

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

BETWEEN:

**ROYAL BANK OF CANADA**

Applicant

- and -

**PEACE BRIDGE DUTY FREE INC.**

Respondent

**AIDE MEMOIRE OF CINDY BEAM**

1. This Aide Memoire is filed on behalf of Cindy Beam, the Store Manager and Manager of Human Resources of Peace Bridge Duty Free Inc. ("**PBDF**") in response to the receivership application brought by Royal Bank of Canada ("**RBC**") over all the assets and undertakings of PBDF.

2. Ms. Beam retained legal counsel today. Ms. Beam, and similarly situated PBDF employees, are concerned that the appointment of a receiver over the company will culminate in all of the employees losing their jobs in a difficult job environment where obtaining new jobs is very challenging.

3. She is requesting that the receivership application be adjourned for a brief period so that Ms. Beam and her newly-retained counsel can prepare materials and get additional clarity on the

record's evidentiary issues and participate on a complete record in legal arguments before the Court.

4. There appears to be no prejudice to a brief adjournment. Both PBDF and msi Spergel Inc. in its capacity as court-appointed Monitor (the "**Monitor**") appear to agree that there is substantial cash, and cash equivalents, being held by PBDF. There is no evidence of, or even question about, the erosion of RBC's collateral. The RBC loan repayments are not in default. Other than the RBC's wanting to install a receiver to start the liquidation of a business that employs 40 Canadians to ensure it can be repaid, there is no pressing concern to proceed with the application. The receivership application was commenced over three years ago, in December 2021; it can wait for a further two weeks so that the employees can file materials so the Court will have a complete record.

5. There are grounds to grant the adjournment, being that there are significant evidentiary issues in the record that need to be better understood. The Monitor and PBDF have a variance of a very significant \$2,493,648 in their valuations of the business. They also have a difference of \$985,684.14 in their counts of cash and GICs. Both of these are material differences.

6. There are also submissions that the Monitor has not inventoried or assessed the value of PBDF's inventory, which the company says is worth \$1,208,000. PBDF's indebtedness to RBC is \$2,723,620.46 and the loan is not in default; but the parties disagree whether PBDF can repay that amount in full. I understand that PBDF's position is that there is sufficient cash or equivalents to repay RBC's indebtedness, so granting a short adjournment for Ms. Beam's counsel to assess the various claims would be a prudent course of action in these circumstances.

7. Also providing comfort to RBC during the span of a short adjournment is that the Monitor will remain in place, and will have the ability to report back to the Court if there are any material adverse effects that take place in the interim.

8. The balance of convenience favours granting an adjournment. The inevitable result of the appointment of a receiver will be the shut down of the business and the termination of Ms. Beam and all other employees, on the other hand there is no prejudice to RBC with a brief adjournment of a receivership application that was commenced over three years ago, and where RBC's loan is not in default. It is respectfully requested the adjournment be granted.

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Proceeding commenced at **TORONTO**

**AIDE MEMOIRE OF CINDY BEAM**

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