

SUPERIOR COURT OF JUSTICE – ONTARIO

7755 Hurontario Street, Brampton ON L6W 4T6

RE: ROYAL BANK OF CANADA, **applicant**

AND:

FALCON XPRESS TRANSPORTATION GROUP INC. et al,
respondent

BEFORE: Justice DERSTINE

COUNSEL: NEMERS, JEREMY, for the **applicant**
Email: jnemers@airdberlis.com

HORSTEN, CALVIN, for the **applicant**
Email: chorsten@airdberlis.com

AND:

SIMAAN, MICHAEL, for the **respondent**
Email: msimaan@kramersimaan.com

AND:

SHEA, PATRICK for the **receiver**
Email: Patrick.shea@gowlingwlq.com

SAHNI, RAJ for **BVD Capital**
Email: sahnir@bennettjones.com

MOSES, RACHEL for **MSI Spergel INC.**
Email: rachel.moses@gowlingwlq.com

HEARD: June 6, 2025, via video-conference

ENDORSEMENT

- [1] On April 25th, 2025, the Royal Bank of Canada or sought an order appointing a receiver of all the assets and properties an undertakings of Falcon express transportation group and other related entities. There had been a lengthy history of adjournments of similar applications for the debtor to obtain financing. On that date I allowed the debtor one more occasion to obtain financing - which they asserted was imminent- but I fixed a date for the appointment of a receiver if that financing did not come through. It did not come through and a receiver was appointed.
- [2] Today, the parties appeared before me with the happy news that new financing had become available and that all parties had worked co-operatively to agree on an order which resolves the issues which gave rise to the receivership. Briefly, the CRA and the Bank will be paid in full and their security will be discharged. The other secured creditors will have their security remain and have consented to work with the Respondent and be paid over time. The unsecured creditors keep their rights and will be paid over time in the ordinary course.
- [3] This mutually agreeable order on consent will preserve jobs, a business, tenants and persons who rely on the business and is very much in the interests of justice and I adopt it without reservation.
- [4] While all parties agree that the funds will flow to the receiver today for distribution – indeed that flow has already started – the funds are not actually in the hands of the receiver yet. All parties believe they will be obtained today. In those circumstances the order will be dated for Monday and will not have effect until then.

In the very unlikely event that funds have not flowed the parties may file an emergency motion and appear before me on Monday. I am seized of this matter until end of the day Monday to be able to deal with it if it falls off the rails.

[5] I would like to thank all counsel for working co-operatively to achieve a positive and just result in this matter.

[6] On agreement, no party has sought costs for this motion.



Derstine J.