



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-25-00753571-00CL

DATE: November 13, 2025

NO. ON LIST: 4

TITLE OF PROCEEDING: ROYAL BANK OF CANADA v. STANISLAW SNIEG, AKA STAN SNIEG, AKA STAN SNEIEG; MARIA SNIEG

BEFORE: JUSTICE Jana Steele

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Heather Fisher Namya Tandon	Counsel for the Applicant and Proposed Receiver	heather.fisher@gowlingwlg.com Namya.tandon@gowlingwlg.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
--------------------------	---------------	--------------

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Adam Zeldin	Proposal Trustee of Igloo Industries Group Ltd.	azeldin@albertgelman.com
Mukul Manchanda	Proposed Receiver	mmanchanda@spergel.ca

ENDORSEMENT OF JUSTICE STEELE:

- 1) RBC brings an application seeking:
 - a. An Appointment Order appointing Spergel as receiver in respect of the Real Property;
 - b. A SISP Order approving the sale investment solicitation process;
 - c. An Approval and Vesting Order approving the Sale Transaction between the Receiver and the Purchaser in respect of the Real Property and vesting the Debtors' interest in the Real Property free and clear of claims and encumbrances other than as permitted in the order; and
 - d. An Ancillary Relief and Discharge Order authorizing the Receiver to distribute the net proceeds of the estate as outlined in the order, approving the First Report, sealing the confidential appendices until the completion of the Sale Transaction, approving the Receiver's fees and disbursements, and discharging the Receiver upon the filing of a certificate confirming that all remaining matters have been completed.
- 2) No one opposes the relief sought. The respondents take no position on the application.
- 3) Capitalized terms used in this endorsement that are not defined herein have the meaning set out in the applicant's factum.
- 4) During the hearing, I informed counsel that because the SISP had already run its course, it was not appropriate or necessary for the Court to approve it.
- 5) The three other orders sought are approved.

Background

- 6) Igloo's Indebtedness to RBC exceeds \$7.5 million.
- 7) The Real Property is owned by Stanislaw and Maria, who each guaranteed Igloo's Indebtedness to RBC by way of a guarantee and postponement of claim in the amount of \$3,250,000.
- 8) On Feb. 12, 2024, RBC issued a written demand to the Snieg Guarantors for repayment and gave notice of its intention to enforce on its security pursuant to s. 244 of the BIA.

- 9) On February 21, 2024 Igloo and the Snieg Guarantors each filed an NOI under section 50.4(1) of the BIA and Albert Gelman Inc. was appointed as Proposal Trustee.
- 10) The Proposal Trustee retained a realtor to market and sell the Real Property and the Snieg Guarantors' Residential Property.
- 11) On May 3, 2024, the Proposal Trustee served and filed a Material Adverse Change in Projected Cash Flow or Financial Circumstances under section 50.4(7)(b) of the BIA.
- 12) During the NOI proceedings, the Realtor conducted a SISP to market the Real Property. The proposed Sale Transaction resulted from the process. However, the parties elected to proceed through a receivership proceeding.

Analysis

Is it just or convenient to appoint a receiver?

- 13) As set out at para. 25 of *Maple Trade Finance Inc. v. CY Oriental Holdings Ltd.*, 2009 BCSC 1527, there are numerous factors that the court may consider in determining whether it is just or convenient to appoint a receiver.
- 14) I am satisfied that it is just or convenient to appoint the Receiver in the instant case. While the Real Property is vacant land, and therefore does not require much, if any, active management, the Receiver will be in place for a very short period of time and RBC, which is expected to suffer a loss, seeks the appointment.
- 15) RBC is of the view that the appointment of a receiver is the best way to maximize proceeds. Under the applicable loan documentation RBC has the right to appoint a receiver. Although the appointment of a receiver is generally an extraordinary remedy, the extraordinary nature of the remedy is reduced where the applicant is merely seeking to enforce a term of an agreement that was agreed to by both parties: *Elleway Acquisitions Ltd. v. Cruise Professionals Ltd.*, 2013 ONSC 6866, at para. 27. Further, the costs of the Receiver are being borne by RBC.

Should the Sale Transaction be approved?

- 16) In determining whether to approve a proposed sale by a receiver, the Court will consider the factors set out in *Soundair*:
 - a. Whether the receiver has made a sufficient effort to get the best price and has not acted improvidently;
 - b. The interests of all parties;

c. The efficacy and integrity of the process by which offers are obtained; and

d. Whether there has been unfairness in the working out of the process.

17) As noted by the applicant, the proposed transaction, involving the appointment of a receiver followed by an immediate sale is known as “pre-packaged” or “quick flip:” *Montrose Mortgage Corporation v. Kingsway Arms Ottawa*, 2013 ONSC 6905, at para. 10. The Court in *Montrose* noted that for such pre-pack transactions, the court will assess the need for a receiver and the reasonableness of the proposed sale transaction against the standard considerations in Canadian case law, but that “courts will scrutinize with especial care the adequacy and fairness of the sales and marketing process.”

18) In *Elleway Acquisitions Limited v. 4358376 Canada Inc.*, 2013 ONSC 7009, at para. 33, the Court noted that “quick flip” transactions have been approved where:

a. An immediate sale is the only realistic way to provide maximum recovery for a creditor who stands in a clear priority of economic interest to all others; and

b. Delay of the transaction will erode the realization of the security of the creditor in sole economic interest.

19) For the reasons set out at paras. 46- 48 of the applicant’s factum, I am satisfied that the *Soundair* principles have been satisfied and the principles regarding “quick flip” transactions have been met. Among other things, the Realtor conducted a robust and fair process, and the proposed Purchaser is not a related party. There is no reason to believe that conducting an extended sales process in the receivership would result in a better outcome.

Should the proposed distributions be approved?

20) The Receiver seeks to distribute the net proceeds from the Sale Transaction to first pay outstanding municipal taxes associated with the Real Property and then to RBC, subject to the Discharge Reserve.

21) I am satisfied that the distributions should be approved. The outstanding municipal property taxes will be paid first. RBC, which will experience a shortfall, holds a valid and enforceable first-registered security interest against the Real Property.

Should the Sealing Order be granted?

22) I am satisfied that the time limited, and limited in scope, sealing order that is sought satisfies the test set out in *Sherman Estate v. Donovan*, 2021 SCC 25, at para. 38. It is common to temporarily seal commercially sensitive material when assets are to be sold

under a court process. The applicant seeks to temporarily seal commercially sensitive information related to the proposed sale price, including the unredacted APS, recovery analysis from the sale of vacant land, and the summary of sale inquiries and activities. The disclosure of the appendices could have a detrimental impact on any future sale process should one be required. No stakeholder will be materially prejudiced by the requested sealing order, which applies to only a limited amount of information for a short period of time.

- 23) The applicant is directed to provide the sealed confidential appendices to the Court clerk at the filing office in an envelope with a copy of this endorsement and the signed order (with the relevant provisions highlighted) so that the confidential appendices can be physically sealed. Counsel is further directed to apply, at the appropriate time, for an unsealing order, if necessary.

Other Relief

- 24) I am also satisfied that the First Report of the Proposed Receiver, and activities, should be approved, as should the fees (supported by fee affidavits) of the Receiver and its independent counsel.
- 25) In the circumstances, I am also satisfied that it is appropriate to grant the Order permitting the Receiver's discharge once it has completed the Remaining Matters and filed with the Court the Discharge Certificate. Among other things, RBC is the only secured creditor and is expected to suffer a shortfall. As noted above, the application was brought to court as a "pre-pack" and there is no opposition, despite service having been given. As noted by the applicant, releasing and discharging a receiver from all claims is a standard term in the Commercial List model discharge order and should generally be issued, as long as there is no evidence of improper or negligent conduct (*Pinnacle v. Kraus*, 2012 ONSC 6376, at para. 47), of which there is none in the instant case. In any event, as is standard, the requested release will not apply in circumstances of gross negligence or wilful misconduct.
- 26) Three Orders attached.

Date: November 13, 2025



Justice Steele