

Court File No. CV-17-588349-00CL

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

BETWEEN:

HSBC BANK CANADA

Applicant

- and -

BLUE GOOSE PURE FOODS LTD. O/A TENDER CHOICE FOODS

Respondent

**FIRST REPORT OF THE RECEIVER
DATED APRIL 5, 2018**

INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (the “**Court**”) dated December 21, 2017 (the “**Appointment Order**”), Deloitte Restructuring Inc. (“**Deloitte**”) was appointed as the receiver (the “**Receiver**”) of all of the assets, undertakings and properties of Blue Goose Pure Foods Ltd. o/a Tender Choice Foods (“**Blue Goose**” or the “**Debtor**”) acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof (the “**Property**”). A copy of the Appointment Order is attached hereto as Appendix “**A**”.

2. The Debtor is a corporation formed pursuant to the *Canada Business Corporations Act* that processed turkey, chicken and fowl, among other carcasses, for sale to its customers in the food industry. The Debtor operated out of leased premises containing office space and a manufacturing facility comprising an area of approximately 225,000 square feet located at 4480 Paletta Court, Burlington, Ontario (the “**Leased Premises**”). The Debtor’s principal assets were machinery and equipment used in the processing of animal carcasses, inventory and accounts receivable. Blue Goose, a private company, is indirectly owned by Dundee Corporation (“**Dundee**”), a publicly traded entity with offices in Toronto, Ontario.

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3. On December 14, 2017, prior to the date of the Appointment Order, the Debtor was subject to an interim receivership proceeding. Deloitte was appointed as interim receiver (the "**Interim Receiver**") with such appointment being terminated upon Deloitte's appointment as Receiver in accordance with the Order appointing Deloitte as Interim Receiver.
4. The Appointment Order authorized the Receiver to, among other things, take possession of, and exercise control over the Property and any and all proceeds, receipts and disbursements, arising out of, or from, the Property. In addition, the Receiver was authorized to sell, convey, transfer, lease or assign the Property or any part thereof out of the ordinary course:
 - (a) without the approval of the Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
 - (b) with the approval of the Court in respect of any transaction exceeding \$500,000.
5. The Appointment Order, together with related Court documents, the Notice to Creditors issued pursuant to sections 245 and 246 of the *Bankruptcy and Insolvency Act* (the "**BIA**") and this First Report (as defined herein) are posted on the Receiver's website at www.insolvencies.deloitte.ca/en-ca/BlueGooseTenderChoice.
6. The purpose of this first report of the Receiver (the "**First Report**") is to:
 - (a) Provide the Court with an update in respect of the activities of the Receiver since its appointment;
 - (b) Seek relief from the Court in respect of a Debtor asset formerly located on the premises of Mack Sales & Service of Stoney Creek Ltd. o/a Vision Truck Group ("**Vision**") but which has been moved to an undisclosed location by Vision without the Receiver's knowledge or consent;
 - (c) Provide the Court with the results of the security opinion rendered to the Receiver by its counsel, Goldman Sloan Nash & Haber LLP ("**GSNH**"), in respect of HSBC Bank Canada's ("**HSBC**" or the "**Bank**") security and, based on such opinion, seek

the Court's approval to make distributions to the Bank on account of its security interest as funds are received by the Receiver;

- (d) Seek the Court's approval for certain amounts borrowed from the Bank, *nunc pro tunc*;
- (e) Seek approval of the Interim Receiver's activities, including its professional fees and costs related thereto; and
- (f) Seek approval of the Receiver's activities to date, including its professional fees and costs related thereto.

TERMS OF REFERENCE

7. In preparing this First Report, the Receiver has been provided with, and has relied upon unaudited, draft and/or internal financial information, the Debtor's books and records, discussions with former management of the Debtor ("**Management**"), and information from third-party sources (collectively, the "**Information**"). Except as described in this First Report:

- (a) the Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and
- (b) the Receiver has prepared this First Report in its capacity as a Court-appointed officer to support the Court's approval of the relief being sought by the Receiver. Parties using the First Report other than for the purposes outlined herein are cautioned that it may not be appropriate for their purposes.

- 8. Unless otherwise stated, all dollar amounts contained in the First Report are expressed in Canadian dollars.
- 9. Unless otherwise provided, all other capitalized terms not otherwise defined in this First Report are as defined in the Appointment Order.

BACKGROUND AND FIRE AT THE PREMISES

- 10. Prior to its acquisition by Dundee, the business operating out of the Leased Premises was owned and managed by affiliated companies and members of the Paletta family of Burlington, Ontario, whom the Receiver understands have multiple business interests including food processing, real estate and construction, and media and entertainment. According to the website of Paletta International Corporation (“PIC”), PIC was founded in 1951 by Pasquale (Pat) Paletta and operated with significant involvement of the other Paletta family members. The Receiver understands that the Paletta family operated the Tender Choice Foods business at the current site since the 1960s until such time as it was sold as discussed below.
- 11. Pursuant to the Asset Purchase Agreement effective as of September 1, 2016 (the “APA”), the Debtor purchased the business of Tender Choice Foods from the Paletta-controlled entities. After the purchase of the business, the Debtor engaged certain members of the Paletta family to assist senior management with various capacities of the business.
- 12. Blue Goose, in its current form, began operations on October 17, 2016. Blue Goose, as purchaser, financed the purchase price pursuant to the APA with a mixture of debt and equity, with the equity being provided by a related Dundee entity and the senior secured

debt financed by the Bank. The current indebtedness to HSBC as of the date of this First Report is approximately \$34 million.

13. Pursuant to the APA, Blue Goose acquired all of the assets formerly used in the business of Tender Choice Foods Inc. and Tender Choice Foods (2016) Inc. (together, the “**Vendors**”), including all fixtures of the building related to the operation of such business. Although the Debtor acquired all of the personal property of the Vendors, it did not acquire an ownership interest in the Leased Premises. In order to retain use of the Leased Premises, a lease agreement dated October 17, 2016 (the “**Lease**”) was executed between the 2519459 Ontario Inc. (“**251 Ontario**”), as lessee, and Paletta Bros. Four Limited as landlord (the “**Landlord**”). The Receiver has been advised that the Landlord is the agent of Penta Properties Inc. (“**Penta**”), which is the beneficial owner of the Leased Premises.
14. The Lease was subsequently assigned to the Debtor by 251 Ontario on October 17, 2016 by way of a Consent to Assignment of Lease agreed between the Landlord, 251 Ontario, the Debtor and Blue Goose Capital Corp. Blue Goose Capital Corp. is the parent company of the Debtor. The Lease has an initial term of ten years.
15. The Leased Premises contain a number of discrete areas. In addition to the area containing the food processing equipment, there were two separate office areas. One was used by the Debtor for its administrative staff with the other being retained by the Landlord for its own use, which was contemplated by the Lease. Such retained area approximated 10,000 square feet of office space. The Lease contemplated that the Debtor would pay rent to the Landlord and certain entities related to the Landlord, would, in turn, pay for the retained

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office space, although no rental amount was ever formally agreed by the parties after the one year rent-free period set out in the Lease.

16. At the time of closing of the APA, the Debtor took over operations and carried on business in the normal course, subject to regulatory oversight typical for the food processing industry. Given that its food products are processed for human and animal consumption, the Debtor was subject to the supervision of the Canadian Food Inspection Agency (“CFIA”). The CFIA oversees food production in Canada and, according to its website, is “dedicated to safeguarding food, animals and plants, which enhances the health and well-being of Canada’s people, environment and economy”.
17. Pursuant to its mandate, the CFIA has the ability to inspect food processing operations and, if necessary, to issue corrective action requests (“CARs”) which set out certain actions that must be undertaken by licensed facilities. As a result of a number of CARs issued to the Debtor, operations at the Leased Premises were suspended by the CFIA on November 10, 2017 (the “Suspension”), with the effect of such Suspension limiting the Debtor’s ability to process and ship product to customers from the Leased Premises. The CARs required, among other things, that the Debtor undertake a number of improvements to the Leased Premises prior to the operational suspension being lifted.
18. Immediately following the Suspension, the Debtor commenced significant repair and maintenance activities within the Leased Premises. Such activities included, but were not limited to, the following:
 - (a) Replacing sprinkler systems in production areas;
 - (b) Repairing portions of walls and doors;

- (c) Fixing cracks in floors and regrading floors to minimize water collection;
- (d) Upgrading employee changing areas; and
- (e) Re-tiling certain floors and walls.

19. During the period from the date of the Suspension to December 6, 2017, approximately \$1.3 million was spent on repairs to the Leased Premises. Such costs represent amounts paid to contractors and employees, which amount includes payroll of approximately \$431,000 paid in the normal course as certain employees were assisting with the plant remediation efforts.
20. In addition to the plant remediation costs noted above, approximately \$1.9 million was paid to settle the outstanding accounts payable to the Debtor's meat suppliers in anticipation of Blue Goose resuming operations, which was planned for mid-December, 2017. This date was dependent on the CFIA's approval of the remediation efforts as contemplated in the CARs.
21. The plant rehabilitation continued from November 10, 2017 until December 6, 2017, on which date a large fire consumed a portion of the Leased Premises (the "Fire"). Thankfully, there were no injuries to any of the employees, contractors or other personnel who were present at the Leased Premises at the time of the Fire.
22. The Debtor's insurance brokers and insurance company, Everest Insurance (the "Insurer"), were notified and an adjuster, ClaimsPro (the "Adjuster"), was appointed to manage the Debtor's claims (the "Claim") arising from the Fire. Management had carriage of the Claim until the Receiver's appointment. Since December 14, 2017, the Receiver has been in regular contact with the Adjuster in respect of the Claim.

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23. As a result of the Fire, approximately 25% of the "footprint" of the Leased Premises was significantly damaged. Given the extent of this damage, a partial demolition of the Leased Premises has occurred and is currently ongoing.
24. Although the Receiver has been granted very limited, supervised access to the Leased Premises, safety issues arising from the extent of the demolition has prevented the Receiver from having access to many areas of the facility. In addition, the Leased Premises have been without heat, light, power and other utilities since the date of the Fire (i.e. December 6, 2017), rendering the Leased Premises unusable. The Receiver has not been provided a firm date by which time power and utilities will be restored to the Leased Premises and when safe access will be permitted by the supervising engineer in charge of the site. However, the Receiver has been advised that access may be available this month should certain demolition and stabilization efforts be completed by that time.
25. As a result of the Fire and the resulting loss of power over this extended period of time, the frozen inventories of the Debtor situate in the freezers and certain trailers at the Leased Premises were deemed to be a total loss. While much of the inventory is still frozen, there is a noticeable odour of ammonia within the large storage freezers due to damage to the refrigeration systems caused by the Fire, rendering the inventory unfit for sale or consumption. The Adjuster is currently assessing the most cost-effective manner to dispose of the spoiled inventory given relevant timelines by which such work must be completed.
26. Given that only limited access to the Leased Premises has been permitted to date, the Receiver has not been able to inspect and catalog the Debtor's processing equipment to

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ascertain damage from the Fire. The Receiver is hopeful that it will be able to undertake such inspection in the near future.

27. Following this inspection, the Receiver will determine an appropriate realization plan for the processing equipment, office furniture and other assets within the Leased Premises.

Matters related to the Lease

28. Pursuant to paragraph 6 of the Appointment Order, the Receiver is not required to pay occupation rent on the Leased Premises without further Order of the Court. However, the Receiver is permitted to have unrestricted access to any property of the Debtor contained within the Leased Premises.
29. As set out above, the Landlord subleases certain office space from the Debtor within the Leased Premises. As part of the Lease, the Landlord has the ability to disclaim the lease if the building becomes uninhabitable or otherwise unusable for a period in excess of six months.
30. On January 16, 2018, Angelo Paletta, a principal of Penta, emailed the Receiver and enclosed a copy of a letter from Lanhack Consultants Inc. ("**Lanhack**") addressed to Penta (the "**Lanhack Letter**"). The Lanhack Letter was dated January 5, 2018 and sets out Lanhack's opinion with respect to the extent of remediation that would need to be done to the Leased Premises in order to repair it to its original state and make the Leased Premises suitable for its intended purpose. Lanhack is of the view that such remediation work would take in excess of 180 days. Mr. Paletta's email refers to "Lease 12(c)". There is similar language in paragraph 12.1(c) of the Lease, which provides that:

“If, in the opinion of the Architect, such opinion to be given to the Landlord within thirty (30) days of the date of such damage, the Demised Premises cannot be repaired or made fit for occupancy...within one hundred and eighty days (180 days) from the date of such damage..., then either the Landlord or Tenant may, by written notice of the other party given within thirty (30) days of receipt of such opinion of the Architect, elect to terminate this Lease, in which case Rent shall cease and be adjusted as of the date of such damage and the Tenant shall forthwith vacate the Demised Premises and surrender same to the Landlord”.

- 31. Legal counsel to the Paletta family has advised the Receiver that the effect of the Lanhack Letter is that rent payments that would otherwise be owed by the Debtor are now abated.

RECEIVER’S ACTIONS TO SAFEGUARD ASSETS AND STATUTORY DUTIES

- 32. Before the demolition work commenced at the Leased Premises, the Receiver attended at the Debtor’s office to secure records and to move them to an off-site location. The Receiver also retrieved four servers from Dundee’s premises, which were being stored there temporarily after the Fire.
- 33. Records retained by the Receiver include physical accounting records, various tax returns, computers and servers, and other information relevant to the business. The Receiver also arranged for the secure back-up of the Debtor’s computer records for record retention purposes.
- 34. Upon appointment, the Receiver notified the Insurer and the Adjuster of the Appointment Order and the Receiver’s interest in the property of the Debtor.

- 35. At the Receiver's request, and given that there had been few receipts available to the Receiver owing to the Fire and the consequences thereof, the Bank advanced funds to the Receiver on January 4, 2018 to pay the outstanding insurance premium for the balance of the premium year, which term ends September 30, 2018.

- 36. The Receiver has also undertaken statutory and other receivership activities including, but not limited to:
 - (a) Compiling and delivering the statutory mailings and notices required of a receiver pursuant to BIA;
 - (b) Administering the provisions of the *Wage Earner Protection Program Act* ("WEPPA") as further described below;
 - (c) Setting up a website and posting documents relevant to the Debtor's receivership proceeding;
 - (d) Responding to queries from stakeholders and prospective purchasers of assets of the Debtor;
 - (e) Attending the Leased Premises when possible to view the site and to secure books, records and computer equipment;
 - (f) Moving mobile equipment to secure, off-site storage facilities;
 - (g) Discussing the Debtor's affairs with Management to understand relevant issues;
 - (h) Working with the Debtor's former Financial Controller to prepare information to support the Claim;
 - (i) Maintaining regular correspondence with the Adjuster for the purposes of advancing certain components of the Claim, including filing an interim proof of loss with respect to the on-site inventory that was lost due to the Fire;

- (j) Meeting with officers of Dundee to understand their concerns and issues raised as it related to the Debtor's estate;
- (k) Engaging in discussions, through the Receiver's sales agent, with parties potentially interested in purchasing the Debtor's inventory;
- (l) Contacting parties that, according to the Debtor's records, owed money to Blue Goose; and
- (m) Liaising with CFIA to discuss the status of the Debtor's inventories and to confirm that off-site inventory may be sold in the normal course without further approval.

Engagement of contractors

37. In order to efficiently carry out certain of its statutory duties, and pursuant to the terms of the Receivership Order, the Receiver has engaged a number of independent consultants.

These consultants include:

- (a) The Debtor's former Financial Controller to assist with tax filings and the finalization of financial statements, including supporting the Receiver with respect to the Claim;
- (b) The Debtor's former Payroll Clerk to process the final payroll and assist with preparation and distribution of Records of Employment; and
- (c) The Debtor's former Divisional President who has been engaged as an exclusive sales agent to assist with the liquidation of the Debtor's off-site inventory.

38. The engagement of the former Financial Controller and Payroll Clerk are/were on an hourly basis while the former Divisional President is being compensated based on a commission structure.

ADMINISTRATION OF WAGE EARNER PROTECTION PROGRAM ACT CLAIMS

39. The Receiver prepared, mailed and filed with Service Canada WEPPA documentation as required for 147 eligible former employees. To date, 144 former employees have filed their Proofs of Claim with the Receiver and 82 such employees have received their WEPPA entitlement. All eligible employees will receive the maximum allowable by Service Canada. The majority of outstanding vacation pay and wages otherwise due to employees was funded by the Bank and paid prior to the date of the Appointment Order.
40. The Receiver estimates the super-priority payable to Service Canada for unpaid wages and vacation pay pursuant to s. 81.4 of the BIA to be approximately \$20,000.
41. The Receiver has also worked with legal counsel retained by the Labourers' International Union of North America to assist the union employees with their WEPPA claims.

ACCOUNTS RECEIVABLE COLLECTION EFFORTS

42. Since the date of the Appointment Order, the Receiver has been in contact with each of the account debtors appearing on the Debtor's December 5, 2017 accounts receivable subledger. In addition to formal collection letters delivered to each such party, the Receiver has followed up by telephone and email requesting that outstanding amounts be paid to it and advising that unpaid amounts will be referred for third party collection.
43. The December 5, 2017 subledger indicated a receivable balance of approximately \$2.1 million as at that date. One particular account debtor represented approximately \$1.6

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million of the total balance outstanding. However, that account debtor was claiming a full offset of its balance.

44. It would appear that the Debtor's records did not fully reflect significant cash receipts received prior to the date of the Appointment Order because certain customers have been able to provide the Receiver with proof that their balances had been paid.
45. As of the date of this First Report, the Receiver has collected \$344,869 and made arrangements with another customer for a further \$192,830 to be paid pursuant to a payment plan over the next two months. Seven of the original sixteen payments have cleared the Receiver's bank account to date. However, should the customer on this payment plan violate the agreed upon payment schedule, a claim under the Debtor's credit insurance policy will be made, as the Receiver believes that the outstanding balance from this customer is fully insured.

REALIZATIONS ON MOBILE EQUIPMENT

46. Given the nature of the Debtor's assets, the Receiver engaged Platinum Asset Services Inc. ("**Platinum**") to assist in recovery, inspection, relocation, valuation and realization activities with respect to the Blue Goose assets as such assets become available for sale. Since the date of the Fire, Platinum has undertaken the following activities at the Receiver's request:

- (a) Inspecting mobile equipment including forklifts and scissor lifts and transporting same to secure, off-site storage locations;
- (b) Arranging for the relocation of five tractors and 24 trailers in the Paletta Court yard to secure facilities;

(c) Inspecting and providing Platinum’s opinion on the economics of repairing trucks and trailers at repair facilities;

(d) Inspecting and cataloging trucks and trailers for sale by auction; and

(e) Generally assisting the Receiver with logistics related to the points above.

47. Since the Fire, Platinum has moved substantially all of the Debtor’s mobile equipment to secure, off-site storage locations until it can be sold via auction, which auction is scheduled for April 11, 2018. To that end, Platinum and the Receiver have negotiated an auction services agreement (the “**Auction Agreement**”) for the sale of this equipment.

48. The Auction Agreement is based on Platinum providing the Receiver with a “net minimum guarantee” for the subject assets. Once such proceeds are obtained, Platinum will recover costs up to a limit specified with a proceeds sharing provision for any excess funds received.

49. The sale values expected for the assets subject to the Auction Agreement permit the Receiver to undertake such sale without further approval of the Court. The Receiver will be reporting on the outcome of the auction sale in due course in a subsequent report.

MATTERS RELATED TO THE CLAIM

50. As set out above, the Insurer and the Adjuster have been notified that the Receiver will be submitting a Claim for losses incurred as a result of the Fire. At this time, the Receiver is compiling information to make claims relating to:

(a) Inventory housed in freezers and refrigerated trailers at the Leased Premises: Inventory with a book value of approximately \$4.3 million was stored at the Leased Premises at the time of the Fire. The Adjuster has informed the Receiver that it is

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of the view that this inventory is a total loss due to the Fire. This portion of the Claim was provided to the Adjuster on February 21, 2018 and is in the approximate amount of \$3.7 million;

(b) Equipment: As reported above, the Receiver has been unable to access or undertake an inspection of the processing equipment within the Leased Premises and, as such, is unable to determine whether the processing equipment and any other assets of the Debtor were damaged as a result of the Fire. The Receiver has been advised by Platinum that there has been damage to certain mobile equipment as a result of the Fire; and

(c) Business interruption: At the time of the Fire, Blue Goose was undertaking extensive work to remedy deficiencies noted in the CARs issued by the CFIA in order to restart the business in mid-December, 2017. Due to the Fire, Blue Goose will not be able to restart its business as planned.

51. The Receiver has engaged the services of Deloitte's Insurance Advisory practice to assist in the compilation and presentation of the Claim to the Adjuster.

INVENTORY SALES

52. The Receiver has commenced a process to liquidate the Debtor's inventory that was stored in seven off-site storage locations. Such facilities are located in Greater Toronto, Brantford and Montreal.
53. Shortly after the Fire, the Receiver was advised by third party freezer warehousemen that no goods would be released without full payment of storage arrears. These arrears totalled \$327,556 as at December 31, 2017. Given the limited receipts in the estate and the urgency to commence the sale process for the inventory in the third party freezer warehouses, the

Receiver requested and received an advance to the receivership estate from the Bank to fund settlement of storage arrears and facilitate shipments of product.

- 54. To date, inventory sales proceeds total approximately \$114,000, representing sales to two customers. The Receiver has negotiated further sales but the relevant customers have not yet taken delivery of the product sold.

- 55. The Receiver is currently working with the Debtor's former president, Paul Paletta, on a commissioned basis, to liquidate the remaining off-site inventory. In order to affect such sales, the Receiver has undertaken the following:
 - (a) Discussing the available inventory with Mr. Paletta and identifying potential buyers for each "cut" of chicken or turkey available for sale;
 - (b) Contacting such buyers to make them aware of the available product and its storage location;
 - (c) Obtaining sales offers on a per kilogram basis and negotiating same with the relevant buyer; and
 - (d) Arranging for customer pickup of the relevant product with the appropriate storage warehouse.

- 56. The Receiver's sales agent has provided the Receiver with a plan to liquidate the remaining inventory over a period of several months and will update such plan as market forces require. The activities listed above will continue until such time as the Debtor's inventory is liquidated or a bulk purchaser of remaining inventory is identified.

RELIEF RELATED TO VISION TRUCK GROUP

57. After the date of the Appointment Order, the Receiver became aware that a Blue Goose transport tractor ("Truck 2304") had been transported to Vision's premises in Grimsby, Ontario for repair work prior to the granting of the Appointment Order. The Receiver understands that Vision is in the business of automotive repair and had previously done repair work on several other Blue Goose trucks and one trailer for which it was not paid.
58. It is the Receiver's understanding that no work has been done on Truck 2304 by Vision and, accordingly, there is no amount owing by Blue Goose to Vision which could give rise to a repair lien claim. Any outstanding receivables owing to Vision relate to the other trucks and one trailer that are no longer in Vision's possession.
59. On or about January 9, 2018, a representative of Platinum attended Vision's premises to inspect Truck 2304. Based on this visit, it was requested that Vision provide a repair quotation in various stages to minimize repair costs to the Receiver. Vision provided a quote to Platinum on January 16, 2018, but no services have been authorized by the Receiver.
60. The Receiver has since had extensive correspondence with Mr. Steven Fretz, corporate credit manager of Vision regarding both the status of Truck 2304 as well as Vision's outstanding receivables relating to the other trucks and the trailer. Vision has taken the position that its entire outstanding receivables and storage fees (as discussed below) need to be paid prior to the release of Truck 2304 and that it is entitled to a priority storage fee of \$100 a day retroactive to the day Truck 2304 was delivered to Vision, which according to Vision's records, was in November 2014.

61. On February 15, 2018, the Receiver's counsel, GSNH, wrote a letter to Vision (the "**Vision Letter**") setting out the Receiver's position and reiterating that the Receiver wished to proceed with repairing Truck 2304 and pay for specifically authorized repairs, and indicating that amounts for purported liens claimed by Vision relating to work done on other trucks would be settled as the relevant trucks were sold. A redacted copy of this letter is attached as Appendix "**B**". Vision has not agreed with this arrangement and as noted, is insisting that all amounts owing to Vision for this and other vehicles, including storage charges, be paid in full before releasing Truck 2304.
62. On February 23, 2018, the Receiver received an invoice from Vision for what appeared to be towing fees. As the Receiver had not authorized any towing of Truck 2304 the Receiver contacted Mr. Fretz to determine the nature of this invoice.
63. Mr. Fretz has advised the Receiver that it has moved Truck 2304 to a "more secure location" and has refused to disclose the location of the truck unless Vision is paid all amounts it is claiming, including its arbitrary storage costs of \$100 per day. Mr. Fretz further advised the Receiver that the invoice noted above was sent to the Receiver "in error". The Receiver is very concerned about the current circumstance. Not only does Vision take the position that "storage costs" continue to accrue even after it has refused to release Truck 2304 to the Receiver, it has now effectively hidden this Property from the Receiver arguably in violation of the stay under the Appointment Order.
64. On March 29, 2018 the Receiver again contacted Vision in order to attempt to come to a consensual resolution of the matters outstanding between the two parties. In a telephone call to Mr. Fretz, the Receiver offered to pay all amounts related to Vision's purported liens

(despite Vision having no signed admission of indebtedness, other than work orders, in relation to such lien claims) prior to the equipment being sold. Mr. Fretz advised the Receiver that Truck 2304 would not be released without payment of all of the accrued pre- and post-receivership storage costs asserted by Vision.

- 65. Although the Receiver does not believe that \$100 a day is a reasonable amount to charge for storage of a vehicle in Grimsby, Ontario, particularly when Vision is not in the business of charging for parking, its primary concern is getting this now missing asset of the Blue Goose estate released back to the Receiver. As such, the Receiver is seeking an Order of this Court directing Vision to release Truck 2304 back to the Receiver. The Receiver agrees that such release is without prejudice to whatever "priority" entitlements Vision may have which will either be settled or litigated at a later date.

INDEPENDENT LEGAL OPINION REGARDING SECURITY HELD BY HSBC

- 66. At the request of the Receiver, GSNH has undertaken a review of the charges registered against Blue Goose. A copy of the opinion rendered by GSNH is attached as Appendix "C".
- 67. Subject to the usual qualifications in opinions of this nature, GSNH has advised the Receiver that the security held by the Bank is valid and enforceable and that the Bank is the first secured party with respect to the assets of the Debtor. The Bank also holds, by way of security, an assignment of all material contracts including the Lease.
- 68. The indebtedness of Blue Goose to the Bank is approximately \$34 million, prior to its advances to the Receiver to fund the receivership. Based on the fact that the Bank would

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appear to have priority on the proceeds of inventory, equipment and insurance claims, the Receiver is currently seeking approval to pay up to \$30 million to HSBC without further Order of the Court from proceeds of such assets (after the repayment of advances from the Bank to fund the receivership). Any funds disbursed by the Receiver to HSBC on account of its security interest would be distributed to the Bank subject to maintaining necessary cash in the estate to fund ongoing receivership costs. It is currently anticipated that the Bank will experience a significant shortfall on its secured debt.

69. In the event that the Receiver receives funds that are not subject to the Bank's security, it would not disburse such funds without further Order of the Court with prior notice to the affected party.

RECEIPTS AND DISBURSEMENTS

70. Attached as Appendix "D" is a statement of the Receiver's interim statement of receipts and disbursements through March 30, 2018 (the "R&D"). As set out in the R&D, the Receiver has received \$933,344, which includes advances to the estate from the Bank of \$472,927, and disbursed \$606,951, leaving a surplus of receipts over disbursements to date of \$326,393.
71. Once sufficient surplus proceeds have been received, it is the Receiver's intention to repay the advances to the receivership estate funded by HSBC before making Court-approved distributions to permanently repay HSBC's secured advances to the Company.

RECEIVER'S BORROWINGS

72. The Bank is the first secured creditor of the Debtor and any amounts received by the Receiver will be paid to it up to the limit of its indebtedness.
73. Shortly after its appointment, the Receiver made a request of the Bank for funds required to pay off the Debtor's full insurance premium. Such premiums had, in past, been financed through monthly installments. The Receiver determined, in order to ensure that there were no logistical issues with its payment, to fund the full remaining installments on a lump sum basis.
74. As noted above, the Receiver received \$101,559 from the Bank on January 4, 2018. Such amount was then paid in full satisfaction of the outstanding policy premium.
75. As at the date of the Receivership, there were significant arrears owed to off-site warehouses. In late January, the Receiver made a request of the Bank to fund certain amounts related to such arrears. Such amounts totalled \$327,556 and were received on January 29, 2018. Also received on the same day were amounts related to asset repair and logistics for total borrowings, including amounts related to insurance, totalling \$472,927 (the "**Borrowings**").
76. Payment to the warehouses and a trailer maintenance facility were made on January 30, 2018 with the other payment for asset logistics made on February 12, 2018.
77. The Appointment Order required the Receiver to obtain Court approval for borrowings in excess of \$250,000. The Receiver is currently seeking such approval from the Court and recommends that the Court approve same *nunc pro tunc*.

78. The Receiver is also seeking and recommends that the Court approve the repayment of the Borrowings as soon as sufficient funds are available to do so.

INTERIM RECEIVER'S PROFESSIONAL FEES

79. During the term of its appointment, the Interim Receiver maintained detailed records of its time from its appointment on December 14, 2017 until such time as the Appointment Order was issued, thereby terminating the interim receivership.

80. Pursuant to the Order appointing it, the Interim Receiver is to pass its accounts from time to time. The fees of the Interim Receiver from December 14 to December 21, 2017 amount to \$88,707, and together with Harmonized Sales Tax ("HST") in the amount of \$11,532, total \$100,239 (the "Interim Receiver's Fees"). The time spent by the Interim Receiver is more particularly described in the affidavit of Paul Casey of Deloitte, sworn April 3, 2018 (the "Casey Affidavit") in support hereof and attached hereto as Appendix "E". Such fees were billed together with those of the Receiver for administrative convenience, but have been separately identified in this paragraph and in Appendix "E".

RECEIVER'S PROFESSIONAL FEES

81. The Receiver, and its legal counsel, GSNH, have maintained detailed records of their professional time and costs since the issuance of the Appointment Order. Pursuant to paragraphs 20 and 21 of the Appointment Order, the Receiver and its legal counsel were directed to pass their accounts from time to time before the Court and were granted a Receiver's Charge over the property of the Debtor.

82. The fees of the Receiver during the period from December 21, 2017 to February 20, 2018 amount to \$299,654, and together with expenses and disbursements in the sum of \$5,717 and HST in the amount of \$39,696, total \$345,068 (the “Receiver’s Fees”). In addition, the total insurance advisory fees incurred by the Receiver during the period from January 3, 2018 to February 9, 2018 for services provided by Deloitte’s Insurance Advisory practice amount to \$57,443, and together with Goods and Services Tax in the amount of \$2,872, total \$60,315. The time spent by the Receiver is more particularly described in the Casey Affidavit.

83. The legal fees incurred by the Receiver during the period from December 19, 2017 to March 27, 2018 for services provided by GSNH amount to \$29,385, and together with disbursements in the sum of \$962 and HST in the amount of \$3,889, total \$34,235. The time spent by GSNH personnel is more particularly described in the Affidavit of Mario Forte of GSNH sworn April 5, 2018 (the “Forte Affidavit” and together with the Casey Affidavit, the “Fee Affidavits”) in support hereof and is attached hereto as Appendix “F”.

RECOMMENDATIONS

84. For the reasons set out above, the Receiver respectfully requests that the Court approve the Receiver’s request for an Order:

- (a) ordering Vision to advise the Receiver of the location of Truck 2304 and release Truck 2304 to the Receiver in its current unrepaired state, which release will be without prejudice to Vision’s claims with respect to Truck 2304;
- (b) approving the activities of the Interim Receiver as set out in the Casey Affidavit;

- (c) approving the R&D and the activities of the Receiver for the period from December 19, 2017 to March 30, 2018;
- (d) approving the Receiver's Borrowings and the eventual repayment of same when sufficient funds are available to the Receiver to do so;
- (e) approving distributions to HSBC from available surplus funds in the estate on account of its security interest up to a cumulative amount of \$30,000,000 without further order of the Court; and
- (f) approving the professional fees and disbursements of the Interim Receiver, the Receiver and its independent legal counsel set out in the Fee Affidavits and authorizing the Receiver to pay all such fees and disbursements from available funds.

All of which is respectfully submitted this 5th day of April, 2018.

Deloitte Restructuring Inc.
 Solely in its capacity as the Court-appointed receiver of the assets, undertakings and properties of Blue Goose Pure Foods Ltd., and without personal or corporate liability

Per: P. Casey
 Paul Casey, CPA, CA, FCIRP, LIT
 Senior Vice-President

TAB A

Appendix "A"
Appointment Order



Court File No. CV-17-588349-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MR.)
JUSTICE H. J. WILTON-SIBOUR)

THURSDAY, THE 21ST)
DAY OF DECEMBER, 2017)

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

BETWEEN:

HSBC BANK CANADA

Applicant

- and -

BLUE GOOSE PURE FOODS LTD, O/A TENDER CHOICE FOODS

Respondent

ORDER
(appointing Receiver)

THIS MOTION made by HSBC Bank Canada (the "Applicant") for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing Deloitte Restructuring Inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Blue Goose Pure Foods Ltd. o/a Tender Choice Foods (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of John Borch sworn December 19, 2017 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, the Debtor, no one appearing for any other party although duly served as appears from the affidavit of service of Rachel Bengino

sworn December 20, 2017 and on reading the consent of Deloitte Restructuring Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Deloitte Restructuring Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "Property").

3. THIS COURT ORDERS that this Order hereby replaces the Order of this Court granted in these proceedings on December 14, 2017 appointing Deloitte Restructuring Inc. as the Interim Receiver of the assets, undertakings and properties of the Debtor.

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- 3 -

- (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 process any and all claims for insurance under the Debtor's insurance policies and receive and collect all monies that may become payable under such policies, subject to the interest of the Applicant as first loss payee;
- (f) 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;
- (g) 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 such monies, including, without limitation, to enforce any security held by the Debtor;
- (h) to settle, extend or compromise any indebtedness owing to the Debtor;
- (i) 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;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed

shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (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 in its discretion may deem 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 any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, 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 thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- 5 -

- (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 thought desirable 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 limiting the generality of the foregoing, 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;
- (s) to redirect the mail of the Debtor; and
- (t) 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

5. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, authorized signing officers, employees, agents, accountants, legal counsel (subject to solicitor and client privilege) 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 (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

6. THIS COURT ORDERS that each of the relevant landlords of the Debtor at any of its leased locations or any owners of warehouses where any Property of the Debtor may be located

shall grant the Receiver immediate and continued access to the Property upon request. The Receiver shall not take occupation, possession or control of the Debtor's leased premises located at 4480 Paletta Court, Burlington, Ontario, L7L 5R2 (the "Burlington Premises") which were the site of a recent industrial fire. The Receiver shall, however, be permitted continued, unrestricted access to any Property of the Debtor located on the Burlington Premises for the purposes of fulfilling the provisions of this Order. In no event shall the Receiver be required to pay occupation rent in respect of the required access as provided for in this paragraph 6, *subject to further Order of the Court.*

7. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 6 or in paragraph 7 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

11. THIS COURT ORDERS that 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 hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

12. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent

the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

14. THIS COURT ORDERS that 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 hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the 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

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

herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or **any** further Order of this Court.

EMPLOYEES

16. THIS COURT ORDERS that 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, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

18. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste

or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the Ontario *Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession. The Receiver shall incur no liability or obligation as a result of it carrying out the provisions of this Order with respect to any Property

of the Debtor located at the Burlington Premises: ^{Following activities} (i) removal of books and records, including computer equipment; (ii) inspection and showing of equipment and vehicles; and (iii) removal of equipment and vehicles. MWS
MWS

LIMITATION ON THE RECEIVER'S LIABILITY

19. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

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

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

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

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

RETENTION OF LAWYERS

27. THIS COURT ORDERS that the Receiver may retain solicitors to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including without limitation, those conferred by this Order. Such solicitors may include the solicitors for the Applicant herein, in respect of any aspect where the Receiver is satisfied that there is no actual or potential conflict of interest.

SERVICE AND NOTICE

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

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

GENERAL

30. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

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

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

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

34. THIS COURT ORDERS that the Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant'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.

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

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

DEC 21 2017

PER / PAR:

MS

W. John - [Signature]

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Deloitte Restructuring Inc., the receiver (the "Receiver") of the assets, undertakings and properties Blue Goose Pure Foods Ltd. o/a Tender Choice Foods acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 21st day of December, 2017 (the "Order") made in an action having Court file number CV-17-588349-00CL, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the ____ day of _____, 20__.

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

Per: _____

Name:

Title:

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

HSBC BANK CANADA and
Applicant

BLUE GOOSE PURE FOODS LTD. O/A TENDER CHOICE
FOODS

Respondent

Court File No. CV-17-588349-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceedings commenced at Toronto

ORDER
(appointing Receiver)

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

D.J. Miller (LSUC# 34393P)
Tel: 416-304-0559
Email: djmiller@tgf.ca

Rachel Bengino (LSUC# 68348V)
Tel: 416-304-1153
Fax: 416-304-1313
Email: rbengino@tgf.ca

Lawyers for the Applicant

TAB B

Appendix "B"
Vision Letter



JENNIFER STAM
 Direct Dial 416-597-5017
 Email stam@gsnh.com
 Our File No.: 010004.0005

dedicated to your success

February 15, 2018

DELIVERED BY EMAIL

Mack Sales & Service of Stoney Creek Ltd.
 o/a Vision Truck Group
 330 South Service Rd.
 Stoney Creek, ON L8E 2R4

Attention: Steve Fretz

Dear Mr. Fretz:

RE: Blue Goose Pure Foods Ltd. (the "Company") o/a Tender Choice Foods

We are the lawyers for Deloitte Restructuring Inc. in its capacity as receiver (the "Receiver") of the property, assets and undertaking of the Company.

We understand that you have a vehicle belonging to the Company in your possession ("Truck 2304"), which vehicle has been situate at your premises since approximately October 2017 based on storage costs claimed in respect of Truck 2304. We further understand that Truck 2304 is currently in need of repairs and that initially you had engaged in discussions with the Receiver to perform certain work on Truck 2304 and provided service quotations in respect of such work. You then informed the Receiver that, in order to Release Truck 2304, payment of all of outstanding invoices for work done on other trucks belonging to the Company, totalling approximately \$20,000, must be made. Such demand was made on the basis that you claimed to have a lien over Truck 2304 for all work you may have done on the other trucks, which are no longer in your possession. You have advised the Receiver that you have registered non-possessory liens on trucks that are no longer in your possession.

As the Receiver has already advised you, we believe that the majority of your claims are either not valid or even where you may have a valid lien claim, you have not provided sufficient evidence to establish either the existence of amount of the majority of your lien claims.

First, in respect of the trucks upon which you have performed work, any priority lien claim for work performed would be with respect to the specific vehicle upon which the work was performed. A repair lien does not attach to other vehicles belonging to the same owner. Further, given that those trucks are no longer in your possession, you are required to establish that you have taken all of the steps under the *Repair and Storage Liens Act* ("RSLA") to perfect your non-possessory lien which includes providing evidence of (a) a

signed acknowledgement of indebtedness; and (b) registration of such lien. To date, you have not provided the Receiver with any documents that the Receiver could reasonably accept as "signed acknowledgements of indebtedness" despite the Receiver asking for evidence of this nature.

The Receiver has already advised you that despite the fact that you have not met the technical requirements for establishing a priority non-possessory lien in priority to the Company's secured creditor, it would be willing to make payment of the outstanding invoices as these vehicles are sold and the proceeds received.

Despite the foregoing, you have now refused to perform any repairs on Truck 2304 and further have claimed a priority storage lien for Truck 2304 of originally \$50 a day (during a conversation with Mr. Ambachtsheer of the Receiver on January 29, 2018) which amount you raised to \$100 a day in a subsequent email to Mr. Ambachtsheer on January 29, 2018.

Any right you may have to claim storage is limited to an amount that is either agreed upon by the parties or an amount that is "fair value" in accordance with the regulations under the RSLA. In your email to Mr. Ambachtsheer on January 29, 2018 you indicate that the \$100 a day is "your charge" but you provide no evidence as to the basis on which it is calculated and in our view, it grossly exceeds what could be considered "fair value". It seems obvious that \$100 a day for storage is unreasonable given our understanding that you are not normally in the business of charging for storage, you would not be able to otherwise obtain \$100 a day for the space that Truck 2304 is occupying and, additionally, parking in Grimsby is unlikely to generally average anywhere close to \$100 a day. Furthermore, Truck 2304 has not been abandoned as you indicated in your email to Mr. Ambachtsheer. In fact, the Receiver was negotiating the repair of Truck 2304 until such time as you determined you no longer wished to perform such repair without all arrears being paid. This is despite the fact that the Receiver informed you that all proper lien amounts would be paid in connection with the title transfer provisions of the RSLA once the trucks were sold and proceeds received.

Despite the foregoing, on a without prejudice basis, the Receiver would still like to reach a resolution of this matter with you and would propose that we resolve this matter as follows:

● [REDACTED]

● [REDACTED]

We believe this to be a fair and reasonable settlement in the circumstances.

If we are not able to reach agreement on this matter in short order, we may have no choice but to seek relief from the Court to determine yours and the Receiver's rights on this matter, at which time we would likely object to any lien you have in respect of the other vehicles as well as the amount that you are claiming for storage.

Finally, we remind you that pursuant to the Receivership Order made on December 21, 2017 (available at www.insolvencies.deloitte.ca/en-ca/BlueGooseTenderChoice) there is currently a stay of proceedings in place which prevents you from taking any steps to enforce any rights or remedies you may have in respect of Truck 2304, your invoices or the other vehicles.

We look forward to hearing from you.

Yours truly,

GOLDMAN SLOAN NASH & HABER LLP

Per:


Jennifer Stam
JS:JS

TAB C

Appendix "C"
GSNH Security Opinion



dedicated to your success

January 17, 2018

DELIVERED BY EMAIL

Deloitte Restructuring Inc.
Bay Adelaide Centre
22 Adelaide St. W., Suite 200
Toronto, ON M5H 0A9

Dear Mr. Casey:

RE: Blue Goose Pure Foods Ltd. o/a Tender Choice Foods (the "Debtor")

You have instructed us to provide an opinion on the Security (defined below) held by HSBC Bank Canada, as agent ("HSBC") against the Debtor. Pursuant to your instructions we have reviewed the following documents:

1. Credit Agreement dated as of October 17, 2016 between Blue Goose Pure Foods Ltd. and HSBC Bank Canada, as agent;
2. General Security and Pledge Agreement dated as of October 17, 2016 granted by Blue Goose Pure Foods Ltd. in favour of HSBC Bank Canada, as agent (the "GSA"); and
3. Transfer and Assignment of Insurance dated October 17, 2016 between Blue Goose Pure Foods Ltd. and HSBC Bank Canada, as agent (the "Assignment of Insurance").

The document referred to in paragraph 1 is referred to herein as the "Loan Document". The documents referred to in paragraphs 2 and 3 above are referred to herein as the "Security Documents".

Opinion

Subject to the assumption and qualifications hereinafter set out, we are of the opinion that:

1. Each of the Loan Document and Security Documents constitutes a valid and binding obligation of the Debtor party thereto and such documents are enforceable in accordance with their terms.
2. The GSA creates a security interest in favour of HSBC in the Collateral (defined below) of the Debtor to which the *Personal Property Security Act* (Ontario) ("PPSA") applies.

As set out in section 11 of the GSA, "Collateral" includes¹:

¹ Capitalized terms used in this description of "Collateral" and not otherwise defined shall have the meaning given to them in the GSA.

- a) all present and future equipment of the Debtor, including all of its present and future machinery, fixtures, plant, tools, furniture, books, records, documents, vehicles of any nature, kind or description, and all accessories to any of the foregoing, including all spare parts and accessories installed in or affixed or attached to any of the foregoing, and all drawings, specifications, plans and manuals relating to the foregoing;
 - b) all present and future inventory of the Debtor, including all of its present and future raw materials, materials used or consumed in its business, work-in-progress, finished goods, goods used for packing and goods acquired or held for sale or lease or that have been leased or furnished or that are to be furnished under contracts of rental or service, and all accessions to any of the foregoing, including all spare parts and accessories installed in or affixed or attached to any of the foregoing;
 - c) all present and future intangibles of the Debtor, including all of its present and future accounts and other amounts receivable, book debts, goodwill, Intellectual Property and choses in action of every nature and kind;
 - d) all present and future documents of title, chattel paper, instruments and Money of the Debtor;
 - e) all present and future Investment Assets;
 - f) all substitutions or exchanges from time to time in respect of any of the foregoing Investment Assets;
 - g) all dividends, distributions and other income (whether in the form of Money, Investment Assets or any other property) derived from or in respect of any of the foregoing Investment Assets or payable in connection therewith and all monies and property received or receivable in the nature of the return or repayment of capital in respect thereof;
 - h) all present and future personal property, assets, and undertaking of the Debtor of any nature or kind, including all personal property, assets and undertaking at any time owned, leased or licensed by the Debtor or in which the Debtor at any time has any right or interest or to which the Debtor is or may at any time become entitled (other than the property, assets and undertaking of the Debtor validly pledged or assigned or subjected to a valid mortgage, charge, hypothec or security interest by subsection 11(a), 11(b), 11(c), 11(d), 11(e), 11(f) or 11(g) of the GSA and subject to the exceptions hereinafter contained); and
 - i) all Proceeds derived directly or indirectly from any dealing with any of the foregoing, including insurance proceeds and any other payment representing indemnity or compensation for loss of damage thereto.
3. The Assignment of Insurance creates a security interest in favour of HSBC in respect to all sums of money which may now or thereafter become payable to the Debtor by virtue of all insurance policies maintained by or for the Debtor, including, but not limited to, those insurance policies listed in Schedule "A" of the Assignment of Insurance.

- 4. Each of the Security Documents has been registered, filed or recorded in all public offices where the registration, filing or recording thereof is required under the laws of the Province of Ontario to perfect the security interest created by such Security Document in the applicable Charged Property to which the PPSA applies.

Searches

- 1. We reviewed a Federal Corporation Information report dated November 23, 2017 with respect to Blue Goose Pure Foods Ltd. (Corporation Number: 994099-5). This report indicated that Blue Goose Pure Foods Ltd. (Corporation Number: 994099-5) was formed as a result of an amalgamation of Blue Goose Pure Foods Ltd. and 9935878 Ontario Ltd. on October 12, 2016.
- 2. We conducted a Corporation Profile Report produced on January 12, 2018 by the Ontario Ministry of Government Services indicating that Blue Goose Pure Foods Ltd. came into existence on July 30, 2012.
- 3. We conducted a Corporation Profile Report produced on January 12, 2018 by the Ontario Ministry of Government Services indicating that 9935878 Canada Ltd. came into existence on October 6, 2016.
- 4. We obtained certified search results from the Ontario Personal Property Security Registration System in respect of registrations under the PPSA that were outstanding against the Debtor as of the file currency date of January 9, 2018. The searches reveal the registration of HSBC's financing statement against the Debtor described in Schedule "A" hereto.

PPSA Registrations

Our PPSA search results indicate that there are the following PPSA registration in respect of the Debtor in favour of HSBC:

- 1. A financing statement was registered by HSBC against Blue Goose Pure Foods Ltd. pursuant to the PPSA on February 29, 2016 for a registration period of 8 years as registration number 20160229 0952 1590 4108, indicating a collateral classification of Inventory, Equipment, Accounts, Other and Motor Vehicle.

Scope of Review, Assumptions, Qualifications

Our opinion expressed herein is limited to the laws of Ontario and to the laws of Canada applicable therein and is expressly subject to the assumptions and qualifications below. This opinion is based solely on a review of a copy of the Security and our searches of the governmental records referred to above. We have not reviewed any other documentation or made any other enquiries about the matters which may affect the validity and enforceability of the Security.

Assumptions

A. Authenticity and Accuracy

We have assumed the genuineness of all signatures and the authenticity and completeness of all documents submitted to us as copies thereof. We have also assumed the accuracy and currency of: (i) all indices, filing and registration systems maintained at the public offices where we have searched or inquired or have caused searches or inquiries to be conducted, as set forth herein; (ii) all search results obtained by electronic transmission; and (iii) the results of any printed or computer search of any office of public record.

B. Authority

We have assumed that:

- (a) Blue Goose Pure Foods Ltd. was duly amalgamated and validly existing corporation at the time that each of the Loan Document and Security Documents was authorized, executed and delivered, and that Blue Goose Pure Foods Ltd. has continued to be duly amalgamated and validly existing since that time;
- (b) The Debtor had the requisite corporate power, capacity and authority to enter into and perform its obligations under each of the Loan Document and Security Documents at the time each of the Loan Document and Security Documents was authorized, executed and delivered;
- (c) all necessary corporate action and proceedings had been taken by the Debtor to authorize the execution, delivery and performance of each of the Loan Document and Security Documents that the Debtor was party thereto; and
- (d) all necessary corporate actions or proceedings were taken to authorize the execution and delivery of the Loan Document and Security Documents and that all of the Loan Document and Security Documents have been duly and validly executed and delivered on behalf of the party executing or delivering such documentation, by an authorized signing officer or officers of such party, and each such document comprising the Loan Document and Security Documents is enforceable in accordance with its terms.

C. Loan and Security Documents

We have assumed that none of the Loan Document and Security Documents have been assigned, released, discharged or otherwise impaired, either in whole or in part, and there are no agreements that are relevant to the matters discussed in this letter than those identified herein.

D. Existence of Debt and Security Matters

We have assumed that:

- (a) valuable consideration has been given to the Debtor and payment and other obligations remain outstanding by Debtor under the agreement identified herein;

- (b) each of the Loan Document and Security Documents was duly executed and delivered by the Debtor party thereto;
- (c) all of the conditions precedent contained in each of the Loan Document and Security Documents, if any, were satisfied or waived;
- (d) attachment of the security interests created by the Security Documents has occurred within the meaning of the PPSA;
- (e) The Debtor has an interest in its collateral expressed to be subject to each of the Security Documents that they are party thereto; and
- (f) insofar as any obligation under any of the Loan Document and Security Documents is to be performed in any jurisdiction outside the Province of Ontario, its performance will not be illegal or unenforceable by virtue of the laws of that other jurisdiction.

E. Factual Matters

We have assumed that no fact exists, or has existed, that would entitle the Debtor to assert or obtain a remedy at law or in equity (such as, without limitation, rectification, rescission or release from a contract through frustration) affecting the validity, legality, binding effect or enforceability of any of the Loan Document and Security Documents.

F. Entire Agreement

We have assumed that there is no written or oral agreement or other facts or understanding and there is no trade usage or course of conduct or prior dealing, that would vary the interpretation, application or enforceability of any term or condition of any of the Loan Document and Security Documents, and that except as expressly noted herein, there have been no amendments, restatements, deletions or other modifications to any of the Loan Document and Security Documents.

G. Choice of law

We have assumed that the choice of the law of the Province of Ontario as the governing law of the Loan Document and Security Documents will be given effect to in any legal proceedings.

Qualifications

1. **Title:** We express no opinion concerning:
 - (a) title to any property that is purportedly subject to any security interest created by the Security Documents and such title has been assumed to the full extent necessary to express the opinions contained herein; and
 - (b) the effectiveness of each of the Security Documents as security, where effectiveness depends on title or description of the property purported to be charged or assigned, as the case may be.

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2. **Enforceability:** All opinions that expressly or by necessity relate to the enforceability of each of the Loan Document and Security Documents (which, as used in this Schedule and as the context may require, includes validity, legality and binding effect) are subject to:
- (a) applicable bankruptcy, insolvency, winding up, arrangement, liquidation, fraudulent preference and conveyance, reorganization, moratorium and realization laws and other similar laws (including, without limitation and notwithstanding any specific references herein, provisions of the PPSA affecting the rights and remedies of creditors generally);
 - (b) equitable limitations on, and defences against, the availability of remedies and equitable principles of application to particular proceedings at law or in equity, and no opinion is expressed regarding the availability of any equitable remedy (including those of specific performance and injunction), which remedies are only available in the discretion of a court of competent jurisdiction;
 - (c) the power of a court to grant relief from forfeiture;
 - (d) applicable laws regarding limitations of action;
 - (e) the court's powers to stay proceedings and execution of judgments;
 - (f) the court's discretion to decline to hear any action or give effect to an obligation if to do so would be contrary to public policy or if it is not the proper forum to hear such action;
 - (g) limitations that may be imposed by law or equity on the effectiveness of terms exculpating a party from a liability or limiting the liability of a party;
 - (h) limitations upon the right of a creditor to receive immediate payment of amounts stated to be or which may become payable on demand;
 - (i) limitations upon the right of a party to enforce a provision based upon a minor or non-substantive default;
 - (j) implied obligations requiring good faith, fair-dealing and reasonableness in performance and enforcement of a contract; and
 - (k) the following limitations:
 - (i) provisions that purport to establish evidentiary standards, such as provisions stating that certain calculations or certificates will be conclusive and binding, may not be enforceable or may be limited in application;
 - (ii) the *Courts of Justice Act* (Ontario) limits interest on a judgment debt arising under the judgment of a court of competent jurisdiction located in Ontario to rates prescribed by regulation from time to time;
 - (iii) the *Currency Act* (Canada) precludes a court in Canada from rendering a judgment in any currency other than Canadian currency.

- (iv) rights of indemnity may be limited by applicable law;
- (v) determinations or demands made in exercise of a discretion may be unenforceable if made in an unreasonable or arbitrary fashion;
- (vi) provisions providing for recovery of fees and expenses may be restricted by a court to a reasonable amount and counsel fees are subject to taxation;
- (vii) no opinion is expressed as to the enforceability of any provision that purports to provide for a higher rate of interest after default than before;
- (viii) no opinion is expressed as to the enforceability of a provision of any of the Loan Document and Security Documents that provides that the provisions of another document govern in the event of any conflict or inconsistency between the provisions of the other document and such Loan Document and Security Document;
- (ix) the validity and enforceability of provisions that purport to sever from the Loan Document and Security Documents any provision that is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of the agreement or instrument may be subject to the discretion of a court of competent jurisdiction;
- (x) no opinion is expressed as to the enforceability of any provision purporting to exclude unwritten variations, amendments, waivers or consents;
- (xi) no opinion is expressed as to the enforceability of any provision that purports to restrict the access to, or waive the benefit of, legal or equitable rights, remedies or defences, including any right to receive notice (including notice of enforcement) or that purport to consent in advance to the taking of any action or the exercise of any right, remedy or defence;
- (xii) no opinion is expressed as to the enforceability of any power of attorney or non-judicial remedies provided for in any of the Loan Document and Security Documents;
- (xiii) no opinion is expressed as to any licences, permits or approvals that may be required in connection with the enforcement or performance of each of the Loan Document and Security Documents, as applicable, or by any person on their behalf, whether such enforcement involves the operation of the business of the Debtor or a sale, transfer or disposition of any of its property or assets;
- (xiv) no opinion is expressed as to the enforceability of any provision in any of the Loan Document and Security Documents that purports to constitute a receiver or receiver and manager thereunder as agent of the Debtor or absolve a receiver or receiver and manager of responsibility for its acts;
- (xv) no opinion is expressed as to the enforceability of any provision in any of the Security Documents that purports to grant a security interest or hypothec

in federal Crown debts to which the *Financial Administration Act* (Canada) applies;

- (xvi) no opinion is expressed as to the enforceability of any provision that contemplates or provides for agreement at a later date;
- (xvii) no opinion is expressed as to the enforceability of any provision that purports to relieve any party thereto, or its agents, from liability for its own acts;
- (xviii) no opinion is expressed as to the enforceability of any provision that purports to bind or affect, or confer a benefit upon, persons who are not parties to the Loan Document and Security Documents; and
- (xix) remedies exercisable upon default in any of the Loan Document and Security Documents must be exercised in good faith and in a commercially reasonable manner.

3. **Searches:** We have only conducted those searches described above. Except as set forth therein, we have not conducted any land titles office or other searches with respect to encumbrances against real or immovable property or any interests therein or any statutory lien, court registry or other searches, except as set out above. We have only searched against the name set out above and on Schedule "A" hereto.
4. **Priority:** No opinion is expressed as to the rank or priority, or as to the effect of perfection or opposability to third parties on the rank or priority, of any security interest created by any of the Security Documents.
5. **Reviewable Transactions:** No opinion is given as to whether any security interest given under any of the Security Documents constitutes a fraudulent preference or other reviewable transaction pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada) or any applicable provincial legislation.
6. **Security Interests and Registrations:** We express no opinion:
 - (a) as to the validity, enforceability, creation, attachment or perfection of a security interest in:
 - (i) property consisting of a receivable, licence, approval, privilege, contractual right, franchise, permit or lease (collectively, "**Special Property**") to the extent that the terms of the Special Property, any applicable law or the nature of the business of the Debtor prohibit its charging, assignment or hypothecation or require, as a condition of its charging, assignability or hypothecation, a consent, approval or other authorization or registration that has not been made or given;
 - (ii) any collateral to the extent that security agreements, hypothecs or assignments with respect to such collateral are governed by the laws of the Parliament of Canada, including, without limitation, any vessel registered under the *Canada Shipping Act*, any rolling stock and any trademark, trade

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name, copyright, patent, industrial design or other intellectual property right;

- (iii) permits, quotas, licences, privileges, governmental authorizations or other property that are not personal property and that are held by or issued to or in favour of the Debtor;
- (iv) any interest in a right to damages in tort or at law;
- (v) any interest in deposits / deposit accounts;
- (vi) property for which, pursuant to applicable conflicts rules (including, without limitation, the conflicts rules of the PPSA and the *Securities Transfer Act* (Ontario)), the validity, perfection and the effect of perfection or non-perfection or enforcement are governed by the laws of a jurisdiction other than such Provinces;
- (vii) property that is now or hereafter becomes a fixture, crop, timber, minerals, petroleum, natural gas or other deposits located therein or thereon, or any right of payment that arises in connection with an interest in land;
- (viii) property or rights of a nature listed in section 4(1) of the PPSA; or
- (ix) property that is Consumer Goods or a Security (as each is defined in the PPSA);

(b) as to any registrations or filings by way of fixtures notice, floating charge on land or otherwise in any land title office in the Province of Ontario; and

(c) regarding the creation, validity, enforceability, attachment or perfection of any mortgage, charge, hypothec, security interest or other interest expressed to be created by or under any of the Security Documents with respect to any property of the Debtor or any proceeds of such property that are not identifiable or traceable.

7. **Specific Collateral:** Any security interests created by the Security Documents in any equipment that is a Motor Vehicle (as defined in the PPSA) situate in the Province of Ontario have not been perfected or rendered opposable to third parties by registration against serial numbers or Vehicle Identification Numbers, as the case may be, as required thereunder. None of the Security Documents have been registered so as to protect and preserve any security interest, mortgage or charge thereof against nor have we searched for any encumbrances created by the Debtor on any ship, or as against any coal, mineral, placer, mining or petroleum and natural gas lease, license or claim, owned or which may be acquired by the Debtor. Accordingly, any hypothecs, security interests and mortgages on such property will be subject to the rights of third parties who at any time acquire and perfect or render opposable to third parties an interest in those assets.

Maintaining Perfection: We express no opinion with respect to maintaining perfection of any security interest created by any of the Security Documents. We trust the above is satisfactory for your purposes. Should you have any questions, please contact the undersigned.

This opinion is provided solely for the use of the addressee hereof and may not be relied on by any other person without the prior written consent of Goldman Sloan Nash & Haber LLP.

Yours truly,

GOLDMAN SLOAN NASH & HABER LLP

Goldman Sloan Nash : Haber LLP

SCHEDULE "A"

**HSBC Bank Canada Registrations Pursuant to the
Personal Property Security Act (Ontario)**

AGAINST

BLUE GOOSE PURE FOODS LTD.
(File Currency: January 9, 2018)

Secured Party	Debtor(s)	Registration No. / File No.	Registration Period	Collateral Description
HSBC Bank Canada, as agent	Blue Goose Pure Foods Ltd.	20160229 0952 1590 4108 / 714344031	8 years	I, E, A, O, MV

TAB D

Appendix "D"
Receiver's Statement of Receipts and Disbursements for the
Period December 21, 2017 to March 30, 2018

**DELOITTE RESTRUCTURING INC., RECEIVER OF
BLUE GOOSE PURE FOODS LTD. O/A TENDER CHOICE FOODS
STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD DECEMBER 21, 2017 TO MARCH 30, 2018**

Receipts	
Advances from secured creditor	\$ 472,928
Accounts receivable collections	344,869
Inventory sales	113,798
HST Collected	1,591
Other	158
Total receipts	<u><u>\$ 933,344</u></u>
Disbursements	
Warehouse costs	\$ 373,184
Insurance	109,559
Contract services	56,182
Taxes paid	56,925
Equipment repairs	7,703
Other	3,398
Total disbursements	<u><u>\$ 606,951</u></u>
Surplus of receipts over disbursements	<u><u>\$ 326,393</u></u>

TAB E

Appendix "E"
Casey Affidavit

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

BETWEEN:

HSBC BANK CANADA

Applicant

- and -

BLUE GOOSE PURE FOODS LTD. O/A TENDER CHOICE FOODS

Respondent

**AFFIDAVIT OF PAUL CASEY
(Sworn April 3, 2018)**

I, **PAUL CASEY**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a Chartered Professional Accountant, Chartered Insolvency and Restructuring Professional qualified to practice in the Province of Ontario, and a Senior Vice-President of Deloitte Restructuring Inc. ("**Deloitte**"), the Court-Appointed receiver (the "**Receiver**") of all of the assets, undertakings and properties of Blue Goose Pure Foods Ltd. o/a Tender Choice Foods (the "**Debtor**") acquired for, or used in relation to the Debtor's business (the "**Property**"), and, as such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. In addition to acting as the Receiver, Deloitte was appointed as interim receiver (the "**Interim Receiver**") of the Debtor from December 14, 2017 to December 21, 2017.

3. Attached hereto as Exhibit "**A**" is a schedule summarizing each invoice in Exhibit "**B**", the total billable hours charged per invoice, the total fees charged per invoice and the average hourly rate charged per invoice.

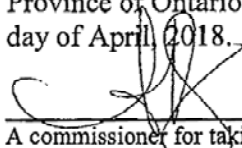
4. Attached hereto as Exhibit "B" are true copies of the invoices for fees and disbursements incurred by Deloitte in the course of the interim receivership and receivership administrations of the Debtor from December 14, 2017 to February 20, 2018. Included in Exhibit "B" is an invoice related to services performed by Deloitte LLP's Insurance Advisory practice. Such practice is an affiliate of the Receiver and has been engaged to assist with certain insurance matters of the receivership.

5. For administrative convenience, time in respect of the interim receivership was billed together with that of the receivership and both proceedings are included in invoice 8000009030.

6. To the best of my knowledge, the rates charged by Deloitte throughout the course of these proceedings are comparable to the rates charged by other accounting firms in the Toronto market for the provision of similar services, and are comparable to the hourly rates charged by Deloitte for services rendered in relation to similar proceedings.

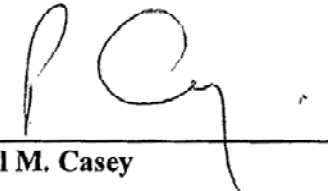
7. I make this affidavit in support of a motion by the Receiver for, *inter alia*, approval of the fees and disbursements of the Receiver and Interim Receiver.

SWORN BEFORE ME
at the City of Toronto, in the
Province of Ontario this 3rd
day of April, 2018.




A commissioner for taking oaths, etc.

)
)
)
)
)



Paul M. Casey

Anna Koroneos, a Commissioner, etc.,
Province of Ontario
for Deloitte Restructuring Inc.,
Licensed Insolvency Trustee,
Expires June 3, 2019.

This is Exhibit A pages
in the Affidavit of Paul M. Casey
Sworn before me this 3rd day of
April 2018
A Commissioner, etc. 

Anna Koroneos, a Commissioner, etc.,
Province of Ontario
for Deloitte Restructuring Inc.,
Licensed Insolvency Trustee,
Expires June 3, 2019.

EXHIBIT "A"

REFERRED TO IN THE AFFIDAVIT OF PAUL M. CASEY
(Sworn April 3, 2018)

EXHIBIT "A"

**Calculation of Average Hourly Billing Rates of
Deloitte Restructuring Inc.
for the Interim Receivership and Receivership periods from
and December 14, 2017 to February 20, 2018**

Interim Receivership and Receivership

Invoice Date	Fees	Disbursements	HST/GST	Total Invoice Amount	Hours	Average Hourly Fee Rate	Invoice Number
22-Jan-18	\$ 88,707.00	\$ -	\$ 11,531.91	\$ 100,238.91	189.2	\$ 468.85	
22-Jan-18	\$ 33,005.00	\$ 171.60	\$ 4,312.96	\$ 37,489.56	79.4	\$ 415.68	
Total	\$ 121,712.00	\$ 171.60	\$ 15,844.87	\$ 137,728.47	268.6	\$ 453.13	8000009030

Receivership

Invoice Date	Fees	Disbursements	HST/GST	Total Invoice Amount	Hours	Average Hourly Fee Rate	Invoice Number
29-Mar-18	\$ 111,174.50	\$ 2,070.07	\$ 14,721.79	\$ 127,966.36	258.3	\$ 430.41	8000061887
23-Feb-18	\$ 155,474.00	\$ 3,475.03	\$ 20,663.37	\$ 179,612.40	351.1	\$ 442.82	555511
15-Feb-18	\$ 57,443.00	\$ -	\$ 2,872.15	\$ 60,315.15	185.4	\$ 309.83	8000024556
Total	\$ 324,091.50	\$ 5,545.10	\$ 38,257.31	\$ 367,893.91	794.8	\$ 407.76	

This is Exhibit "B" in the Affidavit of Paul M. Casey Sworn before me this 3rd day of April 2018
A Commissioner, etc.

Anna Koroneos, a Commissioner, etc.,
Province of Ontario
for Deloitte Restructuring Inc.,
Licensed Insolvency Trustee,
Expires June 3, 2019.

EXHIBIT "B"

REFERRED TO IN THE AFFIDAVIT OF PAUL M. CASEY
(Sworn April 3, 2018)

79



Invoice 8000009030

Deloitte Restructuring Inc.
Bay Adelaide Centre, 8 Adelaide Street West,
Suite 200
Toronto ON M5H 0A9

ATTN: John Borch
HSBC Bank Canada
70 York Street, 3rd Floor
Toronto ON M5J 1S9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: January 24, 2018
Client No.: 1136634
WBS#: HSBC0002
Engagement Partner: Paul Casey

HST Registration: 133245290RT0001

For professional services rendered

Fees

With respect to Deloitte Restructuring Inc.'s ("Deloitte") engagement as Consultant to HSBC Bank Canada ("HSBC" or the "Bank") to review the operations and financial position of Blue Goose Pure Foods Ltd, o/a Tender Choice ("Blue Goose" or the "Company") for the period from December 14, 2017 to December 31, 2017.

Please see the attached Appendices for details.

HST applicable 121,712.00

Expense

HST applicable 171.60

Sales Tax

HST at 13.00% 15,844.87

Total Amount Due (CAD) 137,728.47

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Blue Goose Pure Foods Ltd.

Date	Professional	Description	Hours
12/14/2017	Ambachtsheer, Todd	Attendance at court, discussions with B. Hill and J. McDowell regarding the Interim Receivership and attend BGPFL premises.	10.5
12/14/2017	Brown, Rose	Prepare letter to open trust bank account and scan and send to HSBC by email and courier; prepare re-direction letter and notices and disbursement cheque.	2.5
12/14/2017	Burkart, Craig	Telephone discussion with client; review information provided; prepare comments; Telephone discussion with the Insurance Adjuster; email correspondence.	1.8
12/14/2017	Casey, Paul	Prepare for and attend at Superior Court of Justice (Commercial List) for Interim Receivership Order; receivership planning; meeting at Blue Goose Capital; Telephone discussion with the Insurance adjuster, broker, Fulton, attend at Paletta Court; Telephone discussion with P. Paletta and A. Paletta and denied access; email Court Order.	8.5
12/14/2017	Chu, Jonathan	Attend at Canada Post for mail redirection processing.	0.4
12/14/2017	Koroneos, Anna	Prepare for and attend at court; prepare for and attend at Blue Goose Capital and Burlington Debtor site.	10.0
12/15/2017	Ambachtsheer, Todd	Attendance at Court; attendance at Blue Goose Capital and client site.	8.0
12/15/2017	Brown, Rose	Take re-direction documents and cheque to Canada Post; check with HSBC regarding account opening.	1.0
12/15/2017	Casey, Paul	Receivership administration.	7.0
12/15/2017	Casey, Paul	Emails re shipments; setup meeting onsite with adjusters for December 18; telephone calls with Brokers, adjusters; meetings with team regarding a work plan and priorities; email from A. Paletta regarding access to premises; telephone discussion with Borden Ladner Gervais LLP ("BLG"), landlords counsel; banking arrangements; email PWC; review Dundee press release.	6.0
12/15/2017	Chu, Jonathan	Client site visit.	8.0
12/15/2017	Koroneos, Anna	Interim Receivership work.	8.0
12/16/2017	Casey, Paul	Emails with team regarding disbursements and payroll.	0.2
12/18/2017	Ambachtsheer, Todd	Attend Blue Goose facility for the purposes of meeting the insurance adjuster; review condition of property; assess condition of building; assess and plan for document and computer retention needs.	8.1
12/18/2017	Brown, Rose	Email Bank regarding update opening of bank account; review unsecured creditor list; set up payroll spreadsheet; prepare deposit slip and take to the bank.	1.8
12/18/2017	Burkart, Craig	Review insurance policy; email correspondence; review information provided.	1.8
12/18/2017	Casey, Paul	Prepare for and attend onsite for meeting with adjusters; site tour; meeting with A. Moskowitz regarding equipment; offices regarding books and records; various telephone discussions and send materials to M. Forte for review; meetings and calls regarding payroll; email to HSBC; attend call with Blue Goose Capital and follow-up call with G. Morphy.	10.0
12/18/2017	Chu, Jonathan	Site visit; call with Trenton Cold.	4.0

Blue Goose Pure Foods Ltd.

Date	Professional	Description	Hours
12/18/2017	Koroneos, Anna	Attend at the company's premises; post fire site review; look through books and records; arrange for boxing of records; review of emails; discussions with staff; call with L. Santos; review of employee schedule and update.	10.0
12/19/2017	Ambachtsheer, Todd	Attend Blue Goose facility and obtain records.	8.0
12/19/2017	Burkart, Craig	Review of policy; email correspondence; review order.	1.5
12/19/2017	Casey, Paul	Telephone discussions with counsel; telephone discussion with J. Borch; email regarding payroll accrual and instructions; telephone discussion with C. Burkart; attend conference call with TGF and GSNH; telephone discussion with I. Brosbell, Adjuster and reporting email; review draft order and affidavit; other receivership planning and administration with team; review I. Brosbell memo, reply.	7.0
12/19/2017	Chu, Jonathan	Site visit; package documents.	6.5
12/19/2017	Greenbaum, Stacey	Attend at client site; box physical client records.	8.0
12/19/2017	Koroneos, Anna	Review of draft order and draft affidavit; draft AR letter; meeting with R. Brown on webpage; draft webpage; meet team and travel to company's premises; review books and records and box for storage or further review.	11.5
12/19/2017	Robinson, David	Review of insurance documents	0.5
12/20/2017	Ambachtsheer, Todd	Attend Blue Goose facility and obtain records.	8.0
12/20/2017	Brown, Rose	Upload creditor listing to Ascend; prepare listing of accounts receivable cheques received; review storage box and prepare listing; scan licence plate permits; set up draft website page.	2.6
12/20/2017	Burkart, Craig	Telephone discussion with G. Bouwman of MDD; email correspondence.	1.2
12/20/2017	Casey, Paul	Telephone discussion with T. Ambachtsheer and meetings A. Koroneos regarding books and records management and other Interim receivership administration; telephone discussion with I. Brosbell and send f/s; telephone discussion with M. Fork re landlord opposition; instructions to C. Burkart; email and instructions regarding employee commission; with A. Koroneos regarding payroll administration.	4.0
12/20/2017	Chu, Jonathan	Site visit; package documents.	8.0
12/20/2017	Greenbaum, Stacey	Attend at client site; boxing physical client records.	8.0
12/20/2017	Koroneos, Anna	Update A/R letter and schedule to reflect cheques received; update Notice and Statement of Receiver; with P. Casey; telephone calls and emails with T. Ambachtsheer on site; J. Dusome re: records and scheduled final pick up and L. Santos.	6.5
12/20/2017	Robinson, David	Review of Insurance documents.	0.3
12/21/2017	Ambachtsheer, Todd	Attend court for receivership chambers appointment; discussions with former management regarding status of assets; discussions with J. Chu re assets on site; conversations with benefits broker regarding benefit plan; drafting letters re receivership.	9.1
12/21/2017	Brown, Rose	Update Creditor AP Listing and importing into Ascend; prepare creditor listing for mailing; prepare labels and envelopes for mailing; prepare labels for payroll cheques.	3.8
12/21/2017	Burkart, Craig	Review information provided; email correspondence.	1.6

Blue Goose Pure Foods Ltd.

Date	Professional	Description	Hours
12/21/2017	Casey, Paul	Email to adjuster with Paletta APA; attend at Superior Court of Justice (Commercial List) for Receivership Order; attend to immediate communications and other receivership priorities; employee communications and notice to creditors; telephone discussion with Gowlings re Dundee Corp; emails C. Burkart regarding adjuster.	4.0
12/21/2017	Chu, Jonathan	Site visit; prepare documents for courier.	4.0
12/21/2017	Greenbaum, Stacey	Enter payroll records from ADP for WEPPA schedule; gather unknown client addresses; prepare fleet listing.	4.0
12/21/2017	Koroneos, Anna	Receivership administration preparations for full order; telephone calls and emails.	10.5
12/21/2017	Venugopal, Naveen	Forensic analysis.	1.0
12/22/2017	Ambachtsheer, Todd	Receivership administration; calls and emails with various stakeholders.	4.5
12/22/2017	Brown, Rose	Prepare for and attend to mailing the Notice of Statement of Receiver; prepare affidavit of mailing; update website page with document.	2.5
12/22/2017	Burkart, Craig	Review financial information; telephone discussion with P. Casey and T. Ambachtsheer; determine next steps.	2.4
12/22/2017	Chu, Jonathan	Site visit; speak with CFIA Inspector; truck inspection; move documents for courier.	4.0
12/22/2017	Greenbaum, Stacey	Prepare WEPPA Information forms.	2.5
12/22/2017	Koroneos, Anna	With L. Santos on employees; with IT on employee addresses; emails from creditors and respond; call with Sofina counsel; discussions with team; WEPP entries.	5.0
12/22/2017	Venugopal, Naveen	Forensic analysis.	1.0
12/27/2017	Casey, Brian	Server discussions / management.	0.5
12/27/2017	Casey, Paul	Conference call with C. Smith and M. Fork re 229 College; emails Bennett Jones, HSBC, Osler.	0.5
12/27/2017	Koroneos, Anna	WEPPA entries on Service Canada site; calls to creditors and former employees.	6.0
12/27/2017	Venugopal, Naveen	Forensic analysis.	5.0
12/28/2017	Casey, Brian	Server discussions; project management.	0.5
12/28/2017	Koroneos, Anna	Telephone discussion with I. Milecivic's daughter and wife; Telephone discussion with G. Apap former employee; telephone discussion with E&J Supply, T. Fleishman; review of messages; WEPPA entries; emails with L. Santos.	2.0
12/28/2017	Koroneos, Anna	With the Union's counsel; employee emails and messages; enter union data; work on WEPPA schedule and mail merge.	2.5
12/29/2017	Koroneos, Anna	WEPPA entries.	3.0



Invoice 8000061887

Deloitte LLP
Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: John Borch
HSBC Bank Canada
70 York Street, 3rd Floor
Toronto ON M5J 1S9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: March 29, 2018
Client No.: 1136634
WBS#: H5BC0002
Engagement Partner: Paul Casey

HST Registration: 133245290RT0001

For professional services rendered

Fees

With respect to Deloitte Restructuring Inc.'s ("Deloitte") engagement as Consultant to HSBC Bank Canada ("HSBC" or the "Bank") to review the operations and financial position of Blue Goose Pure Foods Ltd. o/a Tender Choice ("Blue Goose" or the "Company") for the period from January 21 to February 20, 2018.

Please see the attached appendices for details.

HST applicable 111,174.50

Expense

HST applicable 2,070.07

Sales Tax

HST at 13.00% 14,721.79

Total Amount Due (CAD) 127,966.36

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Invoice Number 8000061887
March 29, 2018



Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
HSBC Bank Canada	1136634	8000061887	127,966.36	Payment for invoice 8000061887

Contact:

Please send payment confirmation by email to: receivablesdebiturs@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments (remittance email mandatory):

Preferred Method

The Bank of Nova Scotia
Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

For CAD Dollar (\$) Payments, pay:

ABA/Transit Routing: 47696002
Account Number: 1590219

For USD Dollar (\$) Payments, pay:

ABA/Transit Routing: 47696002
Account Number: 1363514

2. Wire Payment:

The Bank of Nova Scotia
Business Service Centre, 20 Queen Street West, 4th Floor, Toronto, Ontario M5H 3R3

For CAD Dollar (\$) Payments, pay:

Account Number: 476961590219
Swift Code: NOSCCATT

For USD Dollar (\$) Payments, pay:

Account Number: 476961363514
Swift Code: NOSCUS33

3. Online Payment:

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to:

For CAD Dollar (\$) Payments, pay:
DELOITTE MANAGEMENT SERVICES LP
c/o T04567C
PO Box 4567, Stn A
Toronto ON M5W 0J1

For USD Dollar (\$) Payments, pay:
DELOITTE MANAGEMENT SERVICES LP
c/o T04567U
PO Box 4567, Stn A
Toronto ON M5W 0J1

Appendix # 1

Summary of Fees				
Professional	Position	Hours	Rate	
Paul Casey, CPA, CA, FCIRP	Senior Vice-President	20.0	\$650.00	\$ 13,000.00
Hartley Bricks, MBA, CA, CIRP	Senior Vice-President	2.0	\$550.00	1,100.00
Anna Koroneos, CIRP	Senior Manager	71.1	\$470.00	33,417.00
Todd Ambachtsheer, CPA, CA, CIRP	Senior Manager	108.5	\$470.00	50,995.00
Brian Casey	Manager	6.5	\$425.00	2,762.50
Stacey Greenbaum	Senior	5.5	\$375.00	2,062.50
Jonathan Chu	Analyst	20.0	\$200.00	4,000.00
Naveen Venugopal	Analyst	10.0	\$200.00	2,000.00
Rose Brown	Trust Administrator	14.7	\$125.00	1,837.50
Total Professional hours and fees		<u>258.3</u>		<u>\$ 111,174.50</u>
<u>Out of Pocket Expenses:</u>				
	travel		\$467.11	
	meals		426.94	
	mailings and courier		279.55	
	vehicle transfer		896.47	2,070.07
				<u>\$ 113,244.57</u>
			HST @ 13%	14,721.79
	Amount Payable (CAD)			\$ 127,966.36

Appendix # 2

Date	Professional	Description	Hours
1/22/2018	Ambachtsheer, Todd	Correspondence with J. McDowell; review HSBC analysis; discussions regarding the Estimated Realizable Value ("ERV"); calls and emails with J. Stam of Goldman Sloan Nash & Haber LLP ("GSNH") re: Vision; correspondence with freezer companies; Follow up with P. Paletta re: sales; communications with I. Brosbell; calls and emails with Vision Trucks; discussions re disbursement invoices; arrange for trailer pickups at customer locations; discuss site attendance; calls with T. Smith re: building.	6.2
1/22/2018	Brown, Rose	Update Proof of Claims ("POC") received from employees; update creditor amount less amount received from Service Canada; general administration.	0.8
1/22/2018	Casey, Brian	Discovery support; review of request; collection; meetings.	0.5
1/22/2018	Casey, Paul	Review email from T. Ambachtsheer regarding Confederation Freezers; review funding request to HSBC; meeting T. Ambachtsheer regarding site visit; status; account correspondence.	1.0
1/22/2018	Chu, Jonathan	Meet with T. Ambachtsheer and J. Van Pelt; scan documents requested; documentation tasks.	1.5
1/22/2018	Greenbaum, Stacey	Enter POC received; follow up with outstanding A/R.	2.0
1/22/2018	Koroneos, Anna	With J. Kaur former employee on her POC; with Sandra of Urnerbarry, creditor, on outstanding amounts and receivership process; review of redirected mail and allocate to appropriate staff; draft invoice for disbursements and circulate; calculate same; Email correspondence with M. Bagcal former employee and resend documents; review of Sobey's AR in detail along with the email from Sobey's claiming certain payments, review banking support; with J. Van Pelt re Sofina; forward bank statements to J. Van Pelt.	4.6
1/22/2018	Venugopal, Naveen	Data recovery from server.	5.0
1/23/2018	Ambachtsheer, Todd	Attend Blue Goose plant; meet with CFIA and adjuster; discussions with P. Paletta re inventory realization strategy; review of assets in the yard; discussions with A. Moskowitz of Platinum Assets; update discussion with P. Casey.	7.2
1/23/2018	Brown, Rose	Estate administration: update schedule with additional creditors.	0.3
1/23/2018	Casey, Brian	Discovery support; review of request; collection; meetings.	0.5
1/23/2018	Casey, Paul	Discussion A. Koroneos and T. Ambachtsheer; funding requests to HSBC; meeting T. Ambachtsheer to discuss site visit, Paletta, trailers, access issues, equipment and collateral analysis.	1.0
1/23/2018	Chu, Jonathan	Create A/P schedule for recent packaging materials received.	1.5
1/23/2018	Greenbaum, Stacey	Enter POC received; follow up with outstanding A/R.	2.0

Date	Professional	Description	Hours
1/23/2018	Koroneos, Anna	Search Simmons Pet Food corporation details for A/R; with S. Greenbaum on A/R collections and WEPP claims filed to date; review of redirected mail and allocate for filing or response; Draft disbursement invoice; review support and calculations for funding; with D. Conway of Highlight Logistics; with R. Gamble of B&M Technical; email to B. Hill; review of email from J. Van Pelt on Sofina; emails to ADP; file termination form with ADP.	5.2
1/24/2018	Ambachtsheer, Todd	Work on ERV; deal with trailers; discussions regarding the Bill of Sale for inventory; discussions with P. Paletta re potential sales; deal with trailers; discussions with Platinum re: marketing plan.	6.1
1/24/2018	Brown, Rose	Update POC received, prepare deposit and take to the bank.	0.7
1/24/2018	Casey, Brian	Discovery support; review of request; collection; meetings.	0.5
1/24/2018	Casey, Paul	Emails from HSBC and instructions to staff; discussion T. Ambachtsheer regarding the inventory offer.	0.5
1/24/2018	Chu, Jonathan	Find supporting invoices for Trade A/P; scan same; retrieve turkey pricing from inventory schedule.	5.0
1/24/2018	Greenbaum, Stacey	Enter POC received.	1.0
1/24/2018	Koroneos, Anna	With Schonfeld on the Koskie Minsky LLP ("KM") omnibus POC to be filed; prepare schedule with highlighted previously filed claims; email disbursement invoice to HSBC; with T. Ambachtsheer on calculations of frozen inventory at Confederation et. al.	5.5
1/25/2018	Ambachtsheer, Todd	Coordinate plant access; ERV analysis; discussions regarding the Bill of Sale for inventory; review accounting statements; discussions with adjustors; calls with freezer companies to coordinate access; creditor inquiries.	4.2
1/25/2018	Brown, Rose	General administration and banking.	1.1
1/25/2018	Chu, Jonathan	Produce external inventory schedule; look through ADP documents; check mail.	3.5
1/25/2018	Koo, Ada	Bank reconciliation December 2017.	0.2
1/25/2018	Koroneos, Anna	Respond to email and telephone inquiries.	1.0
1/25/2018	Venugopal, Naveen	Data recovery from server.	1.0
1/26/2018	Ambachtsheer, Todd	Discussions with P. Paletta regarding inventory offers; discussions re: Freshouse; communications with IT on the troubleshooting; calls and emails with I. Brosbell; communications with Insurance Advisory group re: claim; finalize inventory sale.	3.4
1/26/2018	Brown, Rose	Update POC register.	0.5
1/26/2018	Casey, Brian	Discovery support; collection; meetings.	0.5
1/26/2018	Casey, Paul	Email T's. Ambachtsheer regarding Dundee request; sale opportunity.	0.2

Date	Professional	Description	Hours
1/26/2018	Chu, Jonathan	Scan POCs; find SINs for employee on maternity leave; HST/QST check for storage companies; prepare mail-out.	2.5
1/26/2018	Koroneos, Anna	WEPP for maternity leave employee; with J. Merryweather of Schonfled; with T. Ambachtsheer and S. Greenbaum on Freshhouse and create and forward payment plan; with J.Chu on claims, mail review etc; with T. Ambachtsheer on freezer payment and check GL for funding; emails and telephone discussions with creditors/employee.	4.5
1/29/2018	Ambachtsheer, Todd	Review correspondence from 864773 Ontario and discuss same; internal discussions re sales opportunities; correspondence regarding building access.	1.8
1/29/2018	Ambachtsheer, Todd	Review J. Van Pelt invoice and discuss same; correspondence with KID Trailers; discussions with freezer companies re inventory release; discussions with P. Paletta re sales status; discussions with Vision and J. Stam re tractor to be repaired.	2.0
1/29/2018	Brown, Rose	Review bank account online and print various document for wire of funds.	0.5
1/29/2018	Casey, Brian	IT deliverable; client management.	0.5
1/29/2018	Casey, Paul	Email A. Koroneos re Paletta A/R offset; T. Ambachtsheer re inventory sales.	0.2
1/29/2018	Chu, Jonathan	Look-up of turkey thigh prices; response to 407; update packaging A/P schedule.	2.0
1/29/2018	Koroneos, Anna	Review of redirected mail and respond where required; with R. Brown on mail and notices to send; with T. Ambachtsheer; review details for ERV calculations and update ERV; forward to T. Ambachtsheer and review changes and additions.	6.5
1/30/2018	Ambachtsheer, Todd	Discussions re: trucks and trailers to be transferred; calls with Platinum; creditor inquiries; discussions re insurance claim; ERV; Discussions with IT re J. Van Pelt access; discussions with P. Paletta re sales; arrange for payment of freezer companies and correspondence re same; discussions with P. Casey re update; discussions with Vision re: truck; correspondence with B. Hill re I.	4.2
1/30/2018	Brown, Rose	Update website page.	1.8
1/30/2018	Casey, Brian	IT deliverable; client management.	0.5
1/30/2018	Casey, Paul	Meeting A. Koroneos and T. Ambachtsheer re status; discuss reporting and priorities; respond to HSBC request; Inventory sale admin.	0.6

Date	Professional	Description	Hours
1/30/2018	Koroneos, Anna	With J. Van Pelt and search for ADP records; with ADP via phone and emails to obtain access to historical reports; meeting with P. Casey and T. Ambachtsheer; emails and discussions with T. Ambachtsheer on ERV, general emails and mail; discussion with logistics company in Georgia on January shipment; Meeting with P. Casey; update and continue calculations and notes for ERV; review of Affidavit of J. Borch for line details; with J. Merryweather on union WEPP claims not filed; with J. Chu on vehicle transfers and email to Platinum re: safeties.	5.2
1/30/2018	Venugopal, Naveen	Data recovery from server.	2.0
1/31/2018	Ambachtsheer, Todd	Review and analyze auction proposal; discuss same; ERV; respond to creditor queries; correspondence with insurance adjuster.	5.1
1/31/2018	Bricks, Hartley	Quality Assurance review of ERV analysis.	1.0
1/31/2018	Brown, Rose	Trust banking administration: disbursement cheque; printing invoice for wire payment back up.	1.0
1/31/2018	Casey, Brian	Data recovery from server.	0.5
1/31/2018	Casey, Paul	Discussion A. Koroneos and T. Ambachtsheer re reporting; other receivership administration; disbursements.	0.5
1/31/2018	Chu, Jonathan	Hand-fill ownerships; visit to Service Ontario.	4.0
1/31/2018	Koroneos, Anna	Review and update ERV; attend with J. Chu at MTO for vehicle transfers; with A. Moskowitz on trucks, liens and safeties required; teleconference with Freshhouse on payment plan; with S. Greenbaum on A/R schedule and follow up; emails with former employees; upload ADP for JV.	4.2
2/1/2018	Ambachtsheer, Todd	Attend plant, meet with J. Van Pelt to discuss status; meet with P. Paletta re sale; attend KID to drop off cheque for trailers.	6.4
2/1/2018	Brown, Rose	Trust banking administration: disbursement cheque cheques and wire info.	0.5
2/1/2018	Casey, Brian	Data recovery from server.	0.5
2/1/2018	Koroneos, Anna	Review of email from B. Hill; extensive discussion with J. Park of CRA re: HST audit, record requirements timing and scheduling an introduction meeting; review and respond to redirected mail where required; WEPP updates to SC and schedule; Prepare for and attend at source deduction audit with C. Nobel of CRA; teleconference with Luisa D. former employee re: WEPP; with Jennifer of ADP on records, CD and access online; teleconference with T. Ambachtsheer re: updates and meeting with P. Paletta and J. Van Pelt; discussions with T. Ambachtsheer.	5.7
2/2/2018	Ambachtsheer, Todd	Deal with CRA audit; discussions with J. Van Pelt; calls and emails with I. Brosbell; correspondence re: Simmons; calls with Dundee; discussions with GSNH re mobile equipment; discussions with Platinum re: mobile assets.	4.1
2/2/2018	Brown, Rose	Scan POC, invoice & Service Canada letter; update Ascend and save scanned document on Q drive; set up folder on Q drive.	0.8

Date	Professional	Description	Hours
2/2/2018	Casey, Brian	IT deliverable; client management.	0.5
2/2/2018	Casey, Paul	Preliminary review and comments on ERV calculation and assumptions.	1.0
2/2/2018	Greenbaum, Stacey	Create A/P schedule for Confederation Freezers.	0.5
2/2/2018	Koroneos, Anna	A/R update; with ADP; with J. Park of CRA on several calls re audit; with J. Van Pelt and T. Ambachtsheer on audit, HST and payroll; with B. Casey on audit financials; locate RC59 for J. Van Pelt to file HST for November and December 2017; email to B. Hill re: HST account; with former employee re WEPP.	4.5
2/2/2018	Venugopal, Naveen	Data recovery from server.	1.0
2/5/2018	Ambachtsheer, Todd	Discussions with T. Smith; work on ERV; discussions re: ACCPAC issues; follow up with Platinum Assets; deal with creditor inquiries; deal with access issues for building; review Van Pelt invoices; review related party transactions	4.5
2/5/2018	Brown, Rose	Scan invoices received and update creditor list; scan POC received and save.	1.0
2/5/2018	Casey, Brian	Data recovery from server.	0.5
2/5/2018	Casey, Paul	Review ERV calculation and follow up emails to T. Ambachtsheer regarding various outstanding matters; review receivership report to HSBC.	2.5
2/5/2018	Koroneos, Anna	With creditors via phone and email; with R. Brown on creditor notices to send; review and enter WEPP claims and provide to R. Brown; with J. Newman on D. Watson ROE from Penta; with CFF Stainless on creditors notice and no claims process.	0.7
2/5/2018	Koroneos, Anna	Voice message and call with J. Park of CRA on HST audit; retrieve ADP documents and forward to J. Van Pelt; with T. Ambachtsheer on several matters; review ERV; draft R&D respond to P. Casey email; with Lani on ADP; review of redirected mail and respond where required; with creditors.	3.0
2/6/2018	Ambachtsheer, Todd	Discuss loader and skid steer; follow up on outstanding invoices; draft memo for HSBC; deal with Exceldor requests; follow up on payments.	1.4
2/6/2018	Ambachtsheer, Todd	Discussions with T. Smith re: building access; review and discuss sales activity report; discuss offer for assets; deal with ClaimsPro on fork lift removal; discussions with Insurance Advisory group re: claim; review areas of building to access and discuss.	2.5
2/6/2018	Bricks, Hartley	QA review of reporting letter to HSBC.	1.0
2/6/2018	Brown, Rose	Trust banking administration: disbursement cheques and check online banking for receipts.	0.5
2/6/2018	Casey, Paul	Teleconference Platinum Assets re various; meeting team and finalize reporting letter to HSBC with ERV, auction proposal; estate disbursements, review R&D; other receivership administration.	3.0

Date	Professional	Description	Hours
2/6/2018	Koroneos, Anna	Various calls and email with creditors and former employees; with Service Canada on union claims; review of redirected mail and respond where required; update A/R emails to and from team on various matters.	3.0
2/7/2018	Ambachtsheer, Todd	Review correspondence from Penta Properties; discussions with T. Smith re: building; discussions with Platinum re: proposal and assets; emails re: contractors in building; review bills of lading; followup on potential sales; deal with Ryder lifts; ERV; Finalize memo to HSBC; discussions re: outstanding balances; followup on missing equipment; review Annex H for Exceldor; review auction agreement and analyze recovery on same; follow up on payment; follow up on KID trailers.	6.3
2/7/2018	Brown, Rose	Trust banking administration: review account online and confirm wire received and enter; update POC from employees; scan POC and confirmation of payment from Service Canada.	1.0
2/7/2018	Casey, Brian	Data recovery from server.	0.5
2/7/2018	Casey, Paul	Review correspondence re Mechanics Lien; teleconference J. Borch, HSBC re report and Platinum auction proposal; emails re site access issues.	2.0
2/8/2018	Ambachtsheer, Todd	Discussions re available inventory; address access issues; follow up on inventory claim and discuss same; follow up on Willard/Simmons; Discussion re: Vision; deal with First Response requirements; review weekly sales report and discuss same; discuss Broonson bid; emails re: credit insurance; follow up on Freshhouse cheques; deal with fork trucks; draft auction agreement.	4.2
2/8/2018	Brown, Rose	Trust banking administration; prepare deposit and update Ascend with postdated cheques.	0.5
2/8/2018	Casey, Paul	Emails HSBC re Access issues; meeting T. Ambachtsheer re various; follow up on interim insurance claim for inventory.	1.0
2/8/2018	Koroneos, Anna	Review of emails respond where required; with R. Brown on Freshhouse cheques and deposit received by courier.	0.5
2/9/2018	Ambachtsheer, Todd	Review and discuss auction proposal; calls re financial reporting; calls and emails to insurance advisory group; deal with premises access issues; calls with POSS re: equipment; respond to creditor calls; review invoices from freezer companies.	6.8
2/9/2018	Casey, Brian	Data recovery from server.	0.5
2/9/2018	Casey, Paul	Emails and discussions with T. Ambachtsheer regarding the inventory claim, communications with engineers and adjusters; email HSBC.	1.0
2/12/2018	Ambachtsheer, Todd	Deal with auction services agreement; follow up on trailer extraction; correspondence to broker.	2.0
2/12/2018	Ambachtsheer, Todd	Deal with ACCPAC issues; follow up on outstanding amounts to freezer companies; coordinate logistics to meet with J. Van Pelt; meet with P. Paletta; discussions with ClaimsPro; discussions with P. Paletta; deal with Platinum on assets.	3.1

Date	Professional	Description	Hours
2/12/2018	Brown, Rose	Scan and update POC and Service Canada letters; trust banking administration: cheque disbursements.	0.8
2/12/2018	Casey, Paul	Discussion with T. Ambachtsheer re inventory, claim, access & other administration; emails.	0.2
2/12/2018	Koroneos, Anna	Review of redirected mail and other BG mail and respond where required; enter WEPP claims and update schedule; review of auction agreement and teleconference with T. Ambachtsheer; Telephone call to J. Park of CRA on HST audit and with JVP on same; order records of HST filings; with several former employees on POC; with Demetrios Y. of Koskie on POC filed, missing employee and WEPP filings for all union members; with J. Merryweather of Schonfeld.	3.5
2/13/2018	Ambachtsheer, Todd	Attend plant; discussions with P. Paletta; revise auction services agreement; review of inventory claim and provide comments on same; deal with financial reporting and ACCPAC issues.	6.8
2/13/2018	Brown, Rose	Scan and update POC and Service Canada confirmation letters received.	0.5
2/13/2018	Casey, Paul	Emails from Claims Pro; meeting T. Ambachtsheer re inventory offer; teleconference J. Borch/HSBC re various.	0.5
2/13/2018	Koroneos, Anna	Review of redirected mail and WEPP; review of amended POC from KM; discussion with T. Ambachtsheer.	0.5
2/14/2018	Ambachtsheer, Todd	Discussions re inventory claim; discussions re auction agreement; respond to creditor inquiries; correspondence re: Vision Trucks; calls re: HST on chiller; calls re Willard order; discussions with P. Paletta re: offers; emails with J. Van Pelt re: Freshous.	6.3
2/14/2018	Brown, Rose	Update POC for Union Employees received.	0.8
2/14/2018	Casey, Brian	Data recovery from server.	0.5
2/14/2018	Casey, Paul	Meeting T. Ambachtsheer regarding inventory sale; court reporting, other receivership administration.	0.5
2/14/2018	Koroneos, Anna	With ADP on T4s and instructions for wire; with creditors on claims for receivership; with Judy for Doug Watson on WEPP payment process; update A/R and send emails re collections; review of email from Brandt; with other creditors and former employees and creditors; With R. Brown on KM POC and how to enter each union member; with J. Merryweather of Schonfeld re: non union employees who attended the union meeting; review of records for HST filings and support, provide to scan for audit; with J. Van Pelt on audit.	4.5
2/15/2018	Ambachtsheer, Todd	Discussions regarding the insurance claim; call with ClaimsPro; follow up on inventory interest; discussions with J. Van Pelt re financials; follow up on Willard Meats order; review and discuss HST return for November; multiple discussions with Platinum re: auction.	5.5

Date	Professional	Description	Hours
2/15/2018	Brown, Rose	Scan POC and update Ascend; trust banking administration; disbursement cheque; review and save invoice on Q drive for Confederation.	0.9
2/15/2018	Casey, Paul	Review auction agreement; detailed review of draft inventory insurance claim; teleconference with T. Ambachtsheer; discuss marketing process for en bloc frozen inventory.	2.3
2/15/2018	Koroneos, Anna	Attend at the Service Ontario office to transfer vehicles; print APA and schedule time for Friday for 28 transfers; Teleconference with J. Park with CRA on HST filings; review and respond to redirected mail; update WEPP schedule and review email from KM.	5.0
2/15/2018	Venugopal, Naveen	Data recovery from server.	1.0
2/16/2018	Ambachtsheer, Todd	Correspondence with GSNH; deal with trailer ownerships; follow up on interest in inventory; discussions with contractors; review A/P invoices; discussions re insurance claim with advisory group; deal with chiller issue; review letter to Blue Goose Capital.	4.2
2/16/2018	Casey, Paul	Discussion T. Ambachtsheer re inventory sales, other receivership administration.	0.5
2/16/2018	Koroneos, Anna	Return to Service Ontario Ministry of Transportation ("MTO") for pickup and payment; forward HST letter to M. Forte and discussion with T. Ambachtsheer on same.	1.5
2/20/2018	Ambachtsheer, Todd	Draft First Report; review bill of lading; deal with access issues; correspondence with Penta; Finalize auction service agreement; calls and emails re BI claims; finalize inventory claim; deal with Altra lifts; follow up on sale opportunities; discussions re en block opportunities; call with E. Mah re: inventory claim; review files for BGPFL audit.	4.2
2/20/2018	Brown, Rose	Update POCs and Service Canada confirmation letters received.	0.7
2/20/2018	Casey, Paul	Review inventory claim and instructions to T. Ambachtsheer; HST letter; draft Court Report outline; other receivership administration.	1.5
2/20/2018	Koo, Ada	Bank deposit of A/R cheque.	0.2
2/20/2018	Koroneos, Anna	With T. Ambachtsheer on report; review index from P. Casey; review of emails for payment instructions; creditor emails and calls.	2.0



Deloitte Restructuring Inc.
 Bay Adelaide Centre
 8 Adelaide Street West, Suite 200
 Toronto, ON, M5H 0A9

Tel: (416) 601-6150
 Fax: (416) 601-6151
 www.deloitte.ca

Private and Confidential
 Attention: Mr. John Borch, Assistant Vice-President
 HSBC Bank Canada
 70 York Street, 3rd Floor
 Toronto ON M5J 1S9

Date: February 23, 2018
 Invoice Number: 555511
 WBS #: HSBC0002-01-01
 Billing Partner: Paul Casey

GST/HST Registration Number: 12289 3605

Invoice #2

Professional services rendered with respect to Deloitte Restructuring Inc. ("Deloitte") in its capacity as Court-appointed Receiver of Blue Goose Pure Foods Ltd. o/a Tender Choice ("Blue Goose" or the Company") for the period from January 1 to 20, 2018.

Summary of Fees

Professional	Position	Hours	Rate		
Paul Casey, CPA, CA, FCIRP	Senior Vice-President	46.5	\$650.00	\$	30,225.00
Craig Burkart	Insurance Advisory	3.7	\$520.00		1,924.00
Anna Koroneos, CIRP	Senior Manager	77.8	\$500.00		38,900.00
Todd Ambachtsheer, CPA, CA, CIRP	Senior Manager	99.2	\$500.00		49,600.00
David Robinson	Insurance Advisory	0.5	\$420.00		210.00
Brian Casey	Manager	7.5	\$425.00		3,187.50
Andrew Whittingham	Manager	0.8	\$425.00		340.00
Stacey Greenbaum	Senior	41.0	\$375.00		15,375.00
Jonathan Chu	Analyst	43.5	\$225.00		9,787.50
Jayne Kenzora	Analyst	0.5	\$225.00		112.50
Alice Lin	Analyst	2.5	\$225.00		562.50
Naveen Venugopal	Analyst	18.0	\$225.00		4,050.00
Rose Brown	Trust Administrator	9.6	\$125.00		1,200.00
Total Professional hours and fees		351.1		\$	155,474.00
Out of Pocket Expenses: travel (\$1,599) mailings (\$1,401), office supplies (\$105), meals (\$370.28)					3,475.03
					\$ 158,949.03
HST @ 13%					20,663.37
Amount Payable (CAD)					\$ 179,612.40

Remittance information on last page

Date	Professional	Description	Hours
1/2/2018	Ambachtsheer, Todd	Review correspondence and discuss letter with the Canadian Food Inspection Agency ("CFIA,"); internal discussions with P. Casey, correspondence with insurance adjuster, discussions with Deloitte IT staff regarding access to the Blue Goose server, review of inventory files and discussions with I Van Pelt re: same	7.1
1/2/2018	Brown, Rose	Prepare for WEPPA mailing to former Blue Goose employees; prepare courier to deliver truck keys; prepare and facilitate deposit.	1.5
1/2/2018	Casey, Brian	Calls with team; IT project management.	0.5
1/2/2018	Casey, Paul	Other assets; emails to A. Moskowitz and Claims Pro regarding access to the property.	4.0
1/2/2018	Chu, Jonathan	Index documents in the company's books and records.	6.0
1/2/2018	Greenbaum, Stacey	Prepare and mail Proof of Claim ("POC") packages for employee WEPPA claims; status update meeting with team.	6.5
1/2/2018	Koroneos, Anna	WEPPA finalize and issue; with creditors and former employees on various issues; meeting with team.	8.0
1/2/2018	Robinson, David	Review documents and communication.	0.5
1/2/2018	Venugopal, Naveen	Data recovery from server	2.0
1/3/2018	Ambachtsheer, Todd	Review CARs; review of files for reporting purposes; review and discuss PPSA; communications with interested parties, follow up on mail correspondence; discussions with IT staff regarding PCs on site.	7.4
1/3/2018	Brown, Rose	Accounts receivable ("A/R") mail merge letters and provide to S. Greenbaum; prepare additional mailing of 245/246 notices to union employees.	1.9
1/3/2018	Burkart, Craig	Review of information provided; email correspondence; review insurance matters.	2.2
1/3/2018	Casey, Brian	Collection of data support; analysis.	1.0
1/3/2018	Casey, Paul	Meetings with T. Ambachtsheer and A. Koroneos regarding receivership administration and priorities; draft reporting email to HSBC Bank Canada ("HSBC") and counsel; discussion with B. Pettit; insurance premium administration; emails with C. Burkart re insurance claims; CFIA communications, creditor and other inquiries.	3.5
1/3/2018	Chu, Jonathan	Index documents in the company's books and records.	6.0
1/3/2018	Greenbaum, Stacey	Prepare and mail out A/R letters; prepare invoice for inventory sales; review fleet information.	6.0
1/3/2018	Koroneos, Anna	A/R letters finalizing; update memo to HSBC; with numerous creditors and former employees on receivership information; dealing with Insurance premium payment; finalize further WEPP letters; with Koskie Minsky LLP ("KM") on union employee addresses; with B. Hill on several matters; with L. Santos regarding former employees.	6.0
1/3/2018	Venugopal, Naveen	Data recovery from server	2.0
1/4/2018	Ambachtsheer, Todd	Follow up on missing loader and skid steer; discussion with potential liquidator; follow up on CAR request for ClaimsPro; communications with Bob Hill re assets, review of file listing, arrange for disbursement funding and insurance payment; review of APA regarding purchased assets; call with P. Paletta regarding engagement; calls and email with J. McDowell re: status.	6.7
1/4/2018	Brown, Rose	Trust banking administration: record incoming wire and prepare disbursement; scan documents for S. Greenbaum.	1.5
1/4/2018	Burkart, Craig	Review information provided; email correspondence; review insurance matters.	1.5
1/4/2018	Casey, Brian	Collection of data support; analysis.	1.0
1/4/2018	Casey, Paul	Emails with A. Paletta and counsel regarding equipment ownership claim; funding and payment of insurance premium; meeting with T. Ambachtsheer regarding inventory lists and reconciliation.	3.0

Date	Professional	Description	Hours
1/4/2018	Chu, Jonathan	Index documents in the company's books and records.	3.0
1/4/2018	Greenbaum, Stacey	Prepare A/R Invoices for scanning.	3.0
1/4/2018	Koroneos, Anna	Respond to emails from former employees and creditors; prepare insurance invoice and coordinate payment; attend at CAFO; with RBC Visa on A and P Paletta accounts; team discussions; with S. Greenbaum and J. Chu on records, storage and filing documents; review of redirected mail with R. Brown on account.	5.5
1/4/2018	Venugopal, Naveen	Data recovery from server	2.0
1/5/2018	Ambachtsheer, Todd	Telephone discussion with P. Paletta, various emails and calls to ClaimsPro, deal with Platinum Assets re equipment, correspondence re: Sofina, follow up on accounts receivable, deal with creditor queries re: amounts owing, follow up on outstanding records; follow up on banking records, review lien records, discussions re: A/R, creditor inquiries re: scissor lifts, correspondence re: T4s; review of equipment listing, arrange for access to building, calls and emails with Bob Hill, follow-up with freezer companies regarding outstanding amounts and process going forward, arrange for file transfer to J. Van Pelt, discussions re: customer records.	6.5
1/5/2018	Brown, Rose	Update creditors listing.	0.5
1/5/2018	Casey, Brian	Project management; data QC; follow-up.	0.5
1/5/2018	Casey, Paul	Prepare agenda and call with P. Paletta regarding the sale program for frozen inventory; memo regarding call; various emails regarding T. Ambachtsheer's attendance at yard and other emails.	2.5
1/5/2018	Chu, Jonathan	Index documents in the company's books and records.	3.0
1/5/2018	Greenbaum, Stacey	Inventory listing reconciliation from the company's books and records.	2.0
1/5/2018	Koroneos, Anna	Calls and emails with creditors and former employees; emails with counsel re: lien from Demand; with supplier on lifts and various discussions with team.	4.5
1/7/2018	Koroneos, Anna	Review and respond to employee emails re: WEPP.	0.2
1/8/2018	Ambachtsheer, Todd	Arrange share file site and correspond with IT staff regarding same; coordinate truck inspection; review A/R records, calls and emails with storage companies regarding arrears; correspondence with KID regarding trailers to be repaired, calls re: A/R collections; discussions re records to be transmitted; discussions regarding the forecast; calls to discuss the insurance claim; review of lien claims; draft and review status update document; calls and email to insurance adjuster; deal with access to the building.	7.8
1/8/2018	Brown, Rose	Trust banking administration; deposit.	0.6
1/8/2018	Casey, Paul	Emails and discussion with T. Ambachtsheer regarding inventory and equipment; review invoice from A. Paletta; correspondence to adjusters regarding equipment and office security.	1.0
1/8/2018	Chu, Jonathan	Prepare Sofina A/R schedule; document upload.	6.0
1/8/2018	Greenbaum, Stacey	File documents on the Q drive; proof of claim receipts; follow up on outstanding A/R.	4.5
1/8/2018	Koroneos, Anna	Telephone discussions with creditors and former employees; update on scanned documents; with Frank De Tina, creditor, regarding updated amounts; update A/R collections with cheques received; team discussions; review of email to Ivan and forward to T. Ambachtsheer with updates; discussion with Jasleen Grewal regarding mail and resend documents; request for bank statements; with Aerial Plus regarding property on site.	4.5
1/8/2018	Venugopal, Naveen	Data recovery from server	2.0

Date	Professional	Description	Hours
1/9/2018	Ambachtsheer, Todd	Calls and emails regarding the skid steer removed by Paletta; correspondence and discussions re A/R balances outstanding; review of the inventory file; deal with customer inquires regarding quality issues; correspondence and discussions regarding recall of food and insurance; calls with employees regarding property on site; updates to J. Van Pelt engagement letter; review request for offers on assets and provide comments on same. discussions re insurance policy, calls with IT staff re PCs, contractors re assets on premises, deal with Platinum re assets on site, coordinate Dundee meeting	7.4
1/9/2018	Brown, Rose	General banking administration.	0.5
1/9/2018	Casey, Brian	Discovery support; collection support; meetings; correspondence; project management.	0.5
1/9/2018	Casey, Paul	Draft request for offers and terms and conditions; meeting T. Ambachtsheer and instructions; prepare and telephone discussion with P. Paletta re sales agency role; draft sales commission agreement and send to counsel; discussions regarding Paletta's unauthorized movement of tractors and trailers	6.0
1/9/2018	Chu, Jonathan	Index documents in the company's books and records.	1.5
1/9/2018	Greenbaum, Stacey	Receipt and review of Proof of Claim documentation for WEPP; A/R follow up.	2.0
1/9/2018	Koroneos, Anna	Review and respond to email from B. Hill, L. Santos, suppliers, creditors, former employees; with Teresa for Raman and former employee on forms received for WEPP; with M. Brookman of C&C Packaging; with Brana of HSBC re: statements; further discussions with B. Hill.	6.5
1/9/2018	Venugopal, Naveen	Data recovery from server	3.0
1/10/2018	Ambachtsheer, Todd	Further discussions with insurance advisory, calls with B. Hill, coordinate asset removal.	1.5
1/10/2018	Ambachtsheer, Todd	Coordinate inventory count sheets, discussions re sale opportunities, deal with contractor equipment inquiries, correspondence with insurance adjuster, correspondence re bank balance, correspondence and discussions with freezer companies.	8.0
1/10/2018	Brown, Rose	General estate administration: review creditor invoices and update listing; resend BIA Section 246/246 notices with respect to returned mail.	0.8
1/10/2018	Casey, Brian	Discovery support; collection support; meetings; correspondence; project management.	0.5
1/10/2018	Casey, Paul	Meetings with team; chair update call with TGF and HSBC; prepare update note; amend and issue draft engagement letter for Paul Paletta; report from A. Moskowitz and draft email to Paletta/adjusters re unauthorized removal of equipment; follow up on information to adjuster.	4.5

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Invoice 8000024556

Deloitte LLP
2800 - 1055 Dunsmuir Street
4 Bentall Centre
Vancouver BC V7X 1P4

ATTN: Paul Casey, Senior Vice-President
Deloitte Restructuring Inc. - Court Appointed
Receiver of Blue Goose Pure Foods
8 Adelaide St. West Suite 200
Toronto ON M5H 0A9
Canada

Tel: (604) 669-4466
Fax: (778) 374-0507
www.deloitte.ca

Date: February 15, 2018
Client No.: 1136634
WBS#: HON00003
Engagement Partner: Craig Burkart
GST Registration: 133245290RT0001

For professional services rendered

Fees

o/a Tender Choice Foods
In accordance with our engagement letter dated January 3, 2018.
Professional fees for work done from January 3, 2018 to February 9, 2018.
Please see summary for details.

GST applicable 57,443.00

Sales Tax

GST at 5.00% 2,872.15

Total Amount Due (CAD) 60,315.15

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Deloitte

Summary

Resource Name	Rate	Hours	Total
Burkart, Craig	\$ 620.00	10.70	\$ 5,664.00
Keralff, Kristen	\$ 270.00	57.30	\$ 15,471.00
Mah, Eric	\$ 270.00	86.00	\$ 23,220.00
Robinson, David	\$ 420.00	31.40	\$ 13,188.00
Total		185.40	\$ 57,443.00

Hours Summary

Work Date	Resource Name	Hours	Timesheet Comments
1/3/2018	Keralff, Kristen	1.00	Review Incident details
1/4/2018	Keralff, Kristen	1.80	Internal meeting and claim review
1/4/2018	Robinson, David	1.00	Engagement Planning
1/5/2018	Keralff, Kristen	4.80	Engagement mapping; RFI; Research
1/8/2018	Robinson, David	0.20	Review initial documentation
1/9/2018	Keralff, Kristen	1.70	Review; engagement management
1/10/2018	Keralff, Kristen	3.80	Internal calls; Review RFI; Preparation of correspondence
1/10/2018	Robinson, David	2.50	Inventory valuation
1/10/2018	Burkart, Craig	1.10	Review Inventory records; prepare memo of inventory; email correspondence
1/11/2018	Keralff, Kristen	-2.60	Review of CARs and Remediation Plan
1/11/2018	Keralff, Kristen	4.60	Review of Remediation Plan
1/11/2018	Keralff, Kristen	2.60	Review of CARs and Remediation Plan
1/11/2018	Robinson, David	2.50	Review inventory and CFIA documentation
1/11/2018	Burkart, Craig	1.50	Review Inventory records; review CFIA tasks and completions; email
1/12/2018	Keralff, Kristen	5.70	Internal calls; Review CARs and prepare summary; Preparation of correspondence
1/12/2018	Robinson, David	2.20	Call with COO; review CAR information
1/15/2018	Keralff, Kristen	2.00	Prepare CAR summary
1/15/2018	Robinson, David	1.20	Review financial info; prepare loss analysis
1/15/2018	Burkart, Craig	0.50	Review financial info; prepare loss analysis
1/16/2018	Keralff, Kristen	4.40	Preparation of draft calculations
1/16/2018	Robinson, David	1.50	Engagement planning; review inventory details
1/16/2018	Burkart, Craig	0.60	Prepare loss analysis
1/17/2018	Keralff, Kristen	3.80	Preparation of draft calculations
1/17/2018	Robinson, David	1.20	Engagement planning
1/18/2018	Keralff, Kristen	1.00	Preparation of RFI
1/18/2018	Robinson, David	1.50	Review draft calculations and RFI
1/18/2018	Burkart, Craig	0.50	Prepare equipment analysis
1/19/2018	Mah, Eric	4.00	Discussion, research and analysis on inventory
1/19/2018	Keralff, Kristen	4.20	Research CFIA regulations; Engagement management
1/19/2018	Robinson, David	3.00	Meeting with former controller; review of analysis
1/19/2018	Burkart, Craig	1.10	Conf call re: status and next steps; review financial information
1/22/2018	Mah, Eric	6.50	Inventory analysis
1/22/2018	Keralff, Kristen	3.70	Review financial documentation; Prepare methodology for BI approach
1/22/2018	Robinson, David	0.50	Engagement planning
1/23/2018	Mah, Eric	5.00	Inventory analysis and discussion
1/23/2018	Keralff, Kristen	2.20	Preparation of draft BI calculations
1/23/2018	Robinson, David	0.60	Review of analysis
1/24/2018	Mah, Eric	4.70	Inventory analysis
1/24/2018	Keralff, Kristen	3.40	Review Inventory calculation provided by Jeff; Calls with Jeff; Prepare methodology
1/24/2018	Robinson, David	1.50	Preparation of draft calculations
1/25/2018	Mah, Eric	6.80	Preparation of inventory claim/report
1/25/2018	Robinson, David	0.70	Inventory claim
1/25/2018	Mah, Eric	7.00	Inventory analysis
1/29/2018	Mah, Eric	7.30	Preparation of inventory claim/report
1/29/2018	Keralff, Kristen	0.60	Inventory review
1/29/2018	Robinson, David	1.30	Review of inventory claim
1/30/2018	Mah, Eric	1.30	Inventory Analysis
1/30/2018	Robinson, David	2.50	Inventory valuation; rush business interruption estimate
1/30/2018	Burkart, Craig	1.10	Discussion of preliminary BI and Inventory analysis; email correspondence
2/1/2018	Robinson, David	0.60	Review of inventory claim
2/2/2018	Mah, Eric	9.00	Inventory analysis
2/2/2018	Keralff, Kristen	2.70	BI loss
2/2/2018	Robinson, David	1.50	Preparation of inventory claim/report
2/2/2018	Burkart, Craig	1.10	Prepare inventory analysis; email correspondence
2/4/2018	Mah, Eric	2.50	Update inventory analysis

2/5/2018	Mah, Eric	7.20	Update Inventory analysis
2/5/2018	Robinson, David	0.50	Review methodology
2/6/2018	Keralff, Kristen	2.70	Analysis of revenue; preparation of questions for client;
2/6/2018	Mah, Eric	10.50	Preparation of inventory schedules
2/6/2018	Robinson, David	2.00	Review of inventory calculations
2/7/2018	Shum, Vivian	2.60	Reference check
2/7/2018	Keralff, Kristen	0.60	Review
2/7/2018	Mah, Eric	7.30	Preparation of inventory schedules
2/7/2018	Robinson, David	1.00	Review methodology
2/7/2018	Burkart, Craig	2.40	Prepare inventory loss model and loss report; email correspondence
2/7/2018	Mah, Eric	3.90	Inventory claim report
2/8/2018	Robinson, David	0.60	Inventory claim
2/8/2018	Burkart, Craig	0.80	Review inventory loss report and loss model
2/9/2018	Mah, Eric	3.00	Inventory analysis
2/9/2018	Robinson, David	1.50	Review inventory report
		<u>185.40</u>	

TAB F

Appendix "F"
Forte Affidavit

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

HSBC BANK CANADA

Applicant

-and-

BLUE GOOSE PURE FOODS LTD. O/A TENDER CHOICE FOODS

Respondent

**AFFIDAVIT OF MARIO J. FORTE
(sworn April 5, 2018)**

I, **Mario J. Forte**, of the City of Toronto, hereby MAKE OATH AND SAY:

1. I am a barrister and solicitor qualified to practice in the Province of Ontario and am counsel to the law firm of Goldman Sloan Nash & Haber LLP (“**GSNH**”) and therefore have knowledge of the matters in this affidavit. Where this affidavit is based on information and belief, I have stated the source of that information and believe it to be true.
2. GSNH are lawyers of record for the receiver, Deloitte Restructuring Inc. (“**Deloitte**”) in these proceedings.
3. Attached as **Exhibit “A”** to this affidavit is are copies of three accounts of GSNH for fees and disbursements incurred by GSNH in the course of this proceeding for the period from December 19, 2017 to March 27, 2018.
4. The average hourly rate charged for the invoices set out in Exhibit “A” is \$444.55. That is comprised of hours docketed by the following timekeepers at GSNH with the corresponding hourly rates:

Mario J. Forte	\$585.00
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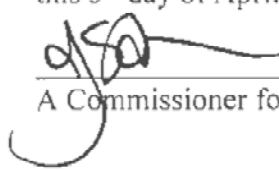
Jennifer Stam	\$585.00
Brendan Bissell	\$550.00
Robert Drake	\$425.00
Katie Parent	\$250.00
May May Co	\$200.00

5. To the best of my knowledge the rates charged by GSNH throughout the course of this proceeding are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.

6. The hourly billing rates outlined above are comparable to the hourly rates charged by GSNH for services rendered in relation to similar proceedings.

7. I make this affidavit in support of a motion by the Receiver for, among other things, approval of the fees and disbursements of GSNH as its counsel for the period from December 19, 2017 to March 27, 2018.

SWORN before me at the City of Toronto.
 in the Province of Ontario
 this 5th day of April, 2018



 A Commissioner for taking oaths, etc.

) 
)
)
) **MARIO J. FORTE**
)



This is Exhibit "A" referred to in the affidavit of Mario Forte sworn before me at Brant this 2 day of April, 2016.
[Signature]
 A Commissioner for taking Affidavits for Ontario

104

Suite 1600
 480 University Avenue
 Toronto, Ontario
 M5G1V2

Telephone: (416) 597-9922
 Facsimile: (416) 597-3370

Deloitte Restructuring Inc.
 Bay Adelaide Centre
 22 Adelaide St. West, Suite 200
 Toronto, ON M5H 0A9
 Canada

Billing Lawyer Mario Forte
 Invoice No. 165408
 HST # 12233 6290 RT0001
 Invoice Date January 5, 2018

Attention: Paul Casey

Client ID: 010004 Matter ID: 0005

RE: Blue Goose

FOR PROFESSIONAL SERVICES RENDERED for the period December 19, 2017 to December 22, 2017

Date	Professional	Narrative	Hours	Rate	Amount
12/19/17	MJF	Engaged in review of security and related documentation; providing advice and guidance concerning various procedural aspects; discussions concerning file background and strategic considerations for sale issues and protective elements of order;	3.80	585.00	2,223.00
12/20/17	MJF	Discussions with BLG in connection with landlord related issues including occupation rent; discussions and advice on strategic matters affecting order and timing;	2.90	585.00	1,696.50
12/21/17	MJF	Negotiations with Landlord concerning form of order; prepare and attend court to seek full receivership order; advising on follow up matters concerning employee terminations and terms of notices; correspondence with Blue Goose counsel;	2.60	585.00	1,521.00
12/22/17	MJF	Discussions and advice concerning various process matters; discussions with BLG re: Paletta inventory matters; review construction lien material	0.90	585.00	526.50
Sub-Total Fees:					5,967.00



ACCOUNTS ARE DUE WHEN RENDERED
 Pursuant to the Solicitor's Act interest at a rate of 3.00% per annum will be charged on amounts due, calculated commencing one month after the date of delivery of this account. Any disbursements recorded after preparation of this account will be billed at a later date.

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HST on Fees: 775.71

SUMMARY OF PROFESSIONAL SERVICES

PROFESSIONAL	HOURS
Mario Forte	10.20
	<hr/>
	10.20

DISBURSEMENTS

Laser Copies 261.25

Sub-Total Disbursements: 261.25
Disbursements marked with * indicate exempt

HST on Disbursements: 33.96

TOTAL LEGAL FEES AND DISBURSEMENTS (includes \$809.67 HST): \$ 7,037.92

THIS IS OUR ACCOUNT HEREIN

~~GOLDMAN SLOAN NASH & HABER LLP~~

Per: Mario Forte

E. & O. E.

106



Suite 1600
480 University Avenue
Toronto, Ontario
M5G1V2

Telephone: (416) 597-9922
Facsimile: (416) 597-3370

Remittance Advice

Deloitte Restructuring Inc.
Bay Adelaide Centre
22 Adelaide St. West, Suite 200
Toronto, ON M5H 0A9
Canada

Attention: Paul Casey

Invoice No. 165408
Invoice Date: January 5, 2018

Client ID: 010004
Matter ID: 0005
Billing Attorney: MJF

Current Billing:	7,037.92
Previous Balance:	0.00
Total Amount:	7,037.92
Amount Remitted:	\$ _____

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Suite 1600
480 University Avenue
Toronto, Ontario
M5G1V2

Telephone: (416) 597-9922
Facsimile: (416) 597-3370

Deloitte Restructuring Inc.
Bay Adelaide Centre
22 Adelaide St. West, Suite 200
Toronto, ON M5H 0A9
Canada

Billing Lawyer Mario Forte
Invoice No. 165825
HST # 12233 6290 RT0001
Invoice Date January 29, 2018

Attention: Paul Casey

Client ID: 010004 Matter ID: 0005

RE: Blue Goose

FOR PROFESSIONAL SERVICES RENDERED for the period January 5, 2018 to January 19, 2018

Date	Professional	Narrative	Hours	Rate	Amount
01/05/18	MJF	Advising on various issues concerning construction lien; correspondence with construction lien claimant; discussion with counsel;	1.00	585.00	585.00
01/08/18	MJF	Advising on equipment entitlements;	0.40	585.00	234.00
01/09/18	KP	Reviewing security documents, specifically credit agreement in advance of drafting security opinion; requesting PPSA searches to be completed; reviewing corporate profile report for Debtor;	0.70	250.00	175.00
01/10/18	KP	Reviewing security documents in preparation of security opinion, including credit agreement, general security and pledge agreement and assignment of insurance; drafting form of security opinion; correspondence with N. Miotto regarding certified PPSA searches;	4.60	250.00	1,150.00
01/11/18	KP	Review of certified PPSA searches; completing draft of security opinion for J. Stam review;	1.80	250.00	450.00
01/11/18	MJF	Discussions concerning correspondence with Sofina Foods and advice concerning response; advising re: dispute over equipment; discussions with BLG;	1.00	585.00	585.00



ACCOUNTS ARE DUE WHEN RENDERED

Pursuant to the Solicitor's Act interest at a rate of 3.00% per annum will be charged on amounts due, calculated commencing one month after the date of delivery of this account. Any disbursements recorded after preparation of this account will be billed at a later date.

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Date	Professional	Narrative	Hours	Rate	Amount
01/12/18	KP	Meeting with J. Stam regarding draft security opinion; revising and finalizing same; requesting and reviewing updated corporate profile reports regarding amalgamated companies; discussion with T. Hodgins regarding same;	3.60	250.00	900.00
01/12/18	MJF	Advising in connection with misapplied accounts;	0.30	585.00	175.50
01/15/18	MJF	Discussions with Stikemans concerning rent guarantee and lease disclosure issues; advising on disclaimer matters and possible outcomes;	0.80	585.00	468.00
01/16/18	MJF	Follow-up discussions on rent/disclaimer matters; comments on account dispute letter;	0.30	585.00	175.50
01/17/18	JS	Conversation with T. Ambachtsheer re RSLA matters; analysis re same; conference call re various matters; reviewing and finalizing HSBC security opinion; conference call with client, M. Forte re update and various matters; analysis on RSLA issue;	2.30	585.00	1,345.50
01/17/18	MJF	Discussions and update on all workstream and file issues and discussions of follow-up matters;	0.30	585.00	175.50
01/18/18	JS	Finalizing analysis on lien issue; correspondence re same;	0.70	585.00	409.50
01/19/18	MJF	Discussions and update re follow-up to workstream.	1.00	585.00	585.00
Sub-Total Fees:					7,413.50
HST on Fees:					963.76

SUMMARY OF PROFESSIONAL SERVICES

PROFESSIONAL	HOURS	HOURLY RATE	AMOUNT
Katie Parent	10.70	250.00	2,675.00
Jennifer Stam	3.00	585.00	1,755.00
Mario Forte	5.10	585.00	2,983.50
	<u>18.80</u>		<u>7,413.50</u>

DISBURSEMENTS

01/09/2018	Laser Copies	41.50
	ESC Corp. Fee	160.00
	VENDOR: ESC Corporate Services Ltd. INVOICE#:	8.00
	H582859 DATE: 09/01/2018	
	GOV'T DISB. -NO GST/HST *	
01/11/2018	VENDOR: ESC Corporate Services Ltd. INVOICE#:	8.00
	H587430 DATE: 11/01/2018	
	GOV'T DISB. -NO GST/HST *	

DISBURSEMENTS

01/12/2018	VENDOR: ESC Corporate Services Ltd. INVOICE#: H590587 DATE: 12/01/2018 GOV'T DISB. -NO GST/HST *	8.00
01/12/2018	VENDOR: ESC Corporate Services Ltd. INVOICE#: H590589 DATE: 12/01/2018 GOV'T DISB. -NO GST/HST *	8.00
01/17/2018	VENDOR: ESC Corporate Services Ltd. INVOICE#: H598124 DATE: 17/01/2018 GOV'T DISB. -NO GST/HST *	8.00
01/17/2018	VENDOR: ESC Corporate Services Ltd. INVOICE#: H598126 DATE: 17/01/2018 GOV'T DISB. -NO GST/HST *	8.00
01/17/2018	VENDOR: ESC Corporate Services Ltd. INVOICE#: H598153 DATE: 17/01/2018 GOV'T DISB. -NO GST/HST *	8.00
01/17/2018	VENDOR: ESC Corporate Services Ltd. INVOICE#: H598156 DATE: 17/01/2018 GOV'T DISB. -NO GST/HST *	8.00
01/17/2018	VENDOR: ESC Corporate Services Ltd. INVOICE#: H598998 DATE: 17/01/2018 GOV'T DISB. -NO GST/HST *	8.00
01/17/2018	VENDOR: ESC Corporate Services Ltd. INVOICE#: H598999 DATE: 17/01/2018 GOV'T DISB. -NO GST/HST *	8.00
01/19/2018	VENDOR: ESC Corporate Services Ltd. INVOICE#: H603412 DATE: 19/01/2018 GOV'T DISB. -NO GST/HST *	8.00
01/19/2018	VENDOR: ESC Corporate Services Ltd. INVOICE#: H603414 DATE: 19/01/2018 GOV'T DISB. -NO GST/HST *	8.00

Sub-Total Disbursements:	297.50
Disbursements marked with * indicate exempt	

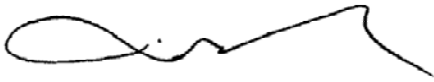
HST on Disbursements:	26.20
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TOTAL LEGAL FEES AND DISBURSEMENTS (includes \$989.96 HST):	\$ 8,700.96
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THIS IS OUR ACCOUNT HEREIN

GOLDMAN SLOAN NASH & HABER LLP



Per: Mario Forte

E. & O. E.

112



Suite 1600
 480 University Avenue
 Toronto, Ontario
 M5G 1V2

Telephone: (416) 597-9922
 Facsimile: (416) 597-3370

Remittance Advice

Deloitte Restructuring Inc.
 Bay Adelaide Centre
 22 Adelaide St. West, Suite 200
 Toronto, ON M5H 0A9
 Canada

Attention: Paul Casey

Invoice No. 165825
 Invoice Date: January 29, 2018

Client ID: 010004
 Matter ID: 0005
 Billing Attorney: MJF

Current Billing:	8,700.96
Previous Balance:	7,037.92
Total Amount:	15,738.88
Amount Remitted:	\$ _____



Suite 1600
480 University Avenue
Toronto, Ontario
M5G1V2

Telephone: (416) 597-9922
Facsimile: (416) 597-3370

Deloitte Restructuring Inc.
Bay Adelaide Centre
22 Adelaide St. West, Suite 200
Toronto, ON M5H 0A9
Canada

Billing Lawyer Mario Forte
Invoice No. 166960
HST # 12233 6290 RT0001
Invoice Date March 28, 2018

Attention: Paul Casey

Client ID: 010004 Matter ID: 0005

RE: Blue Goose

FOR PROFESSIONAL SERVICES RENDERED for the period January 2, 2018 to March 27, 2018

Date	Professional	Narrative	Hours	Rate	Amount
01/02/18	MJF	Advising on equipment issues and strategy;	0.30	585.00	175.50
01/03/18	MJF	Review and discuss file status;	0.20	585.00	117.00
01/12/18	RJD	Meeting with J. Stam re research questions regarding Repair and Storage Lien Act; researching same; meeting with J. Stam re results of research;	1.30	425.00	552.50
01/16/18	MJF	Discussions with lien claimant counsel re: limited lift stay;	0.20	585.00	117.00
01/17/18	KP	Instructions of J. Stam regarding registration summary; requesting PPSA searches and corporate profile reports re: Tender Choice Foods and Tender Choice Foods (2016); reviewing invoice documentation and PPSA search results; preparing summary of same; discussion with J. Stam regarding analysis and summary; revising same; revising and finalizing Security Opinion; reporting to J. Stam regarding same;	5.40	250.00	1,350.00
01/18/18	KP	Review of PPSA search and reporting to J. Stam regarding additional PPSA registration against Tender Choice Foods Inc.; reviewing Vision Invoices	1.20	250.00	300.00



ACCOUNTS ARE DUE WHEN RENDERED

Pursuant to the Solicitor's Act interest at a rate of 3.00% per annum will be charged on amounts due, calculated commencing one month after the date of delivery of this account. Any disbursements recorded after preparation of this account will be billed at a later date.

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Date	Professional	Narrative	Hours	Rate	Amount
		and revising summary of same;			
01/25/18	JS	Review of form of invoice; correspondence re same;	0.20	585.00	117.00
01/30/18	JS	Conversation with T. Ambachtsheer re Vision; drafting letter re same; correspondence re same;	0.70	585.00	409.50
02/02/18	MJF	Discussions and advice concerning process issues;	0.30	585.00	175.50
02/06/18	MJF	Dealing with BLG on settlement of equipment issues and correspondence with BLG and Receiver thereon;	0.40	585.00	234.00
02/07/18	MJF	Discussions concerning outstanding work streams and deliverables;	0.20	585.00	117.00
02/13/18	MJF	Comments on auction service agreement and correspondence on same;	0.20	585.00	117.00
02/15/18	JS	Finalizing letter re Vision Trucks and sending same;	0.20	585.00	117.00
02/15/18	MJF	Advising on equipment sale issues;	0.10	585.00	58.50
02/17/18	MJF	Review and comment on Blue Goose registered documents letter;	0.10	585.00	58.50
02/26/18	MJF	Discussions with TA regarding A/R issues and timing of motion for sale and discussion re: recovery of assets;	1.10	585.00	643.50
02/27/18	BB	Conference with J. Stam re: issues and background to truck RSLA dispute. Review of emails from T. Ambachtsheer re: same;	0.60	550.00	330.00
02/28/18	JS	Reviewing and revising receiver report re vision; discussions re same;	0.50	585.00	292.50
02/28/18	JS	Drafting bill of sale re Erie transaction;	0.50	585.00	292.50
02/28/18	MJF	Discussion with lien claimants; discussion with insurer concerning process issues;	0.50	585.00	292.50
03/01/18	MJF	Discussions concerning pending deal and other matters; prepare draft APA for bulk inventory deal; discussion of scope of potential relief in motion; dealing with lien claimant;	2.60	585.00	1,521.00
03/03/18	MJF	Draft materials for up-coming motions for sale of inventory;	0.60	585.00	351.00
03/05/18	KP	Drafting Notice of Motion and draft order re: Vision Truck direction; drafting Notice of Motion and draft order re: approval of activities and fees; drafting fee affidavit of M. Forte;	4.60	250.00	1,150.00
03/05/18	MJF	Discussions concerning materials and process matters;	0.40	585.00	234.00
03/06/18	JS	Reviewing draft court materials; internal discussions	0.20	585.00	117.00

Date	Professional	Narrative	Hours	Rate	Amount
		re same;			
03/06/18	KP	Revising draft notices of motion and draft orders and forwarding same to M. Forte and J. Stam for review; preparing schedule "b" for draft approval and vesting order; preparing motion records for approval of inventory sale and Vision Truck motions;	3.10	250.00	775.00
03/06/18	MJF	Discussions concerning draft motion materials and process matters and scope of relief etc.;	0.60	585.00	351.00
03/07/18	KP	Correspondence with T. Ambachtsheer regarding draft orders; revising Vision Truck draft order; forwarding all draft orders to T. Ambachtsheer; reporting to M. Forte;	0.60	250.00	150.00
03/07/18	MJF	Reviewing materials for inventory deal and related relief;	0.40	585.00	234.00
03/08/18	KP	Revising draft fee affidavit; correspondence M. Forte regarding motion materials;	0.80	250.00	200.00
03/08/18	MJF	Review and comments on report and consider extended relief and amend court materials;	1.20	585.00	702.00
03/09/18	MJF	Review of comments on inventory sale materials etc.; provide comments and address issues and revisions in report, orders etc.;	2.20	585.00	1,287.00
03/12/18	KP	Arranging for Bank Act search; reporting results to M. Forte; revising draft motion materials; email to Court regarding availability for a 30 minute hearing;	0.40	250.00	100.00
03/12/18	MMC	Order Bank Act search re Blue Goose Pure Foods Ltd.;	0.20	200.00	40.00
03/13/18	MJF	Revisions to Erie APA and related materials and discussions thereon;	1.20	585.00	702.00
03/14/18	MJF	Revisions to Erie APA and related materials and discussions thereon;	0.40	585.00	234.00
03/16/18	MJF	Discussions and advice concerning Maple Leaf Foods action;	0.40	585.00	234.00
03/19/18	MJF	Reviewing lien claim and discussions with counsel on perfecting lien claim;	0.30	585.00	175.50
03/20/18	MJF	Discussions with Deloitte on work streams and outstanding matters;	0.50	585.00	292.50
03/24/18	MJF	Discuss and prep of amendments to APA and side letter re: storage;	1.30	585.00	760.50
03/26/18	MJF	Discussions with counsel concerning update on receivership discussions concerning Erie deal and advice;	0.40	585.00	234.00

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Date	Professional	Narrative	Hours	Rate	Amount
03/27/18	MJF	Discussions and advice on revisions to APA and related matters.	0.50	585.00	292.50
Sub-Total Fees:					16,004.00
HST on Fees:					2,080.52

SUMMARY OF PROFESSIONAL SERVICES

PROFESSIONAL	HOURS	HOURLY RATE	AMOUNT
May May Co	0.20	200.00	40.00
Katie Parent	16.10	250.00	4,025.00
Robert Drake	1.30	425.00	552.50
Brendan Bissell	0.60	550.00	330.00
Jennifer Stam	2.30	585.00	1,345.50
Mario Forte	16.60	585.00	9,711.00
	<u>37.10</u>		<u>16,004.00</u>

DISBURSEMENTS

		Laser Copies	46.75
		On Corp. Fee	21.30
		OnCorp. Gov't Fee *	14.78
03/12/2018	ACL	PAYEE: Minister of Finance; REQUEST#: 416424; DATE: 12/03/2018. - Filing fee *	160.00
03/12/2018	ACL	PAYEE: Minister of Finance; REQUEST#: 416425; DATE: 12/03/2018. - Filing fee *	160.00

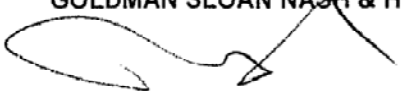
Sub-Total Disbursements: 402.83
Disbursements marked with * indicate exempt

HST on Disbursements: 8.85

TOTAL LEGAL FEES AND DISBURSEMENTS (includes \$2,089.37 HST): \$ 18,496.20

THIS IS OUR ACCOUNT HEREIN

GOLDMAN SLOAN NASH & HABER LLP



Per: Mario Forte

E. & O. E.

HSBC BANK CANADA and BLUE GOOSE PURE FOODS LTD.
O/A TENDER CHOICE FOODS

ONTARIO

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced TORONTO

AFFIDAVIT OF MARIO J. FORTE
(sworn April 5, 2018)

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto ON M5G 1V2
Fax: 416-597-3370

Mario Forte (LSUC #27293F)
Tel: 416-597-6477
Email: forte@gsnh.com

Lawyers for the Receiver