

COURT FILE NUMBER KBG-SA-01002-2024

COURT OF KING'S BENCH FOR SASKATCHEWAN

IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

IN THE MATTER OF THE RECEIVERSHIP OF MOOSE JAW AUTO & LEISURE LTD.

NOTICE OF APPLICATION

(Distribution and Discharge of Receiver)

NOTICE TO: Those Parties Identified on The Attached Service List.

This application is made against you. You are a respondent. You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Where: 520 Spadina Crescent East
 Saskatoon, Saskatchewan

Date: Friday, March 14, 2025

Time: 2:00 p.m. Saskatchewan Time

Remedy claimed or sought:

1. BDO Canada Limited (the "**Receiver**"), court-appointed Receiver of Moose Jaw Auto & Leisure Ltd. (the "**Debtor**") pursuant to the Order granted in these proceedings by the Honourable Justice P.T. Bergbusch on August 27, 2024 (the "**Receivership Order**"), applies to this Honourable Court for a Distribution and Discharge of Receiver Order:
 - (a) approving the professional fees and disbursements of the Receiver and its legal counsel, MLT Aikins LLP, as set out in the First Report of the Receiver dated February 28, 2025 (the "**Report**");
 - (b) approving, ratifying and confirming as valid all activities, actions and proposed courses of action of the Receiver (collectively, the "**Actions of the Receiver**") to date in relation to the discharge of its mandate as Receiver of the assets, undertakings and properties of Debtor acquired for or used in relation to the business carried on by the Debtor (collectively, the "**Property**") pursuant to the Receivership Order in these proceedings (the "**Receiver's Mandate**") as such Actions of the Receiver are more particularly described in the Report;

- (c) authorizing and directing the Receiver to make the final distribution to the Debtor's senior secured creditor, Royal Bank of Canada, as more particularly described in the Report;
- (d) providing that, upon the Receiver making the final distribution to creditors more particularly described in the Report, the Receiver shall be discharged as Receiver of the Property, provided that notwithstanding its discharge:
 - i) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership including, in particular, to receive any funds paid or realized upon any accounts receivable owing to the Debtor; and
 - ii) the Receiver shall continue to have the benefit of the provisions of all Orders made in these proceedings, including all approvals, protections and stays of proceedings in favour of BDO Canada Limited in its capacity as Receiver;
- (e) declaring that, based upon the evidence that is currently before this Honourable Court in regard to the Actions of the Receiver:
 - i) the Receiver has acted honestly and in good faith, and has dealt with the Property and carried out the Receiver's Mandate in a commercially reasonable manner;
 - ii) the Receiver has satisfied all of its duties and obligations pursuant to the Receiver's Mandate;
 - iii) the Receiver shall not be liable for any act or omission, including, without limitation, any act or omission arising from, relating to or in connection with its discharge of the Receiver's Mandate, save and except for any liability arising out of fraud, gross negligence or wilful misconduct on the part of the Receiver; and
 - iv) no person shall commence or continue an action or proceeding asserting a claim against the Receiver arising from, relating to or in connection with its discharge of the Receiver's Mandate without first obtaining an Order of this Honourable Court (on notice to the Receiver) granting such person leave to commence such action or proceeding, and any such action or proceeding commenced without such leave being obtained is a nullity.
- (f) providing that, subject to the foregoing, any claims against the Receiver in connection with the Receiver's Mandate are hereby stayed, extinguished and forever barred; and

- (g) such further and other relief as counsel may request and this Honourable Court may allow.

Grounds for making this application:

Approval of Distribution

2. Royal Bank of Canada (“RBC”) holds a first-priority security interest in all of the Debtor’s present and after-acquired personal property pursuant to a General Security Agreement executed by the Debtor in favour of RBC on July 25, 2022 and an interest in all of the Debtor’s inventory pursuant to a Security Agreement (Dealer Inventory) executed by the Debtor in favour of RBC on July 25, 2022.
3. The Receiver has received the sale proceeds from the sale of the Debtor’s property and collected certain other amounts owing to the Debtor.
4. The proposed distribution to RBC accords with the priority position of RBC as determined by the Receiver.

Approval of the Fees and Disbursements of the Receiver and Its Legal Counsel, Approval of the Actions of the Receiver, Discharge of the Receiver and Limitation of Liability and Protection of the Receiver

5. The Receiver has carried out the Receiver’s Mandate honestly, in good faith and in compliance with the Orders of this Honourable Court and the duties imposed upon the Receiver by the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, *The King’s Bench Act*, SS 2023, c 28; *The Personal Property Security Act*, 1993, SS 1993, c P-6.2, and at common law.
6. The Receiver has substantially completed the Receiver’s Mandate, such that it is appropriate that this receivership be concluded and that the Receiver obtain an Order approving the fees of the Receiver and its legal counsel and granting its discharge, with the requisite provisions to protect the Receiver, as an officer of the Court, from liability.

Material or evidence to be relied on:

7. The Applicant relies upon:
 - (a) this Notice of Application;
 - (b) the First Report of the Receiver dated February 28, 2025;
 - (c) Draft Order (Distribution and Discharge of Receiver);

- (d) Redline document showing the changes in the enclosed Draft Order (Distribution and Discharge of Receiver) from the Saskatchewan Template Distribution and Discharge Order;
- (e) Brief of Law;
- (f) the pleadings and proceedings herein; and
- (g) such further and other material as this Honourable Court may allow.

Applicable Acts and Regulations:

- 8. The *Bankruptcy and Insolvency Act*, RSC 1985, c B-3.
- 9. The *Personal Property Security Act*, 1993, SS 1993, c P-6.2.
- 10. The *King's Bench Act*, SS 2023, c 28.

DATED at Saskatoon, Saskatchewan, this 28th day of February, 2025.

MLT AIKINS LLP

Per: 
Jeffrey M. Lee, K.C., counsel for the Receiver, BDO Canada Limited

NOTICE

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

CONTACT INFORMATION AND ADDRESS FOR SERVICE:

Name of firm: MLT Aikins LLP
Lawyer in charge of file: Jeffrey M. Lee, K.C.,
Address of firm: 1201, 409 3rd Avenue S, Saskatoon SK S7K 5R5
Telephone number: 306.975.7100
Email address: JMLee@mltaikins.com
File No: 63921.20

COURT FILE NUMBER KBG-SA-01002-2024

COURT OF KING'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

IN THE MATTER OF THE RECEIVERSHIP OF MOOSE JAW AUTO & LEISURE LTD.

DRAFT ORDER
(Distribution and Discharge of Receiver)

Before the Honourable Justice _____ in Chambers the ____ day of March, 2025.

Upon the application by Jeffrey M. Lee, K.C., counsel on behalf of BDO Canada Limited in its capacity as the Court-appointed receiver (the "**Receiver**") with respect to the assets, undertakings and properties (collectively, the "**Property**") of Moose Jaw Auto & Leisure Ltd. (the "**Debtor**"), and upon reading the Notice of Application dated February 28, 2025, the First Report of the Receiver dated February 28, 2025 (the "**Report**"), Brief of Law of the Receiver dated February 28, 2025, and a proposed draft Order, all filed; and the pleadings and proceedings herein;

The Court Orders:

1. Service of notice of this application and supporting materials is hereby declared to be good, timely and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that time actually given.
2. The professional fees and disbursements of the Receiver, as set out in the Report (including the fees and disbursements necessary to finalize the receivership), are hereby approved without the necessity of a formal passing of its accounts.
3. The professional fees and disbursements of the Receiver's legal counsel, MLT Aikins LLP, as set out in the Report (including the fees and disbursements necessary to finalize the receivership), are hereby approved without the necessity of a formal assessment of its accounts.
4. All activities, actions and proposed courses of action of the Receiver (collectively, the "**Actions of the Receiver**") to date in relation to the discharge of its duties and mandate as receiver of the Property pursuant to the Orders of this Honourable Court in these proceedings (collectively, the "**Receiver's Mandate**"), as such Actions of the Receiver are more particularly described in the Report filed in these proceedings, as well as the statement of receipts and disbursements contained in the Report, shall be and are hereby approved and confirmed.
5. The Receiver is authorized to maintain a holdback of \$40,000.00 (plus taxes) on account of further fees and disbursements of the Receiver and its legal counsel, and to apply from time to time the amounts so held back against such further fees and disbursements (without the requirement of taxation or passing of accounts), and the Receiver is authorized and directed to make the following distributions:

(a) to Royal Bank of Canada, \$1,041,298; and

- (b) to Royal Bank of Canada, any residual amount remaining from the Receiver's Holdback subsequent to paying the final fees and disbursements of the Receiver and its legal counsel.
6. Upon payment of the amounts set out in paragraph 5 of this Order, and upon the Receiver filing a certificate, in substantially the form attached to this Order as **Schedule A**, certifying that it has completed all remaining outstanding activities specifically identified in paragraph 6A of this Order, which activities shall be deemed included in the Receiver's Mandate, the Receiver shall be discharged as Receiver of the Property, provided that notwithstanding its discharge herein:
- (a) the Receiver shall remain Receiver for the performance of such routine administrative tasks as may be required to complete the administration of the receivership herein; and
 - (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in these proceedings, including all approvals, protections and stays of proceedings in favour of BDO Canada Limited in its capacity as Receiver.
- 6A. The Receiver shall remain Receiver in order to receive any funds paid or realized upon any accounts receivable owing to the Debtor.
7. It is hereby adjudged and declared that, based upon the evidence that is currently before this Honourable Court in regard to the Actions of the Receiver:
- (a) the Receiver has acted honestly and in good faith, and has dealt with the Property and carried out the Receiver's Mandate in a commercially reasonable manner;
 - (b) the Receiver has satisfied all of its duties and obligations pursuant to the Receiver's Mandate;
 - (c) the Receiver shall not be liable for any act or omission arising from, relating to or in connection with its discharge of the Receiver's Mandate, save and except for any liability arising out of fraud, gross negligence or willful misconduct on the part of the Receiver;
 - (d) the Receiver has never had and shall not in the future have any liability in regard to any act or omission of the Debtor, including, without limitation, in relation to the business of the Debtor, payment of and/or accounting for any taxes (including, without limitation, goods and services tax) on revenues earned or any indebtedness or obligations whatsoever or howsoever incurred by the Debtor; and
 - (e) no person shall commence an action or proceeding asserting a claim against the Receiver arising from, relating to or in connection with its discharge of the Receiver's Mandate without first obtaining an Order of this Honourable Court (on notice to the Receiver) granting such person leave to commence such action or proceeding, and any such action or proceeding commenced without such leave being obtained is a nullity.
8. Subject to the foregoing, any claims against the Receiver in connection with the Receiver's Mandate are hereby stayed, extinguished and forever barred.
9. Notwithstanding the discharge of the Receiver, the Receiver is hereby granted leave to apply to this Court for such further advice, direction or assistance as may be necessary to give effect to the terms of this Order.

10. This Order shall have full force and effect in all Provinces and Territories in Canada, outside Canada and against all Persons against whom it may be enforceable.
11. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
12. Service of this Order on any party not attending this application is hereby dispensed with. Parties attending this application shall be served in accordance with the Electronic Case Information and Service Protocol adopted in the Receivership Order.

Issued at Saskatoon, Saskatchewan, this _____ day of March, 2025.

(Deputy) Local Registrar

CONTACT INFORMATION AND ADDRESS FOR SERVICE:

Name of firm: MLT Aikins LLP
Lawyer in charge of file: Jeffrey M. Lee, K.C.,
Address of firm: 1201, 409 3rd Avenue S, Saskatoon SK S7K 5R5
Telephone number: 306.975.7100
Email address: JMLee@mltaikins.com
File No: 6391.20

SCHEDULE A

FORM OF RECEIVER'S DISCHARGE CERTIFICATE

COURT FILE NUMBER KBG-SA-01002-2024

**COURT OF KING'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY**

JUDICIAL CENTRE SASKATOON

IN THE MATTER OF THE RECEIVERSHIP OF MOOSE JAW AUTO & LEISURE LTD.

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

- A. Pursuant to an Order of the Honourable Justice P.T. Bergbusch dated August 27, 2024 (the "**Receivership Order**"), BDO Canada Limited ("**BDO**") was appointed as receiver (the "**Receiver**") of the property, assets and undertaking of Moose Jaw Auto & Leisure Ltd. (the "**Debtor**").
- B. Pursuant to the Distribution and Discharge Order of the Court dated March _____, 2025, BDO Canada Limited was discharged as the Receiver of the Debtor, to be effective upon the filing by the Receiver with the Court of a Receiver's Discharge Certificate confirming that the Receiver's Mandate (as that term is defined in the Distribution and Discharge Order) has been completed to the satisfaction of the Receiver.

THE RECEIVER HEREBY CERTIFIES THAT:

- 1. the Receiver's Mandate has been completed to the satisfaction of the Receiver.

BDO Canada Limited, in its capacity as Receiver of the undertaking, property and assets of Moose Jaw Auto & Leisure Ltd., and not in its personal capacity.

Per; _____

Name:

Title: