



Court File No.: 35-1842432T

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE)

JUSTICE GRACE)

~~THURSDAY~~ 22nd)
FRIDAY, THE 23rd)

DAY OF MARCH, 2018

BETWEEN:

CAISSE POPULAIRE POINT-AUX-ROCHES-TECUMSEH INC.

Plaintiff

- and -

G.I. FARMS INC., VANTEC USA ONTARIO INC., 2287188 ONTARIO INC., 2027512
ONTARIO INC. and 1690169 ONTARIO INC.

Defendants

ORDER

THIS MOTION, made by BDO Canada Limited, in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of G.I. Farms Inc. (the "**Debtor**") for an order, amongst other things, approving a sales process (the "**Sales Process**") as more particularly described in paragraphs 90 through 102 of the First Report of the Receiver dated March 15, 2018 (the "**First Report**"), was heard March 22, 2018 at 80 Dundas Street, London, Ontario.

ON READING the First Report, the Confidential Brief (as herein defined), the affidavit of Peter Sciortino, sworn March 20, 2018, and on hearing the submissions of counsel for the Receiver, the Plaintiff, the Debtor, and Frank Porrone in person, no one else appearing for any other person on the service list, although properly served as appears from the affidavit of Victoria Gifford sworn March 16, 2018 filed:

Order Entered

2166

GENERAL

1. **THIS COURT ORDERS** that the time for service of the notice of motion and the motion record is hereby abridged and validated so that the motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that paragraphs 90 through 102 of the First Report be and are hereby approved.
3. **THIS COURT ORDERS** that approval of the balance of the First Report (including approval of the Receiver's statement of receipts and disbursements up to March 6, 2018 and as provided at Appendix "OO" to the First Report), the Confidential Brief and the conduct of the Receiver as outlined therein is adjourned to the next attendance.
4. **THIS COURT ORDERS** that paragraph 26 of the Order of the Honourable Justice Templeton dated December 20, 2017 (the "**Appointment Order**") is hereby amended such that the Receiver's ability to borrow by way of revolving credit or otherwise, is hereby increased from \$250,000 to \$1,000,000 (the "**New Borrowing Limit**").
5. **THIS COURT ORDERS** that, for greater clarity, any amounts borrowed by the Receiver up to the New Borrowing Limit shall be secured by the Receiver's Borrowing Charge as that term is defined at paragraph 26 of the Appointment Order.

NON-CCAA MONITOR MATTERS

6. **THIS COURT ORDERS** that the first report of BDO Canada Limited, in its capacity as non-CCAA Monitor of the Defendants (the "**Monitor**"), dated July 11, 2017, (the "**Monitor Report**") together with the supplement to the Monitor Report, dated October 17, 2017 (the "**Monitor Supplement**"), and the second supplement to the Monitor Report, dated December 15, 2017 (the "**Second Monitor Supplement**"), be and are hereby approved.

7. **THIS COURT ORDERS** that the Monitor, appointed pursuant to the Order of the Honourable Justice Mitchell dated May 30, 2016, be and is hereby discharged as the Monitor of the Defendants.

8. **THIS COURT ORDERS** that notwithstanding paragraph 7 above, the Monitor shall have the benefit of the provisions of all Orders made while it was the Monitor, including all approvals, protections, and stays of proceedings in favour of BDO Canada Limited in its capacity as Monitor.

9. **THIS COURT ORDERS** that BDO Canada Limited is hereby released and discharged from any and all liability that BDO Canada Limited now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of BDO Canada Limited while acting in its capacity as Monitor, save and except for any gross negligence or wilful misconduct on the Monitor's part. Without limiting the generality of the foregoing, BDO Canada Limited is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, during its appointment as the Monitor, save and except for any gross negligence or wilful misconduct on the Monitor's part.

SALES PROCESS

10. **THIS COURT ORDERS** that the Sales Process be and is hereby approved.

11. **THIS COURT ORDERS** that the documents contained in the confidential brief of the Receiver dated March 16, 2018 (the "**Confidential Brief**") be and are hereby sealed until the earlier of: (a) the closing of any sale (or sales) of substantially all of the Debtor's assets; and (b) further Order of this Court.

12. **THIS COURT ORDERS** that Frank Porrone, Chrystie Porrone, their children and any other occupant of the Porrone Home (as the term is defined in the First Report) shall not communicate directly or indirectly with any prospective purchasers without first obtaining written permission from the Receiver.

PORRONE HOME ACCESS/TERMINATION OF OCCUPANCY

13. **THIS COURT ORDERS** that all persons residing, occupying or otherwise in possession of the Porrone Home (including, but not limited to, Frank Porrone and/or any members of his family), must vacate the Porrone Home on or before 6:00pm on April 23, 2018. *(as that term is defined in the Appointment Order).*

14. **THIS COURT ORDERS** that if the Porrone Home is not vacated on or before 6:00pm on April 23, 2018, the Sheriff for the *County of* town of Essex may rely on this Order as the basis for evicting all person(s) occupying the Porrone Home after that date.

DEPOSIT PROCEEDS

15. **THIS COURT ORDERS** that the Receiver's request that 2286514 Ontario Inc. remit \$35,000 to the Receiver, as more particularly described in paragraph (a)(vii) of the Receiver's Amended Notice of Motion (the "**Related Party Payment**") is adjourned to the next attendance.

16. **THIS COURT ORDERS** that Lion Law shall remit to the Receiver all of its accounts for services rendered to the Debtor in this proceeding from December 15, 2017 (the "**Lion Law Accounts**") until the date of this Order by no later than April 6, 2018.

17. **THIS COURT ORDERS** Lion Law shall remit to the Receiver the sum of \$15,000 (representing the balance of the \$50,000 non-refundable deposit paid by 8040478 Canada Limited and held by Lion Law after deducting the Related Party Payment) less a sum sufficient to satisfy the Lion Law Accounts by no later than April 6, 2018.

18. **THIS COURT ORDERS** that disputes with respect to the reasonableness of the Lion Law Accounts, if any, may be addressed on a subsequent motion.

Signed: March 26, 2018. JG

J. Grace S.

Grace S.

CAISSE POPULAIRE POINT-AUX-ROCHES-TECUMESH INC. and **G.I. FARMS INC. et al.**
Plaintiff Defendants

Court File No.: 35-1842432T

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY
Proceeding commenced at **LONDON**

ORDER

LERNERS LLP
130 Adelaide Street West, Suite 2400
Toronto, ON M5H 3P5

Domenico Magisano LS#: 45725E
Tel: 416.601.4121
Fax: 416.601.4123
E-mail: dmagisano@lerner.ca

Lawyers for BDO Canada Limited, in its capacity
as Court Appointed Receiver of G.I. Farms Inc.