

THE KING'S BENCH

WINNIPEG CENTRE

IN THE MATTER OF:

THE APPOINTMENT OF A RECEIVER PURSUANT TO SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS AMENDED, AND SECTION 55 OF *THE COURT OF KING'S BENCH ACT*, C.C.S.M. C. C280

BETWEEN:

FIRST NATIONAL FINANCIAL BP CORPORATION,

Applicant,

- and -

**6525785 MANITOBA LTD. 6472240 MANITOBA LTD.
and PGRP PROPERTIES INC.,**

Respondents.

**NOTICE OF MOTION OF THE RECEIVER
BEFORE THE HONOURABLE MR. JUSTICE MARTIN
Friday, April 28, 2023 at 9:00 a.m.**

PITBLADO LLP

Barristers and Solicitors
2500 - 360 Main Street
Winnipeg, MB R3C 4H6

CATHERINE E. HOWDEN

Telephone No. (204) 956-0560
Fax No. (204) 957-0227
Email: howden@pitblado.com

(File No. 61972.2)

THE KING'S BENCH

WINNIPEG CENTRE

IN THE MATTER OF:

THE APPOINTMENT OF A RECEIVER PURSUANT TO SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS AMENDED, AND SECTION 55 OF *THE COURT OF KING'S BENCH ACT*, C.C.S.M. C. C280

BETWEEN:

FIRST NATIONAL FINANCIAL BP CORPORATION,

Applicant,

- and -

**6525785 MANITOBA LTD. 6472240 MANITOBA LTD.
and PGRP PROPERTIES INC.,**

Respondents.

NOTICE OF MOTION

MNP LTD. (the "**Receiver**") in its capacity as receiver and manager of the Respondent, 6525785 Manitoba Ltd. (the "**Debtor**"), will make a Motion before the Honourable Mr. Justice Martin on Friday, the 28th day of April, 2023 at 9:00 a.m., or as soon after that time as the Motion can be heard, at the Law Courts, 408 York Avenue, Winnipeg, Manitoba.

THE MOTION IS FOR an Order, substantially in the form attached hereto and marked as Schedule "A" as follows:

1. An order validating or otherwise abridging the time for service of this Notice of Motion, such that the motion is properly returnable on the stated hearing date with no further service required;
2. An order approving the sale solicitation process ("**SSP**") of the Property, as more particularly set out in the First Report of the Receiver dated April 25, 2023 ("**First Report**") pursuant to the Receiver's powers under paragraphs 3(d), 3(k), 3(l) and 3(m) of the Receivership Order pronounced March 17, 2023 (the "**Receivership Order**") and authorizing and directing the Receiver to initiate and perform its obligations and to take all reasonable steps to carry out the SSP;
3. An Order sealing the Confidential Supplement to the First Report (the "**Confidential Supplement**");
4. An Order approving the First Report and the activities of the Receiver described therein; and
5. Such further and other relief as counsel may advise and this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

1. On March 17, 2023, this Court pronounced the Receivership Order appointing MNP Ltd. as receiver of all of the assets, undertakings and properties of the Respondent, 6525785 Manitoba Ltd. (the "**Debtor**"). The Receiver has complied with the Receivership Order and its activities to date have assisted the court in the administration of the Receivership;

2. The Receivership Order at paragraph 3(d) empowers and authorizes the Receiver to engage, consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties;

3. The Receivership Order, at paragraphs 3(k), 3(l) and 3(m) empowers and authorizes the Receiver to, *inter alia*, market any or any all of the Property, including advertising and soliciting offers in respect of the Property, negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate; to, *inter alia*, sell the Property out of the ordinary course of business with approval of the court and to apply for a vesting order to transfer title to a purchaser, free and clear of any liens or encumbrances;

4. The Receivership Order, at paragraph 32, orders that the Receiver shall, within 30 days of the date of the Receivership Order, file a report outlining its activities with respect to the Property and its anticipated plans with respect to marketing and sale of the Property, for consideration by this Honourable Court;

5. Since its appointment, the Receiver has taken possession of the Property, engaged an independent property manager to manage the Property, (including, *inter alia*, collection of rent, addressing tenant complaints and conducting needed tenant repairs and maintenance) held discussions with the Debtor regarding ongoing lease opportunities and repair work required on the Property; and gathered information to consider process for marketing and sale of the Property and begin a sale solicitation process ("**SSP**"), if approved;

6. Based on its findings, the Receiver is prepared to initiate the SSP, if approved, to solicit invitation for offers to list the Property for sale. The Receiver proposes the SSP be open for a period of 15 days in order to allow commercial real estate agents and the Debtor to submit proposals for market and sale of the Property ("**Sale Proposal**");

7. The Receiver would then review and select the Sale Proposal and enter into a listing agreement to market and sell the Property, which sale shall be subject to the issuance of an approval and vesting order of the Court;

8. The Receiver has considered various options to market and sell the Property and is of the opinion that the SSP is the most appropriate course of action to market the Property in order to maximize recovery for all stakeholders;

9. The information contained in the Confidential Supplement is sensitive commercial information, and a sealing order is necessary as there is a real and substantial risk of harm to the interest of stakeholders in this proceeding in the event such sensitive information is disclosed in advance of the completion of the SSP and a successful sale approval and vesting order is issued by the court and the transaction closes, or upon further order of this Honourable Court;

10. The Receiver is of the opinion that if the requested sealing order is not granted, the SSP and the marketing and sale of the Property will be impaired;

11. The salutary effects of the sealing order with respect to the Confidential Supplement outweigh any considerations relating to the public interest in open and accessible court proceedings;

12. Paragraphs 3, 25, 26 and 32 of the Receivership Order;

13. Section 95 of *The Corporations Act*, C.C.S.M. c., C225;

14. Section 77 of the Court of King's Bench Act, C.C.S.M. c. C280;

15. King's Bench Rules 2.03, 3.02, 16.04, 16.08 and 37; and

16. Such further and other grounds as counsel may advise and as this Honourable Court may allow.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

- (a) The Receiver's First Report dated April 25, 2023;
- (b) Such further and other evidence as counsel may advise and this Honourable Court may allow.

April 26, 2023

PITBLADO LLP
Barristers and Solicitors
2500 – 360 Main Street
Winnipeg, MB R3C 4H6

Telephone No. 956-3564
Facsimile No. 957-0227
Email: howden@pitblado.com
Counsel for the Receiver, MNP Ltd.
Catherine E. Howden

TO: THE ATTACHED SERVICE LIST

SCHEDULE "A"

File No. CI 23-01-39420

THE KING'S BENCH

WINNIPEG CENTRE

IN THE MATTER OF:

THE APPOINTMENT OF A RECEIVER PURSUANT TO SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS AMENDED, AND SECTION 55 OF *THE COURT OF KING'S BENCH ACT*, C.C.S.M. C. C280

BETWEEN:

FIRST NATIONAL FINANCIAL BP CORPORATION,

Applicant,

- and -

**6525785 MANITOBA LTD. 6472240 MANITOBA LTD.
and PGRP PROPERTIES INC.,**

Respondents.

SSP APPROVAL ORDER

PITBLADO LLP

2500 - 360 Main Street
Winnipeg, Manitoba
R3C 4H6

Catherine E. Howden

Phone No. 204-956-0560
Fax No. 204-957-0227

(File No.61972.2)

THE KING'S BENCH

WINNIPEG CENTRE

THE HONOURABLE MR.) Friday, the 28th day of April, 2023
JUSTICE MARTIN)
)

IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER PURSUANT TO SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS AMENDED, AND SECTION 55 OF *THE COURT OF KING'S BENCH ACT*, C.C.S.M. C. C280

BETWEEN:

FIRST NATIONAL FINANCIAL BP CORPORATION,

Applicant,

- and -

**6525785 MANITOBA LTD. 6472240 MANITOBA LTD.
and PGRP PROPERTIES INC.,**

Respondents.

SSP APPROVAL ORDER

THIS MOTION made by MNP Ltd. (the "**Receiver**") in its capacity as receiver and manager of the Respondent, 6525785 Manitoba Ltd., (the "**Debtor**") for, *inter alia*, an order approving the Sale Solicitation Process ("**SSP**") as referenced in the First Report of the Receiver dated April 25, 2023 (the "**First Report**"), was heard this day at the Law Courts, 408 York Avenue, Winnipeg, Manitoba.

ON READING the First Report, and the Affidavit of Service of Elenore Kesterke sworn April 26, 2023, and on hearing the submissions of counsel for the Receiver, the Applicant and the Debtor:

1. THIS COURT ORDERS that the time for service of the Notice of Motion is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. THIS COURT ORDERS AND DECLARES that the SSP is hereby approved, and the Receiver is hereby authorized and directed to initiate and perform its obligations and to take all reasonable steps to carry out the SSP.

3. THIS COURT ORDERS AND APPROVES the First Report and the activities of the Receiver and its counsel described therein.

4. THIS COURT ORDERS that the Confidential Supplement to the First Report ("**Confidential Supplement**") shall be treated as confidential and sealed and shall neither form part of the public record nor be disclosed to any party to this proceeding or otherwise, except:

- (a) by further order of this court, following notice to the Receiver of any motion seeking such an order; or
- (b) upon the date on which the Receiver files with the court a written notice certifying that all transactions relating to the Property referred within the Confidential Supplement have closed to the satisfaction of the Receiver; whichever shall first occur, whereupon the Confidential Supplement shall form part of the public record and shall no longer be sealed.

April , 2023

J.

THE KING'S BENCH

WINNIPEG CENTRE

IN THE MATTER OF:

THE APPOINTMENT OF A RECEIVER PURSUANT TO SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS AMENDED, AND SECTION 55 OF *THE COURT OF KING'S BENCH ACT*, C.C.S.M. C. C280

BETWEEN:

FIRST NATIONAL FINANCIAL GP CORPORATION,

Applicant,

- and -

**6525785 MANITOBA LTD. 6472240 MANITOBA LTD.
and PGRP PROPERTIES INC.,**

Respondents.

SERVICE LIST

PITBLADO LLP

Barristers and Solicitors
2500 - 360 Main Street
Winnipeg, MB R3C 4H6

CATHERINE E. HOWDEN

Telephone No. (204) 956-0560
Fax No. (204) 957-0227
Email: howden@pitblado.com

(File No. 61972.2)

SERVICE LIST

Party/Counsel	Telephone	Facsimile	Party Represented
THOMPSON DORFMAN SWEATMAN LLP 1700-242 Hargrave Street Winnipeg, Manitoba, R3C 0V1 ROSS A. MCFADYEN Email: RAM@tdslaw.com MEL M. LABOSSIÈRE Email: MML@tdslaw.com	 (204) 934-2378 (204) 934-2508	 (204) 934-0538 (204) 934-0570	Counsel for First National Financial GP Corporation
MNP LTD. 1700-242 Hargrave Street Winnipeg, Manitoba, R3C 0T8 VICTOR KROEGER Email: victor.kroeger@mnp.com	 (204) 927-2912		Receiver
PITBLADO LLP 2500 – 360 Main Street Winnipeg, Manitoba, R3C 4H6 CATHERINE HOWDEN Email: howden@pitblado.com	 (204) 956-3532	 (204) 957-0227	Counsel for the Receiver
MANITOBA JUSTICE – CIVIL LEGAL SERVICES 730 - 405 Broadway Winnipeg, Manitoba, R3C 3L6 SHELLEY HANER Email: shelley.haner@gov.mb.ca	 (204) 792-6471	 (204) 948-2826	Counsel for Manitoba Taxation
PACIFIC INSOLVENCY INTAKE CENTRE Surrey National Verification and Collection Centre Canada Revenue Agency 9755 King George Boulevard Surrey, British Columbia, V3T 5E1	 1-866-891-7403	 1-833-697-2389	Canada Revenue Agency

<p>6525785 MANITOBA LTD., 6472240 MANITOBA LTD. and PGRP PROPERTIES INC. c/o Patrick Penner 285-971 Corydon Avenue Winnipeg, Manitoba, R3M 3S7</p> <p>PATRICK PENNER Email: pkharpenn@shaw.ca</p>	(204) 797-6742		Debtor Companies
<p>6472240 MANITOBA LTD. c/o Stephen Glen Collins 1 – 534 Stradbrook Avenue Winnipeg, Manitoba, R3L 0J9</p> <p>STEPHEN GLEN COLLINS Email: sglencollins@outlook.com</p>			Debtor Companies
<p>RESIDENTIAL TENANCIES BRANCH – DIRECTOR 1700-155 Carlton Street Winnipeg, Manitoba, R3C 3H8</p> <p>Email: rtb@gov.mb.ca</p>	(204) 945-2476	(204) 945-6273	Director of Residential Tenancies
<p>SMITH NEUFELD JODOIN LLP 85 PTH 12 North Steinbach, MB, R5G 1A7</p> <p>GRANT DRIEDGER Email: gdriedger@snj.ca</p> <p>LINDSAY FOREST Email: lforest@snj.ca</p>	(204) 346-5112	(204) 346-5124	Counsel for 5684995 Manitoba Ltd. and K&P Properties Inc.
<p>JLOPPE PROPERTIES INC.</p> <p>JOHN LOEWEN Email: jloewen@yahoo.com</p>			Interested Party

E-mail List

RAM@tdslaw.com; MML@tdslaw.com; victor.kroeger@mnp.ca ; howden@pitblado.com;
shelley.haner@gov.mb.ca;pkharpenn@shaw.ca; jwh@hedleylaw.com;
mbcolls@justice.gc.ca; rtb@gov.mb.ca; sglencollins@outlook.com; jloewen@yahoo.com ;
gdriedger@snj.ca ; lforest@snj.ca