

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

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

**ABINGDON MEAT PACKERS LIMITED and
DESIMONE INVESTMENTS LIMITED**

Respondents

**FIRST REPORT OF ALBERT GELMAN INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER**

(Dated June 29, 2015)

I. INTRODUCTION

1. This first report (the **"First Report"**) is filed by Albert Gelman Inc. (**"AGI"**) in its capacity as receiver (the **"Receiver"**) appointed pursuant to the Order of the Honourable Justice Miller of the Ontario Superior Court of Justice, in Bankruptcy and Insolvency, dated May 26, 2015 (the **"Appointment Order"**) over all of the assets, undertakings and properties (the **"Property"**) of Abingdon Meat Packers Limited (**"AMPL"**) and DeSimone Investments Limited (**"DIL"**) (collectively the **"Debtors"**). The receivership application was commenced by the Debtors' senior secured creditor, the Bank of Montreal (**"BMO"**). A copy of the Appointment Order is attached hereto at **Appendix "A"**.

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II. PURPOSE OF THIS REPORT

2. The purpose of this First Report is to seek an order:
 - a. approving this First Report as well as the actions and activities of the Receiver as described herein;
 - b. approving the sales process as described herein to market for sale the Property of the Debtors;
 - c. sealing the Equipment Appraisals and the Premises Appraisals (defined below) for the reasons set out in this First Report;
 - d. approving the fees and disbursements of the Receiver for the period from May 26, 2015 to June 26, 2015;
 - e. approving the fees and disbursements of the Receiver's counsel, Harrison Pensa, for the period from May 11, 2015 to June 16, 2015; and,
 - f. providing for such further and other relief as this Honourable Court may deem just.

III. BACKGROUND

3. AMPL is a corporation incorporated under the laws of the province of Ontario. Licio DeSimone, Joseph DeSimone and Antonio DeSimone are each officers and directors of AMPL. There are no other officers or directors of AMPL. A copy of the corporate profile for AMPL dated June 11, 2015 is attached hereto at **Appendix "B"**.

4. DIL is a corporation incorporated under the laws of the province of Ontario. Licio DeSimone, Joseph DeSimone and Antonio DeSimone are each officers and directors of DIL. There are no other officers or directors of DIL. A copy of the corporate profile for DIL dated April 20, 2015 is attached hereto at **Appendix "C"**.

5. AMPL carried on business as an abattoir; processing lamb and veal from a building located at 1607 Abingdon Road, Caistor Centre, Ontario (the "**Premises**")

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which is owned by DIL. Caistor Centre is located between Hamilton and Welland, Ontario. The land size of the Premises is approximately 69 acres. The Premises is described in more detail below.

6. AMPL ceased carrying on business at the end of February, 2015 and the facility has been idle since that time.

7. The principals of the Debtor advised the Receiver that the financial difficulties of AMPL resulted from the loss of its major customer in late 2014 coupled with an increase in the cost of livestock.

8. AMPL filed an assignment in bankruptcy on March 17, 2015 and Taylor Leibow Inc. (“**TLI**”) was named as the Trustee in Bankruptcy. At the first meeting of creditors held on April 6, 2015 TLI were substituted as Trustee in Bankruptcy and Deloitte Restructuring Inc. (the “**Trustee**”) was appointed in their place. Attached as **Appendix “D”** is a copy of the sworn statement of affairs of AMPL dated March 16, 2015.

9. AGI was appointed under private instrument by BMO as a receiver of both AMPL and DIL (the “**Private Receiver**”) on March 19, 2015 and April 13, 2015, respectively. On March 30, 2015 and April 20, 2015 the Receiver issued its Notice and Statement of the Receiver for AMPL and DIL, respectively, in accordance with sections 245 and 246 of the *Bankruptcy and Insolvency Act* (“**BIA**”). Attached hereto as **Appendices “E”** and “**F**” are copies of the notices for both AMPL and DIL, respectively.

10. AMPL is a borrower of BMO pursuant to various credit agreements and is indebted to BMO in the outstanding sum of \$2,392,545.89 as at May 7, 2015. As security for the loans, AMPL granted BMO a General Security Agreement dated October 30, 2006 (the “**AMPL GSA**”) granting a security interest in all of its assets. DIL guaranteed payment of the AMPL debt to BMO in the maximum principal amount of \$2,200,000.

11. DIL is a borrower of BMO pursuant to various credit agreements and is indebted to BMO in the outstanding sum of \$2,130,434.28 as at May 7, 2015. As security for the loans, DIL granted BMO a General Security Agreement dated October 30, 2006 (the

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“DIL GSA”) granting a security interest in all of its assets. AMPL guaranteed payment of the DIL debt to BMO in the maximum principal amount of \$4,300,000.

12. As further security for the loans from BMO, DIL granted BMO a Charge/Mortgage of Land over the Premises in the principal sum of \$4,300,000.

IV. ACTIONS OF AGI AS PRIVATE RECEIVER OF AMPL AND DIL

13. As noted above, AGI was appointed privately by BMO as Receiver of AMPL and DIL on March 19, 2015 and April 13, 2015 respectively. AGI’s actions as Private Receiver are discussed below.

14. On March 19, 2015 the Private Receiver contacted Luke DeSimone to discuss all urgent matters in relation to the affairs, property, equipment and systems of AMPL, the status of the Ministry of Environment and Climate Control (“**MOECC**”) approvals, physical security at the Premises, the status of the Canadian Food Inspection Agency (“**CFIA**”) licence, prospective buyers for the Property, and to set up a meeting at the Premises for the following day.

15. On March 20, 2015 the Private Receiver attended at the Premises with Lucio (Luke) DeSimone, Joseph (Joe) DeSimone and Antonio (Tony) DeSimone (the “**Principals**”). The Principals provided the Private Receiver with a complete tour of the Premises including a demonstration of the operation of the facilities systems. During the tour the Private Receiver took complete photographs of the Premises, including both the inside and outside of the slaughterhouse, the sewage work ponds and the equipment assets.

16. During its attendance at the Premises, the Receiver met with the Principals to expand upon its initial discussions of the prior day with Luke DeSimone and to also establish a security protocol for the Premises as well as to discuss other matters relevant to the assets, liabilities and affairs of AMPL.

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Books and Records

17. On March 19, 2015, the Private Receiver provided the Principals with a list of the documents which it required for its receivership administration. The Private Receiver copied Julie Savage of TLI, the Trustee in Bankruptcy of AMPL at that time, on its correspondence. Ms. Savage responded to the Private Receiver advising which documents TIL had in its possession and forwarded same to the Private Receiver.

18. During its attendance on March 20, 2015, the Principals informed the Private Receiver that the majority of the information requested had been removed from the Premises and was in the possession of TLI. Accordingly, the Private Receiver collected very few records from the Premises during its attendance on March 20, 2015.

19. The Private Receiver attended at the Premises again on March 24, 2015 for the purpose of, among other things, meeting with the Company's former CFO, Mr. Lorne Rochweg, to obtain accounting records from AMPL's accounting system. During the meeting Mr. Rochweg advised the Private Receiver that AMPL's accounting records were neither accurate nor in reconciliation with their bank, and had been in this state for a substantial period of time prior to his being engaged by AMPL in August, 2014. His efforts had been focused on preparing accurate records from both source documents and banking records. Mr. Rochweg advised that during his tenure at AMPL he was unable to reconcile the company's accounting records and, therefore, he could not confirm the historical profitability of AMPL nor the current accounts receivable balances. Mr. Rochweg printed certain accounting reports from AMPL's accounting software for the Private Receiver; however, he again advised that the reports could not be relied upon as being accurate.

Security of the Property

20. The Private Receiver engaged the Principals to change the locks on all of the exterior doors of the main plant, with the exception of the main entrance door. The main entrance to the building contains two successive doors which must both be opened in order to gain entrance to the building. A keypad connected to the security alarm system for the building is located between these two doors. The Premises' security alarm is

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monitored by AB Wass Electronic Security Systems (“**AB Wass**”). The Principals contacted AB Wass and the four-digit alarm code was changed. The reason for not changing the locks to the main entrance was to allow CFIA representatives continued access to the building.

21. On March 26, 2015 the Private Receiver arrived at an agreement with the Principals for them to regularly attend at the Premises, attend to ongoing maintenance issues, maintain the refrigeration system, boiler system and water management systems, conduct required inspection and monitoring of the sewage works ponds and check the building for security. The Principals reported regularly by email to the Private Receiver on all of these matters.

22. The Receiver has made arrangements with AB Wass to receive email notifications when the alarm system is activated and deactivated and thus, to allow the Receiver to have confirmation of when someone enters and exists the Premises.

Waste Water Management System

1. The local municipality does not supply a sewer system to service the Premises. Therefore, the process wastewater from the facility is treated and disposed of using two onsite sewage lagoons, one which is aerated (the “**Lagoons**”). The Lagoons are approved by the Ministry of Environment and Climate Change (“**MOECC**”).

2. The MOECC has very specific reporting and maintenance guidelines in respect of the Lagoons. In this regard, the Private Receiver retained Pollutech Environmental Limited (“**Pollutech**”), an environmental engineering consulting firm, to assist the Private Receiver with maintenance and compliance matters relating to the Lagoons as well as the MOECC Environmental Compliance Approval requirements. Pollutech had acted in a similar capacity for the Debtors’ prior to AMPL’s bankruptcy.

3. Prior to the appointment of the Private Receiver, AMPL was issued orders by the MOECC in relation to matters involving the development of an Odour Management Plan for the Lagoons. In addition, AMPL’s Environmental Compliance Approval issued by the MOECC requires that AMPL complete certain works, some of which had not been

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completed at the time of the appointment of the Private Receiver. The major items to be completed are the installation of a flow meter and the completion of an operations manual for the Lagoons. The Receiver is now in discussions with the MOECC with respect to these matters and the proposed timing for their completion by either the Receiver or a future purchaser/operator of the plant.

4. At the request of the MOECC, the Private Receiver attended monthly conference calls with the MOECC to discuss the status and state of the Lagoons and the status of the matters still to be completed. On April 16, 2015 Pollutech identified a minor overflow at one of the Lagoons. The Receiver notified the MOECC immediately as required and a MOECC officer attended at the Premises to observe the spill and oversee the filling of the Lagoon breach, which was carried out that evening by Luke DeSimone.

5. In the opinion of Pollutech, overflows from the Lagoons are permitted under the MOECC Environmental Compliance Approval, and the obligation of AMPL is to record the duration and frequency of overflows. Notwithstanding, it is the position of the MOECC that any such overflow is not allowed under the Environmental Compliance Approval and must also be reported to the MOECC Spills Action Centre. The April 16, 2015 overflow event was reported by the Receiver to the MOECC Spills Action Centre.

6. As of the date of this First Report the Receiver is not aware of any further overflow from the Lagoons.

Canada Revenue Agency (the "CRA")

7. The Trustee advised the Private Receiver that it would schedule and organize the trust examination with the CRA in respect of AMPL as it was in possession of the majority of AMPL's books and records. Subsequently the Trustee advised that CRA was not going to conduct a trust examination in respect of AMPL. The CRA filed a property proof of claim with the Trustee in the amount of \$146,210 in respect of unpaid source deductions owing by AMPL.

8. The Trustee advised the Private Receiver that the last HST return filed by AMPL was for the period ending January 31, 2015. The Private Receiver did not file HST

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returns on behalf of AMPL up to the date of bankruptcy as the Private Receiver could not rely on the financial information of AMPL.

9. The Private Receiver contacted the CRA whom advised that the last HST return filed by DIL was for the period ending January 31, 2015. The Private Receiver filed HST returns for DIL for the period of February 1, 2015 and ending on the date of the appointment of AGI as Private Receiver. On May 19, 2015 the CRA filed a property proof of claim with the Private Receiver in the amount of \$2,925 in respect of unpaid HST owing by DIL. This claim will need to be amended by the CRA as it does not factor in the HST returns filed by the Private Receiver.

10. The Trustee advised the Private Receiver that AMPL prepared the 2014 T4's as well as the final ROE's before its assignment into bankruptcy.

Insurance

11. An investigation of the available books and records uncovered the following insurance policies:

- a. Commercial General Liability – Intact Insurance Company;
- b. Property – Intact Insurance Company;
- c. Commercial Auto – Intact Insurance Company; and
(collectively, the “**Commercial Insurance Policies**”)
- d. Life – Manulife Financial (the “**Life Insurance Policies**”)

12. The Private Receiver contacted the insurance brokers, Dan Lawrie Insurance Brokers (the “**Insurance Broker**”), in respect of the Commercial Insurance Policies and requested that it be added to the policies as an additional insured. The Insurance Broker advised the Private Receiver that it was added as an additional insured to the Commercial Insurance policies by the insurer.

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13. Prior to the expiry of the policy period in respect of the Commercial Insurance Policies, namely May 30, 2015, the Private Receiver was advised by the Insurance Broker that the insurer would not extend the policy beyond its expiry date.

14. The Private Receiver contacted its own broker, FCA Insurance Brokers, and obtained property coverage as well as third party liability coverage effective May 30, 2015. Property coverage amounts for the building and equipment were based on the appraisals obtained by the Private Receiver (discussed in further detail below).

15. The Private Receiver became aware of the Life Insurance Policies when it received a letter from Manulife Financial dated April 23, 2015. AMPL owns five life insurance policies insuring the lives of the Principals. There are two policies on the lives of each of Lucio DeSimone and Joseph DeSimone. The other policy insures the life of Antonio DeSimone. The Private Receiver has not continued to make the premium payments in respect of the Life Insurance Policies and has advised the Principals that they should take steps to continue the policies in their own names if they wish to do so.

Equipment and Premises Appraisals

16. Given the specialized nature of the Debtor's assets the Private Receiver engaged the services of two certified appraisers to each conduct an appraisal of the Debtor's assets on a forced liquidation basis and on a fair market value basis (the "**Equipment Appraisals**").

17. The Private Receiver also engaged the services of a certified appraiser to conduct an appraisal of the Premises (the "**Premises Appraisal**").

18. The Private Receiver requests an Order of the Court sealing the Equipment Appraisals and the Premises Appraisal, until further order of the Court, that would otherwise be marked as **Appendices "G", "H" and "I"**, respectively, to this First Report (the "**Confidential Appendices**"). The Private Receiver is of the opinion that these documents contain sensitive commercial information as to the value of the Debtors' assets, the disclosure of which would hinder the Receiver's ability to market such assets.

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Wage Earner Protection Program Act (“WEPPA”)

19. The Trustee advised the Private Receiver that it will be administrating the Wage Earner Protection Program (“WEPP”) pursuant to the WEPPA.

20. The Private Receiver has been advised by the Principals that DIL did not have any employee’s and, therefore, the administration of the WEPP is not required in respect of this company.

Interest from Prospective Purchasers

21. On March 23, 2015 the Principals forwarded to the Private Receiver a Letter of Intent issued to DIL dated March 20, 2015 for the purchase of the assets of DIL (collectively, the “LOI”). The LOI provided for a 21 day period for DIL and the prospective purchaser to enter into a purchase and sale agreement. On May 11, 2015 the prospective purchaser presented an offer to DIL to purchase its assets (the “Offer”). The Private Receiver understands that the Principals did not sign back the Offer as they considered the offer amount to be too low.

22. The Principals also provided the Private Receiver with a letter of intent dated May 22, 2015 for the purchase of the shares of AMPL and DIL. This letter of intent is discussed in more detail in Actions of the Receiver section of this report.

Other Actions of the Private Receiver

23. The Private Receiver redirected the Debtor’s mail to the Receiver’s head office address.

24. The Private Receiver received a sworn reclamation of property claim from GDM Equipment Inc. (“GDM”). The Private Receiver made arrangements with GDM to retrieve their assets from the Premises and received confirmation that they in fact removed their property.

25. AMPL’s aged accounts receivable summary from March 2015 indicates that there are several former customers who are indebted to AMPL in an amount of

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\$343,382. The Private Receiver sent collection letters to three of AMPL's former customers. Each of these former customers advised the Private Receiver that there was no amount owing to AMPL. The Trustee advised that it had contacted and/or confirmed that the other former customers listed on AMPL's aged accounts receivable summary were not indebted to AMPL. Therefore, the Private Receiver has not realized on any of accounts receivables recorded in AMPL's books and records.

26. The Private Receiver transferred the Debtor's utility accounts for the Premises into its own name.

27. The Private Receiver contacted the Township of West Lincoln and obtained a property tax certificate which indicates that the unpaid property taxes in respect of the Premises were \$333,275.59 as at April 23, 2015.

V. ACTIONS OF THE RECEIVER

28. As noted above, the Receiver was appointed by the Court on May 26, 2015. The Receiver's activities since its appointment are as set out below.

29. The Receiver engaged Harrison Pensa LLP as its independent counsel in the Receivership administration (the "**Receiver's Counsel**").

Correspondence with Debtors' Counsel

30. On May 26, 2015 counsel for BMO received a letter from Bart Sarsh of Simpson Wigle Law LLP, counsel for the Debtors (the "**Debtors' Counsel**"), including a letter of intent for the purchase of the shares of the Debtors (the "**May 26 letter**").

31. On May 28 the Receiver's Counsel responded to the Debtor's Counsel advising that, among other things, a) the Receiver is neither empowered nor obligated to deal with the shares owned by third party shareholders in either of the Debtors; b) the Receiver is not in a position to consider the letter of intent as the transaction is presently structured; and c) the Receiver intends to move before the Court to have a sales process approved (the "**May 28 Letter**"). Attached hereto as **Appendix "J"** is a copy of the May 28 Letter.

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32. On June 8, 2015 the Receiver received a second letter from the Debtor's counsel requesting essentially an accounting of the Receiver's receipts and disbursements along with supporting documentation and a listing of all of the Debtors' records in the Receiver's possession (the "**June 8 Letter**"). Attached hereto as **Appendix "K"** is a copy of the June 8 Letter.

33. Receiver's counsel responded to the June 8 Letter on June 12, 2015 advising that the Receiver would prepare its reports in accordance with the BIA and that if the Debtors wanted to review its documents in the Receiver's possession it could attend at the Receiver's office and obtain copies of the requested documents (the "**June 12 Letter**"). Attached hereto as **Appendix "L"** is a copy of the June 12 Letter.

34. As of the date of this First Report, the Debtor's Counsel has not responded to the June 12 Letter.

Correspondence with Patrick McGaffey

35. On June 15, 2015 the Receiver received a letter from Mr. Patrick McGaffey in his capacity as President and CEO of AMPL (the "**June 15 Letter**"). The Receiver had not been aware of Mr. McGaffey's involvement with the Debtors prior to its receipt of the June 15 Letter. Attached hereto as **Appendix "M"** is a copy of the June 15 Letter.

36. The June 15 Letter indicated, among other things, AMPL's intention to "bring current the outstanding arrears of the secured creditors" and "make a proposal to the unsecured creditors".

37. On June 18, 2015 Receiver's Counsel responded to the June 15 Letter via electronic mail advising that until such time as Mr. McGaffey provided the Receiver with evidence of an arrangement reached between the Debtors and its creditors, which would render both Debtors solvent, the Receivership administration would continue.

38. As of the date of this First Report, Mr. McGaffey has not responded to the June 15 Letter.

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VI. THE PREMISES

39. As noted above the Premises is located at 1607 Abingdon Road, Caistor Centre, Ontario and is owned by DIL. The land size of the Premises is approximately 69 acres.

40. The main building located on the Premises was constructed in 2007 and is approximately 20,500 square feet, consisting of holding pens, kill floor, inedible, hide and blood storage areas, processing, dressing and packaging rooms, dry storage areas, carcass coolers, boxed meat processing area and freezer, as well as shipping area. The building also includes an office area, employee kitchen and change rooms.

41. Prior to 2007 AMPL operated from a much older building located on the Premises which has since been decommissioned.

42. The plant is federally licensed by the CFIA. This federal CFIA licence gives food processors the ability to sell processed product to customers throughout all of Canada as well as in the US. It is the Receiver's understanding that facilities licenced provincially in Ontario are only permitted to sell product to customers in Ontario.

43. The building includes a network of installed custom built conveyors used to move product throughout the plant. Located within the plant are numerous pieces of specialized equipment used to slaughter, process, store and ship product (the "**Equipment**").

VII. PROPOSED OFFER SOLICITATION PROCESS

44. In accordance with paragraphs 3(j) and 3(k) of the Appointment Order, the Receiver is empowered and authorized to (i) market any or all of the property of the Debtors, including advertising and soliciting offers in respect of the property and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate; and (ii) to sell, convey, transfer, lease or assign the property or any part or parts thereof with the approval of the Court, as provided for therein.

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45. In order to adequately expose the Property to the marketplace and in an effort to maximize realizations, the Receiver recommends a structured invitation for offers process as outlined below (the “**Sale Process**”):

- a) Offers would be required to be sent to the Receiver by a definitive deadline in the prescribed form of offer set out in **Appendix “N”**;
- b) Offers would be subject to standard terms and conditions of sale substantially in the form set out in **Appendix “O”**;

46. All offers will be considered on an individual basis as and when received. Accordingly, the Receiver may in its sole discretion choose to accept an offer prior to the deadline date. The Receiver recommends this process for the following reasons:

- a) this process provides for a deadline for prospective purchasers to submit offers, which will potentially mitigate the ongoing costs to preserve, insure and maintain the Property;
- b) the standardized form of offer and terms of sale will ensure that offers are submitted in a form acceptable to the Receiver, and approved by the Court and will allow both the Receiver and the Court to more easily compare competing offers; and
- c) this method maintains the integrity of the sales process while also encouraging a competitive environment for the solicitation of offers.

VIII. PROPOSED OFFER SOLICITATION ACTIVITIES

47. As noted above, the Property includes a slaughterhouse used to process lamb and veal. Given the very specialized nature of the Property the Receiver believes it will generate the best realization if the Property is sold to a purchaser who will utilize the Property to its highest and best use as an abattoir.

48. Based on a search conducted by the Receiver on June 3, 2015, there are approximately 100 federally registered meat slaughtering establishments in Canada and

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152 provincially registered meat slaughtering establishments in Ontario. Each of these establishments represents a potential purchaser. Prospective purchasers may also include meat producers located in the US or globally who are looking to either enter the Canadian marketplace or produce product in Canada and ship to foreign markets.

49. The proposed Sale Process will consist of, but not necessarily be limited to, the following activities:

- a) preparation of a concise “teaser” document which will be sent to all federally and provincially licenced meat production facilities in Canada and to all other identified prospective purchasers;
- b) advertisements in national newspapers in both Canada and the US;
- c) direct calls to identified prospective purchasers;
- d) direct calls to realtors, business brokers and corporate finance consultants identified by the Receiver as having clients or contacts with a potential interest in the Property;

50. A confidential information memorandum (“**CIM**”) will be prepared that contains additional information about the Property.

51. The Receiver will provide copies of the following documents to any prospective purchaser who executes the Receiver’s form of confidentiality agreement:

- a) the CIM;
- b) the prescribed form of offer template;
- c) the standardized terms and conditions of sale; and,
- d) reasonable access to Property and Premises for inspection.

52. The Receiver will set a deadline date for the submission of offers following the approval by the Court of the sales process and in consultation with the Applicant

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creditor. The deadline date will provide an adequate period of time for the Receiver to expose the Property to the market.

IX. SECURED CREDITORS

53. As noted above, Harrison Pensa LLP is the Receiver's independent counsel in respect of this receivership administration. Harrison Pensa LLP has provided the Receiver with a legal opinion which affirms the validity and enforceability (subject to certain standard assumptions and qualifications) of BMO's security over Debtors' property including the Premises (the "**Legal Opinion**"). Attached as **Appendix "P"** is a copy of the Legal Opinion.

54. CRA has filed a claim with the Receiver indicating that DIL is in arrears of its HST in the amount of \$2,925 to January 31, 2015. As noted above, CRA will be required to file an amended claim. The Receiver anticipates that CRA's amended claim will be in the amount of approximately \$9,000.

55. The Receiver has confirmed that AMPL is in arrears to CRA in respect of source deductions in the amount of \$146,210.

56. As noted above, DIL was in arrears of property tax owing to the Township of West Lincoln in the amount of \$333,275.59 as of April 23, 2015. The Receiver has not made any payments to the Township of West Lincoln in respect of property taxes.

X. FUNDING OF THE RECEIVERSHIP

57. In accordance with the Appointment Order, the Receiver has borrowed \$20,000 to date from the Bank of Montreal to fund its estimated costs associated with the Receivership administration. Attached hereto as **Appendix "Q"** is a copy of the Receiver's Certificate No. 1 dated June 18, 2015.

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XI. ACCOUNTS OF THE RECEIVER

58. Attached hereto as **Appendix “R”** is the Affidavit of Joe Albert regarding the Receiver’s fees for the period May 26 to June 26, 2015 accompanied by the supporting time dockets.

59. Attached hereto as **Appendix “S”** is the Affidavit of Lauren Lee regarding the fees and disbursements of Harrison Pensa LLP for the period from May 11 to June 16, 2015 accompanied by the supporting time dockets.

60. The Receiver believes that the fees and disbursements indicated in Appendices “R” and “S” are reasonable and requests approval of its fees and disbursements, and the fees and disbursements of its counsel, Harrison Pensa LLP.

XII. RECEIVER’S REQUEST FOR APPROVAL

61. The Receiver respectfully requests an Order of this Honourable Court:

- a. approving this First Report and the activities of the Receiver;
- b. approving the Sale Process as described herein;
- c. sealing the Equipment Appraisals and Premises Appraisal;
- d. approving the fees and disbursements of the Receiver for the period from May 26, 2015 to June 26, 2015;
- e. approving the fees and disbursements of the Receiver’s counsel Harrison Pensa, for the period from May 11, 2015 to June 16, 2015; and,
- f. providing for such further and other relief as this Honourable Court may deem just.

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All of which is respectfully submitted this 29th day of June, 2015.

**ALBERT GELMAN INC., solely in its
capacity as Court Appointed Receiver of
Abingdon Meat Packers Limited and
DeSimone Investments Limited
and not in its personal capacity**

Per:



Joe Albert, CPA, CA, CFP, Trustee in Bankruptcy

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