



Insolvency & Restructuring Group

2023 YEAR IN REVIEW

MLT AIKINS

WESTERN CANADA'S LAW FIRM

- ▶ The MLT Aikins insolvency and restructuring practice group carried out assignments in 2023 as counsel to debtor companies, lenders and court officers administering insolvency proceedings. Notable highlights are as follows.

Alberta Assignments

J.W. Carr Holdings Ltd. (CCAA)

Jeff Lee, Mandi Deren-Dube, Evan Halbert and Carly Toronchuk acted as counsel to J.W. Carr Holdings Ltd. et al. (“**Carr Group**”), a group of seven Alberta corporations which owned a portfolio of commercial and residential real estate properties in Grande Prairie, Edmonton, Fort Saskatchewan, Spruce Grove and Wetaskiwin, Alberta. Carr Group obtained an Initial Order under the CCAA on April 19, 2023 and began sale of its real estate portfolio under court supervision shortly thereafter.

Ventures North Financial Group (Receivership)

Jeff Lee, Mandi Deren-Dubé, Evan Halbert and Carly Toronchuk acted as counsel to the court-appointed interim receiver of Ventures North Financial Group Inc. and related Alberta and British Columbia corporations engaged in the business of real estate management and development and equipment sale, repair and leasing. The Interim Receivership Order was granted on March 3, 2023. Subsequently, six of these entities were placed in receivership.

Lovingly Made Ingredients Ltd. (NOI)

Jeff Lee and Chris Nyberg acted as counsel to the purchaser of the assets of Lovingly Made Ingredients Ltd., an Alberta specialty food production enterprise that filed a Notice of Intention to Make a Proposal under section 50.4(1) of the BIA in 2023 in the summer of 2023.

Independent Energy Corp. (CCAA)

Jeff Lee, Marek Coutu and Kaitlin Ward acted as counsel to a supplier to Independent Energy Corp., an Alberta corporation in the business of constructing and operating an oil refinery near Kerrobert, Saskatchewan, which obtained an Initial Order under the CCAA on June 22, 2023.

Dynamic Attractions Ltd. et al (CCAA)

Ryan Zahara, Catrina Webster, Kaitlin Ward, and Paul Olfert acted as counsel to the debtors in respect of a restructuring under the CCAA and recognition of the CCAA proceedings in the Northern District of Texas pursuant to Chapter 15 of the *US Bankruptcy Code*. Dynamic Attractions Ltd. completed a sale of its business by way of a credit bid and reverse vesting order to its secured creditor and exited CCAA proceedings in August of 2023.

Lukus Developments Inc. (Receivership Proceedings)

Ryan Zahara and Kaitlin Ward acted as counsel for B. Riley Farber Inc., the court appointed receiver of certain property of Lukus Developments Inc. et al.

Mantle Materials Group Ltd. (NOI and CCAA)

Ryan Zahara and Molly McIntosh acted as legal counsel for Travelers Capital Corp. in the NOI and CCAA proceedings of Mantle Materials Group Ltd.

Repsol Oil & Gas Canada Inc. (Liquidation under the CBCA)

Ryan Zahara and Molly McIntosh acted as legal counsel for Ernst & Young Inc. the court-appointed liquidator of Repsol Oil & Gas Canada Inc. and subsequently the court appointed Trustee of the TLM Residual Asset Trust, who was appointed to carry out the payment of creditors and monetization of the remaining assets of Repsol Oil & Gas Canada Inc.

Everest Canadian Resources Corp. (Receivership Proceedings)

Ryan Zahara acted as legal counsel for the Orphan Well Association who appointed a receiver over the property, assets and undertakings of Everest Canadian Resources Corp.

Westmount Projects Inc. et al (Receivership Proceedings)

Ryan Zahara acted as legal counsel on behalf of Bank of Montreal who appointed a receiver over certain property of Westmount Projects Inc., and all of the property of 1975847 Alberta Ltd. and 2218923 Alberta Ltd.

Nomodic Modular Structures Inc. (Bankruptcy)

Ryan Zahara and Kaitlin Ward acted as legal counsel for FTI Consulting Canada Inc. in its capacity as the trustee in bankruptcy of Nomodic Modular Structures Inc. et al.

OGEN Holdings Ltd. and OGEN Ltd. (Receivership)

Catrina Webster and Chris Nyberg acted as legal counsel to Alvarez & Marsal Canada Inc. in its capacity as the court appointed receiver of OGEN Holdings Ltd. and OGEN Ltd.

Dynaleo Inc. and Dynaleo Group Services Inc. (Notice of Intention to Make a Proposal and Bankruptcy)

Catrina Webster, Chris Nyberg and Kaitlin Ward acted as legal counsel to Harris & Partners Advisory Inc. in its capacity as the proposal trustee and bankruptcy trustee of Dynaleo Inc. and Dynaleo Group Services Inc.

Viking Projects Ltd. (Notice of Intention to Make a Proposal)

Catrina Webster acted as counsel for Grant Thornton Limited in its capacity as the proposal trustee of Viking Projects Ltd.

Home Solutions Corporation (Receivership)

Catrina Webster acted as counsel for Grant Thornton Limited in its capacity as the court-appointed receiver of Home Solutions Corporation.

MGT Management Inc. and MGT Aggregate Products Inc. (Receivership)

Catrina Webster acted as counsel for BDO Canada Limited in its capacity as the court-appointed receiver of MGT Management Inc. and MGT Aggregate Products Inc.

Newland Financial Inc., Newbank Capital Inc. and Fortune Reliance Inc. (Receivership, Sale Process and Stalking Horse)

Catrina Webster, Chris Nyberg and Kaitlin Ward acted as legal counsel for Newland Financial Inc., Newbank Capital Inc. and Fortune Reliance Inc., secured creditors of Optima Medical Innovations Corp. and Toronto Poly Clinic Inc., which collectively ran a medical clinic in Toronto, ON. Newland successfully brought an application in the Ontario Superior Court to appoint a receiver, implement a sale process and obtain approval of the form of a stalking horse bid as part of the sale process.

Lender Priority Dispute

Dana Nowak and Caly Toronchuk acted as counsel to a secured lender regarding a priority dispute between lenders (whose facilities are secured by mortgages) and an unsecured contingent creditor seeking a pre-judgment attachment order against the debtor's land in priority to the lenders regarding alleged environmental contamination on the basis of principles set out in the Redwater, Perpetual, and Manitok jurisprudence. This matter is currently under consideration by the Alberta Court of Appeal.

Industrial Coating Business Insolvency

Dana Nowak and Jess Reid acted as counsel to a secured lender regarding the insolvency of an industrial coating business in Edmonton, which included petitioning an uncooperative guarantor into bankruptcy.

Condominium Corporation Liquidation

Dana Nowak acted as counsel to a large group of homeowners regarding the insolvency and court-ordered liquidation of a condominium corporation which could not continue to operate as a result of a series of insurance claims resulting in the condominium corporation being unable to obtain affordable property insurance.

Golf Course Receivership

Dana Nowak and Molly McIntosh acted as legal counsel to a secured lender regarding a priority dispute to funds generated from the receivership and liquidation of a golf course located in central Alberta.

Construction Company Restructuring

Dana Nowak acted as legal counsel to a group of construction companies in the Northwest Territories regarding a restructuring of their business affairs.

Industrial Weight Measurement Company Restructuring

Dana Nowak acted as legal counsel to a group of companies in Edmonton specializing in industrial weight measurement regarding a restructuring of their business affairs.



British Columbia Assignments

Mina Tucano Ltd. (Brazilian Reorganization)

William Skelly acted as counsel to Asahi Refining Canada Ltd., a secured creditor in the Brazilian reorganization of Mina Tucano Ltd., a subsidiary of Great Panther Mining Limited, which was the subject of CCAA Proceedings in Canada.

Ideal Image Group (Bankruptcy)

William Skelly, Jess Reid and Ryan Zahara acted as counsel to B. Riley Farber as Trustee in Bankruptcy of Ideal Image Group, which had several locations in British Columbia and provided beauty treatment and related products.

Garibaldi at Squamish Inc. and Garibaldi at Squamish Limited Partnership (Receivership)

William Skelly and Jess Reid acted for Ernst & Young Inc., Receiver of Garibaldi at Squamish Inc. and Garibaldi at Squamish Limited Partnership which was developing a ski resort near the Town of Squamish.

Trees Corporation, Ontario Canadian Holdings Corp. et al (CCAA)

William Skelly and Jess Reid acted for a secured creditor in CCAA Proceedings involving Trees Corporation and Ontario Canadian Holdings Corp. which owned and operated a number of retail cannabis locations in BC and Ontario.

My Mortgage Auction Corporation (Bankruptcy)

William Skelly and Jess Reid acted for an investor in My Mortgage Auction Corporation in proceedings in which the trustee in Bankruptcy, PWC, asserted that the investor had received a fraudulent preference.

Tantalus Labs Ltd. (NOI)

William Skelly and Jess Reid acted as counsel to Tantalus Labs, a cannabis producer, in its NOI filing and in regard to a significant dispute with CRA.

Saskatchewan Assignments

The Lighthouse Supported Living Inc. (Receivership)

Paul Olfert, Shay Brehm and Emily Barlas acted as counsel to MNP Ltd., Court-appointed Receiver of The Lighthouse Supported Living Inc. (a non-profit corporation providing affordable housing, supportive living services and programming to vulnerable populations) as well as Interim Receiver of Blue Mountain Adventure Park Inc., a non-profit corporation which operated an outdoor adventure park. The initial Interim Receivership Order was granted on February 24, 2023, and the Receivership Order appointing MNP as Receiver of the Lighthouse was granted on April 13, 2023.

Voyager Retirement II LP and Voyager Retirement III LP (Receivership)

Jeff Lee and Bob Kasian acted as counsel to the purchaser of MNP Ltd., court-appointed receiver of corporations which owned residential condominium units in retirement homes in Tisdale and Melville, Saskatchewan. The sale was closed in June of 2023.

Ability Society of Alberta (Receivership)

Jeff Lee and Shay Brehm acted as counsel to a secured creditor who obtained a July 6, 2023 Order appointing a receiver of Alberta Ability Society, a non-profit corporation which owned and operated a senior citizens' home in Moose Jaw, Saskatchewan.

Vital Metals Canada Ltd. (Bankruptcy)

Jeff Lee and Shay Brehm acted as counsel to the Trustee in Bankruptcy of Vital Metals Ltd., a rare earth minerals processor which operated from premises in Saskatoon, Saskatchewan and which made an assignment in bankruptcy on September 27, 2023.

Croft Aggregates Limited (Receivership)

Paul Olfert and Shay Brehm acted as counsel to a secured creditor which obtained a Receivership Order on September 27, 2023 over Croft Aggregates Limited, which owns and formerly operated an aggregate extraction operation near Regina, Saskatchewan.

Transfer of Insolvency Matters

Paul Olfert acted as counsel to a national firm of insolvency trustees in obtaining the requisite Court Order following the acquisition of a practice of a local firm.

Manitoba Assignments

Polar Window of Canada Ltd. et al. (CCAA)

J.J. Burnell and Anjali Sandhu acted as counsel to Polar Window of Canada Ltd. et al. ("**Polar Group**"), a group of six operating corporations and three holding corporations. The operating corporations respectively carried on business fabricating, supplying and/or installing windows, doors and/or flooring in Western Canada or the Maritimes.

The Polar Group was granted protection under the CCAA by Initial Order pronounced February 10, 2023. The Monitor ran a Court-approved sale and investment solicitation process, which resulted in the negotiation of an asset purchase agreement pursuant to which the businesses of the Polar Group was sold as a going concern. The sale was approved by the Court on July 21, 2023.

Kromar Printing Ltd. (Receivership)

J.J. Burnell and Anjali Sandhu acted as counsel to the secured lender in obtaining a Receivership Order with respect to Kromar Printing Ltd., which Order included a stay of tax sale proceedings that had been commenced by The City of Winnipeg.

Donmar Properties Ltd. and 10058984 Manitoba Ltd. (CCAA)

J.J. Burnell, William Skelly, Anjali Sandhu, Jess Reid and James Ferguson acted as counsel to Donmar Properties Ltd., a Manitoba real estate development corporation and 10058984 Manitoba Ltd., a related holding corporation. The companies were granted protection under the CCAA by an Initial Order pronounced April 18, 2023. The companies' sole project is the construction of a 14-storey, 120 unit apartment complex. A Court-approved sale and investment solicitation process in respect of the project is contemplated to be heard in early 2024.

Manitoba Clinic Medical Corporation and The Manitoba Clinic Holding Co. Ltd. (CCAA)

J.J. Burnell and Anjali Sandhu acted as counsel to the secured creditor of Manitoba Clinic Medical Corporation and The Manitoba Clinic Holding Co. Ltd. (together, the "**Clinic**") which was granted CCAA protection in 2023.

The Clinic is the largest private clinic in Manitoba, and following a successful Court-approved sale and investment solicitation process, the business of the Clinic was sold to a British Columbia corporation as a going concern, and the 10-storey building that was owned by the Clinic was sold to the Health Science Centre Foundation.

3816410 Manitoba Ltd. o/a Berg's Trailers & Prep (Receivership)

J.J. Burnell and Anjali Sandhu acted as counsel to the secured lender in obtaining a Receivership Order with respect to 3816410 Manitoba Ltd. o/a Berg's Trailers & Prep, a company which designed, manufactured and sold trailers.

Cobalt Industries Ltd. (Receivership)

J.J. Burnell and Anjali Sandhu acted as counsel to the secured lender in obtaining a Receivership Order with respect to Cobalt Industries Ltd., which carried on business as a blacksmithing and welding shop.

Bokhari Development Inc. (Receivership)

J.J. Burnell and Anjali Sandhu acted as counsel to the Court-appointed receiver of the property of Bokhari Development Inc. a housing development under construction (the "**Project**"). By Order pronounced November 20, 2023, the receiver obtained Court-approval to engage a contractor to complete certain essential work on the Project.

Care Innova Pharmacy Inc. (Bankruptcy)

J.J. Burnell and Anjali Sandhu acted as counsel to creditors in obtaining a Bankruptcy Order in respect of Care Innova Pharmacy Inc. (the “**Pharmacy**”). An offer to purchase the Pharmacy on a going concern basis was made by an arms-length purchaser. The Pharmacy would soon run out of funds to continue operating, but the unanimous shareholders agreement prevented a sale of the Pharmacy absent the consent of all shareholders.

Shortly after the pronouncement of the Bankruptcy Order, the trustee successfully brought an urgent motion for Court approval of the sale prior to the first meeting of creditors.

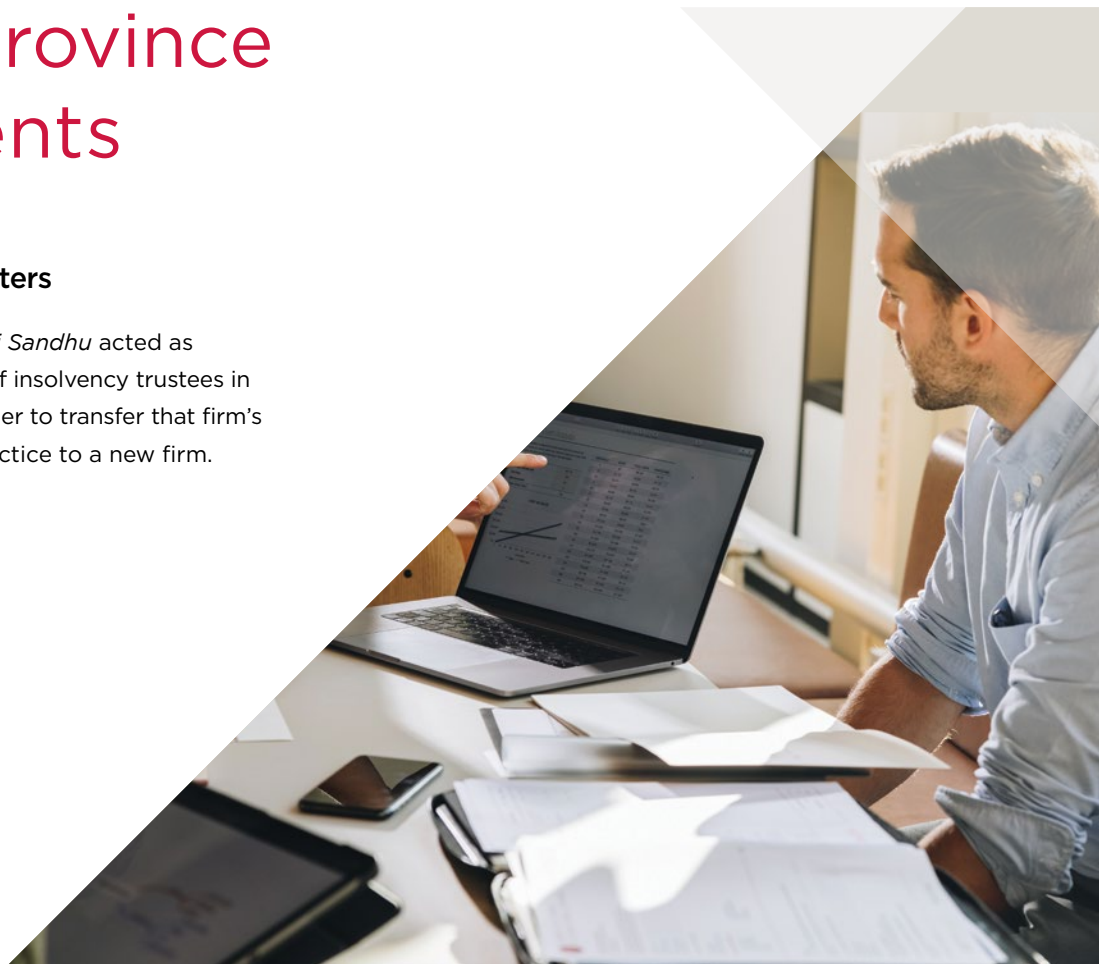
Prendiville Industries Ltd. (Receivership)

J.J. Burnell and Anjali Sandhu acted as counsel to the secured creditor of Prendiville Industries Ltd. (“**PIL**”) in receivership. The Court ordered the receiver also preserve and protect certain assets of the parent company (not subject to a receivership order).

Multiple Province Assignments

Transfer of Insolvency Matters

JJ Burnell, Paul Olfert, and Anjali Sandhu acted as counsel to an international firm of insolvency trustees in obtaining the requisite Court Order to transfer that firm’s Manitoba and Saskatchewan practice to a new firm.



Speaking Engagements, Papers And Other Milestones

CBA National Insolvency Law Conference

J.J. Burnell moderated the *Skyscrapers and Bungalows - Overview of Construction and Real Estate Insolvencies* panel at the CBA National Insolvency Law Conference.

International Women's Insolvency & Restructuring Confederation on the Vine Conference

J.J. Burnell moderated the *When North Meets South: A Cross Border Conversation* panel at IWIRC on the Vine, a conference held in Santa Barbara, California and attended by insolvency professionals from Canada and the United States.

Annual Review of Insolvency Law Conference

J.J. Burnell moderated the *Not so Appealing* panel at the Annual Review of Insolvency Law Conference.

CAIRP 2023 Winnipeg Insolvency & Restructuring Forum

Anjali Sandhu presented *The Legal Eye - Technical Update* at the 2023 Winnipeg Insolvency & Restructuring Forum hosted by the Canadian Association of Insolvency and Restructuring Professionals

Paul Olfert presented as part of a panel to the Mid-Winter Meeting of the Canadian Bar Association - Saskatchewan Branch in January of 2023 on the topic of "Bankruptcy, Insolvency & Foreclosure: The Expert's Advice to the General Practitioner".

Paul Olfert delivered a presentation to the Business Law North section of the Canadian Bar Association - Saskatchewan Branch on May 10, 2023, entitled "Topics in Business Law and Insolvency Law in Saskatchewan".



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About MLT Aikins

MLT Aikins LLP is a full-service law firm of more than 300 lawyers with a deep commitment to Western Canada and an understanding of this market's unique legal and business landscapes.

Based out of six key centres across the four western provinces, MLT Aikins is the only law firm to have offices in Winnipeg, Regina, Saskatoon, Calgary, Edmonton and Vancouver. As one of the 13 Largest Law Firms in Canada (Lexpert, American Lawyer Media), we have the bench strength and geographic scope to meet the increasingly complex needs of clients - from the personal concerns of individuals to the highly sophisticated and comprehensive requirements of major business enterprises.

We view ourselves as partners in our clients' ventures, helping them succeed by bringing our experience and legal knowledge to bear on each assignment. We invest in understanding our clients' businesses, the issues they face and their goals - and we efficiently and effectively address the legal and regulatory challenges they face.

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