (15)
Difference between amounts at lines (14) and (15).	0.00 (16)

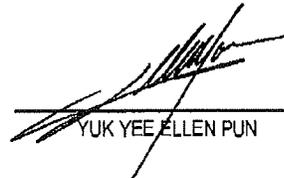
Note:

The Bankrupt's personal expenses are being supplemented by friends and family as necessary. The Bankrupt borrows a friends vehicle and pays insurance costs.

Dated at the Town of Aurora in the Province of Ontario, this 2nd day of July 2014.

Russo Corp - Trustee


 78 Wellington St E
 Aurora, ON L4G 1H8
 Phone: (905) 503-3328 Fax: (905) 503-2338


 YUK YEE ELLEN PUN

District of: Ontario
Division No. 09 - Toronto
Court No. 31-1887098
Estate No. 31-1887098

FORM 31 / 36
Proof of Claim / Proxy

In the matter of the bankruptcy of
YUK YEE ELLEN PUN (AKA Pun Yuk Yee)
of the Town of Markham, in the Province of Ontario

All notices or correspondence regarding this claim must be forwarded to the following address:

In the matter of the bankruptcy of YUK YEE ELLEN PUN of the Town of Markham in the Province of Ontario and the claim of _____, creditor.

I, _____, of the city of _____, a creditor in the above matter, hereby appoint _____, of _____, to be my proxyholder in the above matter, except as to the receipt of dividends, _____ (with or without) power to appoint another proxyholder in his or her place.

I, _____ (name of creditor or representative of the creditor), of the city of _____ in the province of _____ do hereby certify:

1. That I am a creditor of the above named debtor (or I am _____ (position/title) of _____, creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of bankruptcy, namely the 3rd day of July 2014, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit or solemn declaration) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

A. UNSECURED CLAIM OF \$ _____

(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and
(Check appropriate description.)

Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.

Regarding the amount of \$ _____, I do not claim a right to a priority.
(Set out on an attached sheet details to support priority claim.)

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:
(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
(Attach a copy of sales agreement and delivery receipts.)

E. CLAIM BY WAGE EARNER OF \$ _____

That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____,

That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____,

F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____

That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____,

That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____,

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G. CLAIM AGAINST DIRECTOR \$ _____

(To be completed when a proposal provides for the compromise of claims against directors.)
That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I _____ (am/am not) (or the above-named creditor _____ (is/is not)) related to the debtor within the meaning of section 4 of the Act, and _____ (have/has/have not/has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: *(Provide details of payments, credits and transfers at undervalue.)*

7. *(Applicable only in the case of the bankruptcy of an individual.)*

- Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.
- I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at _____, this _____ day of _____, _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

Phone Number: _____

Fax Number: _____

E-mail Address: _____

Russo Corp. - Trustee

78 Wellington St E
Aurora ON L4G 1H8
Phone: (905) 503-3328 Fax: (905) 503-2338
E-mail: russo@russocanhelp.com

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 20(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

APPENDIX “P”

**NOTICE AND STATEMENT OF RECEIVER
(SUBSECTION 246(2) OF THE ACT)**

In the matter of the receivership of the property of Ellen's Food Group Inc. (the "Company").

The Receiver gives notice and declares that:

- 1. By order of the Ontario Superior Court of Justice dated the 25th day of February, 2013, the undersigned, Deloitte & Touche Inc., was appointed receiver (the "Receiver") in respect of all of the assets, undertakings and properties of the Company, an insolvent company.
- 2. The undersigned commenced the exercise of its power in respect of that appointment on the 25th day of February, 2013.
- 3. The following information relates to the receivership.

- i. Address of insolvent company: 25 Centurian Drive, Suite 102
Markham, Ontario, L3R 5N8
- ii. Principal line of business: Manufacturer of branded oriental and specialty foods,
and individually quick frozen products targeting the food
service industry and retail markets.
- iii. Amounts owed by the Company to the creditors who hold a security interest on the property described above include:

HSBC Bank Canada	\$ 269,162.36
Mercedes Benz Financial	\$ 57,035.39
Redstone Investment Corporation	NIL
Dr. Sai Kui Lee	<u>\$ 620,708.92</u>
	<u>\$ 946,906.67</u>

- 4. On February 27, 2013, TFI Foods Ltd. ("TFI") provided the Receiver with a copy of an invoice issued to TFI by the Company dated July 5, 2012 and a listing of equipment from the Company. The invoice was for the sale of equipment located at the Company's leased premises at 30 Sims Crescent, Richmond Hill, to TFI for a purchase price of \$954,000, plus HST of \$124,020, for a total purchase price of \$1,078,020 (the "Purchase Price"). The invoice acknowledges the receipt of the following payments by the Company from TFI on the following dates in respect of the Purchase Price:

June 15, 2012	\$ 200,000
June 20, 2012	\$ 100,000
June 21, 2012	\$ 500,000
July 3, 2012	<u>\$ 278,020</u>
TOTAL	<u>\$1,078,020</u>

- 5. On March 5, 2013, the Receiver was provided with copies of the Company's bank statements from Industrial and Commercial Bank of China (Canada) ("ICBC") for the period from January 3, 2010 to October 31, 2012 and was able to verify that the Company did receive the Purchase Price. The ICBC bank account was closed on October 31, 2012.
- 6. TFI has not provided the Receiver, or the Receiver's legal counsel, with any documentation that shows that the transaction with the Company complied with the Bulk Sales Act (the "BSA"). The Receiver has been advised that HSBC Bank Canada will be commencing an application under the BSA seeking an order, among other things, declaring the above noted transaction void.
- 7. On June 22, 2012, \$400,000 was paid to 1812238 Ontario Inc., a related party, and \$70,000 was paid to Ms. Ellen Pun, the principal of the Company.
- 8. On July 3, 2012, HSBC Bank Canada received a partial repayment of its secured advances in the amount of \$150,000.
- 9. According to the principal of the Company, there are no remaining assets other than a management contract with a related party, a copy of which the Receiver has requested and has not yet received.
- 10. As at the filing of the Section 245(1) and Section 246(1) Notice dated March 7, 2013, the Receiver had very limited information with respect to the books and records of the Company. On March 26, 2013, Ms. Pun sent the Receiver the Company's accounts payable listing (without addresses) for the period ending October 31, 2012. The Receiver has been able to locate most, but not all, of the addresses.
- 11. The amount owed by the Company to secured and unsecured creditors, including related parties, is \$4,521,103.03. Attached is a list of creditors to be notified of the receivership which include the parties identified as secured creditors and potential government creditors. The secured creditors and government creditors were notified of the receivership on March 7, 2013.
- 12. There is no Interim Statement of Receipts and Disbursements as there have not been any receipts in this administration.
- 13. On July 1, 2013, Deloitte & Touche Inc. changed its name to Deloitte Restructuring Inc.
- 14. The intended plan of action of the Receiver during the receivership, to the extent that such a plan has been determined, is as follows:

The Receiver will be issuing its First Report to the Court shortly and once issued, the First Report, as well as all motion materials, will be available on the Receiver's website at www.deloitte.com/ca/ellensfoodgroup

Contact person for the Receiver:

Catherine Hristow
Deloitte Restructuring Inc.
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1
Telephone: (416) 775-8831 / Fax: 416-601-6690

Dated at Toronto this 28th day of August, 2013

DELOITTE RESTRUCTURING INC.

In its capacity as Receiver of all of the assets,
undertakings and properties of Ellen's Food Group Inc.
and not in its personal or corporate capacity



Catherine A. Hristow, CMA, CIRP
Vice President

**In the Matter of the Receivership of
Ellen's Food Group Inc.**

No.	Creditor Name	Amounted Owed
1	1812238 Ontario Inc.	1,229,132.63
2	2133195 Ontario Limited	131,693.64
3	2192607 Ontario Ltd.	279,926.04
4	220 Bay Management Inc.	16,466.59
5	2220968 Ontario Inc.	497,331.06
6	2282698 Ontario Ltd.	481,993.32
7	2302161 Ontario Inc.	5,085.00
8	407 ETR	977.06
9	Abell Pest Control Inc.	483.10
10	Aladdin Temp Rite	2,936.07
11	Alkachem Products Inc.	372.90
12	An Ji Food	732.00
13	Aquasoft	484.77
14	Atlantic Packaging Products Ltd.	719.11
15	B.J. Management & Accounting Services Inc.	2,508.78
16	Beaver Fishery Inc.	103.35
17	Bell Canada - (Internet, Phone & TV)	2,630.62
18	Bell Mobility Inc.	642.21
19	Best Deal Office Products Ltd.	180.80
20	BFI Canada Inc.	8,298.39
21	Brome Lake Ducks Ltd.	19,819.38
22	Burnbrae Farms Limited	7,569.27
23	Camcarb Ltd. Compressed Gases	271.20
24	Cammlta Service Inc.	834.50
25	Canada Bread Co. Ltd.	2,542.40
26	Canada Revenue Agency	1.00
27	Canadlan Linen & Uniform Service	372.95
28	Canadlan Springs	242.95
29	Canadian Tech Air Systems Inc.	7,060.35
30	Caneast Seafood Ltd.	1,728.00
31	Cannon Hygiene Canada Limited	77.62
32	CCT Printing	2,994.50
33	Charlies Meat & Seafood Supply Ltd.	22,593.12
34	Chung Kln Carpets Limited	4,421.69
35	Cintas Canada Limited - Newmarket	961.97
36	Cintas Canada Limited - Toronto	1,681.61
37	Citi Cards Canada Inc.	165.02
38	City Telecom	1.16
39	Classic Fire Protection Inc.	542.40
40	CM Meat Trading Ltd.	7,015.06
41	Coca-Cola Refreshment Canada Company	580.00
42	Colabor Summit Distribution	18,992.25
43	Compass Services	5,164.10
44	Conduis Electric	2,825.00
45	Desjardins Card Services	292.46
46	Direct Energy Essential Services	480.25
47	Direct Plumbing & Renovations Ltd.	1,033.95
48	Discover Network	133.50
49	Double H Delivery Service	101.81
50	Dr. Sai Kui Lee	620,708.92
51	Easy Systems	159.61
52	EcoLab	4,514.46
53	Enbridge	363.75
54	E-Tech Home Security Inc.	412.20
55	Fairview Refrigeration Inc.	6,361.90
56	Fung Sing International Trading Inc.	20,486.28
57	Garden Valley Produce	975.25
58	Genesis	61.00
59	GFL Environmental East Corporation	2,716.52

**In the Matter of the Receivership of
Ellen's Food Group Inc.**

No.	Creditor Name	Amounted Owed
60	GH Built-In Security Systems Ltd.	678.00
61	Grand Fortune Food Mart	54,986.03
62	Happy Meal Market Ltd.	1,858.00
63	HSBC Bank Canada	269,162.36
64	Hung Wang Food Inc.	3,557.70
65	J&F Waste Systems Inc.	2,329.53
66	Jia Duo Food Products	544.50
67	Jim's Brother Trading Co.	2,291.60
68	JMV Food Service Canada Ltd.	2,607.13
69	Kam Li Food Co. Ltd.	300.00
70	Kanada Glass & Windows Corp.	6,400.00
71	Kar Heung Yuen Food Processing Inc.	1,021.00
72	KC Meat Export Brokers	3,447.66
73	King's Pastry	90.00
74	Kingston Renovation Ltd.	2,034.00
75	Kong Lan Renovation	180.80
76	Kwan Shun Food Trading Ltd.	150.79
77	Kwok Shing Trading Co. Ltd.	8,076.00
78	Lantao Farm Market	4,788.83
79	LC Lock Security E-Home Services	632.80
80	Leung Lam & Company	128,295.35
81	Living Water (Exhaust Hood and Filter Service)	135.60
82	Lobster Island Seafood Co.	355.76
83	Long Ho Fong Restaurant	30,000.00
84	M&L Printing Co.	300.00
85	M.P.M. International Inc.	807.95
86	Magnetsigns (GTA)	366.85
87	Maple Leaf Air System	607.94
88	Maxguard Alarm and Security Company Ltd.	259.90
89	Mercedes-Benz Financial Services Canada Corp.	57,035.39
90	Mercer Cleaning Supplies	320.75
91	Ming Pao Dally News	4,208.12
92	Ministry of Finance	3,850.20
93	Mobile Mini Inc.	770.55
94	Moneris Solutions	167.83
95	Mr. Potato	15,893.00
96	Ms. Electric Motor Service Ltd.	316.40
97	MZA Carpet & Janitorial Service Inc.	587.60
98	Nam Hai Wholesale Bakers	1,189.00
99	Nick's Feta Cheese	366.00
100	Ocean Seafood Company	86,762.04
101	Oliver Packaging & Equipment Company	5,818.66
102	Olympic Dust Control	714.85
103	Olympic Wholesale Co.	6,208.00
104	OMNI Contracting	2,147.00
105	Oriental Computer Graphics	666.70
106	PCS Fire & Safety Supplies	819.25
107	People's Donut Co.	5,261.50
108	Periman Vegetable	3,689.86
109	PlanNet Logix Inc.	841.86
110	Polyway Technology Ltd.	474.60
111	Power Stream	1,453.11
112	Precision Elevator Ltd.	1,484.48
113	Profect Security and Locksmiths	429.40
114	Public Supplies Ltd.	1.00
115	Pure Grass Landscaping & Property Service	1,010.00
116	Qi Ji Trading Inc.	26,657.78
117	Re-Ink Depot Inc.	367.01
118	Rentokil Pest Control Canada Ltd.	10,631.11

**In the Matter of the Receivership of
Ellen's Food Group Inc.**

No.	Creditor Name	Amounted Owed
119	Rex Services	1,401.20
120	Richy Leung	1,264.85
121	Riviera Bakery Limited	260.90
122	Rockwood Mall	17,367.76
123	Rogers Payment Centre	146.31
124	Roslin Enterprises Inc.	1.00
125	Royal J's Cleaning Co.	300.00
126	Ryman Landscaping Inc.	4,703.06
127	Sea Source (Canada) Inc.	31,639.51
128	Seacore Seafood Inc.	268.08
129	Sealot Trading Co. Ltd.	281.30
130	Shah Trading Company	588.30
131	Sharply Restaurant Equipment and Supplies	10,061.17
132	Sheng Kee Food Co.	198.00
133	Silverstein's	376.20
134	Sincere Pest Management Inc.	124.30
135	Sing Tao Dally Limited	2,193.46
136	Song Xing Trading Co. Ltd.	8,178.40
137	St. Clair Ice Cream Limited	196.40
138	Style Window Covering	1,042.99
139	Suncor Energy Products Partnership	1,439.09
140	Sunnic Signs Ltd.	3,600.00
141	Sunny Meat Market	223.00
142	TechStar Fire Protection Ltd.	1,881.45
143	TFI Foods Ltd.	13,664.02
144	The Beer Store	1,499.88
145	The Cook's Mate	1,993.32
146	The Fair Trading Company Ltd.	166.00
147	Tim Kee Company Ltd.	255.39
148	Toner Express Officetech	953.83
149	Toronto Hydro	4,395.28
150	Toronto Printing Co.	5,090.65
151	Toronto Sun Wah Trading Inc.	3,484.19
152	Town of Richmond Hill	0.61
153	Uncle Bill Trading Inc.	1.00
154	Vlo Water Treatment Systems (Durham) Inc.	1,457.70
155	Wah Soon Supermarket	11,262.88
156	Wah Teng Produce Ltd.	3,341.68
157	Wayne's Meat Products	6,750.44
158	Wellbond Import Export Inc.	1.00
159	Wellington Poultry Ltd.	107,606.12
160	Win Win Seafoods Inc.	597.00
161	Wing Lee Trading Company	4,116.21
162	Wing Loon Food Products Company	1.00
163	Winsun Laundry & Linen Supply	32,951.82
164	World Journal (Daily News) Inc.	95.88
165	WSIB	1.00
166	Wul Chun Yuen Trading Co.	3,634.05
167	Xiang Yu Tea House Limited	4,310.72
168	Yong Cheng Cleaning Inc.	28,871.50
169	Yue Po (Canada) Co. Ltd.	497.20

Total Amount Due - Secured & Other Creditors

\$ 4,521,103.03

Tab 5

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

**DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS TRUSTEE IN
BANKRUPTCY OF ELLEN'S FOOD GROUP INC.**

Applicant

and

TFI FOODS LTD.

Respondent

IN THE MATTER OF THE *BULK SALES ACT*, R.S.O. 1990, c. B. 14, AS AMENDED

AND IN THE MATTER OF A TRANSFER OF ASSETS FROM ELLEN'S FOOD GROUP
INC. TO TFI FOODS LTD.

AFFIDAVIT OF DAVID LAM

I, David Lam, of the City of Toronto, MAKE OATH AND SAY:

1. I am the President of TFI Foods Ltd. ("TFI"). As such, I have personal knowledge of the matters described in this Affidavit.
2. In preparation for swearing this Affidavit, I have reviewed the materials prepared by the Trustee and Receiver in this matter, including the Notice of Application, the Report of the Trustee dated August 22, 2014 (the "Trustee's Report"), and the Report of the Receiver dated October 17, 2013 (the "Receiver's Report").
3. TFI is one of the leading seafood importers in North America. It offers its customers a wide range of seafood, Japanese, Chinese, and other Asian specialty products. TFI is headquartered in Toronto, and has branches in Vancouver, Calgary, and Montreal.

The Transaction

4. As noted by the Trustee, TFI entered into an agreement with Ellen's Food Group Inc. ("Ellen's"), dated June 7, 2012 and signed by the parties on June 12, 2012, for the purchase by TFI of certain food processing equipment (which was listed in an appendix to the agreement) located at 30 Sims Crescent, in Richmond Hill, Ontario, and related intellectual property (the "Transaction"). This agreement is Appendix "E" to the Trustee's Report. The estimated closing date of the Transaction was August 30, 2012.

5. One of the key features of the Transaction from my perspective was the transfer of a Canadian Food Inspection Agency ("CFIA") federal meat plant licence, which was associated with the 30 Sims Crescent location (the lease of which TFI agreed to assume in connection with the Transaction).

6. The transfer of the licence was critical from our perspective because it would allow TFI to be "grandfathered" into the existing location. If the licence was not transferred, TFI would have to apply for a new licence, which would be a very costly process and would likely take several months for approval. TFI would not have purchased the equipment from Ellen's if it was not able to obtain the licence transfer at the same time.

7. TFI and Ellen's negotiated the terms of the Transaction at arm's length.

8. Ellen's provided us with a complete list of the equipment at the 30 Sims Crescent location. We did not obtain a formal appraisal of the equipment; however, based on my experience in the industry, I developed a view as to the value of the equipment.

9. The value I ascribed to the licence was approximately \$400,000 (based on estimated costs associated with waiting time to get CFIA approval; professional fees to deal with CFIA; and costs of compliance with expected requirements for renovations, etc.).

10. As I recall, Ellen's initially asked for \$1.5 million for the equipment and the licence. In my view, this was more than they were worth. TFI ultimately agreed to a purchase price of \$954,000, which included the value of the licence and the equipment, plus any associated intellectual property.

11. HST was payable on the Transaction in the amount of \$124,020 (i.e., 13% of \$954,000). The total amount owed by TFI on the transaction was therefore \$1,078,000.

12. TFI made the required payments to Ellen's in four separate installments, as follows:

(a) June 15, 2012 - \$200,000

(b) June 20, 2012 - \$100,000

(c) June 21, 2012 - \$500,000

(d) July 3, 2012 - \$278,020

13. Ellen's provided TFI with an invoice, dated July 5, 2012, reflecting the details of the Transaction, including the payments made by TFI. This invoice is Appendix "F" to the Trustee's Report.

14. The Receiver's Report includes copies of Ellen's bank account statements for June and July 2012. Those bank statements reflect receipt of the above-noted payments made by TFI in connection with the transaction. Relevant excerpts from Ellen's bank account statements are attached as Exhibit "A" to this Affidavit.

15. In the aftermath of the Transaction, TFI applied for, and received, a refund in connection with the HST component of the Transaction. Documents concerning TFI's application for the HST refund, and confirming the refund, are attached as Exhibit "B" to this Affidavit.

Ellen's Creditors

16. Before entering into the Transaction, I asked Ellen Yuk Yee Pun ("Pun"), the principal of Ellen's, whether Ellen's had any creditors that needed to be paid out. She told me that HSBC was the only major creditor.

17. The Trustee's Report states that Ellen's paid its secured creditor HSBC \$150,000.00 out of the proceeds of the Transaction on July 3, 2012, which was the date of the final payment from TFI.

18. HSBC was also (and continues to be) TFI's banker. I discussed the Transaction with our bank manager, Kenneth Liu. Mr. Liu approved and cleared all the cheques when Pun presented them at the bank.

19. Based on this information, I am certain that HSBC was fully aware of the Transaction. I do not know why the bank waited several months before taking any action in connection with it, if it had any concerns.

20. The Trustee's Report also states that, as of the date of the Transaction, Ellen's owed a certain Dr. Sai Kui Lee the sum of \$674,284.07.

21. The appendices to the Receiver's Report provide some background detail in respect of the amount allegedly owed by Ellen's to Dr. Lee.

22. It appears that the alleged debt arises out of a loan made by Dr. Lee to Pun, in her personal capacity. The loan amount was \$857,623.000, and was evidenced by a promissory note dated April 18, 2011. A copy of the promissory note is attached as Exhibit "C" to this Affidavit.

23. As reflected in the promissory note, Ellen's was a guarantor of Pun's debt. I have seen no information in the Receiver's Report or the Trustee's Report that suggests that Ellen's received any benefit or consideration in return for providing a guarantee.

24. Based on a PPSA statement included in the Receiver's Report, it appears that Dr. Lee only registered a security interest against Ellen's on January 28, 2013, almost two years after the date of the promissory note and several months after the Transaction. A copy of the PPSA statement is attached as Exhibit "D" to this Affidavit.

25. Robert A. Leck, who was counsel to Dr. Lee, provided information about the loan to the Receiver in a letter dated March 5, 2013, a copy of which is attached as Exhibit "E" to this Affidavit. According to Mr. Leck, Pun made the following payments on the loan to Dr. Lee:

- (a) \$69,985.00 on April 27, 2011

- (b) \$80,000.00 on May 5, 2011
- (c) \$103,000.00 on May 19, 2011
- (d) \$85,235.41 on June 16, 2011
- (e) \$50,000.00 on June 29, 2011
- (f) \$10,000.00 on October 18, 2012
- (g) \$10,000.00 on October 20, 2012
- (h) \$10,000.00 on October 27, 2012
- (i) \$10,000.00 on November 3, 2012
- (j) \$10,000.00 on November 13, 2012
- (k) \$10,000.00 on November 25, 2012
- (l) \$10,000.00 on December 1, 2012
- (m) \$10,000.00 on December 8, 2012 (the letter says "2013" rather than "2012", but I assume this is an error)

26. Mr. Leck noted in his letter that, to the extent the source of the payments could be determined, they did not come from Ellen's. Based on the figures provided by Mr. Leck, it appears that Pun paid back at least \$468,220.00, which should have left a balance of approximately \$389,403 owing on the original loan.

27. I did not see anything in the Receiver's Report (or anywhere else) indicating that Dr. Lee ever called on Ellen's guarantee, and he clearly had not done so as of the date of the Transaction. It appears that Pun continued to make payments on the loan for several months after the Transaction closed.

28. On March 15, 2013, Mr. Leck sent another letter to the Receiver in which he stated, without any supporting documents, that "as of January 18, 2013, Dr. Sai Kui Lee was owed \$620,708.92". A copy of this letter is attached as Exhibit "F" to this Affidavit.

29. The amount claimed by Mr. Leck in his March 15, 2013 letter seems completely inconsistent with the repayment amounts listed in his March 5, 2013 letter.

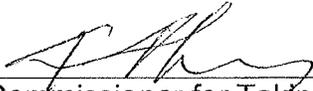
30. I did not see anything in the Receiver's Report or the Trustee's Report that addresses this apparent inconsistency between the amounts repaid by Pun and the amounts that Dr. Lee now claims to be owed.

31. Instead, the Trustee's Report simply states that as of the date of the Transaction, "Dr. Sai Kui Lee was owed the sum of \$674,284.07".

TFI's Claim

32. If the Trustee's Application is successful and the Transaction is voided, as a result of which TFI is required to, effectively, pay twice for the same assets, TFI will be making a claim in the bankrupt estate for the full amount of the Transaction.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario on
November 6, 2014



Commissioner for Taking Affidavits
(or as may be)



David Lam

This is Exhibit "A" to the
Affidavit of David Lam
sworn November 6, 2014


A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.



中国工商银行 (加拿大)
INDUSTRIAL AND COMMERCIAL BANK OF CHINA (CANADA)

APPENDIX

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"S"

Richmond Hill branch
Suite 102 350 Highway 7 East Richmond Hill Ontario
L4B3N2
TEL (905) 882-8182 FAX 905-882-5220

ELLEN'S FOOD GROUP INC.
25 CENTURIAN DRIVE, SUITE #203
MARKHAM ONTARIO
CANADA L3R 5N8

Statement Period 2012-06-01 to 2012-06-30

Portfolio Summary (In CAD Equivalent)	
Deposits	21,275.43
Loans	0.00
Net Balance	21,275.43
Prime Rate	3.00%

Account Summary

Account Type	Account No./Sub-account No.	CCY	Overdraft Limit	Available Overdraft Limit	Account Balance	A/C Code
Current A/C	0001230710700003936	CAD			21,275.43	Single A/C

Transaction Record

Currency	Transaction Date	Value Date	Description	Withdrawal	Deposit	Account Balance
Account No. 0001230710700003936						
CAD	2012-05-31		Opening Balance			1,113.08
CAD	2012-08-01	2012-06-01	INT Interest Withdrawal	683.31		429.75
CAD	2012-08-01	2012-06-01	CHG DR transaction fee	6.40		423.35
CAD	2012-08-01	2012-06-01	CHG Service Plan Charges Enhanced	80.00		343.35
			Current A/C			

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中国工商银行 (加拿大)

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (CANADA)

CAD	2012-06-14	2012-06-13	BQW 0000000000001385	82.19	53,939.26
			I/W CHQ CLR1385		
CAD	2012-06-14	2012-06-13	BQW 0000000000001352	2,790.26	51,149.00
			I/W CHQ CLR1352		
CAD	2012-06-14	2012-06-13	BQW 0000000000001364	5,135.38	46,013.62
			I/W CHQ CLR1364		
CAD	2012-06-14	2012-06-13	BQW 0000000000001365	7,980.13	38,033.49
			I/W CHQ CLR1365		
CAD	2012-06-15	2012-06-14	BQW 0000000000001389	187.60	37,845.89
			I/W CHQ CLR1389		
CAD	2012-06-15	2012-06-14	BQW 0000000000001383	1,220.11	36,625.78
			I/W CHQ CLR1383		
CAD	2012-06-15	2012-06-14	BQW 0000000000001368	1,649.40	34,976.38
			I/W CHQ CLR1368		
CAD	2012-06-15	2012-06-14	BQW 0000000000001357	4,582.50	30,393.88
			I/W CHQ CLR1357		
CAD	2012-06-15	2012-06-15	CHQ	200,000.00	230,393.88
CAD	2012-06-15	2012-06-15	TRF 0000000000000001	28,000.00	202,393.88
			TO		
			012-1070-3902,012-1070-39		
			10,012-1070-3944 <i>ELT</i>		
CAD	2012-06-15	2012-06-15	TRF 0000000000000001	46,000.00	156,393.88
			TO		
			012-1070-2987,012-1070-35		
			63,012-1070-3555,012-1		
CAD	2012-06-15	2012-06-15	CSH 0000000000000999	30,000.00	126,393.88
CAD	2012-06-15	2012-06-15	TRF 0000000000142809	9,831.00	116,562.88
			Issue Cashier's Order		
			No.142809(Cheque		
			No.142809)		
CAD	2012-06-15	2012-06-15	TRF 0000000000000001	36,018.92	80,543.96
			Issue Cashier's Order		
			No.142810)		
CAD	2012-06-16	2012-06-16	REM Cashier's Order	36,018.92	116,562.88
			Payment (No.142810)		

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中国工商银行 (加拿大)
INDUSTRIAL AND COMMERCIAL BANK OF CHINA (CANADA)

CAD	2012-06-19	2012-06-19	TRF	FR 012-1070-3910	11,900.00	-62,663.80
				TO 012-1070-3936		
CAD	2012-06-19	2012-06-19	TRF	FM #012-1070-3555	6,300.00	-56,363.80
				TO #012-1070-3936		
CAD	2012-06-19	2012-06-19	CHQ		4,300.00	-52,063.80
CAD	2012-06-19	2012-06-19	TRF	FR 012-2013-5492	70,000.00	17,936.20
				TO 012-1070-3936		
CAD	2012-06-19	2012-06-19	CSH	0000000000000999	7,000.00	10,936.20
CAD	2012-06-20	2012-06-19	BQW	0000000000001418	800.00	10,136.20
				IW CHQ CLR1418		
CAD	2012-06-20	2012-06-19	BQW	0000000000001401	1,092.33	9,043.87
				IW CHQ CLR1401		
CAD	2012-06-20	2012-06-19	BQW	0000000000001406	5,476.55	3,567.32
				IW CHQ CLR1406		
CAD	2012-06-21	2012-06-20	BQW	0000000000001413	26,959.85	-23,392.53
				IW CHQ CLR1413		
CAD	2012-06-21	2012-06-21	CHG	Unauthorized	5.00	-23,397.53
				overdraft-Inward C		
CAD	2012-06-21	2012-06-21	CHQ		100,000.00	76,602.47
CAD	2012-06-21	2012-06-21	TRF	0000000000000001	36,018.92	40,583.55
				Issue Cashier's Order No.142715)		
CAD	2012-06-21	2012-06-21	TRF	0000000000000001	5,254.55	35,329.00
				Issue Cashier's Order No.142853)		
CAD	2012-06-21	2012-06-21	TRF	0000000000000001	17,000.00	18,329.00
				TO #012-1070-2987,012-1070-3 555,012-1070-3910,012-	<i>HWJ 7 YN SC SH</i>	<i>7000 1000 7000 2000</i>
CAD	2012-06-21	2012-06-21	TRF	0000000000001461	5,000.00	13,329.00
				Issue Cashier's Order No.142854(Cheque No.1461)		
CAD	2012-06-21	2012-06-21	CSH	0000000000000999	13,000.00	329.00
				Cash Withdrawal		

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中国工商银行 (加拿大)

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (CANADA)

CAD	2012-06-21	2012-06-22	CHQ		500,000.00	500,329.00
CAD	2012-06-22	2012-06-21	BQW	0000000000001402	373.06	499,955.94
				I/W CHQ CLR1402		
CAD	2012-06-22	2012-06-21	BQW	0000000000001399	608.94	499,347.00
				I/W CHQ CLR1399		
CAD	2012-06-22	2012-06-21	BQW	0000000000001379	1,018.95	498,328.05
				I/W CHQ CLR1379		
CAD	2012-06-22	2012-06-21	BQW	0000000000001398	1,953.11	496,374.94
				I/W CHQ CLR1398		
CAD	2012-06-22	2012-06-22	TRF	0000000000000001	470,000.00	26,374.94
				TO		
				012-2013-5492,012-1070-39		
				10		
CAD	2012-06-25	2012-06-22	BQW	0000000000001420	3.84	26,371.10
				I/W CHQ CLR1420		
CAD	2012-06-25	2012-06-22	BQW	0000000000001373	293.35	26,077.75
				I/W CHQ CLR1373		
CAD	2012-06-25	2012-06-22	BQW	0000000000001380	578.96	25,498.79
				I/W CHQ CLR1380		
CAD	2012-06-25	2012-06-22	BQW	0000000000001375	1,058.45	24,440.34
				I/W CHQ CLR1375		
CAD	2012-06-25	2012-06-22	BQW	0000000000001405	1,581.59	22,858.75
				I/W CHQ CLR1405		
CAD	2012-06-25	2012-06-22	BQW	0000000000001462	2,160.00	20,898.75
				I/W CHQ CLR1462		
CAD	2012-06-25	2012-06-22	BQW	0000000000001369	7,582.79	13,115.98
				I/W CHQ CLR1369		
CAD	2012-06-25	2012-06-22	BQW	0000000000001414	8,362.00	4,753.96
				I/W CHQ CLR1414		
CAD	2012-06-25	2012-06-22	BQW	0000000000001416	10,107.32	-5,353.36
				I/W CHQ CLR1416		
CAD	2012-06-25	2012-06-25	CHG	Unauthorized	5.00	-5,358.36
				overdraft-Inward C		
CAD	2012-06-25	2012-08-25	CHQ		12,000.00	6,641.64
CAD	2012-06-25	2012-06-25	CHQ		11,968.92	18,610.56

Page 11 of 16

0012-01679200029499-016700122030100000391628-C

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中国工商银行 (加拿大)

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (CANADA)

CAD	2012-07-03	2012-07-01	DEFT MCAP	153.68 ✓	20,587.46
CAD	2012-07-03	2012-06-29	BQW 0000000000001529 I/W CHQ CLR1529	1,356.00 ✓	19,231.46
CAD	2012-07-03	2012-06-29	BQW 0000000000001533 I/W CHQ CLR1533	2,096.95 ✓	17,134.51
CAD	2012-07-03	2012-06-29	BQW 0000000000001460 I/W CHQ CLR1460	2,250.00 ✓	14,884.51
CAD	2012-07-03	2012-06-29	BQW 0000000000001408 I/W CHQ CLR1408	2,250.00 ✓	12,634.51
CAD	2012-07-03	2012-06-29	BQW 0000000000001514 I/W CHQ CLR1514	3,498.90 ✓	9,135.61
CAD	2012-07-03	2012-06-29	BQW 0000000000001511 I/W CHQ CLR1511	3,880.10 ✓	5,255.51
CAD	2012-07-03	2012-07-04	CHQ	278,020.00	283,275.51
CAD	2012-07-03	2012-07-04	CHQ	6,826.92	290,102.43
CAD	2012-07-04	2012-07-03	BQW 0000000000001515 I/W CHQ CLR1515	511.33 ✓	289,591.10
CAD	2012-07-04	2012-07-03	BQW 0000000000001456 I/W CHQ CLR1456	551.50 ✓	289,039.60
CAD	2012-07-04	2012-07-03	BQW 0000000000000522 I/W CHQ CLR522	1,261.86 ✓	287,777.74
CAD	2012-07-04	2012-07-03	BQW 0000000000001525 I/W CHQ CLR1525	2,825.00 ✓	284,952.74
CAD	2012-07-04	2012-07-03	BQW 0000000000001506 I/W CHQ CLR1506	3,380.40 ✓	281,572.34
CAD	2012-07-04	2012-07-03	BQW 0000000000001519 I/W CHQ CLR1519	5,876.00 ✓	275,696.34
CAD	2012-07-04	2012-07-03	BQW 0000000000001522 I/W CHQ CLR1522	7,152.85 ✓	268,543.49
CAD	2012-07-04	2012-07-03	BQW 1528	8,753.41 ✓	259,790.08
CAD	2012-07-04	2012-07-03	BQW 0000000000001510 I/W CHQ CLR1510	9,802.65 ✓	249,987.43
CAD	2012-07-04	2012-07-03	BQW 0000000000001464 I/W CHQ CLR1464	11,625.10 ✓	238,362.33

This is Exhibit "B" to the
Affidavit of David Lam
sworn November 6, 2014



A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

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Fax Call Report

HP LaserJet M4345 MFP Series

Page 1

Fax Header Information

MNP
4165961711
Dec-11-2012 12:35 PM

Fax Job	Date/Time	Type	Identification	Duration	Pgs	Result
691	Dec-11-2012 12:33 PM	Send	94169738000	1:21	8	Success

ACCOUNTING > CONSULTING > TAX



Attention	Betty Chung
Company	CRA
Date	December 11, 2012
Fax	416-973-8000
From	Anny Joshua
Re	TFI Foods Ltd 89552 5897
No. of Pages	8 including cover

Address 701 - 85 RICHMOND STREET W, TORONTO, ON M5H 2C9 TEL: (416) 596.1711 FAX: (416) 596.7694

Hello Betty

As per your request, attached please find proof of payment of the equipment purchase made by TFI Foods Inc. as per invoice July 5, 2012.

Please note that the equipment was paid by Lotus Wholesale, a related party of TFI Foods Inc. I have included the bank statements showing payments made to Ellen's Food Group Inc.

An Account Payable to Lotus Wholesale is set up on TFI Foods Ltd books showing a payable of \$1,078,020 for the purchase of the equipment. Likewise, an Account Receivable from TFI Foods is set up on Lotus' books (see attached G/L printouts).

As per subsection 169(4) of the Excise Tax Act, TFI has obtained sufficient evidence / prescribed information to claim the ITC on its GST return and the prescribed information are outlined in the "Input Tax Credit Information (GST/HST) Regulations".

TFI Foods has obtained the prescribed information as per invoice dated July 5, 2012:

- 1) The business name of the supplier - Ellen's Food Group Inc.
- 2) the Invoice date - July 5, 2012
- 3) Total amount payable - \$954,000 + HST \$124,020 = total \$1,078,020
- 4) The amount of HST charged - \$124,020
- 5) The Business Number of Ellen's Food Group Inc. 85068 0141
- 6) the buyer's name or name of their authorized agent - TFI Foods Ltd.

CONFIDENTIAL
THIS MESSAGE IS CONFIDENTIAL AND CONTAINS INFORMATION INTENDED FOR THE ADDRESSEE ONLY.
IF THE READER IS NOT THE INTENDED RECIPIENT OR THE AGENT THEREOF, YOU ARE NOTIFIED THAT ANY
DISSEMINATION, DISTRIBUTION OR COPYING OF THIS FAX IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED
THIS FAX IN ERROR, PLEASE NOTIFY US IMMEDIATELY AND RETURN THE ORIGINAL TO OUR OFFICE BY MAIL AT
OUR EXPENSE. THANK YOU.

FAX

126



ACCOUNTING > CONSULTING > TAX

Attention	Betty Chung
Company	CRA
Date	December 11, 2012
Fax	416-973-8000
From	Anny Joshua
Re	TFI Foods Ltd 89552 5897
No. of Pages	8 including cover

Address 701 - 85 RICHMOND STREET W, TORONTO, ON M5H 2C9

TEL: (416) 596.1711

FAX: (416) 596.7894

Hello Betty

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FAX

127



ACCOUNTING > CONSULTING > TAX

- 7) A brief description of goods/ services – Food Processing Equipment
- 8) Terms of Payment – Invoice indicated payment received

I trust that we have provided the information you require at this time, should you require anything else, please contact me.

Thank you,

A handwritten signature in cursive script that reads 'Anny Joshua'.

Anny Joshua
416-263-6965

CONFIDENTIAL
THIS MESSAGE IS CONFIDENTIAL AND CONTAINS INFORMATION INTENDED FOR THE ADDRESSEE ONLY. IF THE READER IS NOT THE INTENDED RECIPIENT OR THE AGENT THEREOF, YOU ARE NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS FAX IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS FAX IN ERROR, PLEASE NOTIFY US IMMEDIATELY AND RETURN THE ORIGINAL TO OUR OFFICE BY MAIL AT OUR EXPENSE. THANK YOU.

FAX



HSBCC20110_5434376_001 E D 10032 07881
 LOTUS WHOLESALE CLUB LIMITED
 2900 MARKHAM ROAD
 SCARBOROUGH ON M1X 1E6

HSBC BANK CANADA
 3640 VICTORIA PARK AVENUE,
 WILLOWDALE, ON M2H 3B2



Statement Details	
Statement Date	29JUN2012
Account Number	032-000367-001
Currency	CAD
Account Name	CURRENT ACCOUNT

Date	Transaction Details	Withdrawals	Deposits	Balance (DR=Debit)
	STATEMENT PERIOD IS 01JUN2012 TO 29JUN2012			
31MAY2012	OPENING BALANCE			243,142.43 DR
01JUN2012	*STANDING INST STANDING INSTRUCTION 001 MONTHLY LOAN ADMIN FEE REF ZAFD-01528	200.00		243,342.43 DR
	*INTEREST INT TO 31-05-12 REF ZDD4-90018	964.55		244,306.98 DR
15JUN2012	DR MEMO 000000057089 ELLEN'S FOOD GROUP INC. MC83EY			
18JUN2012	REF MC64-00002 *CHARGES Bank Charges 01MAY2012 TO 31MAY2012 Invoice No 1696801	200,000.00		444,306.98 DR
20JUN2012	REF ZB10-65724 TRANSFER CERT CHQ #56 PAYABLE TO ELLEN'S FOOD GROUP REF MC65-00082	15.60		444,322.58 DR
21JUN2012	DR MEMO C/C ELLEN'S FOOD GROUP INC.	100,000.00		544,322.58 DR
25JUN2012	REF MC65-00108 CHEQUE 000000000052 REF ZTAP-03927 CHEQUE 000000000054 REF ZTAP-03927 CHEQUE 000000000039	500,000.00 722.54 1,627.27		1,044,322.58 DR 1,045,045.12 DR 1,046,672.39 DR
	BALANCE CARRIED FORWARD			1,046,672.39 DR

Please check this statement and advise immediately of any error or change of address.

Personal: 1-888-310-HSBC (4722)
 Business: 1-866-808-HSBC (4722)

HSBC Premier: 1-866-233-3838 (Canada & US) or 1-604-216-8800 (elsewhere)

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LOTUS WHOLESALE CLUB LIMITED
2900 MARKHAM ROAD
SCARBOROUGH ON M1X 1E6

HSBC BANK CANADA
3640 VICTORIA PARK AVENUE,
WILLOWDALE, ON M2H 3B2

Page 2 of 3

Account Number: 032-000367-001



Date	Transaction Details	Withdrawals	Deposits	Balance (DR=Debit)
	BALANCE BROUGHT FORWARD			1,046,672.39 DR
27JUN2012	REF ZTAP-03927	4,361.69 ✓		1,051,034.08 DR
	CHEQUE 000000000045			
	REF ZTAP-03928	1,504.03 ✓		1,052,538.11 DR
	CHEQUE 000000000040			
	REF ZTAP-03928	1,772.35 ✓		1,054,310.46 DR
	CLOSING BALANCE			1,054,310.46 DR
Withdrawals	811,168.03 DR	As of		29JUN2012
Deposits	0.00	Balance		1,054,310.46 DR

For customers borrowing at rates based on Prime, Prime is 3.00%

***** END OF STATEMENT *****

C43307
HSBCC20110_5434376_001 - 0007881 HRI - - 02 - 02 - 21 -

Please check this statement and advise immediately of any error or change of address.

Personal: 1-888-310-HSBC (4722)

Business: 1-866-808-HSBC (4722)

HSBC Premier: 1-866-233-3838 (Canada & US) or 1-604-216-8800 (elsewhere)

3006651 R (0212)

130



HSBCC20110_6163270_001 E D 10032 08002
LOTUS WHOLESAL CLUB LIMITED
2900 MARKHAM ROAD
SCARBOROUGH ON M1X 1E6

HSBC BANK CANADA
3640 VICTORIA PARK AVENUE,
WILLOWDALE, ON M2H 3B2



Page 1 of 3

Statement Details	
Statement Date	31JUL2012
Account Number	032-000367-001
Currency	CAD
Account Name	CURRENT ACCOUNT

Date	Transaction Details	Withdrawals	Deposits	Balance (DR=Debit)
	STATEMENT PERIOD IS 01JUL2012 TO 31JUL2012			
29JUN2012	OPENING BALANCE			1,054,310.46 DR
03JUL2012	*STANDING INST STANDING INSTRUCTION 001 MONTHLY LOAN ADMIN FEE REF ZAFD-01689	200.00		1,054,510.46 DR
	DR MEMO 000000000071 C/C ELLEN'S FOOD GROUP INC			
	REF MC65-00101	278,020.00		1,332,530.46 DR
	*INTEREST INT TO 02-07-12			
	REF ZDD4-00027	2,059.33		1,334,589.79 DR
	CHEQUE 000000000058 REF ZTAP-03931	7,175.67		1,341,765.46 DR
	CHEQUE 000000000070 REF ZTAP-03931	16,046.84		1,357,812.30 DR
05JUL2012	CHEQUE 000000000064 REF ZTAP-03934	7,175.67		1,364,987.97 DR
11JUL2012	CHEQUE 000000000073 REF ZTAP-03937	2,260.00		1,367,247.97 DR
16JUL2012	*CHARGES Bank Charges 01JUN2012 TO 30JUN2012 Invoice No 1743349			
	REF ZB10-50049	18.30		1,367,266.27 DR
20JUL2012	CHEQUE 000000000072 REF ZTAP-03942	105.35		1,367,371.62 DR
	CHEQUE 000000000038 REF ZTAP-03942	5,639.15		1,373,010.77 DR
23JUL2012	DR MEMO 000000000077 CC TO CIMCO			
	BALANCE CARRIED FORWARD			1,373,010.77 DR

Please check this statement and advise immediately of any error or change of address.

Personal: 1-888-310-HSBC (4722)

Business: 1-866-808-HSBC (4722)

HSBC Premier: 1-866-233-3838 (Canada & US) or 1-604-216-8800 (elsewhere)



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LOTUS WHOLESale CLUB LIMITED
2900 MARKHAM ROAD
SCARBOROUGH ON M1X 1E6

HSBC BANK CANADA
3640 VICTORIA PARK AVENUE,
WILLOWDALE, ON M2H 3B2



Page 2 of 3

Account Number: 032-000367-001

Date	Transaction Details	Withdrawals	Deposits	Balance (DR=Debit)
	BALANCE BROUGHT FORWARD			1,373,010.77 DR
27JUL2012	REFRIGERATION REF 00WW-00127	31,188.00		1,404,198.77 DR
	CHEQUE 000000000074 REF ZTAP-03946	167.15		1,404,365.92 DR
	CLOSING BALANCE			1,404,365.92 DR
Withdrawals		350,055.46 DR		31JUL2012
Deposits		0.00	As of Balance	1,404,365.92 DR

For customers borrowing at rates based on Prime, Prime is 3.00%

***** END OF STATEMENT *****

C43729
HSBCC20110_5153270_001 - 0008002 HRI - 02 - 02 - 08 -

Please check this statement and advise immediately of any error or change of address.

Personal: 1-888-310-HSBC (4722)

Business: 1-866-808-HSBC (4722)

HSBC Premier: 1-866-233-3838 (Canada & US) or 1-604-216-8800 (elsewhere)

3006651 R (021)

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Detail Trial Balance

Wednesday, November 28, 2012 2:40 PM

Includes Activities from October 1, 2012 to October 31, 2012

Page 1

TFI Foods Ltd (Ta! Foong Int'l Ltd)

TAIFOONG Josephine

G/L Printout from TFI Food's Books

Showing A/P - Lotus of \$ 1,078,020.

G/L Account: No.: 11141

Posting Date	Document Type	Document No.	Source Code	Source Type	Source No.	Description	Debit Activities	Credit Activities	Balance
Account: 11141		Advance - Lotus Wholesale				Beginning Balance			0.00
10/1/2012	Invoice	PPI037214	PURCHASES	Vendor	V02073	4530941286480005-- SEPT/2012	158.61		
10/25/2012	Invoice	PPI037947	PURCHASES	Vendor	V03452	STAPLES - BUSINESS DEPOT - FCDQ 60% DEPOSIT OF QUOTATION#2012.2109.3	18116.5		
10/31/2012	Refund	CAH3110264	CASHRECJN	Bank Acco	10142	CART SOURCE LTD. Advance - Lotus Wholesale		18116.5	
10/31/2012	Invoice	PPI038318	PURCHASES	Vendor	V05141	HKB-10482-016-168110-001 c\$ RECORD INITIAL PURCHASE-EQUIPMENT/ITC CLAIMED-MNP ELLEN'S FOOD GROUP INC.		1078020	< *
						Total Activities	18,275.11	1,096,136.50	-1,077,861.39
Account: 11141		Advance - Lotus Wholesale				Ending Balance			-1,077,861.39
						Report Total Beginning Balance			0.00
						Report Total Activities	18,275.11	1,096,136.50	-1077861.39
						Report Total Ending Balance			-1,077,861.39

- Payable set up - Reloaded on TFI Foods
 (Advance - Lotus Wholesale) for amt paid by wholesale
 for equipment purchased.

\$ 1,078,020

Reconcile to Bank Stmt

June 15	200,000	①
June 20	100,000	②
June 25	500,000	③
July 3	278,020	④
	<u>1,078,020</u>	

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Detail Trial Balance

December 11, 2012 10:32 AM

Includes Activities from 1. June 2012 to 30. November 2012

Page 1

* Lotus Wholesale Club

TAIFOONGHenry

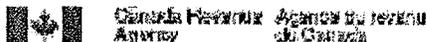
G/L Printout from Lotus showing

A/R TFI Foods of \$1,070,020

G/L Account: No.: 26250

Posting Date	Document Type	Document No.	Source Code	Source Type	Source No.	Description	Debit Activities	Credit Activities	Balance
Account: 26250 DUE T/F TFI FOODS							Beginning Balance		0.00
28/09/2012	Payment	ADV-TFI 0928	PAYMENTJN	Vendor	V100028	STAPLES		158.61	
						STAPLES			
25/10/2012	Payment	TFI 60 PCT D	PAYMENTJN	Vendor	V100029	CART SOURCE		18116.5	
						CART SOURCE			
31/10/2012	Payment	60PCT CART	PAYMENTJN	Bank Acco	10142	DUE T/F TFI FOODS	18116.5		
						HKB-CDN			
21/11/2012	Refund	REPAY 30PC	PAYMENTJN	Bank Acco	10144	DUE T/F TFI FOODS	68529.24		
						HKB-USD			
21/11/2012	Refund	REV REPAY 3	PAYMENTJN	Bank Acco	10144	DUE T/F TFI FOODS		68529.24	
						HKB-USD			
21/11/2012	Refund	REPAY 30PC	PAYMENTJN	Bank Acco	10144	DUE T/F TFI FOODS		68529.24	
						HKB-USD			
21/11/2012	Refund	INTR ADJ	PAYMENTJN	Bank Acco	10144	DUE T/F TFI FOODS	68529.24		
						HKB-USD			
21/11/2012	Refund	REPAY 30%	PAYMENTJN	Bank Acco	10144	DUE T/F TFI FOODS		69498.07	
						HKB-USD			
31/10/2012	Invoice	PP1000156	PURCHASES	Vendor	V200011	ADJ EQUIPT PURCHASER TO TFI	1078020		
						ADV IMAGO- ELLEN'S FOOD GROUP INC.			
Total Activities							1,233,194.98	224,831.66	1,008,363.32
Account: 26250 DUE T/F TFI FOODS							Ending Balance		1,008,363.32
Report Total Beginning Balance									0.00
Report Total Activities							1,233,194.98	224,831.66	1008363.32
Report Total Ending Balance									1,008,363.32

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Canada

[Welcome page](#) > [Account balance](#) > Account transactions

Account transactions - Result

[Logout](#)

GST/HST account: 895525897 RT 0001

Business name: TFI FOODS LTD./LES ALIMENTS TFI LTEE

Select "View" to see the transactions for the criteria provided. By default, the interim balance and the balance amounts for all period-ends are retrieved for 90 days from the current date and displayed in ascending order. You can use the drop-down lists to change the display of transactions. The dates in the drop-down boxes below and the dates listed in the transactions are displayed in yyyy-mm-dd format.

Customized view allows you to view account transactions for a time frame of your choice.

Interim balance and balance	Transactions for	2012-10-31
Display	two years	in Ascending order
<input type="button" value="View"/>		

Interim amounts		
For the reporting period ending Oct 31, 2012		
Effective date	Transactions	Amount
Nov 7, 2012	Previous Balance	\$0.00
Nov 6, 2014	Interim Balance	\$0.00
Balance amounts		
For the reporting period ending Oct 31, 2012		
Effective date	Transactions	Amount
Nov 7, 2012	Previous Balance	\$0.00
Dec 20, 2012	(Re)assessment	\$174,071.42 CR
Dec 20, 2012	Refund	\$174,071.42
Nov 6, 2014	Balance	\$0.00

You can stop the mailing of paper statements by selecting [Change mailing instructions](#). You can also [order additional remittance vouchers](#).

[Printer-friendly version](#)

B-RT-VT-01

Need assistance?



If you are unable to find the information you were looking for about this specific topic, please select the Contact us button.

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Date modified: 2014-04-07

This is Exhibit "C" to the
Affidavit of David Lam
sworn November 6, 2014



A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

APPENDIX "K"

PROMISSORY NOTE

AMOUNT: \$857,623.00

DUE DATE: July 18, 2011

DATE OF NOTE:

April 18, 2011

FOR VALUE RECEIVED, *Ellen Yuk Yee Pun, also known as Pun Yuk Yee and Yuk Yee Pun* (the "Payor"), hereby promises to pay *Dr. Sai Kui Lee* (the "Payee"), the principal amount of Eight Hundred and Fifty-Seven Thousand, Six Hundred and Twenty-Three Dollars (\$857,623.00) in lawful money of Canada at the time and in the manner hereinafter provided, together with interest accruing at five percent (5%) on the principal balance outstanding from time to time.

1. Principal - The Principal shall be due and payable on July 18, 2011.
2. Interest - Interest in like money on the unpaid portion from time to time of the Principal until the Principal is repaid in full, at the rate five percent (5%), calculated semi-annually, not in advance, as well after as before maturity and both before and after default. The Principal and such interest (accruing from and in respect of the 18th day of April, 2011) shall be payable in three blended, equal, monthly instalments of principal and interest each in the amount of Two Hundred and Eighty-Eight Thousand Two Hundred and Thirty-Five Dollars and Forty-One Cents (\$288,235.41) and shall be paid on the eighteenth (18th) day of May, June and July, 2011.
3. Payments - Principal and interest payments shall be in cash or certified cheque or bank draft payable to or to the order of the Payee and delivered to the Payee at 713 Davis Drive, Suite 301, Newmarket, ON, L3Y 2R3 on or before the date specified for such payment.
4. Interest on Overdue Amounts - In the event that default shall be made in the payment of any sum to become due for interest at any time appointed for payment thereof as aforesaid, compound interest shall be payable on such sum; and the sum in arrears for interest from time to time, as well after as before maturity, shall bear interest at the aforesaid rate and, in case the interest and compound interest are not paid within one month from the day preceding the time of default, a rest shall be made and compound interest at the rate aforesaid shall be payable on the aggregate amount of interest and compound interest then due, as well after as before maturity, and such rests shall similarly be made on a monthly basis thereafter.
5. Application of Payments - Any amount paid in satisfaction of the indebtedness evidenced by this Promissory Note shall be applied firstly in satisfaction of any accrued and unpaid interest which is due and payable and any interest thereon, and then the remaining portion of such amount shall be applied in satisfaction of the Principal owing hereunder in inverse order of maturity.

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- 2 -

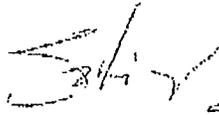
6. Prepayment Privilege - The Payor shall have the right at any time on any payment date to prepay, without bonus or penalty, all or any portion of the principal owing under this Promissory Note from time to time. Notwithstanding any such payment, principal payments as aforesaid shall continue until the principal owing hereunder has been paid in full.
7. Due and Payable - The Payor acknowledges, declares and agrees that the entire unpaid balance of the principal amount of this Note shall, at the option of the Payee, become immediately payable upon:
- (a) the failure of the Payor to pay any one of the aforesaid instalments as they fall due; or,
 - (b) the occurrence of any of the events referred to in the collateral given by the Payor to the Payee to secure the obligations of the Payor under this Note, the provisions of such collateral security being incorporated in this Note by reference.
8. Waiver - Extension of time of payment of all or any part of the principal amount of this Note at any time or times, or failure of the Payee to enforce any of his rights or remedies hereunder, shall not release the Payor and shall not constitute a waiver of the right of the Payee to enforce any such rights and remedies thereafter.
9. Collateral Security - As collateral security for the payment of the Note, the Payor agrees to:
- (a) provide the guarantee of Ellen's Food Group Inc. and 1812238 Ontario Inc., and
 - (b) Ellen's Food Group Inc. and 1812238 Ontario Inc. shall execute the General Security Agreements in the form attached hereto as Schedule "A".
10. Waiver of Benefits - The Payor waives presentment for payment, notice of dishonour and protest, and acknowledges receipt of a true copy hereof.
11. Non-Transferable - This Note is not transferable by the Payor.
12. Governing Law - This Promissory Note shall be governed by the laws of the Province of Ontario and construed and enforced in accordance therewith.
13. Guarantors' Clause - In consideration of the Payee allowing the Payor to pay the balance owing over time, other valuable consideration and the sum of ONE DOLLAR (\$1.00) of lawful money of Canada, the receipt whereof is hereby acknowledged, the undersigned Guarantors covenant and agree with the Payee that the Guarantors will duly pay and satisfy all moneys at any time secured by this Promissory Note and duly perform and observe all covenants, agreements, and provisions contained in this Promissory Note; and further, that the Guarantors shall be primarily liable to the Payee and that the Guarantors shall not be

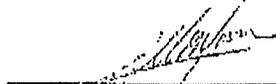
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released nor shall their liability hereunder be limited or lessened by any variation in or departure from the provisions of this Promissory Note nor by the Payee granting time, taking or giving up securities, accepting proposals, granting releases or discharges or otherwise dealing with the parties hereto or any of them or with any other person or persons nor by any other thing whatsoever either of a like nature to the foregoing or otherwise including the bankruptcy or insolvency of the Payor whereby as surety only the Guarantors would or might be released and the Payee shall not be bound to exhaust its recourse against the Payor or against any other person or persons before enforcing its rights against the Guarantors.

IN WITNESS WHEREOF, the Payor has duly executed this Promissory Note the day and year first above written.

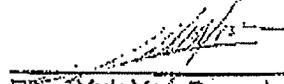
SIGNED, SEALED AND DELIVERED)
- In the presence of -)


SARA CHING)

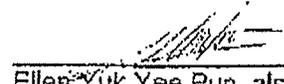

Ellen Yuk Yee Pun, also known as
Pun Yuk Yee and Yuk Yee Pun

THE GUARANTORS ARE BOUND BY THE TERMS OF THIS PROMISSORY NOTE.

) Ellen's Food Group Inc.
)
)
)


Ellen Yuk Yee Pun, also known as
Pun Yuk Yee and Yuk Yee Pun
I have authority to bind the corporation.

) 1812238 Ontario Inc.
)
)
)


Ellen Yuk Yee Pun, also known as
Pun Yuk Yee and Yuk Yee Pun
I have authority to bind the corporation.

This is Exhibit "D" to the
Affidavit of David Lam
sworn November 6, 2014



A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

RUN NUMBER : 225
RUN DATE : 2013/08/13
ID : 20130813144102.44

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(2268)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : ELLEN'S FOOD GROUP INC.
FILE CURRENCY : 12AUG 2013

FORM IC FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
684350856

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
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01

	001	1		20130128 1312 2388 0105	P PPSA	02
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02

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
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03

		ELLEN'S FOOD GROUP INC.		
--	--	-------------------------	--	--

04

ADDRESS	ON	ONTARIO CORPORATION NO.
25 CENTURIAN DRIVE, SUITE 203 MARKHAM		L3R 5N8

05

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
-------------	---------------	------------------	---------	---------

06

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07

ADDRESS	ON	ONTARIO CORPORATION NO.
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08

SECURED PARTY / LIEN CLAIMANT	DR. SAI KUI LEE
-------------------------------	-----------------

09

ADDRESS	ON	ONTARIO CORPORATION NO.
713 DAVIS DRIVE, SUITE 301 NEWMARKET		L3Y 2R3

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
X	X	X	X	X					X

10

YEAR	MAKE	MODEL	V.I.N.
------	------	-------	--------

11

MOTOR VEHICLE

12

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13

GENERAL COLLATERAL DESCRIPTION	GENERAL SECURITY AGREEMENT
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14

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15

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16

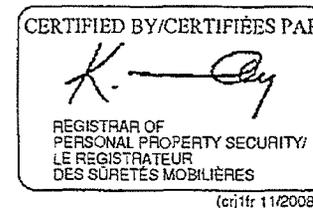
REGISTERING AGENT	STIVER VALE - ROBERT A. LECK
-------------------	------------------------------

17

ADDRESS	ON	ONTARIO CORPORATION NO.
195 MAIN STREET SOUTH . NEWMARKET		L3Y 3Y9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY ***

CONTINUED... 3



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This is Exhibit "E" to the
Affidavit of David Lam
sworn November 6, 2014



A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

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STIVER VALE
BARRISTERS, SOLICITORS, NOTARIES

APPENDIX "M"

PAUL W. READ, B.A., LL.B. K. WAYNE KITCHEN, LL.B.
WARREN G. SKINNER, B.A., LL.B. ROBERT A. LECK, B.A., (HONS.), LL.B.

195 MAIN STREET SOUTH
NEWMARKET, ONTARIO
L3Y 3Y9

E-Mail for Robert A. Leck - raleck@stivervale.com

TELEPHONE NO. (905) 895-4571
TORONTO LINE (905) 773 6323
FAX NO. (905) 853-2958

March 5, 2013

VIA FAX 416-601-6690 (2 Pages)

Ms. Catherine Hristow
Deloitte & Touche Inc.
Suite 1400, 181 Bay Street,
Toronto, Ontario
M5J 2V1

Dear Ms. Hristow:

Re: Ellen's Food Group Inc. And Dr. Sai Kui Lee

Further to your correspondence dated March 1, 2013, which I just received, I will review my file and endeavour to provide you with a copy of the security documents next week, which I trust is satisfactory.

In the interim, I can advise that Dr. Lee does not have any evidence in his possession or available to him that could confirm whether any of the payments he received came from the bank account of Ellen's Food Group Inc.. The payments for which the source appears to be identifiable (numbers 1 and 6 through 13 below) did not come directly from said corporation.

I can advise that Dr. Lee received the following payments, which related to the original loan of \$1,000,000.00:

1. \$69,985.00 (after a \$15.00 bank charge) on April 27, 2011;
2. \$80,000.00 on May 5, 2011;
3. \$103,000.00 on May 19, 2011;
4. \$85,235.41 on June 16, 2011;
5. \$50,000.00 on June 29, 2011;
6. \$10,000.00 on October 18, 2012;
7. \$10,000.00 on October 20, 2012;
8. \$10,000.00 on October 27, 2012;
9. \$10,000.00 on November 3, 2012;
10. \$10,000.00 on November 13, 2012;
11. \$10,000.00 on November 25, 2012;

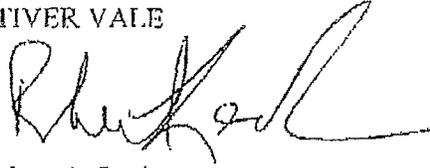
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- 12. \$10,000.00 on December 1, 2012; and
- 13. \$10,000.00 on December 8, 2013.

If you would like to discuss this matter kindly contact me at your convenience.

Sincerely,

SILVERVALE



Robert A. Leck

cc: Client

This is Exhibit "F" to the
Affidavit of David Lam
sworn November 6, 2014



A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

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APPENDIX "N"

STIVER VALE
BARRISTERS, SOLICITORS, NOTARIES

PAUL W. READ, B.A., LL.B.
WARREN G. SKINNER, B.A., LL.B.

K WAYNE KITCHEN, LL.B.
ROBERT A. LECK, B.A., (HONS), LL.B.

195 MAIN STREET SOUTH
NEWMARKET, ONTARIO
L3Y 3Y9

TELEPHONE NO. (905) 895-4571
TORONTO LINE (905) 773-8323
FAX. NO. (905) 853-2958

E-Mail for Robert A. Leck - rtleck@stivervale.com

March 15, 2013

VIA FAX: 416-601-6690 (23 pages)

Ms. Catherine Hristow
Deloitte & Touche Inc.
Suite 1400, 181 Bay Street
Toronto, ON
M5J 2V1

Dear Ms. Hristow:

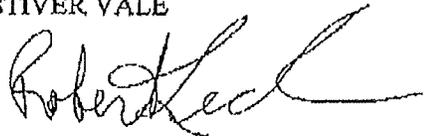
Re: Ellen's Food Group Inc. and Dr. Sai Kui Lee

Further to our previous correspondence, attached please find a copy of the executed Promissory Note and General Security Agreement with respect to Ellen's Food Group Inc..

I can further advise that, inclusive of legal costs, as of January 18, 2013, Dr. Sai Kui Lee was owed \$620,708.92

Sincerely,

STIVER VALE



Robert A. Leck

RAL:cym
Encls.

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DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS TRUSTEE IN BANKRUPTCY OF ELLEN'S FOOD GROUP INC.

-and- TFI FOODS LTD.

Applicant

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF
PROCEEDING COMMENCED AT
TORONTO**

**AFFIDAVIT OF DAVID LAM
SWORN NOVEMBER 6, 2014**

Paliare Roland Rosenberg Rothstein LLP
155 Wellington Street West
35th Floor
Toronto ON M5V 3H1
Tel: 416.646.4300
Fax: 416.646.4301

Ken Rosenberg (LSUC# 21102H)
Tel: 416.646.4304

Robin D. Walker, Q.C. (LSUC# 11320W)
Tel: 416.646.6302

Kristian Borg-Olivier (LSUC# 53041R)
Tel: 416.646.7490

Lawyers for the Respondent

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Tab 6

COURT OF APPEAL FOR ONTARIO

B E T W E E N:

**DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS TRUSTEE IN
BANKRUPTCY OF ELLEN'S FOOD GROUP INC.**

Applicant/Respondent

and

TFI FOODS LTD.

Respondent/Appellant

IN THE MATTER OF THE *BULK SALES ACT*, R.S.O. 1990, c. B. 14, AS AMENDED

AND IN THE MATTER OF A TRANSFER OF ASSETS FROM ELLEN'S FOOD GROUP
INC. TO THE TFI FOODS LTD.

APPELLANT'S CERTIFICATE RESPECTING EVIDENCE

The appellant certifies that the following evidence is required for the appeal, in the
appellant's opinion:

1. All evidence and documents contained within the Application Record and
Responding Application Record.

January 9, 2014

Paliare Roland Rosenberg Rothstein LLP
155 Wellington Street West
35th Floor
Toronto ON M5V 3H1

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Fax: 416.646.4301

Ken Rosenberg (LSUC# 21102H)
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Email: ken.rosenberg@paliareroland.com

Robin Walker (LSUC# 11320W)
Tel: 416.646.6302
Email: robin.walker@paliareroland.com

Kristian Borg-Olivier (LSUC# 53041R)
Tel: 416.646.7490
Email: kris.borg.olivier@paliareeroland.com

Lawyers for the Respondent/Appellant

TO: **Kronis Rotsztain Margles Cappel LLP**
Barristers and Solicitors
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Suite 1000
Toronto, ON M5C 1B5

Tel: 416.225.8750
Fax: 416.306.9874

Mervyn Abramowitz (LSUC# 28323R)
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Fax: 416.306.9874
mabramowitz@krmc-law.com

Philip Cho (LSUC# 45615U)
Tel: 416.218.5494
Fax: 416.306.9874
pcho@krmc-law.com

Lawyers for the Applicant/Respondent

**DELOITTE
RESTRUCTURING INC.**
Applicant/Respondent

v.

TFI FOODS LTD.
Respondent/Appellant

Court of Appeal File No.
Court File No. CV-14-10628-00CL

COURT OF APPEAL FOR ONTARIO

CERTIFICATE RESPECTING EVIDENCE

Paliare Roland Rosenberg Rothstein LLP
155 Wellington Street West
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Fax: 416.646.4301

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Tel: 416.646.7490
Email: kris.borg.olivier@paliareeroland.com

1. Lawyers for the Respondent/Appellant

Tab 7

COURT OF APPEAL FOR ONTARIO

BETWEEN:

**DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS TRUSTEE IN
BANKRUPTCY OF ELLEN'S FOOD GROUP INC.**Applicant
(Respondent in Appeal)

and

TFI FOODS LTD.Respondent
(Appellant)IN THE MATTER OF THE *BULK SALES ACT*, R.S.O. 1990, c. B. 14, AS AMENDEDAND IN THE MATTER OF A TRANSFER OF ASSETS FROM ELLEN'S FOOD GROUP
INC. TO TFI FOODS LTD.**CERTIFICATE OF COMPLETENESS**

I, Kristian Borg-Olivier, lawyer for the Respondent (Appellant), certify that the appeal book and compendium in this appeal is complete and legible.

February 9, 2015



Kristian Borg-Olivier

Paliare Roland Rosenberg Rothstein LLP
155 Wellington Street West
35th Floor
Toronto ON M5V 3H1
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Fax: 416.646.4301

Kristian Borg-Olivier (LSUC# 53041R)
Tel: 416.646.7490
Fax: 416.646.4301

Lawyers for the Respondent

DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS TRUSTEE IN BANKRUPTCY OF ELLEN'S FOOD GROUP INC.

-and- TFI FOODS LTD.

Applicant
(Respondent in Appeal)

Respondent
(Appellant)

COURT OF APPEAL FOR ONTARIO

PROCEEDING COMMENCED AT
TORONTO

CERTIFICATE OF COMPLETENESS

Paliare Roland Rosenberg Rothstein LLP
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35th Floor
Toronto ON M5V 3H1
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Fax: 416.646.4301

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ken.rosenberg@paliareroland.com

Kristian Borg-Olivier (LSUC# 53041R)
Tel: 416.646.7490
kris.borg-olivier@paliareroland.com

Lawyers for the Respondent (Appellant)

DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS
TRUSTEE IN BANKRUPTCY OF ELLEN'S FOOD GROUP
INC.

-and- TFI FOODS LTD.

Applicant (Respondent)

Respondent (Appellant)

COURT OF APPEAL FOR ONTARIO

APPEAL BOOK AND COMPENDIUM

Paliare Roland Rosenberg Rothstein LLP

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Toronto ON M5V 3H1

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Kristian Borg-Olivier (LSUC# 53041R)

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Lawyers for the Respondent (Appellant)