



Court File No. **VLC-S-H-260475**

NO. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

BANK OF MONTREAL

PETITIONER

AND:

STARLINE FOODS INC.
SURJIT SINGH GILL
SUKHMINDER SINGH GILL
GURINDER GREWAL
DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.
KHALSA CREDIT UNION
BRANDT TRACTOR LTD.

RESPONDENTS

PETITION TO THE COURT

ON NOTICE TO: See attached **Schedule "A"**.

The address of the Registry is 800 Smithe Street, Vancouver, British Columbia.

The Petitioner estimates that the hearing of the Petition will take 1.5 hours

- ☐ This matter is an application for judicial review.
- ☒ This matter is not an application for judicial review.

This proceeding is brought for the relief set out in Part 1 below, by

- ☒ the person named as Petitioner in the style of proceedings above

If you intend to respond to this Petition, you or your lawyer must

- (a) file a Response to Petition in Form 67 in the above-named registry of this court within the time for Response to Petition described below, and
- (b) serve on the Petitioner

- (i) 2 copies of the filed Response to Petition; and
- (ii) 2 copies of each filed affidavit on which you intend to rely at the hearing.

Orders, including orders granting the relief claimed, may be made against you, without any further notice to you, if you fail to file the Response to Petition within the time for response.

Time for Response to Petition

A Response to Petition must be filed and served on the Petitioner, if you were served with the Petition anywhere in Canada, within 21 days after that service,

- (c) if you were served with the Petition anywhere in the United States of America, within 35 days after that service
- (d) if you were served with the Petition anywhere else, within 49 days after that service, or
- (e) if the time for Response has been set by order of the court, within that time.

The ADDRESS FOR SERVICE of the Petitioner is c/o Lawson Lundell LLP, 1600 – 925 West Georgia Street, Vancouver, British Columbia V6C 3L2.

Fax number for delivery is: 604.631.9152.

E-mail address for service of the Petitioner: bgibbons@lawsonlundell.com
nmann@lawsonlundell.com

The name and office address of the Petitioner's lawyer is: Lawson Lundell LLP, 1600 - 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2 (Attention: Bryan Gibbons/Noor Mann).

CLAIM OF PETITIONER

Part 1: ORDERS SOUGHT

1. An order declaring that:

- (a) an all-indebtedness mortgage and assignment of rents (the “**First BMO Mortgage**”) registered on February 15, 2016 under registration nos. CA4986042 and CA4986043 granted by Starline Foods Inc. (“**Starline**”), in favour of Bank of Montreal (the “**Bank**”), in the principal amount of \$10,000,000, plus interest, is a valid and enforceable charge on the following lands and premises:

33786 Clayburn Road, Abbotsford, British Columbia

PID: 004-178-050

Lot 1 Except: Firstly: Parcel "B" (Reference Plan 8236) Secondly: Parcel "C" (Reference Plan 8237) Thirdly: Parcel "A" (Reference Plan 8255)

Fourthly: Part Subdivided By Plan 24013, District Lot 202 Group 2 New Westminster District Plan 4298

(the “**Clayburn Road Lands**”); and

PID: 004-178-432

Parcel "E" (Explanatory Plan 14251) Of Parcel "D" (Reference Plan 287)
District Lot 202 Group 2 New Westminster District

(the "**Bare Lands**" and together with Clayburn Road Lands, the "**Lands**");

- (b) an all-indebtedness mortgage (the "**Second BMO Mortgage**" and together with the First BMO Mortgage, the "**Mortgages**") registered on June 7, 2022, under registration no. CA9987670, granted by Starline in favour of the Bank, in the principal amount of \$2,000,000, plus interest, is a valid and enforceable charge on the Clayburn Road Lands;
- (c) the following security agreements:
 - (i) a general security agreement dated February 11, 2026 (the "**GSA**"), granted by Starline to the Bank, notice of which was registered at the British Columbia Personal Property Registry on February 8, 2016, under base registration number 101830J; and
 - (ii) a general assignment of debts dated February 11, 2026 (the "**GABD**" and together with the GSA and the Mortgages, the "**Security**"), granted by Starline to the Bank, notice of which was registered at the British Columbia Personal Property Registry on February 8, 2016, under base registration number 101830J;are valid charges on the personal property of Starline (the "**Personal Property**"); and
- (d) the Security, ranks in priority to the interests in the Lands and Personal Property (collectively, the "**Property**") of the Respondents, and their heirs, executors, administrators, successors and assigns of the Respondents, and all persons claiming by, through or under them.

- 2. An order declaring that the Security is in default.
- 3. An order substantially in the form attached hereto as **Schedule "B"**, appointing Deloitte Restructuring Inc. ("**Deloitte**"), as receiver and manager, without security of all of the assets, undertakings and property of Starline pursuant to section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the **BIA**) and section 39 of the *Law and Equity Act*, RSBC 1996, c. 253 (the **LEA**).
- 4. An order that a summary of accounting of the amount of money due and owing to the Bank pursuant to the Security and a declaration of the amount of money required to redeem the Property.
- 5. An order that the Bank be at liberty to apply for a further summary accounting of any amounts of money that may become due to the Bank pursuant to the Security.

6. Judgment against Starline and Surjit Singh Gill (“**Surjit**”), Sukhminder (Joe) Singh Gill (“**Joe**”) and Gurinder Gill (“**Gurinder**” and together with Surjit and Joe, the “**Guarantors**” and the Guarantors, together with Starline, the “**Debtors**”) on their covenant to pay.
7. An order for a Certificate of Pending Litigation.
8. An order that the Bank be granted its costs of and in connection with this proceeding, on a solicitor and own client basis.
9. Such further and other relief this Honourable Court may deem just.

Part 2: FACTUAL BASIS

The Parties

10. The Petitioner, the Bank, is a chartered bank of Canada, having an office in the Province of British Columbia and an address for service for the purpose of these proceedings at 1600 – 925 West Georgia Street, Vancouver, British Columbia.
11. The Respondent, Starline, is a corporation incorporated pursuant to the laws of British Columbia, with a registered and records office at 1-2838 Garden Street, Abbotsford, British Columbia.
12. Joe, Gurinder, and Surjit are shareholders of Starline, with Joe and Gurinder also acting as company directors. The daily operations of the company are managed by Gurinder’s husband, Tony Kondolay.

Starline’s Business

13. Starline is a fruit processing company and operates a 29,500 square foot frozen processing plant (the “**Processing Plant**”), situated on eight acres of a 22 acre farmland property in Abbotsford. The company generates its revenue through sales of processed and graded frozen and fresh blueberries to customers mainly in the USA. Starline purchases most berries from growers and processors in BC and the USA and sorts and processes them through the Processing Plant.

The Lands

14. Starline is the registered owner of the Lands, consisting primarily of farmland in Abbotsford. It operates the Processing Plant from the Clayburn Road Lands. The Bare Lands are a neighbouring parcel adjacent to the Clayburn Road Lands.

The Credit Agreement

15. The Security was granted to secure all present and future debts of Starline to the Bank, pursuant to certain credit facilities (the “**Credit Facilities**”) granted by the Bank to Starline,

the particulars of which are set out in a letter of agreement (the “**Credit Agreement**”) dated August 23, 2021.

16. The Credit Facilities granted by the Bank to Starline, pursuant to the Credit Agreement include:
- (a) the Operating Loan payable on demand, in the authorized amount of \$900,000, plus a \$500,000 seasonal bulge from October 1 to April 30, bearing interest at the Bank’s prime rate of interest plus 3.25% per annum, with an outstanding balance owing to the Bank of \$814,622.28 as at April 16, 2026;
 - (b) Demand Loan 771 payable on demand, bearing interest at the Bank’s prime rate of interest plus 3.25% per annum, with an outstanding balance owing to the Bank of \$1,401,131.66 as at April 16, 2026;
 - (c) Demand Loan 634 payable on demand, bearing interest at the Bank’s prime rate of interest plus 3.25% per annum, with an outstanding balance owing to the Bank of \$3,614,446.43 as at April 16, 2026;
 - (d) Demand Loan 419, payable on demand, bearing interest at the Bank’s prime rate of interest plus 3.25% per annum, with an outstanding balance owing to the Bank of \$2,894,982.73 as at April 16, 2026;
 - (e) the MasterCard, payable on demand, bearing interest at 18.4% per annum, with an outstanding balance owing to the Bank of \$15,892.49 as at April 16, 2026; and
 - (f) the LCs, issued in favour of the City of Abbotsford, in the amounts of \$90,000 and \$10,000, respectively.
17. As at April 16, 2026, Starline is indebted to the Bank in the amount of \$8,841,151.59 (the “**Indebtedness**”).

The Security

18. As security for the Indebtedness, the Debtors granted, among other things, the following security to the Bank:
- (a) the Mortgages;
 - (b) the GSA;
 - (c) the GABD;
 - (d) an Assignment, Postponement and Subordination Agreement (the “**APS Agreement**”), granted by the Guarantors in favour of the Bank; and

- (e) the following guarantees (collectively, the “**Guarantees**”):
 - (i) Guarantee for the present and future debts and liabilities of Starline to the Bank, in the Bank’s LF 44 form, dated February 14, 2020, limited to the amount of \$6,000,000, plus interest and costs as set out therein, granted by Gurinder;
 - (ii) Guarantee for the present and future debts and liabilities of Starline to the Bank, in the Bank’s LF 44 form, dated February 14, 2020, limited to the amount of \$3,750,000, plus interest and costs as set out therein, granted by Joe; and
 - (iii) Guarantee for the present and future debts and liabilities of Starline to the Bank, in the Bank’s LF 44 form, dated February 14, 2020, limited to the amount of \$2,500,000, plus interest and costs as set out therein, granted by Surjit.

Terms of the Credit Agreement and Security

19. Pursuant to the Credit Agreement and/or Security, Starline covenanted to:

- (a) make its payments on account of the Indebtedness when due;
- (b) make payment of all taxes owing when due, including, without limitation, all property taxes and penalties;
- (c) obtain written consent of the Bank prior to executing or delivering any additional mortgage, charge, lien or other encumbrances on the Lands intended to rank subordinate to any of the Security;
- (d) provide the Bank with, among other things, the following monthly margin reporting within 25 days of each month-end:
 - (i) aged accounts receivable listing in CAD; and
 - (ii) aged accounts receivable listing in USD;(the “**Margin Reporting**”);
- (e) provide the Bank with the following financial reporting:
 - (iii) annual accountant-prepared financial statements within 120 days of fiscal year end;
 - (iv) annual budget and cash flow forecasts for the next fiscal year; and
 - (v) monthly accounts receivable, accounts payable and inventory listings(the “**Financial Reporting Requirements**”); and

- (f) permit the Bank, upon an event of default, to appoint a receiver over Starline's property, assets and undertakings charged by the Security, with power of sale in favour of such receiver.
- 20. Pursuant to the APS Agreement, the Guarantors agreed that any and future debts and liabilities owed to them by Starline are fully subordinated and postponed in favour of the Bank, including with respect to the Indebtedness.

Defaults and Bank Concerns

- 21. In or around October 2021, Starline's accounts were transferred to the Bank's Special Accounts Management Unit ("SAMU"), which department manages elevated risk and non-performing loan accounts.
- 22. The transfer to SAMU was triggered by the Bank's concern with respect to Starline's business operations, including, among other things:
 - (a) operating losses;
 - (b) unreliable information management systems and weak financial controls;
 - (c) a dispute amongst the shareholders (the "**Shareholder Dispute**"); and
 - (d) certain related party transactions (the "**Related Party Transactions**").
- 23. In addition to the foregoing, Starline had also defaulted under the Credit Agreement and the Security, as a result of, among other things:
 - (a) Starline's failure to:
 - (i) make its payments on account of the Indebtedness when due, resulting in loan arrears;
 - (ii) comply with the Margin Reporting (the "**Margin Reporting Defaults**");
 - (iii) comply with the Financial Reporting Requirements, including failure to provide the Bank with its accounts receivable and accounts payable listings (the "**Financial Reporting Defaults**"); and
 - (iv) pay its statutory priority payables to Canada Revenue Agency (the "**Statutory Payable Defaults**");
 - (b) the following charges registered on title to the Lands, which have since been discharged::
 - (i) Certificate of Pending Litigation registered on December 17, 2020 in favour of Kondolay Transport Ltd. ("**Kondolay**"), wherein Kondolay claimed a beneficial interest in the Clayburn Road Lands;

(ii) Judgment registered on December 17, 2020 in favour of River Front Berry Farms Ltd. (“**River Front**”); and

(iii) Judgment registered on July 27, 2021 in favour of Kondolay;

(the “**Defaults**”).

Summary of Key Events

24. As further detailed below, at the Debtors’ request, the Bank and the Debtors entered into an initial forbearance agreement in the spring of 2022, followed by a series of extensions over the ensuing years in response to Starline’s ongoing defaults.
25. During this period, the Bank issued formal demands, participated in a statutory mediation process, and continued to grant further forbearance at the Debtors’ request. The following table provides a high-level chronology of these events.

Date	Event
April 29, 2022	Initial Forbearance Agreement
July 31, 2022	Expiry of Forbearance Period
October 31, 2022	Expiry of First Extended Forbearance Period
January 31, 2023	Expiry of Second Extended Forbearance Period
February 8, 2023	Initial Demands issued by the Bank
March 2023	Starline applies for relief under the <i>Farm Debt Mediation Act</i>
June 30, 2023	Expiry of Third Extended Forbearance Period
August 31, 2023	Expiry of Fourth Extended Forbearance Period
January 26, 2024	Expiry of Fifth Extended Forbearance Period
June 2024	Debtors advise of their plans to refinance with Business Development Bank of Canada (“ BDC ”)
July 31, 2024	Expiry of Sixth Extended Forbearance Period
March 1, 2025	Starline fails to make its annual payment on account of Demand Loan 771
November 24, 2025	Further Demands issued by the Bank

Date	Event
February 15, 2026	Expiry of Seventh Extended Forbearance Agreement

The Forbearance Agreement

26. At the Debtors' request, the Bank agreed to enter into a forbearance agreement dated for reference April 29, 2022 (the "**Forbearance Agreement**").
27. Pursuant to the Forbearance Agreement, the Bank agreed to forbear from taking steps to enforce the Security to provide the Debtors until July 31, 2022 (the "**Forbearance Period**") to address their financial difficulties and obtain refinancing to repay the Indebtedness then owing on, among others, the following terms and conditions:
- (a) the Debtors acknowledge and agree that the Indebtedness, secured by the Security, is due and owing to the Bank;
 - (b) the Debtors acknowledge and agree that the Security and the Guarantees are valid and enforceable;
 - (c) the Debtors agree that all fees and disbursements paid by the Bank to its lawyers (on the basis of complete indemnification on a solicitor and its own client basis) in connection with the Credit Agreement, the Indebtedness, the Security, the Forbearance Agreement, and all matters incidental or relating thereto, shall be payable by Starline forthwith upon request, failing which the Bank may add such costs to the Indebtedness, and when so added, such costs will be secured by the Security;
 - (d) upon the happening of an Event of Default (as defined in the Forbearance Agreement) the Bank shall have the immediate right to terminate the remainder of the Forbearance Period, if any, and proceed with seeking repayment of the Indebtedness followed by enforcement of the Security;
 - (e) Deloitte, as the Bank's consultant, shall review the business and financial position of Starline, including its business prospects and financial projections, the Bank's security position and to attend to any other matters which the Bank may from time to time require; and
 - (f) if the Bank commences proceedings to enforce some or all of the Security, either at the expiry of the Forbearance Period or after the Forbearance Period has been terminated at the Bank's election, the Debtors, among other things, irrevocably consent to the appointment of a receiver or receiver/manager over any or all of Starline's assets and undertakings charged by the Security.
28. Pursuant to the Forbearance Agreement, Starline also agreed to, among other things:
- (a) make certain payments to the Bank;

- (b) cure all Defaults, including the Statutory Payable Defaults, the Margin Reporting Defaults and the Financial Reporting Defaults, as well as attend to the discharges of the Certificate of Pending Litigation and judgment registered on the Lands in favour of Kondolay, as well as the judgment registered in favour of River Front;
- (c) record and correct all Related Party Transactions and other unrecorded transactions;
- (d) cease making payments to its shareholders or other related parties, including without limitation, salaries, shareholder loan payments, dividends or otherwise;
- (e) provide, among other things, the following reporting to the Bank and Deloitte:
 - (i) internally prepared monthly financial statements within 10 days of month end;
 - (ii) cash-flow variance analysis within 10 days of month end;
 - (iii) copies of all correspondence with Canada Revenue Agency with respect to a pending payroll audit and any agreed upon payment arrangement; and
 - (iv) copies of any creditor demands for enforcement or legal proceedings taken by a creditor against Starline.

The First Extended Forbearance Period

29. Upon expiry of the Forbearance Period, the Debtors requested additional forbearance from the Bank, notwithstanding the expiry of the Forbearance Period and Starline remaining in default of its obligations. The Bank agreed to the extension request and prepared a supplemental forbearance agreement (the “**Supplemental Forbearance Agreement**”), extending the Forbearance Period to October 31, 2022 (the “**First Extended Forbearance Period**”).

The Second Forbearance Extension

30. Upon expiry of the First Forbearance Extension, the Debtors requested further forbearance from the Bank, notwithstanding Starline remained in default of its obligations, including the Statutory Payable Defaults. The Bank agreed to this further request and prepared a second supplemental forbearance agreement (the “**Second Supplemental Forbearance Agreement**”), extending the Forbearance Period to January 31, 2023 (the “**Second Extended Forbearance Period**”).

The Initial Demands

31. The Debtors defaulted under the Second Supplemental Forbearance Agreement by virtue of their failure to repay the Indebtedness in full by the end of the Second Extended Forbearance Period.

32. Accordingly, the Bank, through its solicitors, made demand for payment on the Debtors by letters dated February 8, 2023 (the “**Demand Letters**”). Enclosed with the Demand Letters was a notice pursuant to the *Farm Debt Mediation Act* and a Notice of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act* (“**FDM/BIA Notice**”).

Relief under the *Farm Debt Mediation Act* and Further Forbearance

33. In March 2023, Starline applied for relief under the *Farm Debt Mediation Act* and, on April 6, 2023, participated in a meeting with the Bank. Following this meeting, the Bank agreed to further forbearance and prepared a third supplemental forbearance agreement (the “**Third Supplemental Forbearance Agreement**”) extending the Forbearance Period to June 30, 2023 (the “**Third Extended Forbearance Period**”).

Additional Forbearance

34. At the Debtors’ request, the Bank granted two additional extensions to the Forbearance Period:
- (a) an extension to August 31, 2023 (the “**Fourth Extended Forbearance Period**”) pursuant to a fourth supplemental forbearance agreement (the “**Fourth Supplemental Forbearance Agreement**”); and
 - (b) an extension to January 26, 2024 (the “**Fifth Extended Forbearance Period**”) pursuant to a fifth supplemental forbearance agreement (the “**Fifth Supplemental Forbearance Agreement**”).
35. In June 2024, the Debtors advised the Bank that they had arranged for refinancing with BDC sufficient to repay the Indebtedness then owing. As a result, and at the request of the Debtors, the Bank granted an additional extension of the Forbearance Period to July 31, 2024 (the “**Sixth Extended Forbearance Period**”) pursuant to a sixth supplemental forbearance agreement (the “**Sixth Supplemental Forbearance Agreement**”).
36. No such refinancing with BDC or another lender has materialized and the Debtors have failed to repay the Indebtedness.

The Additional Demands

37. The Debtors defaulted under the Sixth Supplemental Forbearance Agreement by virtue of their failure to repay the Indebtedness in full by the end of the Sixth Extended Forbearance Period.
38. Starline further defaulted on its obligations to the Bank by failing to make its annual payment on account of Loan 771 when due on March 1, 2025.

39. Accordingly, the Bank, through its solicitors, issued further Demand Letters and a further FDM/BIA Notice (the “**Further Demand Letters and FDM/BIA Notice**”) by letters dated November 24, 2025.

The Seventh Extended Forbearance Period

40. Notwithstanding the Further Demand Letters and FDM/BIA Notice, the Debtors requested further forbearance from the Bank. The Bank agreed to this further request and prepared a seventh supplemental forbearance agreement (the “**Seventh Supplemental Forbearance Agreement**”) extending the Forbearance Period to February 15, 2026 (the “**Seventh Extended Forbearance Period**”).
41. The Debtors defaulted under the Seventh Supplemental Forbearance Agreement by failing to pay the Indebtedness in full by the end of the Seventh Extended Forbearance Period.

Loss of Confidence in the Debtors

42. The Bank has, at the Debtor’s request, granted seven extensions to the Forbearance Period:

Agreement	Forbearance Period Expiry
Supplemental Forbearance Agreement	First Extended Forbearance Agreement Expired October 31, 2022
Second Supplemental Forbearance Agreement	Second Extended Forbearance Agreement Expired January 31, 2023
Third Supplemental Forbearance Agreement	Third Extended Forbearance Agreement Expired June 30, 2023
Fourth Supplemental Forbearance Agreement	Fourth Extended Forbearance Agreement Expired August 31, 2023
Fifth Supplemental Forbearance Agreement	Fifth Extended Forbearance Agreement Expired January 26, 2024
Sixth Supplemental Forbearance Agreement	Sixth Extended Forbearance Agreement Expired July 31, 2024
Seventh Supplemental Forbearance Agreement	Seventh Extended Forbearance Agreement Expired February 15, 2026

(the “**Extended Forbearance Periods**”).

43. Despite the Bank's accommodations to the Debtors over the past four years, including the Extended Forbearance Periods, the Debtors have failed to repay the Indebtedness to the Bank and Starline remains in default of its obligations, including by virtue of, among other things:
- (a) failure to provide required reporting to the Bank, including:
 - (i) Margin Reporting for December 2025, January 2026 and February 2026; and
 - (ii) annual budget and cash flow forecasts.
 - (b) failing to make its annual payment on account of Demand Loan 771 when due on March 1, 2025; and
 - (c) failing to repay the Indebtedness through refinancing with BDC or otherwise;
44. In addition, the Bank's confidence in Starline has been undermined by, among other things:
- (a) the Shareholder Dispute; and
 - (b) the Related Party Transactions disclosed in Starline's May 2025 year-end financial statements and its January 2026 year-to-date financial statements, which have prevented the Bank from making a reliable determination of Starline's financial position.
45. In light of the above, the Bank does not have confidence in the Debtors' ability to repay the Indebtedness.

Consent to Act as Receiver

46. Deloitte, a trustee within the meaning of section 2 of the BIA is qualified to act as Receiver of the Debtors and has consented to act.

Part 3: LEGAL BASIS

Statutory Basis

47. The Bank brings this application for appointment of a receiver pursuant to section 243 of the BIA and section 39 of the LEA, section 66 of the *Personal Property Security Act*, R.S.B.C. 1996, c.359 and Supreme Court Civil Rule 10-2.

48. Section 243 of the BIA provides:

243(1) Subject to subsection (1.1), on application by a secured creditor, a court may appoint a receiver to do any or all of the following if it considers it to be just or convenient to do so:

- (a) take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;

- (b) exercise any control that the court considers advisable over that property and over the insolvent person's or bankrupt's business; or
- (c) take any other action that the court considers advisable.

49. Section 39 of the LEA provides:

39(1) An injunction or an order in the nature of mandamus may be granted or a receiver or receiver manager appointed by an interlocutory order of the court in all cases in which it appears to the court to be just or convenient that the order should be made.

(2) An order made under subsection (1) may be made either unconditionally or on terms and conditions the court thinks just.

[...]

The Test for Appointing a Receiver

50. There are a number of factors the court may consider in exercising its discretion to appoint a receiver, including:

- (a) whether irreparable harm might be caused if no order were made;
- (b) the nature of the property;
- (c) the preservation and protection of the property;
- (d) the balance of convenience to the parties;
- (e) the fact that the creditor has the right to appoint a receiver under the documentation provided for the loan;
- (f) the effect of the order upon the parties;
- (g) the conduct of the parties;
- (h) the cost to the parties;
- (i) the likelihood of maximizing return to the parties; and
- (j) the goal of facilitating the duties of the receiver.

***Maple Trade Finance Inc. v CY Oriental Holdings Ltd.*, 2009 BCSC 1527**

at para 25 [Maple Trade];

***Bank of Montreal v Gian's Business Centre Inc.*, 2016 BCSC 2348 at paras 23-24 [Gian's];**

***Bank of Montreal v Haro-Thurlow Street Project Limited Partnership*,
2024 BCSC 47 [Haro] at para 73.**

***Institutional Mortgage Capital Canada Inc. v. Mortise (Scott Road Residential) Holdings Ltd.*,
2025 BCSC 1500 [Mortise] at para 25.**

51. The above-noted factors are not a checklist, but a collection of considerations to be viewed holistically in an assessment as to whether, in all of the circumstances, the appointment of a receiver is just or convenient.

***Royal Bank of Canada v Canwest Aerospace Inc.*, 2023 BCSC 514 at para. 9.**

52. While it is not necessary for a secured creditor to show jeopardy before a receiver is appointed, no such presumption of appointment should be made; rather, the court should review the matter holistically and decide whether on the whole of the circumstances it is, in fact, just and convenient to appoint a receiver.

***Gian's* at para 23.**

53. A secured creditor is entitled to elect the means in which to enforce its security as provided for under the applicable agreement, subject to the court granting the relief sought.

***Haro* at para. 95.**

***Mortise* at para 27.**

54. It has long been held that the acknowledgment of the right of a creditor to make an application for a receiver is a strong factor in support of the imposition of a receiver. In other words, the “extraordinary nature” of the remedy sought is less essential to the inquiry and irreparable harm need not be demonstrated.

***Ward Western Holdings Corp. v. Brosseuk*, 2022 BCCA 32 at para 65 [*Ward Western*].**

***Maple Trade* at para 26.**

55. Put another way, it is not essential for a creditor to establish irreparable harm if a receiver is not appointed, particularly where the appointment of a receiver is authorized by the security documentation.

***Ward Western* at para 49.**

56. The consideration of a creditor’s right to appoint a receiver is even more significant when it is contained within a forbearance agreement since that agreement is entered into at the time the debtor was in default.

***Gian's* at para 25.**

***Mortise* at para 30.**

57. Furthermore, the appointment of a receiver over mortgaged lands is not an “extraordinary remedy” where there has been a default under a mortgage; and in cases where the security documentation provides for the appointment of a receiver, the “extraordinary nature” of

the remedy sought is less essential to the inquiry. Irreparable harm need not be demonstrated.

Mortise at para 29.

BCIMC Construction Fund Corporation et al v The Clover on Yonge Inc., 2020 ONSC 1953 at paras 43-44;

Bank of Montreal v Carnival National Leasing Limited, 2011 ONSC 1007 at paras. 27-29.

It is Just and Convenient to Appoint a Receiver

58. The Bank submits that it is just and convenient to appoint a receiver in these circumstances given that Starline has consented to the appointment of a Receiver pursuant to the Forbearance Agreements, and:
- (a) Starline's persistent defaults and failure to repay the Indebtedness through the Extended Forbearance Periods;
 - (b) court officer control is required to oversee Starline's business, include any sale of the Lands and reconcile Starline's accounts, including the Related Party Transactions, for the benefit of all stakeholders; and
 - (c) the balance of convenience weighs in favour of appointing a receiver.

The Debtors' Ongoing Defaults and Risk to the Bank's Security

59. The Bank's Security has been put at risk as a result of Starline's persistent defaults, in addition to concerns arising with respect to Starline's current management, the Related Party Transactions, the Shareholder Dispute and from its failure to repay the Indebtedness through the Extended Forbearance Periods.
60. The Bank has attempted to work cooperatively with the Debtors since April 2022, including accommodating the Debtors' various requests for forbearance. However, the Debtors have failed to repay the Indebtedness in full through refinancing or otherwise.

Court Officer Control is Required for the Benefit of all Stakeholders

61. The Debtors have demonstrated an inability or unwillingness to repay the Indebtedness, placing the Bank's Security at risk.
62. Given the Debtors' conduct, a receiver is necessary to preserve the Bank's security and for the benefit of all stakeholders. A receiver would:
- (a) ensure timely payment of statutory priority payables;
 - (b) protect, maintain, and arrange a sale of the Lands and other assets charged by the Bank's Security; and

- (c) provide transparency and accountability to all stakeholders, including, in particular, with respect to the Related Party Transactions.

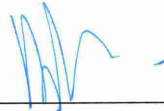
Balance of Convenience

63. While appointment of a receiver removes operational control from Starline and comes with added costs, it is necessary in these circumstances due to the continuous defaults by the Debtors, the uncertainty respecting Starline's financial viability, and concerns respecting the Related Party Transactions, the Shareholder Dispute and Starline's current management.
64. Accordingly, in these circumstances it is just and convenient to appoint a receiver over all of the property, assets and undertakings of Starline, including the Lands.

Part 4: MATERIAL TO BE RELIED ON

65. The pleadings and materials filed in this proceeding;
66. Affidavit #1 of Danon Danesh filed herein; and
67. Such other materials as counsel may advise and this Honourable Court may accept.

Dated at the City of Vancouver, in the Province of British Columbia, this 22 day of April, 2026.



Lawson Lundell LLP
Solicitors for the Petitioner, Bank of
Montreal

This Petition to the Court is filed by Bryan Gibbons and Noor Mann of the law firm of Lawson Lundell LLP, whose place of business and address for delivery is 1600 – 925 West Georgia Street, Vancouver, British Columbia V6C 3L2.

To be completed by the court only:

Order made

☐ in the terms requested in paragraphs _____
of Part 1 of this Petition

☐ with the following variations and additional terms:

Date:

Signature of ☐ Judge ☐ Associate Judge

SCHEDULE A

NO. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

BANK OF MONTREAL

PETITIONER

AND:

STARLINE FOODS INC.
SURJIT SINGH GILL
SUKHMINDER SINGH GILL
GURINDER GREWAL
DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.
PHANTOM ELECTRICAL SYSTEMS LTD.
KHALSA CREDIT UNION
BRANDT TRACTOR LTD.

SERVICE LIST

BANK OF MONTREAL c/o Lawson Lundell LLP 1600 – 925 West Georgia Street Vancouver, B.C. Attention: Bryan C. Gibbons and Noor Mann Email: bgibbons@lawsonlundell.com and nmann@lawsonlundell.com	STARLINE FOODS INC. , c/o registered Office, 1-2838 Garden Street, Abbotsford, British Columbia V2T 4W7
SURJIT SINGH GILL , c/o 1-2838 Garden Street, Abbotsford, British Columbia V2T 4W7	SUKHMINDER SINGH GILL , c/o 1- 2838 Garden Street, Abbotsford, British Columbia V2T 4W7

DE LAGE LANDEN FINANCIAL SERVICES CANADA INC. , 3450 Superior Court, Unit 1, Oakville, Ontario L6L 0C4	KHALSA CREDIT UNION , 8788 120 Street, Surrey, British Columbia V3W 3N4
BRANDT TRACTOR LTD. , 9500 190 Street, Surrey, British Columbia V4N 3S2	

SCHEDULE B

NO. _____
VANCOUVER REGISTRY

BETWEEN:

BANK OF MONTREAL

PETITIONER

AND:

STARLINE FOODS INC.
SURJIT SINGH GILL
SUKHMINDER SINGH GILL
GURINDER GREWAL
DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.
PHANTOM ELECTRICAL SYSTEMS LTD.
KHALSA CREDIT UNION
BRANDT TRACTOR LTD.

RESPONDENTS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE) _____, THE ____ DAY OF ____ 2026
JUSTICE _____)
)

ON THE APPLICATION of Bank of Montreal (the “**Petitioner**”) coming on for hearing on November 17, 2025 at Vancouver, B.C., for an Order pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the “**LEA**”) appointing Deloitte Restructuring Inc. (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and property of Starline Foods Inc. (the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor, including the lands legally described as:

33786 Clayburn Road, Abbotsford, British Columbia
PID: 004-178-050

Lot 1 Except: Firstly: Parcel "B" (Reference Plan 8236) Secondly: Parcel "C" (Reference Plan 8237) Thirdly: Parcel "A" (Reference Plan 8255) Fourthly: Part Subdivided By Plan 24013, District Lot 202 Group 2 New Westminster District Plan 4298;

PID: 004-178-432

Parcel "E" (Explanatory Plan 14251) Of Parcel "D" (Reference Plan 287) District Lot 202 Group 2 New Westminster District

(the "**Lands**");

coming on for hearing this day at Vancouver, British Columbia;

AND ON READING the Affidavits #1 of Danon Danesh and the consent of Deloitte Restructuring Inc. to act as the Receiver; AND ON HEARING Bryan C. Gibbons, and Noor Mann, counsel for the Petitioner and other counsel as listed on **Schedule "A"** hereto, and no one else appearing, although duly served.

THIS COURT ORDERS AND DECLARES that:

APPOINTMENT

1. Pursuant to Section 243(1) of the BIA and Section 39 of the LEA, Deloitte Restructuring Inc., is appointed Receiver, without security, of all of the assets, undertakings and property of the Debtor, including all proceeds and the Lands (the "**Property**").

RECEIVER'S POWERS

2. The Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of

business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting these amounts, including, without limitation, enforcement of any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtor, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of a single transaction for consideration up to \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000 and
 - (ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,

and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;

- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

3. Each of (i) the Debtor; (ii) all of the Debtor's current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "**Persons**" and each a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding

Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.

4. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and

any and all Proceedings currently under way against or in respect of the Debtor or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtor and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the BIA.

NO INTERFERENCE WITH THE RECEIVER

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

13. Subject to the employees’ right to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor’s behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtor, including any successor employer liabilities as referred to in Section 14.06(1.2) of the BIA, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

PERSONAL INFORMATION

14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor

and shall return all other personal information to the Receiver or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.
16. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.
17. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - (a) before the Receiver's appointment; or,
 - (b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
18. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER'S LIABILITY

19. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:
 - (a) any gross negligence or wilful misconduct on its part; or

- (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

- 20. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
- 21. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
- 22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

- 23. The Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

24. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
25. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
26. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

27. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the Property.

SERVICE AND NOTICE OF MATERIALS

28. The Receiver shall establish and maintain a website in respect of these proceedings at: insolvencies.deloitte.ca (the "**Website**") and shall post there as soon as practicable:
 - (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Petitioner a demand for notice in the form attached as Schedule "C" (the "**Demand for Notice**"). The Receiver and the Petitioner need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Petitioner from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.

30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the “**Service List**”). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.
32. Notwithstanding paragraph 31 of this Order, service of the Petition or Notice of Application and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.
33. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor’s creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

GENERAL

34. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days’ notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
35. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
36. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
37. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are respectfully requested to make such

orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

38. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
39. The Petitioner shall have its costs of this motion, up to and including entry and service of this Order, as provided for by the terms of the Petitioner's security or, if not so provided by the Petitioner's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.
40. Endorsement of this Order by counsel appearing on this application other than the Petitioner is dispensed with.

THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

APPROVED BY:

Signature of Bryan C. Gibbons,
counsel for Bank of Montreal

BY THE COURT

DISTRICT REGISTRAR

SCHEDULE "A"

List of Counsel Appearing

COUNSEL	APPEARING FOR
Bryan Gibbons Noor Mann	Bank of Montreal

SCHEDULE "B"

RECEIVER AND MANAGER'S CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Deloitte Restructuring Inc. (the "**Receiver**"), without security, of all of the assets, undertakings and property of Starline Foods Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including the following lands legally described as:

PID: 004-178-050

Lot 1 Except: Firstly: Parcel "B" (Reference Plan 8236) Secondly: Parcel "C" (Reference Plan 8237) Thirdly: Parcel "A" (Reference Plan 8255) Fourthly: Part Subdivided By Plan 24013, District Lot 202 Group 2 New Westminster District Plan 4298;

PID: 004-178-432

Parcel "E" (Explanatory Plan 14251) Of Parcel "D" (Reference Plan 287) District Lot 202 Group 2 New Westminster District

(the "**Lands**");

including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Supreme Court of British Columbia (the "**Court**") dated the _____ day of _____, 2026 (the "**Order**") made in SCBC Action No. _____ has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly] not in advance on the _____ day of each month after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the

charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 2026.

Deloitte Restructuring Inc., solely in its
capacity as Receiver of the Property, and not
in its personal capacity

Per:
Name:
Title:

Schedule "C"
Demand for Notice

TO: Bank of Montreal
c/o Lawson Lundell LLP
1600 – 925 West Georgia Street,
Vancouver, B.C. V6C 3L2
Attention: Bryan C. Gibbons and Noor Mann
Email: bgibbons@lawsonlundell.com / nmann@lawsonlundell.com

AND TO: Deloitte Restructuring Inc.
410 West Georgia Street
Vancouver, B.C. V6B 0S7
Attention: _____
Email: _____

Re: In the matter of the Receivership of Starline Foods Inc.

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

1. By email, at the following address (or addresses):

OR

2. By facsimile, at the following facsimile number (or numbers):

OR

3. By mail, at the following address:

Name of Creditor: _____

Name of Counsel (if any): _____

Creditor's Contact Address: _____

Creditor's Contact Phone Number: _____

NO. _____
VANCOUVER REGISTRY

NO. _____
VANCOUVER REGISTRY

BETWEEN:

BANK OF MONTREAL

PETITIONER

AND:

STARLINE FOODS INC. and others

RESPONDENTS

PETITION TO THE COURT



Barristers & Solicitors
1600 Cathedral Place
925 West Georgia Street
Vancouver, British Columbia
V6C 3L2
Phone: (604) 685-3456
Attention: Bryan Gibbons