SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

COUNSEL SLIP / ENDORSEMENT

COURT FILE NO.: CL-26-00000311-0000 **DATE:** July 24, 2026

REGISTRAR: Nirusha Kathiramalai

NO. ON LIST: 5

TITLE OF PROCEEDING: Royal Bank of Canada v. Master Kitchen Cabinet Inc. et al

BEFORE: JUSTICE FL MYERS

PARTICIPANT INFORMATION

For Plaintiff, Applicant / Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Carol Liu	Counsel for Royal Bank of Canada	carol.liu@gowlingwlg.com

ENDORSEMENT OF JUSTICE FL MYERS:

1. The bank has loaned money to the debtors by way of a demand facility, equipment leases, and a Visa card facility. The debtors have provided GSAs to the bank to secure their obligations to repay their indebtedness. In addition, each debtor has guaranteed the payment of the debt of the other up to a monetary limit specified in each guarantee.

2. The owner of the debtors, Mr. Yi has also provided a limited guarantee of the indebtedness of his companies.

3. The debtors ceased making monthly payments required under their loan agreements in February and March respectively. The bank has made demand and delivered appropriate notices.

4. While the bank was holding discussions with Mr. Yi to try to determine a way forward, it discovered that Mr. Yi had made a proposal in bankruptcy months earlier. In that proceeding, the Proposal Trustee reported that one debtor ceased operations at the end of January, 2026 and the other ceased operations on May 5, 2024. Mr. Yi is said to be employed full time by another business that he appears to own.

5. The Proposal Trustee quotes Mr. Yi as advising that the debtors and his employer have liabilities well in excess of the value of their assets. Despite this., Mr. Yi told the bank that he was in discussions with the government about tax arrears and, as recently as July 3, 2026, asked for additional time to pay.

6. Despite telling the bank that he had counsel who would be contacting it, no one contacted counsel o the bank for Mr. Yi. Neither debtor has appeared in this proceeding. Mr. Yi was served personally on July 13, 2026. He was served by email at the email address from which he regularly communicates with the bank on July 9, 2026. His Proposal Trustee was also sent a copy of the material and was invited to participate if Mr. Yi had submissions he wanted made for him.

7. No one attended for Mr. Yi or the debtors.

8. The bank seeks to appoint a receiver for the debtors with leave to assign them into bankruptcy. The bankruptcy will reverse priority on significant GST/HST debt that the debtors may owe. There are no operating businesses. So the Receiver and/or trustee will liquidate remaining assets and, I suspect, will principally look at the books and flows of funds to determine if there are available sources of recovery.

9. It is just and convenient to appoint a receiver in this case. The debt documents entitle the bank to appoint a receiver on default. Moreover, it appears that there may have been some subterfuge, or at least non-disclosure by the owner. Appointing a receiver provides a basis to ensure that the assets and undertakings of the debtors are subject to neutral and transparent stewardship. With federal priorities applicable under the *BIA*, a receiver and/or trustee will be able to access the statutory authority to review the flow of funds and movements of assets among related parties.

10. This proceeding is brought as an application under Rule 14.05. In the absence of any appearance by the debtors, the Applicant is entitled to judgment on the facts in evidence. The indebtedness of the debtors is clear and uncontradicted. The draft judgment particularizes each debtor by debtor.

11. The Applicant seeks full indemnity for its costs under its loan documentation. It is fair and reasonable for the Respondent debtors to be jointly and severally liable for the Applicant's costs fixed as claimed. I have reviewed the Bill of Costs filed. The hours claimed are reasonable. There was good delegation to lower cost counsel. The rates claimed are well within market and are reasonable as well.

12. I have signed the draft judgment and receivership order as requested.

FL Myers J.

FL Myers J.

Justice FL Myers

Digitally signed by Justice FL Myers
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