

THE QUEEN'S BENCH

Winnipeg Centre

IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER PURSUANT TO
SECTION 243 OF *THE BANKRUPTCY AND*
INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED

BETWEEN:

ROYAL BANK OF CANADA,

Applicant,

- and -

6106234 MANITOBA LTD.,

Respondent.

NOTICE OF MOTION
HEARING DATE: THURSDAY, JUNE 2, 2022 at 9:00 A.M.
BEFORE THE HONOURABLE MR. JUSTICE BOCK

MLT AIKINS LLP
Barristers and Solicitors
30th Floor – 360 Main Street
Winnipeg, MB R3G 4G1

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File No. 0135165.00009

THE QUEEN'S BENCH

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IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER PURSUANT TO SECTION 243 OF *THE BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED

BETWEEN:

ROYAL BANK OF CANADA,

Applicant,

- and -

6106234 MANITOBA LTD.,

Respondent.

NOTICE OF MOTION

Deloitte Restructuring Inc. ("**Deloitte**") in its capacity as the Court-appointed receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties (the "**Property**") of 6106234 Manitoba Ltd. (the "**Debtor**") will make a motion before the Honourable Mr. Justice Bock on Thursday, the 2nd day of June, 2022 at 9 o'clock in the forenoon, or as soon after that time as the motion can be heard at the Law Courts, 408 York Avenue, Winnipeg, Manitoba.

THIS MOTION IS FOR:

1. An Order, substantially in the form of the draft order (the "**Draft Order**") attached hereto as Schedule "1", *inter alia*:
 - a. Abridging the time for service of the Notice of Motion, the First Report of the Receiver dated May 30, 2022 (the "**First Report**") and materials filed herein in support of this motion, such that this motion is properly returnable on Thursday, June 2nd, 2022 at 9:00 A.M., and dispensing with further service thereof. Capitalized terms not specifically defined herein shall have the meaning ascribed thereto in the First Report;

- b. Approving the First Report and the activities and actions of the Receiver as described therein, including the Receiver's Statement of Receipts and Disbursements for the period of October 29, 2021 to May 27, 2022 and the Sales Process;
- c. Approving the Receiver's Holdback;
- d. After retention of the Receiver's Holdback authorizing and directing the payment of the Priority Distributions, including future payments from time to time, to RBC, from the receipt of additional funds and any amounts remaining from the Receiver's Holdback, after payment of the Fees (as defined below), up to the amount of the RBC Indebtedness;
- e. Approving the fees and disbursements of the Receiver for the period of October 26, 2021 to April 30, 2022, its legal counsel for the period of October 28, 2021 to March 31, 2022, the Estimated Receiver's Fees, and the Estimated Legal Fees (together the "**Fees**");
- f. Providing that upon payment of the Priority Distributions and the filing of a Receiver's certificate (the "**Receiver's Discharge Certificate**") with this Court that Deloitte shall be discharged as Receiver of the Property of the Debtor; provided however, that notwithstanding its discharge: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in these proceedings, including all approvals, protections and stays of proceedings in favour of Deloitte in its capacity as Receiver; and
- g. That upon the filing of the Receiver's Discharge Certificate with this Court, the Receiver shall be released and discharged from any and all liability that the Receiver now has or may have hereafter by reason of, or in any way

arising out of, the acts and/or omissions of the Receiver while acting in its capacity as Receiver herein, save and except for any gross negligence or willful misconduct on the Receiver's part; and

2. Such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THIS MOTION ARE:

1. By Order of this Court pronounced October 29, 2021 and on the consent of the Debtor, the Honourable Mr. Justice Bock granted an Order (Appointing Receiver) (the "**Receivership Order**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") appointing Deloitte as Receiver of the Property of the Debtor.
2. The administration of these receivership proceedings is substantially complete.

APPROVAL OF THE RECEIVER'S ACTIVITIES AND FIRST REPORT

3. The Receiver's actions and activities, inclusive of the Statement of Receipts and Disbursements, and the distributions contemplated in the First Report are lawful and proper, and consistent with its powers and duties under the Receivership Order and in accordance with the provisions of the BIA.
4. An Order approving of the activities of the Receiver as set out in the First Report is necessary, appropriate and in accordance with the standard practice of this Court in Court supervised proceedings.

AUTHORIZATION OF DISTRIBUTIONS

5. The Priority Distributions reflect the respective priority claims against the Property of the Debtor, as set out in further detail in paragraphs 41-48 of the First Report.
6. Prior to the assignment of the Debtor into bankruptcy, the Receiver obtained an independent legal opinion from MLT Aikins LLP as to the validity, enforceability and priority of the RBC Security (as defined in the First Report).

AUTHORIZATION OF FEES

7. Paragraph 18 of the Receivership Order provides that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements.
8. Paragraph 19 of the Receivership Order authorizes the Receiver and its legal counsel to pass their respective accounts from time to time.
9. The Receiver's accounts and the accounts of its counsel are reasonable and in each case at the standard rates and charges.

ORDER APPROVING THE RECEIVER'S DISCHARGE

10. As set out in the First Report, subject to the Priority Distributions, finalizing the Residual A/R Accounts, filing the 2022 corporate tax return, recovering the Patronage Withholdings, and concluding certain administrative matters, the administration of the receivership is substantially complete, and it is therefore appropriate for the Receiver to apply for its discharge.

GENERALLY

11. The circumstances that exist make the Order sought by the Receiver appropriate.
12. Paragraphs 3, 13, 18, 19 and 21 of the Receivership Order.
13. Rules 1.04, 2.03, 3.02, 16 and 37 of the Court of Queen's Bench Rules, Reg. 553/88, as amended.
14. The inherent jurisdiction of this Court.
15. Such further and other grounds as counsel may advise and this Court permit.

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

1. The Order of the Honourable Mr. Justice Bock dated October 29, 2021;

2. First Report of the Receiver dated May 30, 2022; and
3. Such further material as counsel may advise and this Honourable Court may permit.

May 30, 2022

MLT AIKINS LLP
360 Main St., 30th Floor
Winnipeg, MB R3C 4G1
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Fax: (204) 957-0840

J.J. Burnell / Anjali Sandhu
Ph: (204) 957-4663 / (204) 957-4760
Fax: (204) 957-0840

Lawyers for the Receiver

TO: ATTACHED SERVICE LIST

**THE QUEEN'S BENCH
WINNIPEG CENTRE**

IN THE MATTER: THE APPOINTMENT OF A RECEIVER PURSUANT TO
SECTION 243 OF *THE BANKRUPTCY AND*
INSOLVENCY ACT, R.S.C., C. B-3, AS AMENDED

BETWEEN:

ROYAL BANK OF CANADA,

Applicant,

- and -

6106234 MANITOBA LTD.,

Respondent.

**SERVICE LIST
AS AT MAY 19, 2022**

TAYLOR McCAFFREY LLP

Barristers and Solicitors
9th Floor - 400 St. Mary Avenue
Winnipeg, Manitoba
R3C 4K5

David R.M. Jackson/
Charles Roy

Telephone – 204 988-0375 / 204 988-0472

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Client File No. 36602-50 DJAC

THE QUEEN'S BENCH
WINNIPEG CENTRE

IN THE MATTER: THE APPOINTMENT OF A RECEIVER PURSUANT TO
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SERVICE LIST

Party	Telephone No.	Facsimile No.	Status
TAYLOR MCCAFFREY LLP 2200 – 201 Portage Avenue Winnipeg, Manitoba, R3B 3L3 Attn: David R.M. Jackson/ Charles Roy E-Mail: djackson@tmlawyers.com croy@tmlawyers.com	204-988-0375 204-988-0472	204-953-7178 204-953-7231	Counsel to Royal Bank of Canada
DELOITTE RESTRUCTURING INC. 2300 – 360 Main Street Winnipeg, Manitoba, R3C 3Z3 Attn: Brent Warga/John Fritz E-Mail: bwarga@deloitte.ca jofritz@deloitte.ca	204-944-3611	204-947-2689	Receiver
MLT AIKINS 30 th Floor – 360 Main Street Winnipeg, Manitoba, R3C 4G1 Attention: J.J. Burnell/ Anjali Sandhu E-Mail: jburnell@mltaikins.com asandhu@mltaikins.com	204-957-4663	204-957-0840	Counsel to the Receiver

GRAY & COMPANY 301 – 386 Broadway Winnipeg, Manitoba R3C 3R6 Attn: Scott Gray E-Mail: scott@gray-company.com	204-943-3040	204-943-5135	Counsel for 6106234 Manitoba Ltd./Ann Marie Clark
6106234 MANITOBA LTD. 139 Edwards Avenue The Pas, Manitoba R9A 1K3 E-Mail: 204aclark@gmail.com			Debtor
ANN MARIE CLARK 423 Bignell Avenue The Pas, Manitoba R9A 1K3 E-Mail: 204aclark@gmail.com			Guarantor
HOME HARDWARE 34 Henry Street West St. Jacob's, Ontario N0B 2N0 Attn: Chris Smith/ Travis Hendry E-Mail: chris.smith@homehardware.ca travis.hendry@homehardware.ca			
MANITOBA JUSTICE Civil Legal Services 730 – 405 Broadway Winnipeg, Manitoba R3C 3L6 Attn: Shelley Haner E-Mail: shelley.haner@gov.mb.ca	204-792-8641	204-948-2826	
CANADA REVENUE AGENCY – INSOLVENCY INTAKE CENTRE Surrey National Verification and Collection Centre 9755 King George Boulevard Surrey, B.C. V3T 5E1 Attn: Debbie Mitchel	587-337-0512	1-866-219- 0311 1-833-697- 2389	

<p>CWB NATIONAL LEASING INC. 1525 Buffalo Place Winnipeg, Manitoba R3T 1L9 E-Mail: customerservice@cwbnationalleasing.com</p>	204-954-9091		
<p>MONERIS SOLUTIONS CORPORATION 3300 Bloor Street West West Tower, 16th Floor Toronto, Ontario M8X 2X2 Attn: Rose Klimsiak/ Natalia Deineka E-Mail: rose.klimsiak@moneris.com natalia.deineka@moneris.com</p>	416-734-1298		
<p>2653193 MANITOBA LTD. o/a DYNA-PRO ENVIRONMENTAL 575 Roseberry Street Winnipeg, Manitoba R3H 0T3 Attn: Andrew Turner E-Mail: andrewt@dyna-pro.com</p>	204-774-5370		
<p>WILLIAM VEITCH 26 Cudmore Crescent P.O. Box 1416 The Pas, Manitoba R9A 1L3 E-Mail: wbv@mymts.net</p>	204-627-0245		
<p>KIM CARTMAN MARION P.O. Box 1213 The Pas, Manitoba R9A 1L2 E-Mail: cartman-marion2007@hotmail.com</p>	204-620-1713		
<p>VIRGINIA OMAN 369 Dufferin St. P.O. Box 2893 The Pas, Manitoba R9A 1R6 E-Mail: weatherworn9@gmail.com</p>	204-617-7166		

CORINNE WILSON P.O. Box 141 The Pas, Manitoba R9A 1K3 Email: corinnewilson450@hotmail.ca	(204)-620-5601	(204)-623-7136	
Arctic Radio (1982) Ltd. 130 3 rd Street West Flin Flon, Manitoba R8A 0H2 Attn: Chris Marsh Email: cjar@arcticradio.ca	(204)-623-5307	(204)-623-5337	

Schedule "1"

File No. CI21-01-33115

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Respondent.

ORDER

MLT AIKINS LLP

Barristers and Solicitors
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Telephone: (204) 957-4663/(204) 957-4760
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File No. 0135165.00009

Box 3

**THE QUEEN'S BENCH
WINNIPEG CENTRE**

THE HONOURABLE MR.

)

THURSDAY, THE 2nd

JUSTICE BOCK

)

DAY OF JUNE, 2022

)

IN THE MATTER OF:

THE APPOINTMENT OF A RECEIVER PURSUANT TO SECTION 243 OF *THE BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED

BETWEEN:

ROYAL BANK OF CANADA,

Applicant,

- and -

6106234 MANITOBA LTD.,

Respondent.

DISCHARGE ORDER

THIS MOTION, made by Deloitte Restructuring Inc. ("**Deloitte**") in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of 6106234 Manitoba Ltd. (the "**Debtor**"), for an Order discharging the Receiver and other relief was heard this day at the Law Courts, 408 York Avenue, Winnipeg, Manitoba.

ON READING the First Report of the Receiver dated May 30, 2022 (the "**First Report**"), and on hearing the submissions of counsel for the Receiver, no one else appearing although served as evidenced by the Affidavit of [NAME] sworn [DATE], filed:

1. THIS COURT ORDERS that capitalized terms not otherwise specifically defined herein shall have the meaning ascribed thereto in the First Report.
2. THIS COURT ORDERS that the time for service of the Notice of Motion, the First Report and the materials filed herein in support of this motion is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

3. THIS COURT ORDERS that the activities and actions of the Receiver, as set out and described in the First Report, including the Receiver's Statement of Receipts and Disbursements for the period of October 29, 2021 to May 27, 2022 and the Sales Process undertaken by the Receiver are hereby approved.
4. THIS COURT ORDERS that the Receiver's Holdback (as set out and defined in the First Report) is hereby approved.
5. THIS COURT ORDERS, AUTHORIZES AND DIRECTS that, subject to the Receiver's Holdback, the Receiver shall pay the Priority Distributions from the monies remaining in its hands and future payments, from time to time, to RBC from the receipt of additional funds and any amounts remaining from the Receiver's Holdback after the payment of Fees (as defined below) up to the amount of the RBC Indebtedness.
6. THIS COURT ORDERS that the fees and disbursements of the Receiver for the period of October 26, 2021 to April 30, 2022, its legal counsel for the period of October 28, 2021 to March 31, 2022, the Estimated Receiver's Fees and the Estimated Legal Fees (together the "**Fees**"), are hereby approved.
7. THIS COURT ORDERS that upon payment of the Priority Distributions and upon the Receiver filing a certificate substantially in the form attached hereto as Schedule A to this Order (the "**Receiver's Certificate**") certifying that it has paid the Priority Distributions, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Deloitte in its capacity as Receiver.
8. THIS COURT ORDERS AND DECLARES that Deloitte is hereby released and discharged from any and all liability that Deloitte now has or may hereafter have

by reason of, or in any way arising out of, the acts or omissions of Deloitte while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, Deloitte is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

9. THIS COURT ORDERS AND DECLARES that no action or other proceeding shall be commenced against the Receiver, including its officers, directors, employees, solicitors and agents and assigns in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on notice to the Receiver, and upon such terms as this Court may direct.

I, J.J. Burnell, of the firm of MLT Aikins LLP hereby certify that I have received the consents as to form of the following parties:

[INSERT]

As directed by the Honourable Mr. Justice Bock.

SCHEDULE A
THE QUEEN'S BENCH
WINNIPEG CENTRE

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- and –

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Respondent.

RECEIVER'S DISCHARGE CERTIFICATE

A. Deloitte Restructuring Inc. was appointed Receiver (the "**Receiver**") of all of the assets, property and undertaking of the Respondent 6106234 Manitoba Ltd. (the "**Debtor**") pursuant to an Order of the Court of Queen's Bench dated October 29, 2021 (the "**Receivership Order**");

B. Pursuant to the Discharge Order of this Court pronounced June 2, 2022 (the "**Discharge Order**") the Receiver has paid the Priority Distributions as directed by the Discharge Order and has completed the administration of the Debtor's estate;

C. Unless otherwise indicated the Receiver's Certificate shall have the same meaning as given to it in the Discharge Order.

THE RECEIVER CERTIFIES the following:

1. The Receiver has paid the Priority Distributions in accordance with the Discharge Order and as detailed in the First Report.
2. The Receiver has completed its administration of the Debtor's estate.

DATED at _____, Manitoba, this ____ day of _____, 2022.

Deloitte Restructuring Inc. in its capacity as Receiver
of 6106234 Manitoba Ltd.

Per: _____
Name:
Title: