

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

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

PEACE BRIDGE DUTY FREE INC.

Respondent

RESPONDING MOTION RECORD
(motion returnable March 27, 2025)

March 26, 2025

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Lawyers Cindy Beam

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TAB 1

**ONTARIO
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BETWEEN:

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PEACE BRIDGE DUTY FREE INC.

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**AFFIDAVIT OF CINDY BEAM
(sworn March 26, 2025)**

I, Cindy Beam, of the City of Niagara Falls, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am the Store Manager and Manager of Human Resources of Peace Bridge Duty Free Inc. ("**PBDF**"), a duty-free retail company located in Fort Erie, Ontario. PBDF was formed by way of amalgamation of a company by the same name and Giving Gallery Inc. on March 1, 2012.
2. Where the facts set out in this Affidavit are based on information provided to me by others, I have set out the source of the information and believe it to be true.
3. In support of its retail operations, PBDF has 40 employees, of which four are salaried and 36 are part-time employees.

4. Beginning in 2020, the COVID-19 pandemic resulted in an 18-month mandatory closure of PBDF, which caused significant financial strain and disruption to its operations.

5. I retained Koskie Minsky LLP ("**KM**") on Wednesday, March 26, 2025 to respond and make submissions on any matter that would apply to similarly-situated employees to the application of the Royal Bank of Canada ("**RBC**") to appoint a receiver over PBDF.

6. Considering the retention of KM, I am advised by Andrew J. Hatnay that the firm is requesting a short adjournment to review the materials to make submissions on the issues involved in the application and the impact on the employees and our livelihoods in case of job losses.

7. For example, there appears to be widespread discrepancies between the competing facts being put forward by the parties. I am advised by Andrew J. Hatnay of KM and believe that the affidavits provided by both RBC and PBDF, their factums, and the Fourth Report of msi Spergel Inc. in its capacity of the court-appointed monitor of PBDF (the "**Monitor**"). The Monitor and PBDF have a discrepancy of \$985,684.14 between what each say PBDF has in cash, or sufficiently liquid cash equivalents like GICs.¹ Expanding the comparison, the Monitor says the total realizable value of PBDF is \$1,670,000 whereas PBDF says it is \$4,163,648 – I am advised by Andrew J. Hatnay of KM and believe that this is a substantial difference of \$2,493,648.

8. Further, the Monitor appears not to have inventoried or assessed the value of the inventory of PBDF which the company says has a value of \$1,208,000. There is also the

¹ The Monitor says PBDF has \$1,670,000 in cash, PBDF says it has \$2,665,684.14.

evidence of PBDF that it maintains an on-premises cash float of \$300,000 that is not in the Monitor's analysis.

9. I believe that if a court-appointed receiver is appointed on circumstances where there is such a significant disparity over what PBDF is worth, it will prejudice my employment and that of my coworkers. Considering the circumstances involved, I believe that granting a brief adjournment so that my lawyers and I can get additional clarity on these evidentiary issues and then, perhaps, participate in legal arguments over them would be prudent.

10. I am advised by Andrew J. Hatnay of KM and believe that there would be no prejudice to RBC for a brief adjournment because their collateral will not be eroded or prejudiced during the requested adjournment. Furthermore, an adjournment is not prejudicial because: (i) msi Spergel inc. is already appointed by the court as a monitor under section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43 and therefore, provides oversight of the operations of the business to RBC; and (ii) this application was originally commenced in December 2021, which shows there is no urgency and no prejudice with a future brief adjournment and to allow employees to make submissions.

11. Considering the potential detestable affects upon me and other employees by the appointment of a receiver over the entirety of the assets and undertakings of PBDF, I think granting a short adjournment is the most fair approach to take in these circumstances.

12. I swear this Affidavit in good faith and to request an adjournment of the application of RBC to appoint a receiver over PBDF and for no other or improper purpose.

SWORN REMOTELY by Cindy Beam of the City of Niagara Falls, in the Province of Ontario, before me in the City of Toronto, in the Province of Ontario, on March 26, 2025, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for Taking Affidavits, etc.

Abir Shamim
LSO# 88251V



CINDY BEAM

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