



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-21-00673084-00CL

DATE: APRIL 17, 2025

NO. ON LIST: 4

TITLE OF PROCEEDING: ROYAL BANK OF CANADA v. PEACE BRIDGE DUTY FREE et al
BEFORE: JUSTICE KIMMEL

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|----------------------------------|-----------------------|
| Sanjeev Mitra | Counsel for Royal Bank of Canada | smitra@airdberlis.com |
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For Defendant, Respondent, Responding Party:

| Name of Person Appearing | Name of Party | Contact Info |
|--|--|---|
| David Ullmann Anisha Samat | Counsel for Peace Bridge Duty Free Inc. | Dullmann@blaney.com asamat@blaney.com |
| Andrew Hatnay Robert Drake Abir Shamim | Counsel for the Employees, Cindy Beam and Others | ahatnay@kmlaw.ca rdrake@kmlaw.ca ashamim@kmlaw.ca |
| E. Patrick Shea | Counsel for the Landlord, Peace Bridge Authority | Patrick.shea@gowlingwlg.com |
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For Other, Self-Represented:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|--------------------------------------|------------------|
| Leanne Williams | Counsel for Proposed Monitor Spergel | Lwilliams@tgf.ca |

ENDORSEMENT OF JUSTICE KIMMEL:

- [1] At the court's direction following receipt of various emails from Debtor's counsel yesterday, counsel for the parties appeared today. After hearing their further submissions, it was confirmed that the court's decision to sign the applicant's proposed form of receivership order for reasons indicated in the court's April 11, 2025 endorsement stands.
- [2] The receivership order is being signed today, but all parties were in agreement that it would be prudent for the effective date of the order to be after the long weekend to allow some additional time for the receiver to seek any required approvals from Canada Border Services Agency ("CBSA") for the continued operation of the duty free store following its appointment. The form of order provided indicates an effective date and time of 12:01 a.m. on April 23, 2025.
- [3] To be clear, and as the Monitor, the Bank and the Landlord have all pointed out, the receivership order does not require the Receiver to immediately take over the operation of the Debtor's business. The Monitor's stated intention (once appointed as Receiver) is to maintain the existing operational structure and, subject to any direction from CBSA, continue to keep the store open unless and until a more permanent solution can be worked out.
- [4] The parties have agreed to the following additional language that the court approves to empower the Monitor to take steps in advance of the Receivership Order coming into effect, with a view to the ability for the Debtor's business to continue to operate:

The Monitor, in its capacity as proposed Receiver, is empowered to engage with the Canada Border Services Agency, or any other related government authority, on behalf of the Respondent in respect of the receivership prior to the effective date of the Order and to apply for any permits, licences, approvals or permissions as may be required by any such governmental authority for and on behalf of and, if thought desirable by the proposed Receiver, in the name of the Respondent. The Respondent is directed to assist the proposed Receiver in this regard.

- [5] The parties have also agreed to a partial lifting of the Stay, before the Receivership Order comes into effect, to allow for a partial repayment of some of the indebtedness owed to the Bank, which the court approves:

The stay of proceedings in respect of creditors contained in the Order of Justice Pattillo dated January 17, 2022 is lifted to allow Royal Bank of Canada ("RBC") to exercise its set

off rights as against the Respondent in the maximum amount of \$1,200,0000. For greater certainty, RBC shall first be entitled to monetize the GIC held as security in its favour in accordance with the Order of Justice Penny dated March 23, 2022 and shall then be entitled to set off the balance from monies on hand with the Respondent.

[6] Any restrictions or limitations on how the above funds are to be applied by RBC may be worked out among the parties.

[7] The receivership order dated and signed by me today shall become effective at 12:01 a.m. on April 23, 2025, as indicated therein.

A handwritten signature in cursive script, appearing to read "Kimmel J.", written in dark ink.

KIMMEL J.