

District of Ontario  
Division No. 07 - Hamilton  
Court File No. 32-3175819  
Estate No. 32-3175819

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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY & INSOLVENCY)**

**IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C., 1985, C. B-3, AS  
AMENDED**

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
UPPER CANADA GROWERS LTD.**

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
UCG Land Inc.**

**FIRST REPORT OF BDO CANADA LIMITED,  
IN ITS CAPACITY AS THE PROPOSAL TRUSTEE  
January 29, 2025**

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## INTRODUCTION

1. On January 17, 2025 (the “**Filing Date**”), Upper Canada Growers Limited (“**UCG OpCo**”) and UCG Land Inc. (“**LandCo**” together with UCG OpCo as “**UCG**” or the “**Companies**”) each filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to section 50.4 of the *Bankruptcy & Insolvency Act*, R.S.C. 1985, c. B-3 (the “**BIA**”). BDO Canada Limited (“**BDO**”), a Licensed Insolvency Trustee, was named proposal trustee (the “**Proposal Trustee**”) in each of the Companies’ proposal proceedings (collectively, the “**Proposal Proceedings**”). Copies of the respective certificates of filing of a Notice of Intention to Make a Proposal (the “**Certificates of Filing**”) issued by the Office to the Superintendent of Bankruptcy (the “**OSB**”) are attached hereto as **Appendix “A”**.

## PURPOSE

2. The purpose of this first report of the Proposal Trustee (the “**First Report**”) is to advise the Court with respect to:
  - (a) an overview of the Companies;
  - (b) the circumstances leading to the Companies’ decision to commence the Proposal Proceedings;
  - (c) the Companies’ creditors;
  - (d) the Companies’ operations and communications with stakeholders since the commencement of these Proposal Proceedings;
  - (e) the Proposal Trustee’s activities since its appointment;
  - (f) an overview of the Companies’ 13-week cash flow forecasts (the “**Cash Flow Forecasts**”), inclusive of the Initial Cash Flows (herein defined), for the period January 17, 2025 to April 11, 2025 (the “**Cash Flow Period**”), together with projections and the Proposal Trustee’s comments regarding the reasonableness thereof;
  - (g) the Companies’ motion for:
    - (i) an order (the “**Initial Proposal Order**”) to:
      - I. administratively consolidate the estates or Proposal Proceedings of the Companies;
      - II. extend the time for the Companies to file proposals under section 50.4(9) of the BIA by 45 days to and including April 1, 2025;

- III. approve the First Report, and the actions, conduct and activities of the Proposal Trustee described in the First Report;
  - IV. enhancing certain powers of the Proposal Trustee;
  - V. authorizing the Companies to enter into an interim financing term sheet with the Bank of Nova Scotia (“BNS”) dated on or about January 28, 2025, as interim lender (the “DIP Term Sheet”);
  - VI. granting the super-priority Administration Charge, Directors’ Charge and the DIP Charge (each herein defined); and
  - VII. approving the key employee retention plan;
- (ii) an order (the “SISP Order”) approving the sale and investment solicitation process (the “SISP”) appended at Exhibit Y of the Haynes Affidavit (as defined below), and authorizing the Proposal Trustee to conduct the SISP; and
- (h) the Proposal Trustee’s recommendations on the relief being sought by the Companies.
3. The Proposal Trustee understands that the Companies will be relying on the affidavit of Robert Haynes (“Mr. Haynes”) sworn January 29, 2025 (the “Haynes Affidavit”) in support of the relief sought in the Initial Proposal Order and the SISP Order.
  4. The Haynes Affidavit, and all other materials filed with the Court in these Proposal Proceedings are accessible on the Proposal Trustee’s website at: <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/upper-canada-growers-ltd> the “Proposal Trustee’s Website”).

#### TERMS OF REFERENCE

5. In preparing this First Report and making the comments herein, the Proposal Trustee has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Companies, discussions with management of the Companies (“Management”), and information from other third-party sources (collectively, the “Information”). Except as described in this First Report, in respect of the Cash Flow Forecasts:
  - (a) the Proposal Trustee has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the

Proposal Trustee has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards (“GAAS”) pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and

- (b) some of the information referred to in this First Report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.
6. Future oriented financial information referred to in this First Report was prepared based on Management’s estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variation could be significant.
  7. Unless otherwise indicated, the Proposal Trustee’s understanding of factual matters expressed in this First Report concerning the Companies and their business is based on the Information, and not independent factual determinations made by the Proposal Trustee.
  8. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

#### **OVERVIEW OF THE COMPANIES**

9. This First Report should be read in conjunction with the Haynes Affidavit for additional background and financial information with respect to the Companies. Any terms not expressly defined herein are otherwise defined in the Haynes Affidavit.
10. UCG OpCo is a privately held corporation, provincially incorporated pursuant to the *Business Corporations Act* (Ontario), R.S.O, 1990 c. B.16 (the “OBCA”) on June 10, 2016, which operates nursery and orchard business in Southwestern Ontario (primarily in Harrow, ON). The primary business activities are:
  - (a) the acquisition and multiplication of disease-free rootstock for resale to fruit farmers in Canada and the USA (which historically accounted for approximately 40% of sales); and
  - (b) the development and maintenance of fruit orchards (mostly apple) through the resale of the Companies’ own root stock products and third-party infrastructure

for the purpose of harvesting and selling the fruit to the Ontario wholesale market (which historically accounted for approximately 60% of sales).

11. Once the orchards are developed by UCG OpCo, it is responsible for the annual maintenance costs of the properties, and rent (in the case of orchards purchased by external parties) but receives 100% of the benefit of fruit harvested from the properties. The trees planted in the orchard have a production cycle that yields minimal fruit in the first two (2) years and then ramps up from approximately 50% of capacity in year 3 to approximately 90% capacity by year 5.
12. LandCo is a privately held corporation, provincially incorporated pursuant to the OBCA on October 17, 2016, which operates as a real estate holding company for the land and buildings located in Harrow, ON that are used by UCG OpCo in its nursery and orchard business. These holdings consist mainly of the following assets:
  - (a) approximately 62 acres of land;
  - (b) two (2) commercial greenhouses;
  - (c) one (1) high-tech laboratory;
  - (d) one (1) climate-controlled warehouse (cooler); and
  - (e) an office building with attached storage facility.
13. The Companies are related and, as of early 2024, share management, back-office and accounting functions, and have the same non-independent directors, being Mr. Haynes, Megan Haynes, Manish Nayar and Mohit Nayar.
14. All business activities are managed through UCG OpCo, which is operated primarily by Robert Haynes (President), and his son, Jason, and daughter, Megan (collectively the “**Haynes Family**”).
15. The Haynes Family own approximately 45% of the common voting shares of UCG OpCo, and approximately 50% of common voting shares of LandCo (indirectly through a corporation, 2706756 Ontario Inc. “**270 Ontario**”).
16. Manish Nayar and Mohit Nayar are indirect shareholders of the Companies, due to (i) their ownership interest in Oya Solar Inc. (“**Oya**”), which owns approximately 45% of the common shares of UCG OpCo; (ii) Manish Nayar’s ownership of Manish Nayar Holdings Inc. (“**Manish HoldCo**”), which owns approximately 42% of the common shares of LandCo; and (iii) Mohit Nayar’s ownership of BBC Investments Ltd. (“**BBC**”), which owns approximately 8% of the common shares of LandCo.

17. Oya and Manish HoldCo each hold a special share that provides these entities with enhanced controlling powers over the Companies until such time when certain payments or dividends are made to them pursuant to the shareholder agreements (the “**Special Shareholder Powers**”). These enhanced powers include:
  - (a) if a board vote is tied, Manish Nayar shall carry a second casting vote;
  - (b) unless otherwise approved by Manish Nayar, cheques and other banking documents must be executed by two (2) directors, one (1) of whom must be Manish Nayar; and
  - (c) Manish Nayar is to be lead negotiator on all financing, strategic decisions outside of the day-to-day operations of the business.
18. Neither Manish Nayar nor Mohit Nayar are active in the day-to-day operations of the business.
19. Additionally, Randy Rumsby, Chanphal Prom and Cassidy Cain own approximately 3% of the non-voting class A shares in UCG OpCo. Only Cassidy Cain remains active in the management of UCG OpCo.
20. The Companies are primarily financed by BNS with the BNS Credit Facilities (as defined below) which are cross-collateralized and cross-guaranteed by both UCG OpCo and LandCo.

#### **CIRCUMSTANCES LEADING UP TO THE PROPOSAL PROCEEDINGS**

21. As outlined in the Haynes Affidavit, the primary cause of the Companies’ financial difficulties was a sharp reduction in revenue during the 2024 fiscal year (December 1, 2023 to November 30, 2024) from UCG OpCo’s orchard division.
22. The capacity of UCG OpCo’s nursery production and cost structure assumes that each year, an orchard will be established through the purchase of fruit trees from the nursery division and the purchase and resale of hail netting and other orchard infrastructure. In the years 2021 through 2023, UCG OpCo built orchards on a total of approximately 288 acres of farmland (74 acres in 2021, 43 acres in 2022, and 171 acres in 2023). These orchards were purchased by Bonnefield Canadian Farmland LP V Master (“**Bonnefield**”) in 2021 and 2023 and Essex Farmland Holdings LP (“**Essex**”) in 2022.
23. In 2024, the Companies were unable to reach a binding agreement with the orchard partner they had selected and, therefore, were unable to plant an orchard and make the corresponding estimated sales of approximately \$7,000,000 and profit of approximately \$2,500,000.

24. In 2024, the Companies funded their business by drawing additional funds on the BNS Credit Facilities (as described below), which culminated in an over-advance on these facilities of approximately \$3,600,000 in excess of their limits.
25. On or around November 15, 2024, BNS issued to the Companies Notices of Intention to Enforce Security pursuant to section 244 of the BIA and Notices of Intent to Realize Security pursuant to section the *Farm Debt Mediation Act (Canada)* (collectively, the “NITES”).
26. The Companies’ balance sheets, as of November 30<sup>th</sup>, 2024 (the last month for which the Companies have internal financial statements), are summarized in the chart below:

Summary Balance Sheet (as at November 30, 2024)		
	UCG OPCO.	UCG Landco.
<b>Current Assets</b>		
Accounts Receivable	1,509,354	1,039,052
Inventory	13,648,844	-
Due from Related Parties	1,395	3,769,119
Prepaid Expenses	9,303,269	-
Other	37,110	118,851
<b>Total Current Assets</b>	<b>24,499,972</b>	<b>4,927,022</b>
Property, Plant and Equipment	3,325,107	12,382,600
<b>Total Assets</b>	<b>27,825,079</b>	<b>17,309,622</b>
<b>Current Liabilities</b>		
Accounts Payable & Accruals	4,043,683	36,383
Loans Payable	15,564,065	7,847,603
Deposits	606,448	1,536,561
Other	-	278,385
Due to related parties	4,111,095	2,043,233
<b>Total Current Liabilities</b>	<b>24,325,291</b>	<b>11,742,165</b>
Long Term Debt	1,136,991	4,734,498
<b>Total Debt</b>	<b>25,462,282</b>	<b>16,476,663</b>
Equity	2,362,797	832,959
<b>Total Debt and Equity.</b>	<b>27,825,079</b>	<b>17,309,622</b>

27. The Companies were limited in their ability to pay down their debts on account of the following:
  - (a) UCG OpCo’s working capital was primarily comprised of tree inventory (approximately \$13,600,000), of which only a portion (approximately \$3,500,000) can be sold annually as it matures (based on age and only generally in the spring due to market and weather conditions). Absent a significant equity injection, the outstanding accounts receivable balance of approximately \$1,500,000 provided the only liquidity to fund ongoing business operations, which was insufficient to fund outstanding trade vendor obligations and debt servicing requirements totaling approximately \$24,500,000 (current liabilities);

- (b) LandCo. had current assets of only approximately \$4,900,000, which consisted mainly of a receivable from UCG OpCo that could not be monetized due to UCG OpCo's current financial position. Given the cross collateralization of the debts and the senior secured position of BNS, additional debt financing on the assets of LandCo was not a viable option; and
  - (c) the Companies' significantly undercapitalized balance sheet, with only \$3,100,000 of combined equity.
28. In early December 2024, the Companies presented a turnaround plan to BNS that included a cash flow forecast, which showed that additional capital of approximately \$8,500,000 was needed through the forecast period ending July 2026. BNS was not supportive of the plan and communicated their desire to exit their banking relationship with the Companies.
29. Additionally, trade suppliers were stretched, which resulted in past-due accounts payable of approximately \$3,700,000 leading up to the NOIs. Without the Proposal Proceedings, the Companies would not have the liquidity necessary to pay these suppliers for goods and services previously provided.
30. After a brief period (approximately 4 weeks) of funding some of the operations of the business through their own money and cash receipts, the shareholders of the Companies decided they no longer wished to fund the business. Accordingly, on January 16, 2025, the Companies' boards of directors resolved to file the NOIs under the BIA.

## **CREDITORS**

### **Secured Claims**

31. Pursuant to the Companies' books and records and registrations against them on the Ontario Personal Property Security Act ("PPSA"), we note the following secured creditors:

#### *Bank of Nova Scotia*

32. BNS established certain credit facilities in favour of the Companies, pursuant to an agreement dated May 13, 2024 (the "BNS Credit Facilities"), which consisted of the following items:

Loan #	Type of Loan	Borrower(s)	Currency	Facility Amount	Outstanding Amount \$CAD*
Loan 1	Operating Line	Upper Canada Growers Ltd.	CAD	\$7,500,000	7,500,249
	Overdraft	Upper Canada Growers Ltd.	CAD		3,009,482
	Overdraft	Upper Canada Growers Ltd.	CAD		63,958
	Overdraft	UCG Land Inc.	USD		559,837
Loan 2	Visa Card	Upper Canada Growers Ltd.	CAD	\$250,000	-
Loan 3	Visa Card	Upper Canada Growers Ltd.	USD	\$50,000	-
Loan 4	Revolving term	Upper Canada Growers Ltd.	CAD	\$20,000,000	1,895,197
		Upper Canada Growers Ltd.	CAD		450,871
		Upper Canada Growers Ltd.	CAD		1,257,791
		UCG Land Inc.	CAD		7,315,200
<b>Total</b>				<b>27,800,000</b>	<b>22,052,585</b>

\* Amounts as at January 16, 2025 (USD overdraft of \$44,334 included in the Operating Line at \$63,958 CAD)

33. In addition to the loans above, BNS provided a Letter of Credit in favour of Royal Bank of Canada (“RBC”) in the amount of \$4,808,387 as security for five (5) mortgages provided by RBC to LandCo. (the “BNS LC”). It is expected that RBC will call on the BNS LC, at which point the BNS LC amount will be added to the debts owed to BNS for an aggregate balance of approximately \$26,800,000.
34. BNS also holds a Guaranteed Investment Certificate (“GIC”) in the amount of \$1,601,422 (as at January 16, 2025) as collateral against the BNS Credit Facilities. As of the date of this First Report, the Proposal Trustee understands that the Companies have directed BNS to collapse the GIC and apply its funds against the outstanding BNS Credit Facilities.
35. Additionally, BNS holds, among other things, a general security interest against all of the Companies’ assets, which has been registered under the *Personal Property Security Act* (Ontario) (the “PPSA”). As of the date of this First Report, the Companies are indebted to BNS in the approximate amount of \$20,500,000 net of the GIC but prior to consideration of the balance of the BNS LC.
36. In connection with the BNS Credit Facilities, the Companies and others granted various additional security, including collateral mortgages and general assignments of rents in favour of BNS.

#### Royal Bank of Canada

37. Prior to entering into the BNS Credit Facilities, RBC was the Companies’ primary source of debt capital. Due to a lower cost of capital on certain mortgages provided by RBC (the “RBC Mortgages”), the Companies maintained them instead of setting up new mortgages with BNS.

38. To facilitate the banking transition to BNS, and the requirement for the BNS Credit Facilities to have a first lien charge on all of the Companies' assets, the BNS LC was granted as collateral to RBC for the RBC Mortgages.
39. The balances of the mortgages provided by RBC, as at January 17, 2025, are as follows:

Property Description	Principal Balance	Accrued Interest	Total
RBC Loan	2,495,886	1,202	2,497,088
Bunkhouse	346,328	-	346,328
Northshore Grape Farm	1,063,544	1,279	1,064,823
Electrical & Lab Upgrades	578,092	695	578,787
Essex Land	249,554	474	250,028
<b>Total</b>			<b>4,737,054</b>

Other Secured Creditors

40. Agriculture Credit Canada ("ACC"): is owed \$1,058,236 per UCG OpCo's books and records. ACC has registered a security interest under the PPSA in respect of 'all present and future deciduous tree crops including all proceeds thereof used as collateral for which a cash advance payment was issued under the 'Advance Payments Program'.
41. Farm Credit Canada ("FCC"): is owed \$304,608.31 per UCG OpCo's books and records. FCC has registered a security interest under the PPSA in respect of inventory, equipment, accounts and other items. However, there is no general description of the collateral. FCC filed a statement of claim with the Court on September 23, 2024 against the Companies, Mr. Haynes, Megan Haynes and Jason Haynes, in which it claimed \$210,000 plus interest. On November 12, 2024, FCC obtained judgment from the Court in the amount of \$484,100.18. The Proposal Trustee followed up with counsel to FCC with regards to FCC's security registration. On January 24, 2025, counsel to FCC wrote to the Proposal Trustee confirming that FCC's debt was unsecured and FCC would initiate the process of discharging its security registration under the PPSA.
42. Kubota Canada Ltd. ("Kubota"): is owed \$743,939 per UCG OpCo's books and records and has registered a security interest under the PPSA in respect of 13 pieces of equipment.
43. Ford Credit Canada ("Ford Credit"): is owed \$183,283 per UCG OpCo's books and records and has registered a security interest under the PPSA in respect of 5 pieces of equipment
44. Meridian Onecap Credit Corp. ("Meridian"): is owed \$152,245 per UCG OpCo's books and records and has registered a security interest under the PPSA in respect of 1 piece of equipment.

45. CWB National Leasing Inc. (“CWB”): is owed \$1,493.74 per UCG OpCo’s books and records and has registered a security interest under the PPSA in respect of 1 piece of equipment.
46. Toyota Industries Commercial Finance Canada Inc. (“Toyota”): is owed \$60,791 per UCG OpCo’s books and records and has registered a security interest under the PPSA in respect of 1 piece of equipment
47. The Proposal Trustee has not obtained an independent, written opinion from its legal counsel, Aird & Berlis LLP (“A&B”), with respect to the validity and enforceability of the BNS Credit Facilities and/or the other secured debts and their related security documents noted above, as there is no pressing need to do so, and incur the associated costs, at this time.

#### **Various Related Party Loans**

48. The Haynes Family (Rob, Megan and Jason) are responsible for the operation of the business, with Rob leading the group as CEO. Over the years, they have injected their own funds into the business on an unsecured basis. Per UCG OpCo’s books and records, they are collectively owed approximately \$110,000 on these loans.
49. Pursuant to the Companies’ internal financial statements as at November 30, 2024, an additional approximate \$2,300,000 is stated as being owed to Manish Nayar, 2403727 Ontario Inc. (“240 ON”) and Burncrest Capital Corp. (“Burncrest”) (240 and Burncrest being entities which Management believes are affiliated with Manish Nayar and Mohit Nayar). These debts consist of approximately \$2,000,000 in UCG OpCo and approximately \$300,000 in LandCo.
50. The validity of the related party debts and association with the related parties have not been determined by the Proposal Trustee at this time.

#### **Government Remittances and Municipal Property Taxes**

51. The Companies use an external payroll provider and, as such, are current with all government remittances for source deductions, save and except for source deductions accrued and accruing in respect of standard payroll processing, which will continue in the ordinary course.
52. The Proposal Trustee understands that the Companies are up to date on filing harmonized sales tax (the “HST”) returns with Canada Revenue Agency (the “CRA”) through December 2024 and have a \$70,500 refund owing from CRA to UCG OpCo and approximately \$143,750 owing to CRA from LandCo.
53. Property taxes included in the Companies’ accounts payable listings total \$80,460.

### **Unsecured Creditors**

54. As previously outlined, UCG OpCo administered payments for both Companies and accounted for paying LandCo expenses through an offset to an intercompany payable account it has with LandCo for the rent of LandCo's real-property assets. Accordingly, the books and records of UCG OpCo may contain trade debts associated with LandCo and will need to be examined further should a claims process be conducted.
55. Pursuant to UCG OpCo's books and records, there were approximately 111 different unsecured creditors identified with debts totalling approximately \$3,700,000.
56. Additionally, Management identified approximately \$250,000 of debts owing to CRA from LandCo, which were included as unsecured liabilities on the listing of known creditors submitted as part of LandCo's NOI filing.
57. The respective affidavit of mailing and associated creditor package for the Companies are attached hereto as **Appendix "B"**.

### **UPDATE ON THE COMPANIES' ACTIVITIES**

58. Since the Filing Date, the Companies have been taking steps and focusing on stabilizing operations. Management, with the assistance of the Proposal Trustee, has engaged in various discussions with stakeholders, suppliers, customers, and employees. As of the date of this First Report, the Companies have maintained their business operations without significant disruption or issues.

### **PROPOSAL TRUSTEE'S ACTIVITIES TO DATE**

59. The Proposal Trustee established the Proposal Trustee's Website for these Proposal Proceedings. All court documents and certain other relevant documents will continue to be posted as they are made available.
60. In accordance with its obligations under the BIA, on January 22, 2025, the Proposal Trustee prepared and sent a notice to all known creditors, which included information about the Proposal Proceedings, by prepaid ordinary mail and email where unknown, based on the contact information of such known creditors who have a claim against the Companies of more than \$250.
61. In accordance with subsection 50.4(2)(c) of the BIA, the Proposal Trustee assisted the Companies in the preparation of their respective cash-flow projections and related assumptions for the 13-week period ending April 12, 2025, together with Management's report

on the cash-flow projection (the “**Initial Cash Flows**”). Copies of the Initial Cash Flows are attached hereto as **Appendix “C”**.

62. In accordance with subsection 50.4(2)(b) of the BIA, the Proposal Trustee reviewed the Initial Cash Flows and assessed their reasonableness.
63. The Proposal Trustee also completed statutory forms and e-filed such reports with the OSB.
64. Furthermore, since the issuance of the Certificates of Filing, the Proposal Trustee, among other things, has:
  - (a) participated in various calls with the Companies’ internal accounting/finance consultants to gain a better understanding of the Companies’ books and records, current treasury functions, payroll, etc.;
  - (b) participated in various meetings with the Companies’ CFO, Shannon Ford, and operations teams regarding operating footprint, labour force and sales going forward;
  - (c) assisted the Companies with stakeholder communications, including through the preparation of various scripts and frequently asked questions;
  - (d) responded to calls, e-mails and letters received from creditors and other parties with respect to the Proposal Proceedings;
  - (e) participated in various discussions with BNS and its legal counsel regarding interim financing and terms for the DIP (as defined below);
  - (f) participated in discussions with the Companies’ orchard partners and other material trade vendors;
  - (g) created the SISP procedures and timelines;
  - (h) participated in various discussions with Management and staff of the Companies regarding preparation of materials for a SISP;
  - (i) created a weekly monitoring protocol with the Companies in order for the Proposal Trustee to be able to review and report on the Companies’ weekly cash receipts and disbursements;
  - (j) reviewed the Companies’ actual receipts and disbursements; and
  - (k) prepared this First Report, including reviewing the Companies’ assets and operations, reviewing various financial reports, appraisals and valuations and conducting other related analysis.

## CASH FLOW PROJECTIONS

65. Based on the Proposal Trustee's review of the Initial Cash Flows, there were no material assumptions that seem unreasonable in the present circumstances. However, the Proposal Trustee notes that UCG OpCo administers and manages the operations and treasury functions for the integrated businesses, and LandCo's cash flow forecast has no transactions and has a \$nil cash balance. The Proposal Trustee's reports on the Initial Cash Flows (the "**Trustee's Report on Cash-Flow Statement(s)**") are attached hereto as **Appendix "D"**.
66. The Initial Cash Flows indicated that UCG OpCo has a cash deficit of approximately \$2,300,000 for the forecasted period. BNS has agreed to fund up to \$150,000 ("**Emergency Funding**") under its BNS Credit Facilities with the residual \$2,200,000 (\$2,400,000 peak funding requirement in week 12) required to be funded from additional debtor-in-possession ("**DIP**") funding.
67. Based on the foregoing, the Companies cannot operate their business and seek a restructuring without the additional DIP funding.
68. The Cash Flow Forecasts project that during the Cash Flow Period, the Companies should have sufficient liquidity, based on the Emergency Funding provided by BNS, positive timing variances experienced to date, and the DIP funding from the new DIP Loan (herein defined) which is subject to Court approval.

## THE RELIEF AND ORDER BEING SOUGHT BY THE COMPANIES

### Proposed Consolidation of the Estates

69. The Initial Proposal Order seeks an administrative consolidation of the two Proposal Proceedings. The Companies are related parties with a single business enterprise and a common senior, secured creditor (i.e. BNS). Additionally, the Companies process substantially all their treasury functions through UCG OpCo. Finally, the SISP contemplates the solicitation of offers to purchase the Companies' assets, undertakings, and properties, in whole or in part, and/or invest in the Companies' business, and that such process be administered in a unified manner. The relief is sought by the Companies to avoid a duplicity of proceedings and unnecessary costs.
70. In the view of the Proposal Trustee, the Companies' creditors will not be prejudiced by the proposed administrative consolidation of the Proposal Proceedings. Rather, the consolidation is the most efficient, cost effective and practical approach to manage the Proposal Proceedings.

### Proposed Stay Extension

71. Under the BIA, the initial stay of proceedings will expire on February 15, 2025 (the “**Stay Period**”).
72. The Companies seek an extension of time to file a proposal for an additional 45 days to and including April 1, 2025 (“**Proposed Stay Extension**”). The Proposed Stay Extension should permit the Proposal Trustee to commence and advance the SISP. Without the Proposed Stay Extension, the Companies will not be in a position to carry out the SISP or, if deemed advantageous, make a viable proposal to their creditors, and will become bankrupt—to the detriment of their stakeholders.
73. It is the Proposal Trustee’s view, based on the Initial Cash Flows and assuming the DIP Loan (herein defined) and related charge are approved by the Court, that the Companies will have sufficient liquidity to commence and advance the SISP and satisfy post-filing obligations as they come due during the Proposed Stay Extension.
74. Based on the information presently available, the Proposal Trustee believes that the Companies’ creditors will not be materially prejudiced by the Proposed Stay Extension. Furthermore, the Proposal Trustee is not aware of any creditor who opposes the requested extension of the Stay Period.

### Proposed Priority Charges

75. The Initial Proposal Order provides for three (3) priority charges (collectively, the “**Charges**”) on all of the current and future assets, undertakings, and properties of the Companies, wherever located, including all proceeds thereof, which Charges rank in the following order:
  - (a) first, the Administration Charge (defined below);
  - (b) second, the DIP Charge (defined below); and
  - (c) third, the Directors’ Charge (defined below).
76. The Proposal Trustee understands that the Companies have provided their secured creditors with notice of their Motion Record.

### **ADMINISTRATION CHARGE**

77. The Initial Proposal Order provides for a charge up to a maximum amount of \$500,000 (the “**Administration Charge**”) in favour of counsel to the Companies, the Proposal Trustee and its independent counsel and counsel to BNS (the “**Professional Group**”), as security for the professional fees and disbursements incurred prior to and after the commencement of the

Proposal Proceedings. Professional fee obligations secured by the Administration Charge will be paid in the ordinary course from funding provided by the DIP Loan.

78. As set out in the Haynes Affidavit, the Companies believe that the Administration Charge is essential to a successful restructuring.
79. In terms of the provision of professional services, it is envisioned that the Proposal Trustee will oversee and implement the Proposal Proceedings and SISP and will call upon counsel as appropriate to carry out its obligations relating thereto. A summary of essential services to be provided includes:
  - (a) the administration and monitoring of the Proposal Proceedings, including preparing reports to creditors, the Official Receiver, and this Court as may be required by the BIA, and reviewing the Companies' cash-flows and related financial disclosure;
  - (b) implementing the SISP over an approximate 5-month period, including drafting the solicitation package (including various documents), preparing the virtual data room ("VDR"), assisting potential bidders with the due diligence process, reviewing bids and negotiating and drafting definitive agreement(s);
  - (c) preparing, drafting and filing all court materials, including the motion for an order approving any proposed investment in Companies and/or sale of the Companies' assets;
  - (d) providing general corporate and specialized restructuring advice to the Companies; and
  - (e) assisting the Companies in the preparation of their financial reporting as may be required under the BIA.
80. Because of their institutional knowledge of the Companies' business and their specialized experience in proposal proceedings generally, the services to be provided by the Professional Group are critical to the success of the Companies' restructuring. Further, the Professional Group has worked, and will work, cooperatively to avoid any unwarranted duplication of work.
81. Fees and disbursements of the Proposal Trustee and its counsel, A&B, payable pursuant to the Administration Charge, will be subject to taxation or court approval pursuant to the Initial Proposal Order.
82. The fees and disbursements secured by the Administration Charge will be paid in the normal course as outlined in the Cash Flow Forecast.

83. The Proposal Trustee is of the view that given the current liquidity constraints of the Companies, the proposed Administration Charge is required and reasonable in the circumstances. The Proposal Trustee is of the view that the Administration Charge is necessary for the effective participation of the professionals in the Proposal Proceedings, and believes the quantum of the Administration Charge is reasonable in the circumstances based upon a review and assessment of the anticipated professional costs to be incurred during this matter.

#### **DIP CHARGE**

84. The Companies are seeking approval of the DIP Term Sheet pursuant to which BNS, in its capacity as the proposed lender under the DIP Term Sheet (the “**DIP Lender**”), has offered to make available DIP funding available to the Companies under a new credit facility up to a maximum amount of \$2,700,000 (the “**DIP Loan**”) in order to provide sufficient liquidity for the Companies, and for the Proposal Trustee to complete a Court-approved SISP.

85. In addition to the approval of the DIP Loan, the Initial Proposal Order also provides for the creation of a related charge (the “**DIP Charge**”) to secure the maximum allowed borrowings pursuant to the DIP Loan.

86. The material items, terms and conditions of the DIP Term Sheet include the following:

- (a) principal amount: up to a maximum amount of \$2,700,000 (the “**Maximum Amount**”);
- (b) purpose of the loan: to fund, pursuant to a budget (the “**DIP Budget**”) approved by BNS, each of the following: (i) the working capital needs of the Companies; (ii) the DIP Lender’s fees and expenses; (iii) the professional fees and expenses incurred by the Companies and the Proposal Trustee and its legal counsel in respect to the Proposal Proceedings; (iv) the pre-filing fees of the Proposal Trustee, A&B, and counsel to BNS; (v) the pre-filing fees of the Companies’ financial advisor up to a maximum of \$50,000; (vi) the costs associated with the SISP; and (vii) such other costs and expenses of the Companies as maybe agreed upon, in writing;
- (c) interest rate: 10% per annum, payable on the Maturity Date (defined herein);
- (d) commitment fee: equal of \$50,000;
- (e) DIP Charge and Court Approval: the DIP Loan is to be secured by a Court-ordered priority charge over all of the Companies’ present and after-acquired property, assets and undertakings, subject only to the Administration Charge. The DIP Loan

will be available to the Companies subject to certain conditions including the issuance of the Initial Proposal Order by no later than 5:00 pm on February 6, 2025, approving the DIP Term Sheet, the DIP Loan and the DIP Charge; and

- (f) repayment: the DIP Loan is to repaid on the maturity date (the “**Maturity Date**”), which is defined as the earlier of:
- (i) July 17, 2025, being six (6) months after the initiation of the Proposal Proceedings;
  - (ii) the implementation of a proposal within the Proposal Proceedings (a “**Proposal**”), which has been approved by the BNS and by the requisite majorities of the Companies’ creditors and sanctioned by an order entered by the Court (the “**Sanction Order**”);
  - (iii) conversion of the Proposal Proceedings into a proceeding under the *Companies’ Creditors Arrangement Act (Canada)*;
  - (iv) the completion of a sale or sales of all or substantially all of the Companies’ assets, or of all or substantially all of the shares of the Companies, or of all or substantially all of the Companies’ business;
  - (v) an Event of Default which has not been waived by the DIP Lender and in respect of which it has elected, in its sole discretion, to accelerate the obligations of the Companies’ under the DIP Loan; and
  - (vi) the date on which the Proposal Proceedings are terminated.

87. A copy of the DIP Term Sheet is attached as **Exhibit X** in the Haynes Affidavit.

88. The Proposal Trustee believes the terms offered by the DIP Lender are reasonable and competitive in the circumstances.

89. Furthermore, the Proposal Trustee is of the view that the Companies’ request for approval of the DIP Term Sheet/DIP Loan and the DIP Charge is required and reasonable in order to provide the Companies the necessary financing to maintain ongoing operations and conduct the SISP. Absent approval of this financing, the Companies will not be able to conduct the SISP and will be forced to shut down the business and commence a liquidation of their assets, which would result in the loss of value and jobs and be detrimental to all of the Companies’ creditors and stakeholders.

## **DIRECTORS' CHARGE**

90. As part of these Proposal Proceedings, the Companies are seeking a charge up to a maximum amount of \$150,000 for the Companies' directors and officers (the "**Directors' Charge**"), ranking in priority to all other claims and encumbrances, with the exception of the Administration Charge and the DIP Charge. The Directors' Charge is intended to address potential claims that may be brought against the directors and officers of the Companies after the Filing Date, including with respect to HST arrears, wages, vacation pay, and source deductions.
91. The Companies' ordinary course operations give rise to potential director liability, including on account of payroll obligations. The Directors' Charge is crucial to the continued involvement of the Companies' directors and officers during the Proposal Proceedings, who would otherwise resign from their roles before a significant portion of the liability can be triggered.
92. The Proposal Trustee believes that the directors and officers are crucial to maintaining the Companies' operations, assisting the Proposal Trustee with the SISP, and increasing the prospects of a successful restructuring—all of which will maximize value for the Companies' creditors.
93. The quantum of the Directors' Charge was developed with the assistance and support of the Proposal Trustee, taking into account the anticipated payroll and other exposures that give rise to director and officer liability for the applicable period. As such, the quantum of the Directors' Charge is reasonable in the circumstance as, among other things, there is also no existing coverage for directors and officers under the Companies' existing insurance policies.

## **PROPOSED SALES INVESTMENT AND SOLICITATION PROCESS**

94. Any terms not expressly defined in this section are otherwise defined in the SISP.
95. The Proposal Trustee, in consultation with the Companies and the DIP Lender, developed the SISP, which is intended to solicit interest in and opportunities for an investment in or sale of all or substantially all of the Property or Business of the Companies. A copy of the SISP's detailed process and procedure is appended at **Exhibit Y** to the Haynes Affidavit.
96. The Proposal Trustee is qualified to administer the SISP for the following reasons:
  - (a) they have considerable experience conducting similar sales processes;
  - (b) they have extensive industry and institutional contacts, ensuring that the opportunity will be broadly publicized;

- (c) they are independent of the Companies; and
- (d) they will ensure that the SISP is thorough, transparent, and run efficiently for the benefit of the Companies' stakeholders.

Sales Process Summary & Proposed Timeline

97. The SISP shall commence immediately following the issuance of the Initial Proposal Order. The table below sets out subsequent key deadlines in the SISP that interested parties should note (terms within the table are defined in subsequent paragraphs):

Milestone	Deadline
Go to market	Friday, February 7, 2025
Expression of Interest Date (EOI Deadline)	Friday, March 28, 2025 (5:00 PM Eastern Time) (8-week marketing process)
Select Qualified Bidders	Tuesday, April 1, 2025
Binding Letter of Intent (LOI Deadline)	Friday, April 25, 2025 (5:00 PM Eastern Time)
Offer Selection Date	Wednesday, April 30, 2025
Definitive Transaction Agreement	Wednesday, May 14, 2025
Hearing of the Sale Approval Motion / Transaction Execution Date	Subject to availability of the Court
Closing the Transaction (outside date)	No later than Friday, June 13, 2025

- 98. The SISP serves to solicit and identify parties that wish to make a formal offer to purchase or make an investment in the Companies or their Property or Business (the “**Opportunity**”).
- 99. The Opportunity may include one or more of a restructuring, recapitalization or other form of reorganization of the business and affairs of the Companies, as a going concern or a sale of all, or substantially all of the Property.
- 100. The Proposal Trustee will develop a list of potential bidders (the “**Known Potential Bidders**”). This list will be comprised of those that have previously shown interest in transacting with the Companies, and other potential strategic and financial parties whom the Companies believe may be interested in the Opportunity.
- 101. The Proposal Trustee will also prepare a process summary describing the Opportunity (the “**Teaser Letter**”) and a non-disclosure agreement (the “**NDA**”).

102. The Proposal Trustee will send the Teaser Letter and NDA to all Known Potential Bidders, and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the Companies or Proposal Trustee as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.
103. Any party who wishes to participate in the SISP (a “**Potential Bidder**”) must provide to the Proposal Trustee an executed NDA and a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder.
104. The Proposal Trustee, with the approval of the Proposal Trustee, shall, in their reasonable business judgment and subject to competitive and other business considerations, afford each Potential Bidder who has signed and delivered the NDA to the Proposal Trustee and provided information as to their financial wherewithal to close a Transaction, such access to due diligence material and information relating to the Property as the Proposal Trustee deems appropriate.
105. To be considered for inclusion in the next round of the process, Expressions of Interest (“**EOI**”) must be received by the Proposal Trustee no later than 5:00 PM (Eastern Time) on March 28, 2025, or as may be modified in the bid process letter that may be circulated by the Proposal Trustee to Potential Bidders. The EOI should describe in sufficient detail all material matters relating to the proposed transaction. While EOIs may be non-binding, at a minimum, an EOI should include clear statements with respect to the following information:
  - (a) identity of the entity or entities acquiring the Companies, or any of them, including the identity of any entity that controls such acquiring entity;
  - (b) cash purchase price (in Canadian dollars) that is to be paid in connection with the Transaction, including an explanation of the methods and key assumptions used to determine the purchase price (the “**Purchase Price**”);
  - (c) indication of deal structure, including, but not limited to, one or a combination of: an investment in the Companies (an “**Investment Proposal**”) or an acquisition of all, substantially all or a portion of the Property or shares of the Companies (a “**Sale Proposal**”);
  - (d) proposed financing for the proposed transaction and, if other than internal funds, the expected sources of such financing, the expected timing for commitment of funds and the steps required to secure such commitment;

- (e) nature of additional diligence required before entering into a binding LOI with the Companies;
- (f) assumptions and intentions with respect to retention of Management and employees;
- (g) any regulatory, shareholder, lender or other third-party approvals that would be required or potentially required, the estimated timetable required to conclude a proposed transaction, and whether the EOI is conditional on any other items;
- (h) any conditions to closing or any other terms and conditions that would be required in order to complete the proposed transaction;
- (i) contact Information for those persons who should be contacted with respect to the EOI; and
- (j) any other matters that may be helpful in the evaluation of the EOI and completion of the proposed transaction in a timely manner.

106. An EOI will be evaluated based upon several factors including, without limitation: (i) the Purchase Price and the net value provided by such bid, (ii) the identity, circumstances and ability of the Potential Bidder to successfully complete such transactions, (iii) factors affecting the speed, certainty and value of the transaction, (iv) the assets included or excluded from the bid, (v) any related restructuring costs, and (vi) the likelihood and timing of consummating such transaction, each as determined by the Proposal Trustee and the DIP Lender.

107. The Proposal Trustee shall notify each Potential Bidder who submitted an EOI in writing as to whether its EOI was selected to continue in the SISP (the “**Selected EOIs**”) by no later than Tuesday, April 1, 2025, or at such later time as the Proposal Trustee deems appropriate, with the approval of the DIP Lender.

108. Potential Bidders with Selected EOIs who wish to make a formal offer to purchase or make an investment in the Companies or their Property (each, a “**Bidder**”) shall submit a binding Letter of Intent (a “**LOI**”) that complies with all of the following requirements of the Proposal Trustee and is received by the Proposal Trustee no later than 5:00 PM (Eastern Time) on Friday, April 25, 2025 or as may be modified in the bid process letter that may be circulated to Potential Bidders, with the approval of the Proposal Trustee and its stakeholders (the “**LOI Deadline**”):

- (a) the LOI must be a binding offer to make:

- (i) a Sale Proposal to acquire all, substantially all or a portion of the Companies' assets or shares of the Companies; and/or
  - (ii) an Investment Proposal for an investment in the restructuring, recapitalization or reorganization of the Companies (shares, preferred shares, debt purchase, etc.);
- (b) the LOI (either individually or in combination with other bids that make up one bid) is an offer to purchase or make an investment in some or all of the Companies and is consistent with any necessary terms and conditions established by the Proposal Trustee and communicated to Bidders;
- (c) the LOI includes a letter stating that the Bidder's offer is irrevocable until the selection of the Successful Bidder (as defined below), provided that if such Bidder is selected as the Successful Bidder, its offer shall remain irrevocable until the closing of the proposed transaction with the Successful Bidder;
- (d) the LOI includes, in the case of a Sale Proposal, a completed purchase agreement with a comparison to the form of asset purchase agreement contained in the VDR, and any other transaction documents included in the VDR, which purchase agreement shall include the Purchase Price (by major asset type/legal entity), investment amount and any other key economic terms expressed in Canadian dollars, together with all exhibits and schedules thereto, and, in the case of an Investment Proposal, a comparable definitive transaction agreement;
- (e) the LOI includes written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction, that will allow the Proposal Trustee to make a determination as to the Bidder's financial and other capabilities to consummate the proposed transaction;
- (f) the LOI is not conditional on (i) the outcome of unperformed due diligence by the Bidder, or (ii) obtaining financing, or (iii) the Company receiving the required approvals or amendments relating to the supply management, distribution and licence agreements required to operate the business;
- (g) the LOI fully discloses the identity of each entity that will be entering into the proposed transaction or the financing, or that is otherwise participating or benefiting from such bid;
- (h) for a Sale Proposal, the LOI includes:

- (i) the Purchase Price in Canadian dollars (by major asset type/legal entity) and a description of any non-cash consideration, including details of any liabilities to be assumed by the Bidder and key assumptions supporting the valuation;
  - (ii) a description of the assets that are expected to be subject to the proposed transaction and any assets expected to be excluded;
  - (iii) a specific indication of the financial capability of the Bidder and the expected structure and financing of the transaction;
  - (iv) a description of the conditions and approvals required to complete the closing of the proposed transaction;
  - (v) a description of those liabilities and obligations (including operating liabilities) which the Bidder intends to assume and which such liabilities and obligations it does not intend to assume;
  - (vi) any other terms or conditions of the Sale Proposal that the Bidder believes are material to the proposed transaction; and
  - (vii) a commitment by the Bidder to provide a non-refundable deposit, the greater of: an amount of not less than 10% of the Purchase Price offered or \$1,000,000, upon the Bidder being selected as the Successful Bidder.
- (i) for an Investment Proposal, the LOI includes:
- (i) a description of how the Bidder proposes to structure the proposed investment, restructuring, recapitalization, or reorganization, and a description of any non-cash consideration;
  - (ii) the aggregate amount of the equity and/or debt investment to be made in the business or the Company in Canadian dollars;
  - (iii) the underlying assumptions regarding the pro forma capital structure;
  - (iv) a specific indication of the sources of capital for the Bidder and the structure and financing of the proposed transaction;
  - (v) a description of the conditions and approvals required to complete the closing of the proposed transaction;

- (vi) a description of those liabilities and obligations (including operating liabilities) which the Bidder intends to assume and those liabilities and obligations it does not intend to assume;
  - (vii) any other terms or conditions of the Investment Proposal; and
  - (viii) a commitment by the Bidder to provide a non-refundable deposit, the greater of: an amount of not less than 10% of the total new investment contemplated or \$1,000,000, upon the Bidder being selected as the Successful Bidder.
- (j) the LOI includes acknowledgements and representations of the Bidder that the Bidder:
- (i) has had an opportunity to conduct any and all due diligence regarding the Property, and the Companies prior to making its offer;
  - (ii) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its bid; and
  - (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether expressed, implied, statutory, or otherwise, regarding the Company, or the Property, or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Company;
- (k) the LOI is received by the LOI Deadline; and
- (l) the LOI contemplates closing the transaction set out therein no later than June 13, 2025, subject to obtaining Court approval.

109. Following the LOI Deadline, the Proposal Trustee and the DIP Lender will assess the LOIs received. The Proposal Trustee will designate the most competitive LOIs that comply with the foregoing requirements to be “**Qualified Bids**”. Only Bidders whose bids have been designated as Qualified Bids are eligible to become the Successful Bidder(s).

110. The Proposal Trustee shall notify each Bidder in writing as to whether its LOI constitutes a Qualified Bid by no later than Wednesday, April 30, 2025, or at such later time as the Proposal Trustee deems appropriate.

111. The Proposal Trustee, in consultation with the DIP Lender, may waive strict compliance with any one or more of the requirements specified above and deem such non-compliant LOIs to be a Qualified Bid.
112. In the event that the Proposal Trustee is not satisfied with the number or terms of the Qualified Bids, the Proposal Trustee may, in consultation with the DIP Lender, extend the Bid Deadline, or may seek Court approval for amendments to the SISP.
113. The Proposal Trustee may aggregate separate Bids from unaffiliated Bidders to create one Qualified Bid.
114. A Qualified Bid will be evaluated based upon several factors including, without limitation: (i) the Purchase Price and the net value provided by such bid, (ii) the identity, circumstances and ability of the Bidder to successfully complete such transactions, (iii) the proposed transaction documents, (iv) factors affecting the speed, certainty and value of the transaction, (v) the assets included or excluded from the bid, (vi) any related restructuring costs, and (vii) the likelihood and timing of consummating such transaction, each as determined by the Proposal Trustee and the DIP Lender.
115. The Proposal Trustee, in consultation with the DIP Lender, will:
  - (a) review each Qualified Bid in consideration of the following:
    - (i) the amount of consideration being offered, and, if applicable, the proposed form, composition, and allocation of same;
    - (ii) the value of any assumption of liabilities or waiver of liabilities;
    - (iii) the likelihood of the Bidder's ability to close a transaction by June 13, 2025 (including factors such as the transaction structure and execution risk, conditions to, timing of, and certainty of closing, termination provisions, availability of financing and financial wherewithal to meet all commitments and required governmental or other approvals);
    - (iv) the likelihood of the Court's approval of the Successful Bid, if required;
    - (v) the net benefit to the Companies; and
    - (vi) any other factors the Company may, consistent with its fiduciary duties, reasonably deem relevant; and
  - (b) identify and select the highest or otherwise best bid received (the "**Successful Bid**", and the Bidder making such bid, the "**Successful Bidder**"), and notify or inform the Successful Bidder that its bid or Qualified Bid is the Successful Bid.

116. The Successful Bidder shall complete and execute all agreements, contracts, instruments or other documents including the Definitive Transaction Agreement evidencing and containing the terms and conditions upon which the Successful Bid was made by Wednesday, May 14, 2025, unless extended by the Proposal Trustee, in consultation with and approval from the DIP Lender, subject to the milestones or deadlines set forth in paragraph 12 of the SISP.
117. A Court date will be scheduled to hear a motion to approve any Transaction with the Successful Bidder (the “**Sale Approval Motion**”). At the Sale Approval Motion, the Proposal Trustee or the Companies shall seek, among other things, approval from the Court to consummate the Successful Bid. All Qualified Bids other than the Successful Bid, if any, shall be deemed to be rejected by the Proposal Trustee and/or Sales Agent on and as of the date of approval of the Successful Bid by the Court.

#### **KEY EMPLOYEE RETENTION PLAN**

118. The primary objective of the proposed Key Employee Retention Plan (“**KERP**”) is to incentivize key employees and independent contractors in management roles (collectively, the “**KERP Recipients**”) who are vital to the ongoing operations of the Companies to (i) continue in their current roles in order to maintain the Companies’ business while they seek a restructuring solution, (ii) compensate them for their expanded roles during these Proposal Proceedings, and (iii) aid in the consummation of a transaction if identified through a SISP.
119. The proposed KERP Recipients are instrumental to the Companies’ ongoing stability and marketing efforts, both prior to and during the SISP, and have been approved by Management and the Companies’ stakeholders.
120. The KERP is for a total amount of \$168,250 covering ten (10) KERP Recipients identified by the Companies’ senior management as critical to the ongoing operation of the business and the Companies’ marketability in the SISP. The payments represent approximately 16% of the estimated total earnings of the KERP Recipients. A copy of the KERP is appended as **Tab 3** to the Motion Record of the Companies.
121. To qualify for their respective payments, KERP Recipients must continue to work for the Companies until the earlier of such time as the SISP is finished through a consummated transaction, or the date on which the Proposal Proceedings are terminated by way of Court order therein.
122. The Proposal Trustee is of the view that the KERP is necessary and is fair and reasonable in these circumstances.

## ENHANCED POWERS OF THE PROPOSAL TRUSTEE

123. The Companies seek to enhance the Proposal Trustee's powers. Specifically, the proposed enhanced powers authorize and empower, but do not require, the Proposal Trustee to, among other things:

- (a) exercise any powers which may be properly exercised by a board of directors or any officers of the Companies to cause the Companies, through the Companies' employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, "**Assistants**") (then engaged, if any), to, without limitation:
  - (i) take any and all actions and steps, and execute all agreements, documents and writings, on behalf of, and in the name of, the Companies in order to facilitate the performance of any of the Companies' powers or obligations (collectively, the "**Companies' Powers & Obligations**");
  - (ii) engage, retain, or terminate the services of any officer, employee, consultant, agent, representative, advisor, or other persons or entities, as the Proposal Trustee deems necessary or appropriate to assist with the exercise of the Proposal Trustee's powers and duties and/or the Companies' Powers & Obligations. For greater certainty, any such officer, employee, consultant, agent, representative, advisor, or other persons or entities engaged or retained pursuant to this paragraph shall thereafter be deemed to be Assistants under the Initial Proposal Order;
  - (iii) perform such other functions or duties, and enter into any agreements or incur any obligations, as the Proposal Trustee considers necessary or desirable in order to facilitate or assist the winding-down or liquidation of the Companies, the realization and/or sale of all of the Companies' current and future assets, undertakings and properties of every nature and kind whatsoever and wherever situate, including all proceeds thereof (the "**Property**") or the opportunity to invest by way of equity or debt in the Companies' business (the "**Business**"), the distribution of any net proceeds of the Property (the "**Proceeds**"), or any other related activities, including, without limitation, in connection with terminating this Proposal Proceedings;
  - (iv) exercise any rights of the Companies;

- (v) grant the Proposal Trustee access to all books and records that are the property of the Companies or that are in the Companies' possession or control (the "**Books and Records**");
  - (vi) initiate, prosecute, and/or continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Companies, the Property, or the Proceeds, and, subject to further order of this Court, to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
  - (vii) deal with any taxing or regulatory authority, including to execute any appointment or authorization form on behalf of the Companies that any taxing or regulatory authority may require, in order to confirm the appointment of an authorized representative of the Companies (which may be a representative of the Proposal Trustee) for such purposes;
  - (viii) engage, deal, communicate, negotiate and, with further order of this Court, settle with any creditor or other stakeholder of the Companies (including any governmental authority);
  - (ix) claim any and all insurance refunds or tax refunds to which the Companies are entitled on behalf of the Companies; and
  - (x) file, or take such actions necessary for the preparation and filing of, on behalf of and in the name of the Companies, (i) any tax returns, and (ii) the Companies' employee-related remittances, T4 statements and records of employments for the Companies' former employees, in either case, based solely upon the information in the Books and Records and on the basis that the Proposal Trustee shall incur no liability or obligation to any person with respect to such returns, remittances, statements, records or other documents.
- (b) monitor the Companies' receipts and disbursements;
- (c) subject to certain protections in favour of the Proposal Trustee as set out in the Initial Proposal Order, review, and approve (if the Proposal Trustee deems the disbursement necessary or appropriate to maintain or facilitate the Business) all disbursements of the Companies of \$25,000 or greater;

- (d) report to this Court, at such times and intervals as the Proposal Trustee may deem appropriate, with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (e) assist the Companies, to the extent required by the Companies, in their dissemination to BNS and its counsel on a bi-weekly basis of financial and other information as agreed to between the Companies and BNS, which may be used in these proceedings including reporting on a basis to be agreed with BNS, including but not limited to as the foregoing may be required under the DIP Term Sheet;
- (f) advise the Companies in their preparation of the Companies' cash flow statements and reporting reasonably required by BNS, which information shall be reviewed with the Proposal Trustee and delivered to BNS and its counsel on a periodic basis, but not less than bi-weekly, or as otherwise agreed to by BNS, including but not limited to as the foregoing may be required under the DIP Term Sheet;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Companies, to the extent that is necessary to adequately assess the Companies' business and financial affairs or to perform its duties arising under the Initial Proposal Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Proposal Trustee deems necessary or advisable respecting the exercise of its powers and performance of its obligations under the Initial Proposal Order;
- (i) perform such other duties as are required by the Initial Proposal Order or by this Court from time to time; and
- (j) take any steps reasonably incidental to the exercise by the Proposal Trustee of the powers listed above or the performance of any statutory obligations.

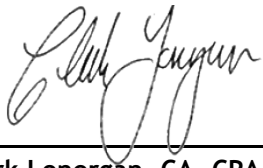
124. The Proposal Trustee is of the view that the proposed enhanced powers in favour of the Proposal Trustee are appropriate given the operational challenges still impacting the Companies; the uncertainty associated with the Special Shareholder Powers and who might be otherwise in control of the business; and the significant workload and demands that are currently placed on Management to both assist the Proposal Trustee with the administration of the Proposal Proceedings and operating the Companies' business.

**CONCLUSIONS AND RECOMMENDATIONS**

125. For the reasons previously stated in this First Report, the Proposal Trustee supports the relief being sought by the Companies in the Initial Proposal Order and the SISP Order.

All of which is respectfully submitted this 29<sup>th</sup> day of January 2025.

**BDO CANADA LIMITED, in its capacity  
as Proposal Trustee of Upper Canada Growers  
Ltd. and UCG Land Inc. and not in its corporate  
or personal capacity.**



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**Clark Lonergan, CA, CPA, CIRP, LIT  
Partner/Senior Vice President**



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**Michael Basso, CA, CPA, CIRP, LIT  
Partner/Senior Vice President**

# Appendix A



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Ontario  
Division No. 07 - Hamilton  
Court No. 32-3175820  
Estate No. 32-3175820

In the Matter of the Notice of Intention to make a proposal of:

**Upper Canada Growers Ltd.**

Insolvent Person

**BDO CANADA LIMITED / BDO CANADA LIMITÉE**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

January 17, 2025

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: January 20, 2025, 08:00

E-File/Dépôt Electronique

Official Receiver

**Canada**

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada, L8R3P7, (877)376-9902



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Ontario  
Division No. 07 - Hamilton  
Court No. 32-3175819  
Estate No. 32-3175819

In the Matter of the Notice of Intention to make a proposal of:

**UCG Land Inc.**

Insolvent Person

**BDO CANADA LIMITED / BDO CANADA LIMITÉE**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

January 17, 2025

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: January 20, 2025, 08:04

E-File/Dépôt Electronique

Official Receiver

**Canada**

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada, L8R3P7, (877)376-9902

# Appendix B

District of Ontario  
Division No. 07-Hamilton  
Court No.: 32-3175820  
Estate No.: 32-3175820

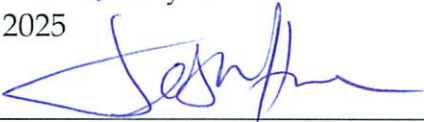
IN THE MATTER OF THE PROPOSAL OF  
  
UPPER CANADA GROWERS LTD.  
OF THE CITY OF NIAGARA-ON-THE-LAKE  
IN THE PROVINCE OF ONTARIO

AFFIDAVIT OF MAILING

I, Tony Montesano of the City of Pickering, in the Province of Ontario, hereby make oath and say:

That on the 22<sup>nd</sup> day of January 2025, we did cause to be mailed to the known creditors of the above named debtor, whose names and addresses appear on the paper-writing marked "A" annexed hereto, a copy of each of a letter to the creditors, Certificate of Filing of a Notice of Intention to make a Proposal, the Notice of Intention to File a Proposal with the list of known creditors with claims of \$250 or more and the Consent of BDO Canada Limited to act as Trustee.

And, a copy of this said Notice was sent to the debtor via mail.

SWORN before me in the )  
City of Toronto, Province of )  
Ontario, on the 22<sup>nd</sup> day of )  
January 2025 )  
 )

  
\_\_\_\_\_  
Tony Montesano

A Commissioner in and for the Province of Ontario

Jessie Hue, a Commissioner, etc.,  
Province of Ontario, for BDO Canada LLP  
and BDO Canada Limited and their subsidiaries,  
associated companies, and affiliates.  
Expires August 26, 2025

**- Creditor Mailing List -**

In the Matter of the Proposal of This is Exhibit "A" referred to in the  
 Upper Canada Growers Ltd. affidavit/declaration of Tommy Montegallo sworn  
 of the City of Niagara-on-the-Lake, in the Province of Ontario before me at the City of Toronto in the  
 Province of Ontario this 27 day of January  
2025

Creditor Type	Name	Attention	Address
Director	Robert Haynes		1684 Road 2 E. G. A Commissioner in and for the Province of Ontario Ruthven ON N0P 2G0
Secured	Agricultural Credit Association and BDO Canada Limited and their subsidiaries, associated companies, and affiliates. Expires August 26, 2025		200 Hanlon Creek Blvd Guelph ON N1C 0A1
	Bank of Nova Scotia		40 King Street West Toronto ON M5H 1H1
	Farm Credit Canada		1800 Hamilton Street Regina SK S4P 4L3
	Ford Credit Canada Company		Box 1800 RPO Lakeshore West Oakville ON L6K 0J8
	Kubota Canada Ltd.	Tara Benson	1155 Kubota Dr Pickering ON L1X 0H4 Fax: (800) 878-8279 tara.benson@kubota.com
	Minister of Finance (EHT)		33 King St W, PO Box 620 Oshawa ON L1H8E9
Unsecured	1000923740 Ontario Inc (Som Newest)		5265 White Dove Pkwy Niagara Falls ON L2H3M5
	2 Way Automotive		109 Queen Street Harrow ON N0R1G0 twowayautomotive@pdsemail.net
	A.M.A. Horticulture Inc.		2011 Spinks Dr Kingsville ON N9Y 2E5 AR@amahort.com
	AgBioResearch Limited		PO BOX 3414 Richmond NZ 7002 USA
	AgInvest		121 Heritage Rd. Chatham ON N7M 5W7
	Agris Co-operative Ltd.		835 Park Avenue West Chatham ON N7M 5J6 Fax: (519) 354-7058
	Air Canada		PO BOX 966 Winnipeg MB R3C 2V6 acevolve@aircanada.ca
	Air Liquide Canada Inc.		66 Firestone Blvd London ON N5W5L4 rachel.mcgeachy@airliquide.com
	ALink Computer Solutions Inc.		680 Industrial Road London ON N5V3P5 accounting@alcanada.com
	Bartlett Inc		4509 Bartlett Rd. Beamsville ON L0R 1B1
	Bell Mobility Inc.		PO Box 5102 Burlington ON L7R4R7

**- Creditor Mailing List -**

In the Matter of the Proposal of  
Upper Canada Growers Ltd.  
of the City of Niagara-on-the-Lake, in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	Besseling Group Enterprises Inc.		110 Carr Crescent Oliver BC V0H1T5 migiel@besseling-northamerica.com
	boomkwekkerijen gebr. janssen b.v		P.O. Box 2711 6030 AA Nederweert The Netherlands -- -- janssen@rootstocks.nl
	C. Frensch Ltd.		4774 Hinan Drive Beamsville ON L3J1C1 info@cfrensch.com
	Cadman		Box 100 38 Main Street Courtland ON N0J 1E0 ar@cadmanpower.com
	Caisson Labs		836 South 100 East Smithfield UT 84335 USA
	Cameron Nursery, LLC		PO BOX 300 Eltopia WA 99330 USA cnadmin@fastmail.us
	Canada Border Services Agency		Ground Floor, Room 1018333 North River Road, Place Vanier, Tower A Ottawa ON K1A0L8 karen@uppercanadagrowers.ca
	Canadian Food Inspection Agency		PO Box 61991081, Main Street, 4th floor Moncton NB E1C 8R2 CFIA.ARDirectDeposit-DepotDirectCD. ACIA@inspection.gc.ca
	CanAg		5995 Avebury Rd, #706 Mississauga ON L5R3P9 canagaccess@farms-canag.com
	Central Sanitation		1316 Plank Road Sarnia ON N7T7H3 accounting@centralsanitation.com
	Certified Laboratories		PO BOX 2413T, STN "A" Toronto ON M5W2K6 cac.credit@nch.com
	Cogeco Bankruptcies c/o FCT Default Solutions		PO Box 2514, Stn B London ON N6A 4G9 Fax: (647) 439-1419 dsinsolvency@collectlink.com
	Cole International Inc.		3950 Malden Road Windsor ON N9C2G4
	Cornell University		395 Pine Tree Road New York NY 14850 USA
	Cowan Insurance Group		700-1420 Blair Pl Ottawa ON K1J9L8 ottawa.financegroup@cowangroup.ca
	Crawford Packaging Inc		3036 Page Street London ON N5V4P2 ar@crawfordpackaging.com

**- Creditor Mailing List -**

In the Matter of the Proposal of  
Upper Canada Growers Ltd.  
of the City of Niagara-on-the-Lake, in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	Delta Power Equipment Ltd.		516 Talbot Street Essex ON N8M 2Y3 essexcih@deltapower.ca
	Dowler-Kam		5475 Dicocco Court Oldcastle ON N0R1L0 EFT@dowlerkam.com
	E.R. Vollans Ltd		1682 County Rd. 20 West Kingsville ON N9Y2E6 jvollans@mnsi.net
	Empire Life Insurance Company		259 King St. East Kingston ON K7L3A8 group.csu@empire.ca
	Enbridge Gas		PO Box 644 Scarborough ON M1K 5H1
	Essex Farmland Holdings LP		144 Front St. W Toronto ON M5J2L7
	FIRST Insurance Funding of Canada	Arrears department	20 Toronto Street, 7th Floor Toronto ON M5C 2B8 Fax: (888) 232-2209 recovery@firstinsurancefunding.ca
	Fisher Scientific Company		C/O 915660 PO Box 4090 Postal Station A Toronto ON M5W 0E9
	FullScale Electric Ltd		1112 Mersea Rd 2 Leamington ON N8H3V7
	GFL Environmental Inc		PO Box 150 Concord ON L4K1B2 csrwindordeziel@gflenv.com
	Gripple Canada		6665 Tomken Rd Unit 9-10 Mississauga ON L5T 2C4 S.Lee@gripple.com
	Heartnut Grove Inc.		21831 Cooks Rd Mt. Brydges ON N0L1W0 accounting@hg-wwt.com
	Heritage Nursery		48315 NW Narup Rd Banks OR 97106 USA jnewgard@aol.com
	Hernandez Sanitation Services		1325 Gore Road WBox 871 Harrow ON N0R1G0 admin@pipeanddrainexperts.com
	High Purity Water Services		1135 North Service Rd E, #1 Oakville ON L6H1A7 lorii@hpwaterservices.com
	HUB International Ontario Limited		595 Bay Street Suite 900 Toronto ON M5G 2E3
	Hubspot		207 Adelaide St East Toronto ON M5A 1M8 collections@hubspot.com

**- Creditor Mailing List -**

In the Matter of the Proposal of  
Upper Canada Growers Ltd.  
of the City of Niagara-on-the-Lake, in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	Hydro One		PO Box 4102 Stn A Toronto ON M5W3L3
	Jamaican Liaison Services		230 Sheppard Avenue West #200 North York ON M2N1N1 jamliser@bellnet.ca
	Jason Haynes		1110 Ridge Rd Harrow ON N0R1G0 jason@uppercanadagrowers.ca
	Kai Wiens Family Farm Ltd		905 Concession 2, RR#6 Niagara-on-the-Lake ON L0S1J0 kaiwiens@gmail.com
	Kaltire		56 Oak Street East Leamington ON N8H2C2
	KPMG LLP		Suite 4600 - 333 Bay Street Toronto ON M5H 2S5 pvaneyk@kpmg.ca
	LaGasse Machine & Fabrication		5 Old Route 31 Lyons NY 14489 USA info@lagassefab.com
	Limited Construction		34 Rd 9 West Essex ON N8M2X5 limitedconstruction2014@gmail.com
	LODDER UNTERLAGEN GmbH		Elvert 5 48249 Dülmen Germany 48249 contact@LODDER.de
	Mandel Scientific Company Inc.		2 Admiral Place Guelph ON N1G4N4
	Mary Quintigliani		
	Megan Haynes		45 Parkview Ave, St. St. Catharines ON L2M 5S3
	Michael's Heating & Cooling Service		1621 Mersea Road 5 Leamington ON N8H 3V6 michaelsheating@gmail.com
	Microsoft Office		
	Midwest Apple Improvement Association		PO BOX 88 Oberlin OH 44074 USA
Ministry of Finance - Collections Branch, Non Tax Revenue Collections Unit	Asta Alberry		Michael Starr Bldg 33 King St W, 6th Flr Oshawa ON L1H 8H5 Fax: (905) 436-4524 insolvency.unit@ontario.ca
Nova Scotia Fruit Growers' Association			Blair House, Agricultural Centre 32 Main Street Kentville NS B4N1J5
Ontario Apple Growers			PO Box 100 Vineland-Station ON L0R2E0 kathi@grapeandtenderfruitontario.com

**- Creditor Mailing List -**

In the Matter of the Proposal of  
Upper Canada Growers Ltd.  
of the City of Niagara-on-the-Lake, in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	Ontario Tender Fruit Growers		PO Box 100 Vineland-Station ON L0R 2E0 accounting@ontariotenderfruit.ca
	Peralta Engineering		45 Division St N Kingsville ON N9Y1E1
	Phytotech Labs		PO Box 122055 Shawnee-Mission KS 66282 USA
	Plant Cell Technology		1601 Connecticut Ave NW Washington DC 20009 USA
	Plant Products Inc.		50 Hazelton St Box 33 Leamington ON N8H3W1 debbie.storms@plantproducts.com
	Princeton Wood Preservers Ltd		1821 Crowsnest Hwy Princeton BC VOX 1W0
	Priva Horticulture B.V.		Zijlweg 3, De Lier South Holland NL 2678 administration.connected@priva.com
	Provide Agro		4825 Union Rd. Beamsville ON L3J0V6 bkelly@bartlett.ca
	Purdue Research Foundation		1281 Win Hentschel Blvd. W Lafayette LA 47906 USA
	Quality Seeds		8400 Huntington Rd, Vaughan ON L4H 4Z6
	Reg Clark Trucking Ltd.		742 County Rd Harrow ON N0R 1G0
	Reliance Home Comfort	Legal Department	2 Lansing Sq, 11th Flr North York ON M2J 4P8
	Rhonda Clarke		
	Robert Haynes		1684 Road 2 E Gd Ruthven ON N0P 2G0
	Root Bissonette Walker LLP		200 Hwy. 20 E #203 Fonthill ON L0S 1E6
	Royal Brinkman Canada Inc.		Unit 2 -32 Airpark Place Guelph ON N1L1B2 accounting@royalbrinkman.com
	Sammour Holdings Inc.		2225 Cousineau Rd LaSalle ON N9H2M1
	Sapling Financial Consultants Inc.		100 Sheppard Avenue East Suite 860 Toronto ON M2N6N5 info@saplingfinancial.com
	Sharp Direct		PO BOX 4094 Station A Toronto ON M5W3T1 sharpcollections@eservicecanada.ca
	Sherrard Kuzz LLP		250 Yonge Street, Suite 3300 Toronto ON M5B2L7 accounting@sherrardkuzz.com

**- Creditor Mailing List -**

In the Matter of the Proposal of  
Upper Canada Growers Ltd.  
of the City of Niagara-on-the-Lake, in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	Shortreed Paper Inc		95 Watson Road South Guelph ON N1L1E4 ar@shortreedpaper.com
	Sierra Gold Nurseries		5320 Garden Highway Yuba City CA 95991-9499 USA sales@sgtrees.com
	Som Phetchampa		47588 Cetre Mill Hamilton ON L8H7S7 ksisovanh@gmail.com
	Southern Irrigation		44160 Yale Road West Chilliwack BC L8H7S8 ar@southernirrigation.com
	Southpoint Equipment		330 South Talbot Road North Essex ON N8M2X6 banking@clbenninger.com
	Summerland Varieties Corp.		105 - 13677 Rosedale Ave. Summerland BC V0H1Z5 karla@summerlandvarieties.com
	Sun Parlour Grower Supply Ltd.		230 Essex Road 31 Leamington ON N8H 3V5 mike@spcoop.com
	Sunbelt Rentals		PO Box 99257 Station Terminal Vancouver BC V6B 0N5 grace.piskorski@sunbeltrentals.com
	Switzer-Carty Transportation Services Inc.		10 Seacliff Dr E Leamington ON N8H2L2 ar@switzer-carty.com
	Tecuya Tree and Vine		1701 Westwind Dr. Bakersfield CA 93301 USA
	The Grower		355 Elmira Rd #105 Guelph ON N1K1S5 accounting@ofvga.org
	The Little Roll Company 1997 Limited		97 Campbell Road Auckland ON N1K1S6 New Zealand
	The Regents of the University of California		1111 Franklin Street 11th Floor Oakland CA 94607-5200 USA ottar@ucop.edu
	The Shield		Leamington ON N8H 3W1 Canada Leamington ON N8H3W1
	Torkin Manes LLP Barristers and Solicitors	Debbie Tibbo	1500 - 151 Yonge St Toronto ON M5C 2W7 Fax: (888) 587-5763 dtibbo@torkinmanes.com
	Town of Essex	Sharon McDonald	33 Talbot Street South Essex ON N8M 1A8 Fax: (519) 776-8811 smcdonald@essex.ca

**- Creditor Mailing List -**

In the Matter of the Proposal of  
Upper Canada Growers Ltd.  
of the City of Niagara-on-the-Lake, in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	UniFirst Canada Ltd		203 Keil Drive Chatham ON N7M6J5 ARCAN@UNIFIRST.COM
	University of Minnesota		NW5960 PO BOX 1450 Minneapolis MN 55485-5960 USA ande8727@umn.edu
	Varieties International, LLC		11109 Ne Worden Hill Rd Dundee OR 97115 USA
	Various Employees		921 Concession 2 Rd 250 Niagara On the Lake ON L0S 1L0
	Vineland Research and Innovation Centre		4890 Victoria Ave N Box 4000 Vineland-Station ON L0R2E0
	Viscon Group NA Ltd		1587B County Rd 34 PO Box 59 Ruthven ON N0P2G0 j.braun@viscon.eu
	Viticulture A&M Inc.		520, Rg de la Montagne St-Paul D'Abbotsford QC J0E1A0 vigne@viticultuream.ca
	ViViTec B.V.		Mijlweg 18 's-Gravendeel South Holland The Netherlands NL 3295 info@vivi.nu
	Wajax		M9082C/UCP Box 11790 Montreal QC H3C0C4 accounts.receivable@wajax.com
	Willamette Nurseries		PO Box 3, 25571 S Barlow Rd Canby OR 97013 USA willamette@canby.com
	Willow Drive Nursery		3560 Road 5 Northwest-Ephrata WA 98823-9743 USA haley@willowdrive.com
	Windsor Pure & Clean H2O To Go!		25 Amy Croft Dr. #28 Tecumseh ON N9K1C7 info@windsorpureandclean.com
	Workplace Safety and Insurance Board	Eric Kupka	200 Front St W, 22nd Floor Toronto ON M5V 3J1 Fax: (416) 344-3160 employeraccounts@wsib.on.ca
	WSP E&I Canada Limited		16-1600 boul René-Lévesque O Montreal QC H3H 1P9 paymentremittance@wsp.com

Saeedeh Bahramian  
713-3100 Meadowbrook Lane  
Windsor, ON  
N8T 0B5

Toktavan Khann  
192 Marlborough St. E  
Leamington, ON  
N8H 5G3

Ionela Anghelescu  
1110 Ridge Road  
Harrow, ON  
N0R 1G0

Aleksandra Jarzyna  
214 Simcoe St  
Amherstburg, ON  
N9V 1M6

Siqi Tang  
966 Bruce Ave.  
Windsor, ON  
N9A 4X7

Bindi Patel  
1414 Budapest Court  
Windsor, ON  
N9G 3E4

Alexis Antunes-Hailstone  
102 Main Street East  
Kingsville, ON  
N9Y 1A4

Chandeth Nhem  
21 Pearl St. West  
Kingsville, ON  
N9Y 1V3

Net Chhem  
1090 Ridge Road  
Harrow, ON  
N0R 1G0

Narges Aghajari  
3247 Northway Ave  
Windsor, ON  
N9E 4T7

Rohith Makke  
1535 York St.  
Windsor, ON  
N8X 1W5

Pedro Boese  
9 Fox St  
Leamington, ON  
N8H 3H9

Saypin Sontaja  
340-33 Princess St  
Leamington, ON  
N8H 5C5

Helena Wolf  
1547 Road 2 East  
Ruthven, ON  
N0P 2G0

Jolene Garnett  
51 Creekview Blvd.  
Kingsville, ON  
N9Y 4E5

Jyoti Singla  
196 Christina Crescent  
Leamington, ON  
N8H 0A3

Maulikkumar Katrodiya  
409 Cameron Ave  
Windsor, ON  
N9B 1Y9

Kimhong Y.  
21 Pearl St. West  
Kingsville, ON  
N9Y 1V3

Pich Heng  
1090 Ridge Road  
Harrow, ON  
N0R 1G0

Jordan Petahtegoose  
111 Cranbrook Court  
Essex, ON  
N8M 2V2

Ahdieh Teimourifard  
1850 Columbia Court  
Windsor, ON  
N9E 1B1

Daniela Cristofanilli  
87 Giles Blvd E.  
Windsor, ON  
N9A 4B8

Kim Nhut Chung  
966 Bruce Ave.  
Windsor, ON  
N9A 4X7

Elisabeth Wolf  
1547 Road 2 East  
Ruthven, ON  
N0P 2G0

Sara Zohrehheidariha  
1928 Amiens Avenue  
Windsor, ON  
N8W 1T2

Lisa Neufeld  
131 Augustine Dr.  
Kingsville, ON  
N9Y 1K6

Sam An Lay  
21 Pearl St. West  
Kingsville, ON  
N9Y 1V3

Vanna Boay  
1090 Ridge Road  
Harrow, ON  
N0R 1G0

Chinda Sang  
1090 Ridge Road  
Harrow, ON  
N0R 1G0

Marissa Mathewson  
15 Hyatt Cres  
Leamington, ON  
N8H 1Z7

Mina Gholampour  
729 Sandison St.  
Windsor, ON  
N9E 4T2

Eric Daneault  
806 Point Pelee Dr.  
Leamington, ON  
N8H 3V4

Farahnoush Ghasemi  
210 Patricia Road  
Windsor, ON  
N9B 3B9

Roham Tayebimeigooni  
3420 Randolph Ave  
Windsor, ON  
N9E 3G1

Mom Nub  
1090 Ridge Road  
Harrow, ON  
N0R 1G0

Nabih Garcia  
1363 Labadie Road  
Windsor, ON  
N8Y 4G9

Charbel Jabbour  
26 Clark St. E  
Leamington, ON  
N8H 1E1

Alireza Khalili Dehkordi  
408-3015 Sandwich St  
Windsor, ON  
N9C 3Z3

Ana Escobar  
173 Long Court  
Kingsville, ON  
N9Y 2H6

Al-Laine Sanderson  
388 County Road 50E  
Harrow, ON  
N0R 1G0

Kashmira Singh  
1090 Ridge Road  
Harrow, ON  
N0R 1G0

Judy Haynes  
1189 Pelham Rd.  
Welland, ON  
L3C 3E4

Neda Hosseingholi Nejad  
1545 Ouelette Ave  
Windsor, ON  
N8X 1X6

Somayeh Arabi  
1377 Monticello St.  
Windsor, ON  
N8P 0B8

Sarith Roeun  
1090 Ridge Road  
Harrow, ON  
N0R 1G0

Jenice Huggarth-Sanderson  
388 County Road 50  
Harrow, ON  
N0R 1G0

Samantha Winter  
1140 Snake Lane  
Harrow, ON  
N0R 1G0

Dobroslawa Myga  
214 Simcoe St  
Amherstburg, ON  
N8V 1M6

Thi Quynh Nhu Pham  
698 South Pacific Avenue  
Windsor, ON  
N8X 2W8

Sayedeh Zohreh Seyed Alikhani  
1090 Ridge Road  
Harrow, ON  
N0R 1G0

Dhanwant Singh  
37 Redwillow Rd  
Brampton, ON  
L6P 1Z8

Mehdi Fallah  
1377 Monticello St  
Windsor, ON  
N8P 0B8

Jaklin Khodajo  
3388 Sandwich St.  
Windsor, ON  
N9C 1B1

Shahla Shakeri  
713 - 3100 Meadowbrook Lane  
Windsor, ON  
N8T 0B5

Bunthea Roeun  
1090 Ridge Road  
Harrow, ON  
N0R 1G0

Jasdeep Singh  
159 Wellington St.  
Harrow, ON  
N0R 1G0

Kobra Abdollahi  
569 Sacred Heart Dr  
Windsor, ON  
N9J 3L9

Sarah Martin  
2155 Smith Road  
Harrow, ON  
N0R 1G0

Vannda La  
1090 Ridge Road  
Harrow, ON  
N0R 1G0

Maria Neufeld  
137 Augustine Dr.  
Kingsville, ON  
N9V 1C6

Novia Hewitt Blake  
3464 3rd Concession Road  
Harrow, ON  
N0R 1G0

Dijonae Robinson  
3464 Concession 3 Rd  
Harrow, ON  
N0R 1G0

District of:  
Division No. -  
Court No.  
Estate No.

- FORM 33 -

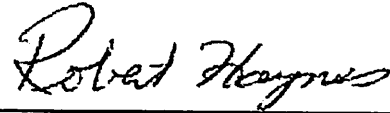
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
Upper Canada Growers Ltd.  
of the City of Niagara-on-the-Lake, in the Province of Ontario

Take notice that:

1. I, Upper Canada Growers Ltd., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. BDO Canada Limited / BDO Canada Limitée of 20 Wellington St E, Suite 500, Toronto, ON, M5E 1C5, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Toronto in the Province of Ontario, this 17th day of January 2025.



---

Upper Canada Growers Ltd.  
Insolvent Person

To be completed by Official Receiver:

---

Filing Date

---

Official Receiver

District of:  
 Division No. -  
 Court No.  
 Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
1000923740 Ontario Inc (Som Newest)	5265 White Dove Pkwy 3809.85 Niagara Falls ON L2H3M5		3,809.85
2 Way Automotive	109 Queen Street 4064.65 Harrow ON N0R1G0		4,064.65
A.M.A. Horticulture Inc.	2011 Spinks Dr 3208.3 Kingsville ON N9Y 2E5		3,208.30
AgBioResearch Limited	PO BOX 3414 45428.11 Richmond New Zealand		45,428.11
AgInvest	16272		16,272.00
Agricultural Credit Corporation	200 Hanlon Creek Blvd 0 Guelph ON N1C 0A1		250.00
Agris Co-Operative Ltd.	835 Park Ave West 160298.26 Chatham ON N7M0N1		160,298.26
Air Canada	PO BOX 966 105 Winnipeg MN R3C 2V6		250.00
Air Liquide Canada Inc.	66 Firestone Blvd 1078.01 London ON N5W5L4		1,078.01
ALink Computer Solutions Inc.	680 Industrial Road 35595 London ON N5V3P5		35,595.00
Bank of Nova Scotia	40 King Street West 0 Toronto ON M5H 1H1		25,860,972.00

District of:  
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- FORM 33 -

Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Bartlett Inc	3322.43 Beamsville ON		3,322.43
Bell Mobility Inc.	PO Box 5102 3989.81 Burlington ON L7R4R7		3,989.81
Besseling Group Enterprises Inc.	110 Carr Crescent 3390 Oliver BC V0H1T5		3,390.00
boomkwekkerijen gebr. janssen b.v	Box 2711 6030 AA Neederweert Winnerstraat 2-b 22255.46		22,255.46
C. Frensch Ltd.	4774 Hingan Drive 9339.11 Beamsville ON L3J1C1		9,339.11
Cadman	1250.84		1,250.84
Caisson Labs	836 South 100 East 6149.44 Smithfield UT 84335 USA		6,149.44
Cameron Nursery, LLC	PO BOX 300 70528.24 Eltopia WA 99330 USA		70,528.24
Canada Border Services Agency	Ground Floor, Room 1018333 North River Road, Place Vanier, Tower A 68558.29 Ottawa ON K1A0L8		68,558.29
Canadian Food Inspection Agency	PO Box 61991081, Main Street, 4th floor 9.41 Moncton NB E1C 8R2		250.00
CanAg	5995 Avebury Rd, #706 13714 Mississauga ON L5R3P9		13,714.00

District of:  
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- FORM 33 -

Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Central Sanitation	1316 Plank Road 6721.6 Samia ON N7T7H3		6,721.60
Certified Laboratories	PO BOX 2413T, STN "A" 3752.9 Toronto ON M5W2K6		3,752.90
Cogeco Bankruptcies c/o FCT Default Solutions	PO Box 2514, Stn B London ON N6A 4G9		250.00
Cole International Inc.	3950 Malden Road 551.25 Windsor ON N9C2G4		551.25
Cornell University	395 Pine Tree Road 13527.96 New York NY 14850 USA		13,527.96
Cowan Insurance Group	700-1420 Blair Pl 707.43 Ottawa ON K1J9L8		707.43
Crawford Packaging Inc	3036 Page Street 4094.38 London ON N5V4P2		4,094.38
Delta Power Equipment Ltd.	516 Talbot Street 212.63 Essex ON N8M 2Y3		250.00
Dowler-Kam	Aabco Propane 5475 Dicocco Court 16129.29 Oldcastle ON N0R1L0		16,129.29
E.R. Vollans Ltd	1682 County Rd. 20 West 11464.11 Kingsville ON N9Y2E6		11,464.11
Empire Life Insurance Company	259 King St. East 4446.9 Kingston ON K7L3A8		4,446.90

District of:  
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- FORM 33 -

Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Enbridge Gas	PO Box 644 4103.26 Scarborough ON M1K5H1		4,103.26
Enbridge Gas	PO Box 644 613.18 Scarborough ON M1K5H1		613.18
Enbridge Gas	PO Box 644 124.12 Scarborough ON M1K 5H1		250.00
Enbridge Gas	PO Box 644 114.64 Scarborough ON M1K 5H1		250.00
Enbridge Gas	PO Box 644 211.42 Scarborough ON M1K 5H1		250.00
Enbridge Gas	PO Box 644 111.32 Scarborough ON M1K 5H1		250.00
Enbridge Gas	PO Box 644 103.68 Scarborough ON M1K 5H1		250.00
Enbridge Gas	PO Box 644 23.7 Scarborough ON M1K 5H1		250.00
Enbridge Gas	PO Box 644 116.36 Scarborough ON M1K 5H1		250.00
Enbridge Gas Inc	500 Consumers Road 6662.11 North York ON M2J1P8		6,662.11

District of:  
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Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Essex Farmland Holdings LP	144 Front St. W 583233.41 Toronto ON M5J2L7		583,233.41
Farm Credit Canada	1800 Hamilton Street Regina SK S4P 4L3		250.00
FIRST Insurance Funding of Canada	20 Toronto St., Suite 700 -2572.91 Toronto ON M5C 2B8		250.00
Fisher Scientific Company	721.09		721.09
Ford Credit Canada Company	Box 1800 RPO Lakeshore West 0 Oakville ON L6K 0J8		250.00
FullScale Electric Ltd	1112 Mersea Rd 2 11044.48 Leamington ON N8H3V7		11,044.48
GFL Environmental Inc	PO Box 150 695.24 Concord ON L4K1B2		695.24
Gripple Canada	Mississauga Ontario Canada 5465.34 Mississauga ON		5,465.34
Hearnut Grove Inc.	21831 Cooks Rd 365254.09 Mt. Brydges ON N0L1W0		365,254.09
Heritage Nursery	48315 NW Narup Rd 37623.39 Banks OR 97106 USA		37,623.39
Hernandez Sanitation Services	1325 Gore Road WBox 871 418.1 Harrow ON N0R1G0		418.10

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Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
High Purity Water Services	1135 North Service Rd E, #1 1903.31 Oakville ON L6H1A7		1,903.31
HUB International Ontario Limited	4512		4,512.00
Hubspot	5151.51		5,151.51
Hydro One	PO Box 4102 Stn A 14692.65 Toronto ON M5W3L3		14,692.65
Hydro One	PO Box 4102 Stn A 427.29 Markham ON L3R1C8		427.29
Hydro One	PO Box 4102 Stn A 645.93 Markham ON L3R1C8		645.93
Hydro One	PO Box 4102 Stn A 47.4 Toronto ON M5W 3L3		250.00
Hydro One	PO Box 4102 Stn A 65.56 Toronto ON M5W 3L3		250.00
Hydro One	PO Box 4102 Stn A 33.64 Toronto ON M5W 3L3		250.00
Hydro One	PO Box 4102 Stn A 210 Toronto ON M5W 3L3		250.00
Hydro One	PO Box 4102 Stn A 194.39 Toronto ON M5W 3L3		250.00

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Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Hydro One	PO Box 4102 Stn A 291.02 Toronto ON M5W 3L3		291.02
Jamaican Liaison Services	230 Sheppard Avenue West #200 19587.89 North York ON M2N1N1		19,587.89
Jason Haynes	1110 Ridge Rd 2110.88 Harrow ON N0R1G0		2,110.88
Kai Wiens Family Farm Ltd	905 Concession 2, RR#6 2316.5 Niagara-on-the-Lake ON L0S1J0		2,316.50
Kaltire	56 Oak Street East 795.47 Leamington ON N8H2C2		795.47
KPMG LLP	Suite 4600 - 333 Bay Street 28250 Toronto ON M5H 2S5		28,250.00
Kubota Canada Ltd	1155 Kubota Dr Pickering ON L1X 0H4		250.00
LaGasse Machine & Fabrication	5 Old Route 31 104444.94 Lyons NY 14489 USA		104,444.94
Limited Construction	34 Rd 9 West 206344.23 Essex ON N8M2X5		206,344.23
LODDER UNTERLAGEN GmbH	Elvert 5 Dulmen (OT Hiddingsel) 48249 DE 278227.37		278,227.37
Mandel Scientific Company Inc.	2 Admiral Place 7524.22 Guelph ON N1G4N4		7,524.22
Mary Quintigliani	1412.5		1,412.50

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Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Megan Haynes	13331.2		13,331.20
Michael's Heating & Cooling Service	36560.51		36,560.51
Microsoft Office	96.05		250.00
Midwest Apple Improvement Association	PO BOX 88 139.62 Oberlin OH 44074 USA		250.00
Minister of Finance	170184.43		170,184.43
Minister of Finance (EHT)	33 King St W, PO Box 620 0 Oshawa ON L1H8E9		250.00
Nova Scotia Fruit Growers' Association	Blair House, Agricultural Centre 32 Main Street 2919.75 Kentville NS B4N1J5		2,919.75
Ontario Apple Growers	PO Box 100 4359.54 Vineland-Station ON L0R2E0		4,359.54
Ontario Tender Fruit Growers	PO Box 100 226 Vineland-Station ON L0R 2E0		250.00
Peralta Engineering	45 Division St N 2504.08 Kingsville ON N9Y1E1		2,504.08
Phytotech Labs	Po Box 122055 5751.27 Shawnee-Mission KS 66282 USA		5,751.27
Plant Cell Technology	10055.09		10,055.09
Plant Products Inc.	50 Hazelton St Box 33 67697.04 Leamington ON N8H3W1		67,697.04

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Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Princeton Wood Preservers Ltd	7013.63 Princeton BC		7,013.63
Priva Horticulture B.V.	Zijlweg 3 2678 LC De Lier The Netherlands 969		969.00
Provide Agro	4825 Union Rd. 88625.24 Beamsville ON L3J0V6		88,625.24
Purdue Research Foundation	1281 Win Hentschel Blvd. W 12762.29 Lafayette 47906 USA		12,762.29
Quality Seeds	Vaughan Ontario 14254.95 Vaughan ON		14,254.95
Reg Clark Trucking Ltd.	742 County Rd Harrow ON N0R 1G0		3,004.71
Reliance Home Comfort Legal Department	2 Lansing Sq, 11th Flr North York ON M2J 4P8		250.00
Rhonda Clarke	1838.75		1,838.75
Robert Haynes.	94486.06		94,486.06
Root Bissonette Walker LLP	200 Hwy. 20 E #203 3165 Fonthill ON L0S 1E6		3,165.00
Royal Brinkman Canada Inc.	Unit 2 -32 Airpark Place 913.04 Guelph ON N1L1B2		913.04
Sammour Holdings Inc.	2225 Cousineau Rd 3800 LaSalle ON N9H2M1		3,800.00

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Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Sapling Financial Consultants Inc.	100 Sheppard Avenue East Suite 860 35415.33 Toronto ON M2N6N5		35,415.33
Sharp Direct	PO BOX 4094 Station A 582.87 Toronto ON M5W3T1		582.87
Sherrard Kuzz LLP	250 Yonge Street, Suite 3300 1325.49 Toronto ON M5B2L7		1,325.49
Shortreed Paper Inc	95 Watson Road South 562.57 Guelph ON N1L1E4		562.57
Sierra Gold Nurseries	5320 Garden Highway 3208.98 Yuba City CA 95991-9499 USA		3,208.98
Som Phetchampa	47588 Cetre Mill 4380.17 Hamilton ON L8H7S7		4,380.17
Southern Irrigation	44160 Yale Road West 111462.65 Chilliwack BC L8H7S8		111,462.65
Southpoint Equipment	330 South Talbot Road North 15983.53 Essex ON N8M2X6		15,983.53
Summerland Varieties Corp.	105 - 13677 Rosedale Ave. 4977.31 Summerland BC V0H1Z5		4,977.31
Sun Parlour Grower Supply Ltd.	20000.79		20,000.79
Sunbelt Rentals	PO Box 99257 Station Terminal 228.42 Vancouver BC V6B 0N5		250.00

District of:  
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Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Switzer-Carty Transportation Services Inc.	10 Seacliff Dr E 10132.81 Leamington ON N8H2L2		10,132.81
Tecuya Tree and Vine	1701 Westwind Dr. 189898.43 Bakersfield CA 93301 USA		189,898.43
The Grower	355 Elmira Rd #105 1695 Guelph ON N1K1S5		1,695.00
The Little Roll Company 1997 Limited	97 Campbell Road 7257.07 Auckland ON N1K1S6 New Zealand		7,257.07
The Regents of the University of California	1111 Franklin Street 11th Floor 2029.19 Oakland CA 94607-5200 USA		2,029.19
The Shield	Leamington ON N8H 3W1 Canada 644.1 Leamington ON N8H3W1		644.10
Torkin Manes LLP	35067.61		35,067.61
Town of Essex	PO Box 22083 1649.73 London ON N6A6H8		1,649.73
Town of Essex	33 Talbot Street South -3426.44 Essex ON N8M 1A8		250.00
Town of Essex	33 Talbot Street South 155.24 Essex ON N8M 1A8		250.00
Town of Essex	33 Talbot Street South 147.52 Essex ON N8M 1A8		250.00

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Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Town of Essex	33 Talbot Street South 211.54 Essex ON N8M 1A8		250.00
Town of Essex	33 Talbot Street South 383.76 Essex ON N8M1A8		383.76
Town of Essex	33 Talbot Street South 7650.44 Essex ON N8M1A8		7,650.44
Town of Essex	33 Talbot Street South 67459.71 Essex ON N8M1A8		67,459.71
Town of Essex	33 Talbot Street South 4974.97 Essex ON N8M1A8		4,974.97
Town of Essex	33 Talbot Street South 784.74 Essex ON N8M1A8		784.74
Town of Essex	33 Talbot Street South 1266.61 Essex ON N8M1A8		1,266.61
Town of Essex	33 Talbot Street South 3719.37 Essex ON N8M1A8		3,719.37
UniFirst Canada Ltd	203 Keil Drive 1278.52 Chatham ON N7M6J5		1,278.52
University of Minnesota	NW5960PO BOX 1450 253521.08 Minneapolis MN 55485-5960 USA		253,521.08

District of:  
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Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Varieties International, LLC	11109 Ne Worden Hill Rd 6925.1 Dundee OR 97115 USA		6,925.10
Various Employees	921 Concession 2 Rd 250 Niagara On the Lake ON L0S 1L0		250.00
Vineland Research and Innovation Centre	4890 Victoria Ave NBox 4000 19454.65 Vineland-Station ON L0R2E0		19,454.65
Viscon Group NA Ltd	1587B County Rd 34 PO Box 59 332.66 Ruthven ON N0P2G0		332.66
Viticulture A&M Inc.	520, Rg de la Montagne 5318.91 St-Paul D'Abbotsford QC J0E1A0		5,318.91
VIVITec B.V.	Mijlweg 18 's-Gravendeel South Holland 3295 KH The Netherlands 309.08		309.08
Wajax	M9082C/UCP Box 11790 6391.97 Montreal QC H3C0C4		6,391.97
Willamette Nurseries	PO Box 3, 25571 S Barlow Rd 55802.36 Canby OR 97013 USA		55,802.36
Willow Drive Nursery	3560 Road 5 31126.84 Northwest-Ephrata WA 98823-9743 USA		31,126.84
Windsor Pure & Clean H2O To Go!	25 Amy Croft Dr. #28 1639.55 Tecumseh ON N9K1C7		1,639.55

District of:  
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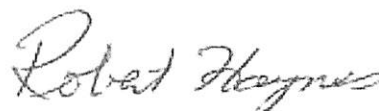
- FORM 33 -

Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
Upper Canada Growers Ltd.

of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Workplace Safety and Insurance Board Eric Kupka	200 Front St W, 22nd Floor Toronto ON M5V 3J1		250.00
WSP E&I Canada Limited	3895.69 Montreal QC		3,895.69
<b>Total</b>			29,560,046.24



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Upper Canada Growers Ltd.  
Insolvent Person



Tel: 416 865 0210  
Fax: 416 865 0904  
www.bdo.ca

BDO Canada Limited  
20 Wellington St. E. Suite 500  
Toronto ON M5E 1C5 Canada

IN THE MATTER OF THE PROPOSAL OF  
UPPER CANADA GROWERS LTD.  
OF THE CITY OF HARROW,  
IN THE PROVINCE OF ONTARIO.

CONSENT

WE THE UNDERSIGNED, BDO CANADA LIMITED, a Licensed Insolvency Trustee, hereby consent to act as Trustee under the Notice of Intention to Make a Proposal filed by **Upper Canada Growers Ltd.**

DATED AT Toronto this 17<sup>th</sup> day of January, 2025.

BDO Canada Limited

A handwritten signature in black ink, appearing to read 'Clark Lonergan'. The signature is written in a cursive, flowing style.

Per: \_\_\_\_\_  
Name: Clark Lonergan, CPA, CA, CIRP, LIT  
Title: Partner/Senior Vice President



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Ontario  
Division No. 07 - Hamilton  
Court No. 32-3175820  
Estate No. 32-3175820

In the Matter of the Notice of Intention to make a proposal of:

**Upper Canada Growers Ltd.**

Insolvent Person

**BDO CANADA LIMITED / BDO CANADA LIMITÉE**

Licensed Insolvency Trustee

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Date of the Notice of Intention:

January 17, 2025

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CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: January 20, 2025, 08:00

E-File/Dépôt Electronique

Official Receiver

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada, L8R3P7, (877)376-9902

**Canada**

COURT NO. 32-3175820

ONTARIO SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF

**UPPER CANADA GROWERS LTD.  
OF THE CITY OF NIAGARA-ON-THE-  
LAKE IN THE PROVINCE OF ONTARIO**

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AFFIDAVIT OF MAILING - NOI

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BDO CANADA LIMITED  
20 Wellington Street E.  
Suite 500  
Toronto, ON, M5E 1C5

Phone: 416-865-0210  
416-865-0904

District of Ontario  
Division No. 07-Hamilton  
Court No.: 32-3175819  
Estate No.: 32-3175819

IN THE MATTER OF THE PROPOSAL OF  
  
UCG LAND INC.  
OF THE CITY OF NIAGARA-ON-THE-LAKE  
IN THE PROVINCE OF ONTARIO

AFFIDAVIT OF MAILING

I, Tony Montesano of the City of Pickering, in the Province of Ontario, hereby make oath and say:

That on the 22<sup>nd</sup> day of January 2025, we did cause to be mailed to the known creditors of the above named debtor, whose names and addresses appear on the paper-writing marked "A" annexed hereto, a copy of each of a letter to the creditors, Certificate of Filing of a Notice of Intention to make a Proposal, the Notice of Intention to File a Proposal with the list of known creditors with claims of \$250 or more and the Consent of BDO Canada Limited to act as Trustee.

And, a copy of this said Notice was sent to the debtor via mail.

SWORN before me in the )  
City of Toronto, Province of )  
Ontario, on the 22 day of )  
January 2025 )

\_\_\_\_\_  
A Commissioner in and for the Province of Ontario

  
\_\_\_\_\_  
Tony Montesano

Jessie Hue, a Commissioner, etc.,  
Province of Ontario, for BDO Canada LLP  
and BDO Canada Limited and their subsidiaries,  
associated companies, and affiliates.  
Expires August 26, 2025

**- Creditor Mailing List -**

This is Exhibit "A" referred to in the affidavit/declaration of **Joey Montesano** sworn before me at the City of **Toronto** in the Province of Ontario this **27** day of **January** **2025**

In the Matter of the Proposal  
 UCG Land Inc.  
 of the City of Niagara-on-the-Lake, in the Province of Ontario

Creditor Type	Name	Attention	Address
Director	Robert Haynes		<b>Jessie Hue</b> A Commissioner in and for the Province of Ontario 1084 Road 2 East Gd Ruthven ON N0P 2G0
Secured	Bank of Nova Scotia  CRA - Tax - Ontario	Jessie Hue, a Commissioner, etc., Province of Ontario, for BDO Canada LLP and BDO Canada Limited and their subsidiaries, associated companies, and affiliates. Expires August 26, 2025	465 King St. W. Toronto ON M5H 1H1  Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9 Fax: (833) 697-2390
Unsecured	Royal Bank of Canada		Southwestern Ontario Central Agriculture Group, 80 King St. 1st Floor St. Catharines ON L2R 7G1

District of:  
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Court No.  
Estate No.

- FORM 33 -

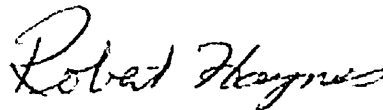
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
UCG Land Inc.  
of the City of Niagara-on-the-Lake, in the Province of Ontario

Take notice that:

1. I, UCG Land Inc., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. BDO Canada Limited / BDO Canada Limitée of 20 Wellington St E, Suite 500, Toronto, ON, M5E 1C5, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Toronto in the Province of Ontario, this 17th day of January 2025.



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UCG Land Inc.  
Insolvent Person

To be completed by Official Receiver:

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Filing Date

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Official Receiver

District of:  
Division No. -  
Court No.  
Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
UCG Land Inc.  
of the City of Niagara-on-the-Lake, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Bank of Nova Scotia	40 King St. W. Toronto ON M5H 1H1		25,860,972.00
CRA - Tax - Ontario	Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9		249,688.00
<b>Total</b>			<b>26,110,660.00</b>



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UCG Land Inc.  
Insolvent Person

- Proposal Consent -  
In the Matter of the Proposal of  
UCG Land Inc.  
of the City of Niagara-on-the-Lake, in the Province of Ontario

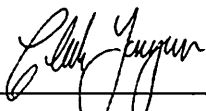
To whom it may concern,

This is to advise that we hereby consent to act as trustee under the Bankruptcy and Insolvency Act for the proposal of UCG Land Inc..

Dated at the City of Toronto in the Province of Ontario, this 17th day of January 2025.

BDO Canada Limited / BDO Canada Limitée - Licensed Insolvency Trustee

Per:



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Clark Lonergan Licensed Insolvency Trustee

20 Wellington St E, Suite 500

Toronto ON M5E 1C5

Phone: (416) 865-0210 Fax: (416) 865-0904



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Ontario  
Division No. 07 - Hamilton  
Court No. 32-3175819  
Estate No. 32-3175819

In the Matter of the Notice of Intention to make a proposal of:

**UCG Land Inc.**

Insolvent Person

**BDO CANADA LIMITED / BDO CANADA LIMITÉE**

Licensed Insolvency Trustee

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Date of the Notice of Intention:

January 17, 2025

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CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: January 20, 2025, 08:04

E-File/Dépôt Electronique

Official Receiver

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada, L8R3P7, (877)376-9902

**Canada**<sup>ca</sup>

COURT NO. 32-3175819

ONTARIO SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF

**UCG LAND INC.  
OF THE CITY OF NIAGARA-ON-THE-  
LAKE IN THE PROVINCE OF ONTARIO**

---

AFFIDAVIT OF MAILING - NOI

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BDO CANADA LIMITED  
20 Wellington Street E.  
Suite 500  
Toronto, ON, M5E 1C5

Phone: 416-865-0210  
416-865-0904

# Appendix C

IN THE MATTER OF THE PROPOSAL OF  
 UCG LAND INC.  
 OF THE CITY OF NIAGARA-ON-THE-LAKE  
 IN THE PROVINCE OF ONTARIO  
 STATEMENT OF PROJECTED CASH-FLOW  
 FOR THE PERIOD ENDING APRIL 12TH, 2025

	Week #	1	2	3	4	5	6	7	8	9	10	11	12	13	TOTAL
	Week Ending	2025-01-18	2025-01-25	2025-02-01	2025-02-08	2025-02-15	2025-02-22	2025-03-01	2025-03-08	2025-03-15	2025-03-22	2025-03-29	2025-04-05	2025-04-12	
Receipts	Notes 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disbursements	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Projected Weekly Cash Flow		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Cash Flow		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Balance															
Opening Cash Position per Bank Statement		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Cash Position		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Note A. Notes to the Unaudited cash flow forecast of the Company**

In preparing this cash flow forecast (the "Cash Flow Forecast"), UCG Land Inc. (the "Company"), has relied upon unaudited financial information and has not attempted to further verify the accuracy or completeness of such information. The Cash Flow Forecast includes estimates concerning the operations of the Company and additional information discussed below with respect to the requirements of a *Bankruptcy and Insolvency Act* ("BIA") filing. Since the Cash Flow Forecast is based upon assumptions of future events and conditions that are not ascertainable, the actual results achieved during the period will vary from the Cash Flow Forecast, even if the assumptions materialize, and such variation may be material. There is no representation, warranty or other assurances that any of the estimates, forecasts or projections will be realized.

**Note A. Overview**

The Cash Flow Forecast includes the receipts and disbursements of all of the Company during the Cash Flow Forecast period. The Company, with the assistance of BDO Canada Limited in its capacity as the proposal trustee of the Company (the "Trustee") have prepared the Cash Flow Forecast based primarily on estimated disbursements related to the ongoing operations and to the BIA proceedings.



Robert Haynes  
 President

January 24th, 2025

Date



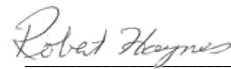
Clark Lonergan, CPA, CA, CIRP, LIT  
 Partner/Senior Vice President

January 24th, 2025

Date

**Notes/Assumptions**


1 UCG Land Inc. does not have any operations, therefore receipts and disbursements are nil, and costs related to the sales process/insolvency filings are to be paid by Upper Canada Growers Ltd.



Robert Haynes  
 President

January 24th, 2025

Date



Clark Lonergan, CPA, CA, CIRP, LIT  
 Partner/Senior Vice President

January 24th, 2025

Date

Form 30

**IN THE MATTER OF THE PROPOSAL OF  
UCG LAND INC.  
OF THE CITY OF NIAGARA-ON-THE-LAKE,  
IN THE PROVINCE OF ONTARIO.**

**REPORT ON CASH FLOW STATEMENT  
BY THE PERSON MAKING THE PROPOSAL**

UCG Land Inc. (the “Company”) has developed the assumptions and prepared the attached statement of projected cash-flow as of the 24<sup>th</sup> day of January, 2025, consisting of a 13-week period beginning on January 17, 2025 through April 12, 2025.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in Note A, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions have been disclosed in Note 1.


Since the projection is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The projection has been prepared solely for the creditors of the Company for the purpose described in Note A, using a set of probable and hypothetical assumptions set out in Note 1. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Harrow, Ontario, this 24<sup>th</sup> day of January, 2025.

UCG Land Inc.

Per:



Robert Haynes

IN THE MATTER OF THE PROPOSAL OF  
UPPER CANADA GROWERS LTD.  
OF THE CITY OF NIAGARA-ON-THE-LAKE  
IN THE PROVINCE OF ONTARIO  
STATEMENT OF PROJECTED CASH-FLOW  
FOR THE PERIOD ENDING APRIL 12TH, 2025

	Week #	1	2	3	4	5	6	7	8	9	10	11	12	13	TOTAL
	Week Ending	2025-01-18	2025-01-25	2025-02-01	2025-02-08	2025-02-15	2025-02-22	2025-03-01	2025-03-08	2025-03-15	2025-03-22	2025-03-29	2025-04-05	2025-04-12	
<b>Receipts</b>	<b>Notes</b>														
AR Receipts	1	-	35,000	78,743	58,743	10,000	10,000	10,000	73,743	25,000	25,000	25,000	237,500	378,100	966,828
Other Receipts	2	-	-	-	-	-	-	45,381	-	35,000	-	82,677	-	-	163,058
		-	35,000	78,743	58,743	10,000	10,000	55,381	73,743	60,000	25,000	107,677	237,500	378,100	1,129,886
<b>Operating Disbursements</b>															
Operational Costs	3	-	82,016	227,062	117,258	34,956	44,112	31,258	49,288	46,986	56,143	43,288	44,255	41,953	818,572
Payroll & Benefits	4	-	102,984	-	122,829	7,500	96,862	7,500	122,829	48,500	96,862	48,500	122,829	72,823	850,018
Rent	5	-	-	6,246	12,491	-	-	-	12,491	-	-	-	12,491	-	43,719
Equipment loans	5	-	-	11,646	23,292	-	-	-	23,292	-	-	-	23,292	-	81,522
Utilities	5	-	-	22,589	21,819	21,819	21,819	21,819	26,828	26,828	26,828	26,828	15,914	15,914	249,004
Interim Financing Fees and Interest	6	-	-	50,000	-	-	-	-	-	-	-	-	-	-	50,000
Key Employee Retention Program	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	8	-	-	358,650	-	-	-	536,750	-	-	-	-	409,050	-	1,304,450
<b>Total Disbursements</b>		-	185,000	676,192	297,689	64,275	162,794	597,327	234,728	122,314	179,832	118,616	627,830	130,690	3,397,285
<b>Projected Weekly Cash Flow</b>		-	(150,000)	(597,449)	(238,946)	(54,275)	(152,794)	(541,946)	(160,985)	(62,314)	(154,832)	(10,939)	(390,330)	247,410	(2,267,399)
<b>Cumulative Cash Flow</b>		-	(150,000)	(747,449)	(986,395)	(1,040,670)	(1,193,464)	(1,735,409)	(1,896,394)	(1,958,708)	(2,113,540)	(2,124,479)	(2,514,810)	(2,267,399)	
<b>Cash Balance</b>															
Opening Balance	0	-	-	(150,000)	(747,449)	(986,395)	(1,040,670)	(1,193,464)	(1,735,409)	(1,896,394)	(1,958,708)	(2,113,540)	(2,124,479)	(2,514,810)	-
Ending Balance	9	\$ -	\$ (150,000)	\$ (747,449)	\$ (986,395)	\$ (1,040,670)	\$ (1,193,464)	\$ (1,735,409)	\$ (1,896,394)	\$ (1,958,708)	\$ (2,113,540)	\$ (2,124,479)	\$ (2,514,810)	\$ (2,267,399)	\$ (2,267,399)

**Note A. Notes to the Unaudited cash flow forecast of the Company**

In preparing this cash flow forecast (the "Cash Flow Forecast"), Upper Canada Growers Ltd. (the "Company"), has relied upon unaudited financial information and has not attempted to further verify the accuracy or completeness of such information. The Cash Flow Forecast includes estimates concerning the operations of the Company and additional information discussed below with respect to the requirements of a *Bankruptcy and Insolvency Act* ("BIA") filing. Since the Cash Flow Forecast is based upon assumptions of future events and conditions that are not ascertainable, the actual results achieved during the period will vary from the Cash Flow Forecast, even if the assumptions materialize, and such variation may be material. There is no representation, warranty or other assurances that any of the estimates, forecasts or projections will be realized.

**Note A. Overview**

The Cash Flow Forecast includes the receipts and disbursements of the Company during the Cash Flow Forecast period. The Company, with the assistance of BDO Canada Limited in its capacity as the proposal trustee of the Company (the "Trustee") have prepared the Cash Flow Forecast based primarily on estimated disbursements related to the ongoing operations and to the BIA proceedings.



Robert Haynes  
President

January 24th, 2025

Date



Clark Lonergan, CPA, CA, CIRP, LIT  
Partner/Senior Vice President

January 24th, 2025

Date

Notes/Assumptions

- 0 The Company filed a Notice of Intention to File a Proposal ("NOI") after regular business hours on Friday, January 17th. Accordingly, no post-filing transactions took place during week 1 of the proceedings. Week 1 has been included for visibility, actual activities are expected to start in week 2.
- 1 Based on prior years nursery sales and management's expectations of collections. There could be variances on timing of receipts and these variances could be material.
- 2 Consists of: HST refunds and legal fees expected to be received back from Hydro One.
- 3 Represents orchard operational costs which includes fuel, transportation, fertilizers, farm expenses, lab expenses, or other contingent expenses. Expenses are based on historical trending with the exception of fuel which has been increased on account of Management's expectation of a colder winter in 2025.
- 4 Represents expected payroll run-rate to keep lab operational and meet payroll obligations for seasonal/temporary workers.
- 5 Based on continuation of existing lease/financing agreements.
- 6 Fees to the Bank of Nova Scotia (the "DIP Lender") pursuant to the Interim Financing Loan Agreement dated on or around January 24th, 2025 (the "DIP"). Interest on this facility is paid at its maturity.
- 7 An key employee retention program to be provided to key employees to assist with the sales process/Insolvency filing at an estimated amount of \$200,000 being payable in June 2025.
- 8 For estimated and accrued professional fees and expenses of the Proposal Trustee, counsel to the Trustee, and counsel to the Company. As well as:
- to pay the reasonable and documented professional fees of the financial advisor to the Company up to a maximum aggregate amount of \$50,000; and
  - to pay the invoiced legal and professional expenses and costs of the DIP Lender, including the fees and expenses of BDO Canada Limited as the pre-filing financial advisor to the DIP Lender, and legal counsel to the DIP Lender pursuant to the Existing Credit Agreement or other Existing Credit Documents (all as defined in the DIP).
- 9 The Company plans to finance operations for weeks 1 and 2 using its existing lending facilities from the Bank of Nova Scotia which are limited to \$150,000. The projected cash shortfall from weeks 3 to 13 of approximately \$2.1 million will be funded bythe DIP which is subject to Court approval.



Robert Haynes  
President

January 24th, 2025

Date



Clark Lonergan, CPA, CA, CIRP, LIT  
Partner/Senior Vice President

January 24th, 2025

Date

Form 30

**IN THE MATTER OF THE PROPOSAL OF  
UPPER CANADA GROWERS LTD.  
OF THE CITY OF NIAGARA-ON-THE-LAKE,  
IN THE PROVINCE OF ONTARIO.**

**REPORT ON CASH FLOW STATEMENT  
BY THE PERSON MAKING THE PROPOSAL**

Upper Canada Growers Ltd. (the “Company”) has developed the assumptions and prepared the attached statement of projected cash-flow as of the 24<sup>th</sup> day of January, 2025, consisting of a 13-week period beginning on January 17, 2025 through April 12, 2025.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in Note A, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions have been disclosed in Notes 0 - 9.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The projection has been prepared solely for the creditors of the Company for the purpose described in Note A, using a set of probable and hypothetical assumptions set out in Notes 0 - 9. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Harrow, Ontario, this 24<sup>th</sup> day of January, 2025.

Upper Canada Growers Ltd.  
Per:



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Robert Haynes

# Appendix D

IN THE MATTER OF THE PROPOSAL OF  
UCG LAND INC.  
OF THE CITY OF NIAGARA-ON-THE-LAKE,  
IN THE PROVINCE OF ONTARIO.

Trustee's Report on Cash-flow Statement  
(Paragraph 50(6)(b) of the Act)

The attached statement of projected cash-flow of UCG Land Inc. (the "Company"), as of the 24<sup>th</sup> day of January, 2025, consisting of a 13-week Cash-Flow for the period from January 17, 2025 through April 12, 2025, has been prepared by the Company for the purpose described in Note A, using the probable and hypothetical assumptions set out in Note 1.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by the Company. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by the insolvent person for the probable assumptions and the preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed by the insolvent person are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the creditors of the insolvent person for the purpose described in Note A, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto, Ontario this 24<sup>th</sup> day of January 2025.

**BDO CANADA LIMITED,**  
Trustee  
Per:



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Clark Lonergan, CPA, CA, CIRP, LIT  
Partner/Senior Vice President

IN THE MATTER OF THE PROPOSAL OF  
UPPER CANADA GROWERS LTD.  
OF THE CITY OF NIAGARA-ON-THE-LAKE,  
IN THE PROVINCE OF ONTARIO.

Trustee's Report on Cash-flow Statement  
(Paragraph 50(6)(b) of the Act)

The attached statement of projected cash-flow of Upper Canada Growers Ltd. (the "Company"), as of the 24<sup>th</sup> day of January, 2025, consisting of a 13-week Cash-Flow for the period from January 17, 2025 through April 12, 2025, has been prepared by the Company for the purpose described in Note A, using the probable and hypothetical assumptions set out in Notes 0-9.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by the Company. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by the insolvent person for the probable assumptions and the preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed by the insolvent person are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the creditors of the insolvent person for the purpose described in Note A, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto, Ontario this 24<sup>th</sup> day of January 2025.

**BDO CANADA LIMITED,**  
Trustee  
Per:



---

Clark Lonergan, CPA, CA, CIRP, LIT  
Partner/Senior Vice President

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF UCG  
LAND INC., IN THE CITY OF HAMILTON, IN THE PROVINCE OF ONTARIO

Court File No. 32-3175819  
Estate No. 32-3175819

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
UPPER CANADA GROWERS LTD., IN THE CITY OF HAMILTON, IN THE PROVINCE  
OF ONTARIO

Court File No. 32-3175820  
Estate No. 32-3175820

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

Proceeding commenced at Hamilton

**FIRST REPORT OF BDO CANADA LIMITED,  
IN ITS CAPACITY AS PROPOSAL TRUSTEE  
(January 29, 2025)**

**AIRD & BERLIS LLP**  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9

**Ian Aversa** (LSO #55449N)  
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**Miranda Spence** (LSO # 60621M)  
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**Matilda Lici** (LSO #79621D)  
Tel: (416) 865-3428  
Email: [mlici@airdberlis.com](mailto:mlici@airdberlis.com)

*Counsel for BDO Canada Limited, in its capacity as Proposal  
Trustee*