

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

**ROYAL BANK OF CANADA**

Applicant

- and -

**PEACE BRIDGE DUTY FREE INC.**

Respondent

APPLICATION UNDER SUBSECTION 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

**AIDE MEMOIRE OF PEACE BRIDGE DUTY FREE INC.  
(Scheduling Hearing Returnable November 29<sup>th</sup>, 2022)**

1. Peace Bridge Duty Free Inc. (“**PBDFI**”), operates (and has for more than 3 decades) the Peace Bridge Duty Free shop on the Canadian side of the Peace Bridge between Canada and the United States.
2. PBDFI operates under a court ordered stay dated December 14, 2021. PBDFI’s operations are monitored monthly by MSI Spergel Inc., the court appointed Monitor.
3. The Buffalo and Fort Erie Public Bridge Authority (“**Landlord**”), is an international government entity that manages the Peace Bridge and is the landlord of the PBDFI.
4. The Landlord is currently stayed from terminating the lease.
5. Three related outstanding motions exist in this proceeding, namely the Landlord motion for direction as to what arrears of rent (if any) are payable to the Landlord and for related relief,

the RBC receivership motion, and the PBDFI motion. Pleadings are outstanding in respect of all three motions.

6. The motions are not reasonably or properly heard independent of one another. The Landlord's motion is currently scheduled for December 9<sup>th</sup>, 2022,
7. PBDFI asks the court to set a new schedule which allows for the orderly development of a complete court record in order to put these matters properly before the court.
8. This litigation is a complex multi-million-dollar dispute. The Landlord seeks to destroy PBDFI's thirty plus year business in advance of the Court considering rights and obligations under the commercial lease.
9. There are a myriad of stakeholders, including PBDFI's owners, employees, suppliers, lenders, and the public who relies upon the facility operating as an amenity to travel.
10. PBDFI disagrees with the Landlord's assertion that it is not in compliance with its post stay order rent obligations.
11. No party but the Landlord alleges PBDFI is in breach of the stay order.
12. There is no urgency to this matter, and this complex litigation requires proper treatment by this court, including by way of completed pleadings.

### **Status of Pleadings**

13. In September 2022, after nine months of relative silence, and after accepting rent paid to it each month during this process without complaint to this court or the Monitor; the Landlord sought a scheduling appointment to allow it to serve a motion seeking to lift the Stay for the purpose of terminating the PBDFI lease on the basis, principally, of an alleged non-payment of a portion of rent during the stay period of December 2021 to the then date of August 2022.