

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

THE HONOURABLE MADAM

)

MONDAY, THE 29th

JUSTICE KIMMEL

)

DAY OF JANUARY, 2024

)

ROYAL BANK OF CANADA

Applicant

- and -

PEACE BRIDGE DUTY FREE INC.

Respondent

ORDER

THIS APPLICATION, made by Royal Bank of Canada ("**RBC**") for, amongst other things, 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 msi Spergel inc. ("**Spergel**") as the court-appointed receiver, without security, of all the assets, properties and undertakings of Peace Bridge Duty Free Inc. (the "**Debtor**"), and all proceeds thereof, was heard on this day at 330 University Avenue, Toronto, Ontario.

ON HEARING the submissions of counsel as were present, no one appearing for any other stakeholder although duly served as appears from the affidavits of service,

AND ON CONSENT OF THE PARTIES,

AND UNOPPOSED BY THE LANDLORD AND THE MONITOR,

1. **THIS COURT ORDERS** that the Debtor shall forthwith advise Spergel, in its existing capacity as the court-appointed monitor of the Debtor (in such capacity, the "**Monitor**") 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 the Debtor's possession or control, and shall provide to the Monitor or permit the Monitor to make, retain and take away copies thereof and grant to the Monitor unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 1 or in paragraph 2 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 Monitor due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure. The Monitor be and is hereby directed to analyze the Records and report to affected stakeholders on:

- (a) the impact of any proposed settlement between The Buffalo and Fort Erie Public Bridge Authority (the "**Landlord**") and the Debtor on the ongoing viability of the Debtor; and
- (b) the Debtor's ongoing compliance with the terms of its lending agreements with RBC.

For greater certainty, the foregoing shall include a review of RBC's security position with respect to the Debtor, including, without limitation, a review of the Debtor's bank account statements, cash float, internally prepared financial statements and other reports (including, without limitation, accounts payable, prepaid expenses, trial balances and general ledgers), preparation of a forecast and commissioning inventory counts and/or appraisals, all in the Monitor's discretion.

2. **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, the Debtor shall forthwith give unfettered access to the Monitor for the

purpose of allowing the Monitor to perform the tasks contemplated by the previous paragraph of this Order, and shall not alter, erase or destroy any Records without the prior written consent of the Monitor. Further, for the purposes of this paragraph, the Debtor shall provide the Monitor with all such assistance in gaining immediate access to the information in the Records as the Monitor may, in its discretion, require including providing the Monitor with instructions on the use of any computer or other system and providing the Monitor with any and all access codes, account names and account numbers that may be required to gain access to the information.

3. **THIS COURT ORDERS AND DIRECTS** the Debtor to pay any and all outstanding fees and expenses of the Monitor and its counsel in accordance with paragraph 14 of the Order of Justice Pattillo dated January 17, 2022 on or before February 2, 2024 and all future fees and expenses within seven (7) days of presentment of same to the Debtor.

4. **THIS COURT ORDERS** that the parties are to complete cross examinations, if any, on their respective affidavits by February 29, 2024.

5. **THIS COURT ORDERS** that the balance of the relief sought by RBC in its application be and is hereby adjourned to April 26, 2024 (the "**Receivership Return Date**"), subject to the terms of the previous orders and endorsements granted in this proceeding, as amended by this Order.

6. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of today's date and are enforceable without the need for entry or filing.

ROYAL BANK OF CANADA

- and -

PEACE BRIDGE DUTY FREE INC.

Applicant

Respondent

Court File No. CV-21-00673084-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
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Proceedings commenced at Toronto

ORDER

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