

Court File #CV-14-10537-00CL

Estate # 31-457693

Estate # 31-457694

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

QUALITY MEAT PACKERS HOLDINGS LIMITED

Applicant

- and -

**QUALITY MEAT PACKERS LIMITED AND
TORONTO ABATTOIRS LIMITED**

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c.B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c.C-43, AS AMENDED

THIRD REPORT OF THE RECEIVER

OCTOBER 23, 2014

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- “C” Quality Meat Packers Limited’s Receiver’s statement of receipts and disbursements to October 7, 2014
- “D” Toronto Abattoirs Limited’s Receiver’s statement of receipts and disbursements to October 7, 2014
- “E” Order of the Honourable Mr. Justice McEwen dated June 18, 2014
- “F” IP agreement of purchase and sale
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- “H” Fee Affidavit of John Hendriks sworn October 15, 2014 annexing the Receiver’s statement of accounts from June 14, 2014 to October 10, 2014
- “I” Fee Affidavit of Jeremy Nemers sworn October 23, 2014 annexing the Aird & Berlis LLP statement of account from June 27, 2014 to October 10, 2014.

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THIRD REPORT OF THE RECEIVER

October 23, 2014

A. Farber & Partners Inc. (“Farber”), in its capacity as the Court-Appointed Receiver of Quality Meat Packers Limited (“QMP”) and Toronto Abattoirs Limited (“TAL”) (collectively the “Companies”), hereby reports to the Court as follows:

INTRODUCTION

1. On April 3, 2014, the Companies each filed a Notice of Intention to Make a Proposal (the “NOI’s”) pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “BIA”), and named Farber as proposal trustee (“**Proposal Trustee**”).
2. QMP operated a pork processing business located at 2 Tecumseth Street, Toronto, Ontario which is leased from a related party. Prior to the NOI’s, the Companies received

approximately 24,000 live hogs a week (normally shipped Monday to Thursday), which were generally slaughtered within a day of receipt, then cut, packaged and shipped.

3. TAL is a separate legal entity that provided the slaughter services to QMP and is integrated into the QMP production facilities. QMP purchased the hogs from the hog farmers, transferred the hogs to TAL for slaughter and then transferred the products back to QMP. TAL did not have a direct relationship with the hog farmers or the customers. Collectively, the Companies employed approximately 750 people.

4. There were two main secured creditors with general security agreements: TD Asset Finance (“**TD**”) and Quality Meat Packers Holdings Limited (“**Holdings**”), which were owed approximately \$8,082,000 and \$20,789,000 respectively.

5. The Companies did not file proposals or seek Court-approved extensions of the stay period; accordingly, the Companies were deemed bankrupt effective May 6, 2014 and the Proposal Trustee became the bankruptcy trustee (the “**Trustee**”).

6. Also on May 6, 2014, Holdings sought the appointment of Farber as receiver of the Companies. Farber became the Court-appointed receiver (the “**Receiver**”) of QMP and TAL pursuant to the May 6, 2014 Order of the Honourable Mr. Justice D. M. Brown (the “**Appointment Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). A copy of the Appointment Order and Justice D. M. Brown’s Endorsement of the same date is attached as **Appendix “A”**.

7. The First Report of the Receiver dated June 12, 2014 (the “**First Report**”) reported on the solicitation for offers to purchase the assets of the Companies. The First Report also sought and obtained Court approval for the Receiver to accept the Liquidation Proposal from Hilco Assets Sales Canada Corp. (“**Hilco**”) to sell the equipment and machinery of the Companies.

8. The Second Report of the Receiver dated July 3, 2014 (the “**Second Report**”) sought and obtained Court approval for an interim distribution to the secured creditors which paid TD in full and paid Holdings \$7,500,000. The Second Report, without appendices is attached as **Appendix “B”**.

PURPOSE OF THIS REPORT

9. The Receiver has continued to realize on the assets of the Companies since the July 3, 2014 Second Report. The Receiver currently has funds on hand in excess of the estimated costs to continue its administration of the receiverships; accordingly, the Receiver has prepared this report to: (i) report on its activities and realizations since the Second Report; (ii) request this Honourable Court's approval of a further interim distribution of \$2,100,000 to be paid to the secured creditor, Holdings, (iii) request this Honourable Court's approval of an interim distribution to the secured lessor, Royal Bank of Canada, of \$680,000 (iv) approve the \$20,000 credit bid sale of the IP to Holdings and (v) request this Honourable Court's approval of the Receiver's activities and the statements of account of the Receiver and its counsel, Aird & Berlis LLP ("**Aird & Berlis**") as set out in this Third Report.

LIMITATION OF REVIEW

10. Farber has relied upon the financial records and information provided by the Companies, as well as other information supplied by management, appraisers, accountants, auditors and advisors, and Farber has not independently reviewed or verified such information. The Receiver has prepared this Third Report for the sole use of the Court and of the other stakeholders in these proceedings.

ONGOING REALIZATIONS

11. The Receiver's statement of receipts and disbursements to October 7, 2014, with a comparison to the statement of receipts and disbursements to June 20, 2014 that was included in the Second Report, are attached as **Appendices "C" and "D"** for QMP and TAL respectively. Descriptions of the key Receiver's activities, additional receipts and outstanding issues since the Second Report are set out below.

Trade Receivables

12. The Receiver has collected a further \$102,820 of trade receivables since the Second Report. Total collections to date are \$2,209,556 compared to the \$2,261,000 estimated to be

recovered on the statement of affairs. The Receiver is following up on the final two outstanding receivables with a book value of approximately \$45,000.

13. QMP's computer systems and trade receivables subledger included the receivables of the related party, Tasty Chip (2008) Inc. ("**Tasty**"), as many of Tasty's customers historically insisted that their purchases of Tasty product be processed through QMP's EDI system (electronic data interchange). The customers would also wire funds directly into QMP's bank accounts directly for product purchased from Tasty. Only one customer (Loblaws) continues to wire funds to QMP's TD Bank account and Tasty expects to soon have Loblaws remitting directly to Tasty. The Receiver has been monitoring the combined accounts receivable subledger and cash receipts to segregate the QMP and Tasty transactions. The reporting of accounts receivable and cash collections in this Third Report is net of the Tasty transactions.

Inventory

14. As set out in the Second Report, QMP had ceased operating approximately a month prior to the Appointment Order; accordingly, the inventory with a book value of \$911,260 was made up of frozen pork that was stored at off-site frozen goods warehouses. Further, QMP estimated that the inventory would likely realize approximately \$450,000 if the inventory were liquidated. The Receiver, with the consent of Holdings, continued to sell the inventory through normal sales channels and on normal terms. All the inventory has now been sold for a total of \$1,157,256.

Equipment

15. The Receiver obtained Court approval to enter into the Liquidation Agreement with Hilco to realize on the plant machinery and office equipment. A copy of the June 18, 2014 Order of the Honourable Mr. Justice McEwen is attached as **Appendix "E"**.

16. The Liquidation Agreement also included realization of equipment subject to capital leases with the Royal Bank of Canada ("**RBC**"). The Receiver obtained an independent legal opinion confirming the validity of RBC's security as against the Receiver. Further, Holdings does not dispute the priority of RBC's interest in the equipment subject to capital leases with RBC.

17. The Liquidation Agreement provided for a net minimum guarantee in the amount of \$2,075,000 to be paid in respect of the assets to be sold.

18. Hilco held its auction on September 9, 2014. The auction proceeds to date have been less than the net minimum guarantee and there is still some equipment that has not yet been sold. To date, Hilco has paid the \$2,075,000 net minimum guarantee to the Receiver.

19. The net minimum guarantee was allocated among QMP, TAL and RBC based on the estimated value of the assets and as agreed to between the Receiver (for both estates) and RBC prior to the sale. This was a condition of RBC including their assets in the same sale to try to generate a better auction result for all. The QMP statement of receipts and disbursements attached as Appendix "C" includes the allocation of the net minimum guarantee, allocating \$1,148,968 to QMP and \$700,000 to RBC. The TAL statement of receipts and disbursements attached as Appendix "D" shows \$226,032 of the net minimum guarantee allocated to TAL.

20. The Receiver will review the final accounting from Hilco when all the assets are sold but does not expect any further recoveries for QMP, TAL or RBC under the Liquidation Agreement.

Investment in Great Lakes and Due from Great Lakes

21. Great Lakes is a related party in Mitchell, Ontario which also processed hogs. As at the date of QMP's receivership, Great Lakes owed QMP approximately \$12,867,500. Great Lakes continued to operate independently after the QMP receivership, although no further inter-company transfers were made.

22. The TD lending facility provided working capital lending to QMP, TAL and a number of related parties on a co-borrower basis including Great Lakes. In addition, Holdings provided advances to QMP as necessary. QMP, in turn, advanced funds to related parties, including Great Lakes. As noted above, TD was paid in full during the NOI period. As part of the TD pay out, \$1,651,952.73 was taken from QMP's account to settle amounts owing to TD by Great Lakes including \$982,052.62, which was used to purchase hogs for Great Lakes.

23. After TD was repaid, Great Lakes' continued to operate. On or about June 3, 2014, Farm Credit Canada ("FCC") applied for the appointment of a receiver over Great Lakes and another related company. On June 10, 2014, PricewaterhouseCoopers Inc. ("PwC") was appointed receiver. At the time of the Second Report, it was not expected that there would be any funds available to Great Lake's beyond that owing to FCC and RBC.

24. PwC closed a Court-approved sale of the Great Lakes assets to a third party on September 17, 2014. PwC has not yet applied to Court for a distribution of the closing funds. The Receiver understands that there is likely going to be a recovery after repayment of the first secured creditor FCC and distributions to RBC in respect of its secured assets. Since QMP has paid the indebtedness of Great Lakes as co-borrower and guarantor under the TD loan agreement it is entitled to advance a subrogated claim under the security held by TD as against Great Lakes. The Receiver is advancing this claim. However, based on the fact that this claim is subject to an inter-creditor agreement between TD and FCC and that there was a guarantee given by QMP to FCC for the indebtedness of Great Lakes, it is not asserting priority over the other secured creditors of Great Lakes. However, after allowing for the claim of FCC, other secured claims and for costs, there may still be some small recovery for the Receiver of QMP, which is being pursued.

Vehicle Lease Deposit and Other Leases

25. The PPSA showed miscellaneous equipment and vehicles were leased from secured creditors in addition to the RBC leases discussed above. Aird & Berlis provided independent legal opinions that these miscellaneous leases were valid and enforceable against the Receiver and Trustee. The miscellaneous leased assets have been released by the Receiver and the lessors have picked up their assets.

26. QMP's statement of receipts and disbursements shows that a net of \$14,866 was received from the return of the last month's lease deposits after the leased vehicles were sold and the final accounting was received from the vehicle lessor.

Deposit re Enbridge

27. TAL had a deposit of \$248,348 on account with Enbridge. The net recovery of \$238,091 is included in TAL's statement of receipts and disbursements.

HST Receivable

28. The Companies' sale of meat is zero-rated for HST purposes, so the Companies were not required to charge or collect HST. The Companies are eligible for refunds of HST input tax credits.

29. The Receiver received the TAL HST receivable of \$56,434 as reported in the Second Report.

30. The Receiver also arranged for CRA to attend the premises on July 3 and 4, 2014 to conduct the HST audit of QMP. CRA has completed their audit but has yet to render an assessment. CRA has recently advised that they expect to have their pre-assessment 'proposal' to the Receiver by the end of October 2014. The Receiver will advise the Court on the expected extent and timing of the QMP HST receivable after CRA delivers their proposal.

31. Prior to the receivership, QMP had also initiated a Fairness appeal for approximately \$400,000 of penalties and interest assessed by CRA which CRA paid itself (in 2013 and prior) from HST refunds that would have otherwise been paid to QMP. The Receiver, with the consent of Holdings, has retained QMP's tax consultant, Friedlan Law, to continue the appeal. The matter is still outstanding at this time.

Litigation/Insurance Contingent Claims

32. QMP had filed a claim against its insurer ("Lloyds") and a counter-claim against its former cold storage warehouse, Imperial Cold Storage & Distributions Inc. for a loss incurred in December 2011. The Receiver has reviewed the claim and has retained QMP's corporate counsel, Cassels Brock & Blackwell LLP ("Cassels"), to continue handling the action.

33. The Receiver has met with Cassels and Lloyds' counsel to discuss settlement opportunities. The discussions and an exchange of documents are ongoing.

34. QMP had also been in discussions with its insurance broker regarding a potential additional claim of \$144,837 relating to the loss of hogs as a result of power failures in Toronto, Ontario in July 2013. The insurance claim documents were sent to the broker on June 27, 2014 and the Receiver is awaiting a response from the insurer.

Goodwill and Intellectual Property

35. No value was attributed to the goodwill of QMP or TAL as the entities have ceased operations and no parties expressed an interest in purchasing the business as a going concern as discussed in the Receiver's First Report.

36. During the sales process, the Receiver also offered for sale the 17 trademarks/designs (the "IP") in which QMP has an interest. The Receiver notes that many of these are licensed from a competitor and/or are contested by other competitors. No interest was generated as a result of the sales process.

37. The Receiver held further discussions with Holdings regarding the IP. Holdings is offering to purchase the IP on an as-is, where-is basis for a credit bid of \$20,000. The Receiver believes this to reflect a commercially reasonable disposition of the asset, especially given that the nature and efficacy of the interest is not certain, and no warranty of such is being sought or given. The Receiver has received no other interest in the IP and has entered into the IP agreement of purchase and sale with Holdings, (attached as **Appendix "F"**), subject to Court approval. The Receiver is recommending that the Court approve the Receiver closing the IP agreement of purchase and sale with Holdings

SECURED CREDITORS

Holdings

38. Aird & Berlis has provided an independent legal opinion confirming the validity and enforceability of the security of Holdings, as against the Trustee/Receiver.

39. The Receiver confirmed that the secured debt of Holdings was a minimum of \$20,788,915.99 as at the May 6, 2014 date of the receivership. The Court approved an interim payment to Holdings of \$7,500,000 and therefore at least \$13,288,915.99 remains outstanding prior to any amount being accounted for interest or costs. A copy of the July 15, 2014 Order of the Honourable Mr. Justice Brown approving the interim distribution is attached as **Appendix “G”** (the **“Second Report Approval Order”**).

40. The Receiver proposes to make a further interim distribution to Holdings in the amount of \$2,100,000 as discussed below.

RBC

41. The Receiver retained the services of Kronis Rotsztain Margles Cappel LLP who provided an independent legal opinion confirming the validity and enforceability of the RBC security as against the Trustee/Receiver. As set out above, the assets subject to the RBC leases were included in the equipment auction and the QMP Receiver has received the \$700,000 portion of the net minimum guarantee that is attributable to the RBC leased assets.

42. The Receiver is recommending an interim distribution to RBC of \$680,000 being the net minimum guarantee less a \$20,000 reduction for costs contributions to the estate as discussed below.

INTERIM DISTRIBUTION

QMP

43. The QMP Receiver’s statement of receipts and disbursements to October 7, 2014 is attached as Appendix “C”.

44. The Receiver has paid the Priority Payments (as defined in the Second Report) to CRA and TD, so there are no claims in priority to Holdings or RBC.

45. The Receiver is recommending a second interim distribution of a further \$2,100,000 to Holdings from the QMP estate.

46. As discussed above, \$700,000 of the net minimum guarantee paid under the Liquidation Agreement is attributable to the RBC leased assets. RBC agreed to contribute \$15,000 to the occupation costs to the receivership. In addition, RBC agreed to contribute to repairing the floor when the butina (a large piece of equipment used in the slaughtering process) is sold and removed. Hilco has not yet sold the butina.

47. The Receiver and RBC agreed that the Receiver will keep a reserve of \$5,000 to be used towards repairing the floor when the butina is removed. The Receiver is recommending an interim distribution to RBC of \$680,000 and that the balance of the \$5,000 floor repair reserve after the floor is repaired, if any, be paid to RBC.

48. The above recommended interim distributions would leave approximately \$506,000 in the estate for the ongoing costs of the receivership.

TAL

49. To date, a net of \$294,484 has been realized in the TAL estate. No interim distribution from the TAL estate is being recommended at this time.

PROFESSIONAL FEES

50. The Receiver's statement of accounts for the period June 14, 2014 to September 12, 2014 and from September 13, 2014 to October 10, 2014 totalling \$125,102.43 including expenses and HST are attached to the Fee Affidavit of John Hendriks sworn on October 15, 2014 which is attached as **Appendix "H"**. The receiverships of QMP and TAL are not substantively consolidated; however, the business and operations were highly intertwined. Tracking the Receiver's time separately for these two estates with the many common issues and processes was not practical.

51. The Second Report allocated the Receiver's first statement of account (approved in the Second Report Approval Order) to QMP/TAL on a 90%/10% basis. Since the Second Report, there were fewer QMP-only operational issues so a larger share of the ongoing Receivers' fees is being allocated to TAL in this Third Report. The Receiver reasonably allocates 80% of the attached fees to QMP and 20% to TAL.

52. Aird & Berlis' statement of account for the period June 27, 2014 to October 14, 2014 totalling \$34,499.48 including expenses and HST is attached to the Fee Affidavit of Jeremy Nemers sworn on October 23, 2014 which is attached as **Appendix "I"**. This account is proposed to be allocated as between QMP and TAL in the same 80/20 proportion as the Receiver's account.

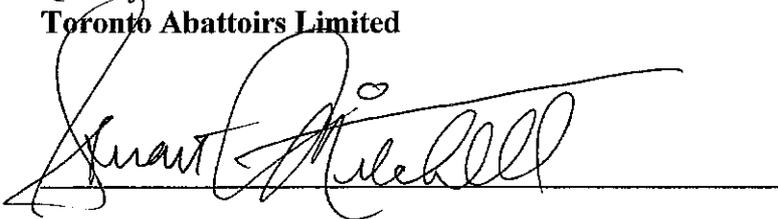
53. The Receiver is seeking this Honourable Court's approval of the Receiver's and Aird & Berlis' fees and disbursements as set out in the Fee Affidavits to be paid from the remaining funds available in their respective estates after the recommended interim distributions to Holdings and RBC.

ORDER SOUGHT

54. The Receiver will be seeking an Order for the following relief:
- (a) approving this Third Report including the actions of the Receiver and Aird & Berlis and their respective fees as set out herein;
 - (b) approving the Receiver to accept the \$20,000 credit bid offer from Holdings for the sale of the IP to Holdings;
 - (c) approving the interim distribution by the Receiver of \$2,100,000 to Holdings on account of its secured debt; and
 - (d) approving the interim distribution by the Receiver of \$680,000 to RBC on account of its secured debt and a final distribution of the remaining balance, if any, of the \$5,000 floor repair reserve after the butina is removed and the floor repaired.

All of which is respectfully submitted this 23rd day of October, 2014.

**A. FARBER & PARTNERS INC.
Court-appointed Receiver of
Quality Meat Packers Limited and
Toronto Abattoirs Limited**

A handwritten signature in black ink, appearing to read "Stuart Mitchell", is written over a horizontal line. The signature is cursive and somewhat stylized.

APPENDIX “A”

**APPOINTMENT ORDER AND ENDORSEMENT DATED MAY 6, 2014 OF
MR. JUSTICE D. M. BROWN**

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MR.) TUESDAY, THE 6TH DAY
)
JUSTICE D. M. BROWN) OF MAY, 2014

QUALITY MEAT PACKERS HOLDINGS LIMITED

Applicant

- and -

**QUALITY MEAT PACKERS LIMITED AND
TORONTO ABATTOIRS LIMITED**

Respondents

ORDER

THIS MOTION made by the Applicant, Quality Meat Packers Holdings Limited (“**QMP Holdings**”), for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing A. Farber & Partners Inc. (“**Farber**”) as receiver (in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and properties of Quality Meat Packers Limited and Toronto Abattoirs Limited (the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of David Schwartz sworn on May 2, 2014 and the Exhibits thereto and the Second Report of Farber in its capacity as Proposal Trustee and proposed Receiver dated May 2, 2014 and on hearing the submissions of counsel for QMP Holdings, Farber and those other parties as appearing on the Counsel Slip, no one appearing for any other party on the service list although duly served as appears from the affidavit of service of Bobbie-Jo Brinkman sworn on May 2, 2014 and on reading the consent of Farber to act as the Receiver,

LIFT OF STAY OF PROCEEDINGS

1. **THIS COURT ORDERS** that, to the extent necessary, the stay of proceedings pursuant to section 69(1) of the BIA shall be lifted to allow this Application to be brought.

SERVICE

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

APPOINTMENT

3. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Farber is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

4. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;

- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and 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;
- (k) to market any or all of the Property, including advertising and soliciting offers and/or auction proposals in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale and/or auction as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply;

- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;

- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.

6. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use

of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

7. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including

without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the

employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act* (“WEPPA”).

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “Sale”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “Possession”) of any of the Property that might be environmentally contaminated,

might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER’S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the WEPPA. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER’S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the

“Receiver’s Charge”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver’s Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

SERVICE AND NOTICE

21. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “Protocol”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/#Commercial_List) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a

Case Website shall be established in accordance with the Protocol with the following URL:

<http://www.farberfinancial.com/insolvency-engagements/bid/381801/Quality-Meat-Packers-Limited-and-Toronto-Abattoirs-Limited>.

22. **THIS COURT ORDERS** that the E-Service List Keeper (as defined in the Protocol) for the purpose of this proceeding shall be the Receiver.

GENERAL

23. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

24. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from continuing to act as trustee in bankruptcy of the Debtors.

25. **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.

26. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within

proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

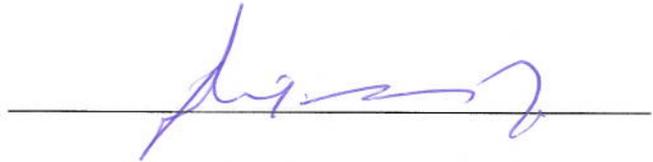
27. **THIS COURT ORDERS** that the Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

28. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:



MAY 06 2014



QUALITY MEAT PACKERS HOLDINGS LIMITED

and

**QUALITY MEAT PACKERS LIMITED
AND TORONTO ABATTOIRS LIMITED**

Applicant

Respondents

Court File No.: C14-10537-00CL

ONTARIO
**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at **Toronto**

**RECEIVERSHIP ORDER
(MAY 6, 2014)**

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Lawyers for the Applicant

APPENDIX “B”

**RECEIVER’S SECOND REPORT DATED JULY 3, 2014,
(WITHOUT APPENDICES)**

Court File #CV-14-10537-00CL
Estate # 31-457693
Estate # 31-457694

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

QUALITY MEAT PACKERS HOLDINGS LIMITED

Applicant

- and -

**QUALITY MEAT PACKERS LIMITED AND
TORONTO ABATTOIRS LIMITED**

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c.B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c.C-43, AS AMENDED

SECOND REPORT OF THE RECEIVER

JULY 3, 2014

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PROFESSIONAL FEES	14
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LIST OF APPENDICES

- “A” Appointment Order and Endorsement dated May 6, 2014 of the Honourable Mr. Justice D. M. Brown
- “B” Trustee’s Preliminary Report dated June 3, 2014
- “C” Receiver’s First Report dated June 12, 2014, without appendices
- “D” Order of the Honourable Mr. Justice McEwen dated June 18, 2014
- “E” Receiver’s statement of receipts and disbursements to June 29, 2014
- “F” Fee Affidavit of John Hendriks sworn July 3, 2014 annexing the Receiver’s statement of account from May 6, 2014 to June 13, 2014
- “G” Fee Affidavit of Ian Aversa sworn July 3, 2014 annexing the Aird & Berlis LLP statement of account from May 6, 2014 to June 26, 2014

Court File #CV-14-10537-00CL
Estate # 31-457693
Estate # 31-457694

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

QUALITY MEAT PACKERS HOLDINGS LIMITED

Applicant

- and -

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COURTS OF JUSTICE ACT, R.S.O. 1990, c.C-43, AS AMENDED

SECOND REPORT OF THE RECEIVER

July 2, 2014

A. Farber & Partners Inc. (“Farber”), in its capacity as the Court-Appointed Receiver of Quality Meat Packers Limited (“QMP”) and Toronto Abattoirs Limited (“TAL”) (collectively the “Companies”), hereby reports to the Court as follows:

INTRODUCTION

1. On April 3, 2014, the Companies each filed a Notice of Intention to Make a Proposal (the “NOI’s”) pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “BIA”), and named Farber as proposal trustee (“Proposal Trustee”).
2. QMP operated a pork processing business located at 2 Tecumseth Street, Toronto, Ontario which is leased from a related party. Prior to the NOI’s, the Companies received approximately

24,000 live hogs a week (normally shipped Monday to Thursday), which were generally slaughtered within a day of receipt, then cut, packaged and shipped.

3. TAL is a separate legal entity that provided the slaughter services to QMP and is integrated into the QMP production facilities. QMP purchased the hogs from the hog farmers, transferred the hogs to TAL for slaughter and then transferred the products back to QMP. TAL did not have a direct relationship with the hog farmers or the customers. Collectively, the Companies employed approximately 750 people.

4. There were two main secured creditors with general security agreements: TD Asset Finance (“**TD**”) and Quality Meat Packers Holdings Limited (“**Holdings**”), which were owed approximately \$8,082,000 and \$20,789,000 respectively. During the NOI period, TD repaid itself in full from amounts in the Companies’ deposit accounts with TD, other than an outstanding account of its legal counsel received recently by the Receiver and discussed below.

5. The Companies did not file proposals or seek a Court-approved extension of the stay period; accordingly, the Companies were deemed bankrupt effective May 6, 2014 and the Proposal Trustee became the bankruptcy trustee (the “**Trustee**”).

6. Also on May 6, 2014, Holdings sought the appointment of Farber as receiver of the Companies. Farber became the Court-appointed receiver (the “**Receiver**”) of QMP and TAL pursuant to the May 6, 2014 Order of the Honourable Mr. Justice D. M. Brown (the “**Appointment Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). A copy of the Appointment Order and Justice D. M. Brown’s Endorsement of the same date is attached as **Appendix “A”**.

PURPOSE OF THIS REPORT

7. The Receiver has been realizing on the assets of the Companies and currently has funds on hand in excess of the estimated costs to continue its administration of the receiverships; accordingly, the Receiver has prepared this report to: (i) report on its activities and realizations since the date of its appointment; (ii) report on the estimated priority payments and costs anticipated by the Receiver; (iii) request this Honourable Court’s approval of a distribution to be paid to the secured creditor, TD Asset Finance (“**TD**”); (iv) request this Honourable Court’s approval of a distribution to be paid to

the secured creditor, Holdings, and (iv) request this Honourable Court's approval of the Receiver's activities and the statements of account of the Receiver and its counsel, Aird & Berlis LLP ("**Aird & Berlis**") as set out in this Second Report.

LIMITATION OF REVIEW

8. Farber has relied upon the financial records and information provided by the Companies, as well as other information supplied by management, appraisers, accountants, auditors and advisors, and Farber has not independently reviewed or verified such information. The Receiver has prepared this Second Report for the sole use of the Court and of the other stakeholders in these proceedings.

ASSETS

Taking Possession

9. The Receiver attended and took possession of the premises after receiving the Appointment Order. The Receiver also contacted the utility companies to obtain meter readings as at the date of the receivership.

10. The Receiver met with management to review the financial records and the assets subject to the receivership appointment. The assets and their estimated realizable value are set out in the Trustee's Preliminary Report for QMP and TAL dated June 3, 2014, a copy of which is attached as **Appendix "B"**.

11. The Receiver has arranged for the ongoing insurance of the premises and assets with the Companies' previous insurer. The Receiver notes that the insurance coverage was on an umbrella basis for QMP, TAL and a number of related parties that are not part of the receivership. Most of the other parties continue to operate and one, Great Lakes Specialty Meats of Canada Inc. ("**Great Lakes**") has recently had PricewaterhouseCoopers Inc. ("**PwC**") appointed as Court-appointed receiver. The Receiver has requested adjustments to the property coverage on the QMP and TAL assets and will be coordinating with the other insured parties and PwC regarding possible adjustments to the umbrella liability policies.

12. The Receiver arranged for Canada Revenue Agency (“CRA”) to conduct its payroll audit on the 5 accounts operated by QMP and TAL, the results of which is discussed below. The Receiver also requested an HST audit, which CRA has scheduled for July 3 and 4, 2014.

13. A number of parties claimed ownership of assets at QMP and TAL. The Receiver has investigated these claims based on the Companies’ books and records and with the former management of QMP and TAL. The Receiver has agreed to release those assets that the Receiver has confirmed are valid third-party assets.

Employees

14. Hog production had not re-commenced during the NOI period, so the production employees were on lay-off as at the date of the receivership/bankruptcy. All employees were notified that their employment terminated as a result of the bankruptcy. The Receiver arranged for the issuance of the ROE’s and T4’s to all terminated employees.

15. The employees were paid their outstanding wages and vacation pay prior to the receivership, such that employees were only owed their outstanding termination and severance. The Receiver calculated the employees’ entitlement to termination and severance pursuant to the *Employment Standards Act (Ontario)* (“ESA”) as no employees had written employment contracts and the unionized employees’ collective agreement did not provide for termination or severance other than pursuant to the ESA.

16. The Receiver spent considerable time with management, former HR employees, the union and the Wage Earners Protection Plan (“WEPP”) to calculate the termination and severance claims for WEPP purposes for the approximately 750 former employees. Further, the Receiver also spent significant additional time complying with WEPP including: (i) submitting the detailed information to WEPP on an employee-by-employee basis; (ii) individually notifying the employees of the calculations remitted to WEPP by the Receiver on their behalf; (iii) following up on numerous queries from the former employees, WEPP and the union on the calculations of the termination and severance claims; and (iv) following up on numerous queries from the former employees, WEPP and the union on the process for submitting claims to the Receiver and WEPP in order for the employees to be eligible to file their claims with WEPP, etc.

17. The Receiver also arranged for certain of the former employees to be retained as consultants (the “**Retained Consultants**”) to assist the Receiver in the realization of the assets and the administration of the estates.

Cash on Hand

18. The cash on hand of \$6,100,487 at TD was received by the Receiver on May 9, 2014. The disbursement accounts at TD were closed. The receipts account at TD remains open to accommodate receipt of funds wired by customers. The Receiver monitors the TD account and has the funds transferred to the Receiver’s estate account daily.

19. The Companies also maintained disbursement accounts at Bank of Nova Scotia (“**BNS**”) which showed \$420,642 owing to QMP as at May 6, 2014. BNS was holding these funds pending resolution of certain cheques, primarily for water bills, which they returned around the date of the NOI. The Receiver and Aird & Berlis corresponded with BNS and, on June 25, 2014, BNS remitted \$424,381 to QMP as well as \$62,238 to TAL.

Securities at Royal Bank of Canada Dominion Securities (“**RBCDS**”)

20. QMP maintained a futures account with RBCDS that traded hog futures and some \$US exchange futures with a future settlement value of \$479,066 as at May 6, 2014. QMP had ceased operating so was no longer purchasing hogs and was therefore unable to settle the futures on a going concern basis as the futures matured; accordingly, the futures had an estimated realizable value of approximately \$47,000 as at the date of the receivership. There was also the possibility of additional cash calls that could eliminate the estimated realizable value depending on the movement of hog prices and the \$US if the futures account was left open. As a result, the Receiver instructed RBCDS to collapse the futures account and received \$51,722 from RBCDS.

Trade Receivables

21. The trade receivables were estimated to produce \$2,261,000. The Receiver has worked with the Retained Consultants to collect the outstanding receivables and oversee the application of credits claimed by the customers for the various programs offered by QMP prior to the receivership. To date, the Receiver has collected \$2,106,737 from the receivables. The Receiver continues to follow

up on the outstanding trade receivables of approximately \$500,000 and to review the program credit claims made by the customers.

22. In addition, QMP's computer systems and trade receivables subledger included the receivables of the related party, Tasty Chip (2008) Inc. ("**Tasty**"), as many of Tasty's customers historically insisted that their purchases of Tasty product be processed through QMP's EDI system (electronic data interchange). The customers would also wire funds directly into QMP's bank accounts directly for product purchased from Tasty. The Receiver has been monitoring the combined accounts receivable subledger and cash receipts to segregate the QMP and Tasty transactions. The reporting of accounts receivable and cash collections in this Second Report is net of the Tasty transactions, so this Second Report just reflects QMP's position.

Inventory - Pork

23. QMP had ceased operating approximately a month prior to the Appointment Order; accordingly, the inventory with a book value of \$911,260 was made up of frozen pork that was stored at off-site frozen goods warehouses.

24. Most of the inventory was at International Cold Storage ("**ICS**"). ICS was owed a significant amount for unpaid storage fees prior to the receivership and refused to ship any inventory until their account was settled in full. ICS initially claimed a storers' lien of over \$300,000 on the inventory. The Receiver reviewed the claim and determined that only approximately \$40,000 related to the inventory still on hand. The Receiver and Aird & Berlis corresponded with ICS and their legal counsel. ICS agreed to accept \$40,203 + HST to release the lien on the goods still on hand and to commence shipping to fill QMP's customers' orders.

25. QMP estimated that the inventory would likely realize approximately \$450,000 if the inventory were liquidated. The Receiver, with the consent of Holdings and the assistance of the Retained Consultants, continued to sell the inventory through normal sales channels and on normal terms. As a result, to date the Receiver has received \$946,410 from inventory sales and expects to receive an estimated additional \$68,000 shortly. Inventory with a book value of approximately \$48,000 remains to be sold.

Inventory – Spices and Packaging

26. QMP's books showed approximately \$40,000 of spices and \$766,000 of packaging on hand as at May 6, 2014. Management initially estimated that these would generate realizations of \$75,000 primarily based on the re-usability of the packaging. Upon further investigation, most of the packaging was marked with a Canada Food Inspection Agency ("CFIA") establishment number that was unique to the QMP operations at 2 Tecumseth, Toronto, Ontario. CFIA advised that the packaging had to be destroyed, rather than re-used; accordingly, the packaging was sent for recycling at a modest net cost of the estate.

27. The Receiver still has the spices to realize upon, which does not form part of the LSA (defined below).

Equipment

28. For purposes of the statement of affairs in the bankruptcy of QMP, QMP's owned equipment and capital leases were estimated to realize approximately 30 cents on the dollar of their book value for a total of approximately \$1,314,000.

29. The \$1,314,000 estimated value as at May 6, 2014 included \$273,680 attributable to the equipment subject to capital leases with the Royal Bank of Canada ("RBC"). The Trustee has subsequently obtained an independent legal opinion confirming the validity of the security as against the Trustee. Further, Holdings does not dispute the priority of RBC's interest in the equipment subject to capital leases with RBC. As a result, the estimated recoveries to the receivership are reduced accordingly.

30. Similarly, for purposes of the statement of affairs in the bankruptcy of TAL, TAL's owned equipment and capital leases were estimated to realize approximately 30 cents on the dollar of their book value for a total of approximately \$158,232.

31. As permitted by the Appointment Order, the Receiver sought offers for the QMP and TAL equipment on a going concern and liquidation basis. The details and results of the sales process are set out in the Receiver's First Report dated June 12, 2014, a copy of which is attached, without appendices, as **Appendix "C"** to this Second Report.

32. Pursuant to the Order of the Honourable Mr. Justice McEwen dated June 18, 2014, a copy of which is attached as **Appendix “D”**, the Receiver has entered into a liquidation services agreement (the “**LSA**”) with Hilco Asset Sales Canada Corp. (“**Hilco**”). The equipment is anticipated to be sold by auction in early September. Hilco has paid a deposit of \$518,750 to the Receiver pursuant to the LSA.

33. The Receiver also negotiated a proceeds sharing and occupation costs sharing understanding with RBC; accordingly, the RBC assets form part of the LSA.

34. The Receiver will report to the Court on the outcome of the auction in a later report.

35. To date, the Receiver has sold two old high-mileage vehicles owned by TAL that were not part of equipment subject to the auction proposals. The sales were for \$1,000 each which is within the pre-approved authority granted to the Receiver pursuant to paragraph 4(1) of the Appointment Order.

Investment in Great Lakes and Due from Great Lakes

36. Great Lakes is a related party in Mitchell, Ontario which also processed hogs. As at the date of the receivership, Great Lakes owed QMP approximately \$12,867,500. Great Lakes continued to operate independently after the QMP receivership, although no further inter-company transfers were made.

37. TD lending facility provided working capital lending to QMP, TAL and a number of related parties on a consolidated co-borrower basis including Great Lakes. In addition, Holdings provided advances to QMP as necessary. QMP, in turn, advanced funds to related parties, including Great Lakes. As noted above, TD was paid in full during the NOI period and so no TD longer provided working capital to Great Lakes.

38. After TD was repaid, Great Lakes’ continued to operate. On or about June 3, 2014, Farm Credit Canada applied for the appointment of a receiver over Great Lakes and another related company and on June 10, 2014 PwC was appointed receiver. At this time, it is not expected that there will be any funds available to Great Lake’s unsecured creditors, which would include QMP,

however, the Receiver will continue to monitor the disposition of Great Lakes' assets to determine if any recovery can be made.

Due from BNJ Storage

39. BNJ Storage is a related party whose principal business was the cold storage of QMP product that was not otherwise stored at ICS. BNJ's business was dramatically reduced when QMP stopped operating. The Receiver does not expect any realization on the \$20,670 owed from BNJ to QMP.

Due from QMP

40. TAL's books showed \$1,057,775 owing from QMP to TAL. There is no expected realization on this intercompany receivable as a result of QMP's bankruptcy and receivership.

Vehicle Lease Deposit and Other Leases

41. The PPSA showed various miscellaneous equipment and vehicles were leased from secured creditors. This does not include the significant capital leases funded by RBC which is discussed in more detail below. Aird & Berlis provided independent legal opinions that these miscellaneous leases were valid and enforceable against the Trustee. Also, Holdings does not dispute the priority of these miscellaneous lessors' interest in the various miscellaneous equipment and vehicles. The miscellaneous leased assets have been released by the Receiver and the lessors have either picked up or are scheduled to pick up their assets.

42. QMP's books and records indicated that there was a last-month's lease payment deposit of \$45,788 with a vehicle lessor. The vehicles have been released to the lessor and the Receiver is awaiting a final accounting to determine the amount, if any, of the deposit that may be recoverable after the vehicles are sold.

Deposit re Enbridge

43. TAL had a deposit of \$248,348 on account with Enbridge for gas supplied for pork processing which is approximately the same amount as the accounts payable showing in TAL's

statement of affairs. The Receiver is awaiting a final accounting from Enbridge to determine if any of the deposit is recoverable.

Deposit re Equitable Life

44. Equitable Life provided an Administrative Services Only employee benefits policy on a consolidated basis for the employees of the QMP, TAL and the related parties. QMP was required to fund the claims made by the employees as they arose and to fund a \$137,614 deposit to Equitable Life. The Receiver has requested that Equitable Life close the accounts for QMP and TAL only and provide an accounting to determine the amount, if any, of the deposit that may be recoverable by QMP.

HST Receivable

45. The Companies' sale of meat is zero-rated for HST purposes, so the Companies were not required to charge or collect HST. The Companies are entitled to refunds of HST input tax credits.

46. The Receiver has received the TAL HST receivable of \$56,434.

47. The Receiver has also arranged for CRA to attend the premises on July 3 and 4, 2014 to conduct the HST audit.

48. The Receiver will advise the Court on the expected extent and timing of the QMP HST receivable after CRA has completed their audit.

Litigation/Insurance Contingent Claims

49. QMP had filed a claim against its insurer ("**Lloyds**") and a counter-claim against its former cold storage warehouser, Imperial Cold Storage & Distributions Inc. ("**Imperial**"), for a loss incurred in December 2011. The Receiver has reviewed the claim and has retained QMP's corporate counsel, Cassels Brock & Blackwell LLP ("**Cassels**"), to continue handling the actions.

50. The Receiver has met with Cassels and Lloyds' counsel to discuss settlement opportunities. The discussions and an exchange of documents are ongoing.

51. The pleadings in the Imperial proceeding have closed but the discovery plan has not yet been set.

52. These litigation matters are ongoing and the Receiver will report to the Court in a future report.

53. QMP had also been in discussions with its insurance broker regarding a potential additional claim of \$144,837 relating to the loss of hogs as a result of power failures in Toronto, Ontario in July 2013. The insurance claim documents were sent to the broker on June 27, 2014 and the Receiver is awaiting a response from the insurer.

Goodwill and Intellectual Property

54. No value is attributed to the goodwill of QMP or TAL as the entities have ceased operations and no parties expressed an interest in purchasing the business as a going concern as set out in the Receiver's First Report.

55. During the sales process, the Receiver also offered for sale the 17 trademarks/designs (the "IP") in which QMP has an interest. The Receiver notes that many of these are licensed from a competitor, Sofina Foods Inc. and/or are contested by other competitors. No interest was generated as a result of the sales process. As a result, no significant recoveries are expected on the IP but the Receiver will undertake a more targeted approach to realizing on the IP to try to recover a positive recovery for the estates.

Securities - \$13,775 State of Israel Bonds

56. Management advised the Receiver that the bonds had been lost years ago and that TAL was not able to realize on this asset. The auditors confirmed that the intent was to write this nominal asset off the books of TAL during the next audit. The Receiver does not expect any recovery for the benefit of the estate on these bonds.

PRORITY CLAIMS

Deemed Trust – Source Deductions

57. CRA has completed its payroll audit. CRA has written to the Receiver claiming a deemed trust of \$7,409 based on CRA's audit of two of TAL payroll accounts. The Receiver is reviewing the letters and expects to pay the \$7,409 shortly.

58. CRA has also verbally advised that, based on their payroll audit, there is no deemed trust owing on TAL's third payroll account or QMP's two payroll accounts.

59. CRA Insolvency Collections further advised that it is not currently in a position to issue a clearance certificate as the final year end and stub period corporate and HST returns are outstanding and CRA has not yet conducted its HST audit. In a bankruptcy, HST and corporate tax are not priorities ahead of the secured creditors and CRA has advised that the only deemed trust is the \$7,409. Accordingly, the Receiver expects the total deemed trust claim to be \$7,409, which will be paid by the Receiver.

BIA Deemed Trusts

60. No valid claims of unpaid suppliers to repossess goods under section 81.1(1) of the BIA were received by the Receiver.

61. There were no valid claims of farmers, fisherman and aquaculturists under section 81.2(1) of the BIA in the bankruptcy/receivership as the 15-day delivery period prescribed in the BIA expired during the NOI. During the NOI proceedings, a motion was brought by certain hog producers seeking to have the Companies adjudged bankrupt and/or have a receiver appointed in order to trigger the farmer's lien on the inventory pursuant to section 81.2 of the BIA. The motion was dismissed. The motion materials and decision of Justice D.M. Brown can be found on the Receiver's website.

62. Prior to the bankruptcy, the employees were paid their wages and vacation pay up to the date of bankruptcy. In addition, union dues and pension contributions were also paid. Since the date of the receivership, only \$1,246 has been claimed and paid for employee payments not made

prior to the bankruptcy. As a result, the Receiver does not expect any further amounts payable under sections 81.3 to 81.6 of the BIA.

Secured Creditors

63. Aird & Berlis has provided independent legal opinions confirming the validity and enforceability of the security of the general security agreement creditors, TD and Holdings, as against the Trustee/Receiver.

64. The secured debt of TD was paid in full during the NOI except for the final account of their counsel, Baker & McKenzie LLP, in the amount of \$7,893.82. The Receiver proposes to distribute these funds to TD.

65. The Receiver has confirmed that the secured debt of Holdings is a minimum of \$20,788,915.99 and remains outstanding. The Receiver proposes to make a distribution to Holdings as discussed below.

66. Aird & Berlis also provided independent legal opinions on the validity and enforceability of the various leased assets (excluding the RBC leases) as against the Trustee as noted above. As set out above, the Receiver has released its interest in these leases and the lessors are dealing with their assets directly.

67. Due to a potential perceived conflict, Aird & Berlis did not opine on the RBC security. The Receiver retained the services of Kronis Rotsztain Margles Cappel LLP who provided an independent legal opinion confirming the validity and enforceability of the RBC security as against the Trustee. As set out above, the assets subject to the RBC leases are being included in the equipment auction.

INTERIM DISTRIBUTION

68. The Receiver's statement of receipts and disbursements to June 29, 2014 is attached as **Appendix "E"**.

69. To date, a net of \$9,762,274 has been realized in the QMP estate. Included in this amount is the Hilco deposit of \$518,750 which is being held by the Receiver pending the conclusion of the equipment auction.

70. The receivership is ongoing with future anticipated receipts and disbursements. The Receiver will need to retain sufficient funds to complete the administration of the estates. At this time, the Receiver is recommending an interim distribution of \$7,500,000 to Holdings from the QMP estate. Such an interim distribution would leave over \$2,250,000 in the estate for the CRA deemed trust (\$7,409), ongoing costs of the receivership and the Hilco deposit (to be released upon completion of the equipment auction).

71. As noted in the Priority Claims section above, TD has been paid in full (subject to the small distribution to be made as discussed above). Holdings outstanding secured debt is a minimum of \$20,788,915.99 and accordingly the proposed interim distribution of \$7,500,000 is to be paid to Holdings.

72. To date, a net of \$99,532 has been realized in the TAL estate. No interim distribution from the TAL estate is being recommended at this time.

PROFESSIONAL FEES

73. The Receiver's statement of account for the period May 6, 2014 to June 13, 2014 totalling \$200,172.55 including expenses and HST is attached to the Fee Affidavit of John Hendriks sworn on July 3, 2014 which is attached as **Appendix "F"**. The receiverships of QMP and TAL are not substantively consolidated; however, the business and operations were highly intertwined. Tracking the Receiver's time separately for these two estates with the many common issues and processes was not practical. The Receiver reasonably allocates 90% of this first statement of account to QMP and 10% to TAL based on the efforts expended by the QMP Receiver on issues unique to just QMP such as: inventory, accounts receivable, dealing with trade creditors and hog producers, all the equipment leases being in QMP's name, intercompany transactions and contracts for the related group of companies that were in QMP's name (such as employee benefits, insurance, etc.). Consideration was also given to the fact that QMP had about 500 employees on its payroll compared to approximately 250 in TAL.

74. Aird & Berlis' statement of account for the period May 5, 2014 to June 26, 2014 totalling \$55,161.60 including expenses and HST is attached to the Fee Affidavit of Ian Aversa sworn on July 3, 2014 which is attached as **Appendix "G"**. This account is proposed to be allocated as between QMP and TAL in the same proportion as the Receiver's account.

75. The Receiver is seeking this Honourable Court's approval of the Receiver's and Aird & Berlis' fees and disbursements as set out in the Fee Affidavits to be paid from the funds available in the respective estates, net of the recommended QMP interim distribution.

ORDER SOUGHT

76. The Receiver will be seeking an Order for the following relief:

- (a) approving this Second Report including the actions of the Receiver and Aird & Berlis and their respective fees as set out herein;
- (b) approving the distribution by the Receiver of \$7,893.82 to TD on account of its secured debt; and
- (c) approving the distribution by the Receiver of \$7,500,000 to Holdings on account of its secured debt.

All of which is respectfully submitted this 3rd day of July, 2014.

**A. FARBER & PARTNERS INC.
Court-appointed Receiver of
Quality Meat Packers Limited and
Toronto Abattoirs Limited**

A. Farber & Partners Inc.

APPENDIX "A"

**APPOINTMENT ORDER AND ENDORSEMENT DATED MAY 6, 2014 OF
MR. JUSTICE D. M. BROWN**

APPENDIX “B”

TRUSTEE’S PRELIMINARY REPORT DATED JUNE 3, 2014

APPENDIX “C”

**RECEIVER’S FIRST REPORT DATED JUNE 12, 2014,
(WITHOUT APPENDICES)**

APPENDIX “D”

**ORDER OF THE HONOURABLE MR. JUSTICE MCEWEN
DATED JUNE 18, 2014**

APPENDIX "E"

RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS

TO JUNE 29, 2014

APPENDIX "F"

FEE AFFIDAVIT OF JOHN HENDRIKS SWORN ON JULY 3, 2014

APPENDIX “G”

FEE AFFIDAVIT OF IAN AVERSA SWORN ON JULY 3, 2014

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APPENDIX “C”

QUALITY MEAT PACKERS LIMITED’S RECEIVER’S STATEMENT OF RECEIPTS AND DISBURSEMENTS TO OCTOBER 7, 2014

STATEMENT OF RECEIPTS AND DISBURSEMENTS
 QUALITY MEAT PACKERS LIMITED
 as at October 7, 2014

	07-Oct-14 \$	29-Jun-14 \$	Difference \$
RECEIPTS			
Cash on Hand	6,524,869	6,524,869	0
Securities at RBCDS	51,722	51,722	0
Trade Receivables	2,209,556	2,106,737	102,820
Non-trade Accounts Receivable	28,494	10,945	17,549
Sale of Inventory	1,157,256	946,410	210,846
Miscellaneous Asset Sales	14,866	0	14,866
HST Collected	1,575	0	1,575
Interest Earned	17,219	0	17,219
Auction Sale of Equipment	1,848,968	518,750	1,330,218
Total Receipts	<u>11,854,527</u>	<u>10,159,434</u>	<u>1,695,093</u>
DISBURSEMENTS			
Filing Fee	70	70	0
HST	69,760	20,306	49,454
Ad re Sale of Equipment	2,575	2,575	0
Insurance	112,103	65,819	46,284
Outside Consulting	211,614	143,127	68,488
Storage Lien	40,203	40,203	0
Freight and Shipping	16,266	14,479	1,787
Premises Expenses: Rent, Property Tax, Security, Utilities, etc	362,801	105,507	257,295
Legal Fees	79,523	0	79,523
Receiver Fees	152,151	0	152,151
Disbursements	7,279	0	7,279
Deemed Trust and Employee Priorities	1,246	0	1,246
Secured Debt Repayments	7,507,894	1,246	7,506,648
Other	4,655	3,829	826
Total Disbursements	<u>8,568,140</u>	<u>397,160</u>	<u>8,170,980</u>
RECEIPTS NET OF DISBURSEMENTS	<u>3,286,387</u>	<u>9,762,274</u>	<u>-6,475,887</u>

APPENDIX “D”

TRONTO ABATTOIRS LIMITED’S RECEIVER’S STATEMENT OF RECEIPTS AND DISBURSEMENTS TO OCTOBER 7, 2014

STATEMENT OF RECEIPTS AND DISBURSEMENTS
 TORONTO ABATTOIRS LIMITED
 as at October 7, 2014

	07-Oct-14	29-Jun-14	Difference
	\$	\$	\$
RECEIPTS			
Cash on Hand	62,238	62,238	0
Non-trade Accounts Receivable	238,096	4	238,091
Miscellaneous Asset Sales	2,000	2,000	0
Pre-Filing HST Refund	56,434	56,434	0
Interest Earned	223		223
Auction Sale of Equipment	226,032	0	226,032
Total Receipts	<u>585,022</u>	<u>120,676</u>	<u>464,346</u>
DISBURSEMENTS			
Filing Fee	70	70	0
HST	24,044	2,422	21,621
Premises Expenses: Rent, Property Tax, Security, Utilities, etc	241,868	18,634	223,233
Legal Fees	4,883		4,883
Receiver Fees	16,906		16,906
Disbursements	809		809
Deemed Trust and Employee Priorities	2,135	0	2,135
Secured Debt Repayments	0		0
Other	293	18	275
Total Disbursements	<u>291,006</u>	<u>21,144</u>	<u>269,862</u>
RECEIPTS NET OF DISBURSEMENTS	<u>294,016</u>	<u>99,532</u>	<u>194,484</u>

APPENDIX “E”

ORDER OF THE HONOURABLE MR. JUSTICE MCEWEN

DATED JUNE 18, 2014

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE Mr.) WEDNESDAY, THE 18TH DAY
)
JUSTICE McEwen) OF JUNE, 2014

QUALITY MEAT PACKERS HOLDINGS LIMITED

Applicant

- and -

QUALITY MEAT PACKERS LIMITED AND
TORONTO ABATTOIRS LIMITED

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c.B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c.C-43, AS AMENDED

ORDER

THIS MOTION made by A. Farber & Partners Inc. in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of Quality Meat Packers Limited ("QMP") and Toronto Abattoirs Limited ("TAL") (collectively the "Debtors"), for an order approving the sale transaction (the "Transaction") contemplated by the Liquidation Services Agreement (the "Liquidation Agreement") negotiated between the Receiver and Hilco Asset Sales Canada Corp. (the "Liquidation Party"), and the vesting in the purchaser(s) (the "Purchaser") of the assets described in the Liquidation Agreement (the "Purchased Assets"), all

of the Debtors' right, title and interest in such Purchased Assets; was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver (the "First Report") dated June 12, 2014, and on hearing the submissions of counsel for the Receiver, counsel for the Applicant and counsel for Alex Abreu and Debbie Abreu, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Paula Hoosain sworn June 13, 2014.

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the 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** that the First Report, including the Confidential Appendices thereto, and the activities of the Receiver set out therein be and the same are hereby approved.
3. **THIS COURT ORDERS** Confidential Appendices B and C of the First Report be and are hereby sealed until further order of this Honourable Court.
4. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved and that the Liquidation Services Agreement is commercially reasonable and in the best interest of the Debtors and their stakeholders. The execution of the Liquidation Services Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of any of the Purchased Assets of the Debtors sold to

the Purchaser in accordance with the Liquidation Services Agreement (each an "Auctioned Asset") and collectively the "Auctioned Assets").

5. **THIS COURT ORDERS** that upon the Liquidation Party completing the sale of any of the Auctioned Assets to a Purchaser, in accordance with the terms of the Liquidation Services Agreement, and delivering a bill of sale of such Purchaser (a "Bill of Sale"), all of the Debtors' right, title and interest in and to the Auctioned Assets described in such Bill of Sale shall vest absolutely in such Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Mr. Justice D.M. Brown dated May 6, 2014; and (ii) all charges, security interests and claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system.

6. **THIS COURT ORDERS** that the purposes of determining the nature and priority of Claims, the net proceeds from the sale of any Auctioned Asset shall stand in the place and stead of that Auctioned Asset, and that from and after the delivery to the relevant Purchaser of the Bill of Sale conveying such Auctioned Asset, all Claims shall attach to the net proceeds from the sale of the Auctioned Asset with the same priority as they had with respect to the Auctioned Asset immediately prior to the sale, as if such Auctioned Asset had not been sold and remained in the possession or control of the person having that possession nor control immediately prior to the sale.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings; and
- (b) any bankruptcy pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtors and any bankruptcy order issued pursuant to any such bankruptcies;

the vesting of the Purchased Assets in any Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United State 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.

10. **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 with 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.

11. **THIS COURT ORDERS AND DECLARES** that the relief granted by order is subject to provisional execution.



A handwritten signature in cursive script, appearing to read "M. E. T.", is written above a horizontal line.

QUALITY MEAT PACKERS HOLDINGS LIMITED

and

QUALITY MEAT PACKERS LIMITED

Applicant

Respondent

Court File No.: CV-14-10537-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at **Toronto**

ORDER

AIRD & BERLIS LLP

Barristers and Solicitors

Brookfield Place

181 Bay Street, Suite 1800

Toronto, ON M5J 2T9

D. Robb English (LSUC # 19862F1B)

Tel: (416) 865-4748

Fax: (416) 863-1515

E-mail: renglish@airdberlis.com

Lawyers for A. Farber & Partners Inc.

APPENDIX “F”

IP AGREEMENT OF PURCHASE AND SALE

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT MADE AS OF THE <*> DAY OF OCTOBER, 2014

B E T W E E N:

A. FARBER & PARTNERS INC.

In its capacity as a Court Appointed Receiver of
Quality Meat Packers Limited (“QMPL”) and
Toronto Abattoirs Limited (“TAL”) and not in its personal capacity
(TAL together with QMPL being the “Companies”)
(the “Vendor”)

- and -

QUALITY MEAT PACKERS HOLDINGS LIMITED

A Corporation incorporated pursuant to the laws of the Province of Ontario
(the “Purchaser”)

RECITALS

WHEREAS A. Farber & Partners Inc. (the “Receiver”) was appointed as Court appointed Receiver of Quality Meat Packers Limited (“QMPL”) and Toronto Abattoirs Limited (“TAL”) (TAL together with QMPL being referred to as the “Companies”).

AND WHEREAS the Purchaser desires to purchase from the Vendor all of the right, title and interest of the Companies and of the Vendor, if any, in and to the intellectual property interests OF THE COMPANIES (the “Purchased Assets”) INCLUDING THOSE referred to on Schedule “A” appended hereto.

AND WHEREAS the parties hereto, hereby agree as follows:

1. The Purchaser agrees to pay to the Vendor upon the closing of this transaction a purchase price in the sum of \$20,000 CDN plus any applicable taxes. The Vendor and Purchaser agree that payment of the purchase price, other than any applicable taxes, may be made by way of the reduction of the indebtedness of QMPL to the Purchaser in like amount.
2. The Purchaser acknowledges that the Vendor is selling the Purchased Assets on an “as is, where is” basis as they shall exist on the date hereof, subject to any insured loss or damage. The Purchaser further acknowledges that it has entered into this Indenture on the basis that the Vendor does not guarantee title to the Purchased Assets and that the Purchaser has conducted and will conduct such inspections of the condition of and title to the Purchased Assets as it deemed appropriate and has satisfied or will satisfy itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever

concerning the Purchased Assets or the right of the Vendor to sell or assign same save and except as expressly represented or warranted herein. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) or similar legislation do not apply hereto and have been waived by the Purchaser. The description of the Purchased Assets contained in the Schedule hereto is for the purpose of identification only. No representation, warranty or condition has or will be given by the Vendor concerning completeness or the accuracy of such descriptions.

3. The closing of this Agreement of Purchase and Sale is subject to Court approval, and the obligation of the Vendor to complete this Agreement of Purchase and Sale is subject to obtaining Court approval and that the closing shall take place at the offices of Aird & Berlis LLP on the business day following Court approval provided that there is no appeal which is pending.
4. The Purchaser shall pay to the Vendor on the closing date the purchase price in the manner stipulated, plus applicable federal, provincial and municipal taxes duties and registration fees unless acceptable applicable exemption certificates have been received by the Vendor prior to the closing date. If, notwithstanding any alleged exemption, any taxes referred to in this paragraph shall become exigible, the Purchaser shall pay the same forthwith (including any applicable interests and penalties).
5. The Purchaser shall assume, at its cost, complete responsibility for compliance with all municipal, provincial and federal laws insofar as the same apply to the Purchased Property and the use thereof by the Purchaser. It shall be the Purchaser's sole responsibility to obtain, and pay the cost of obtaining, any consents, permits, licenses or other authorizations necessary or desirable for the transfer to the Purchaser of the Companies' right, title and interest, if any, in the Purchased Property.
6. Vendor is acting solely in its capacity as the Court-appointed Receiver of the Companies, and not in its personal or corporate capacity, and its liabilities hereunder, if any, or under any Agreement of Purchase and Sale, or sale contemplated hereby, will be solely in its capacity as Court-appointed Receiver of the Companies and it shall have no personal or corporate liability of any kind, whether in contract or in tort or otherwise.
7. Subject to Court approval, at the Time of Closing, the Purchaser shall be entitled to a Vesting Order in a form which will be satisfactory to the Receiver and the Court to convey the Companies' right, title and interest, if any, in the Purchased Property in consideration of the Purchase Price.
8. The Purchaser represents and warrants that:
 - (a) it is a corporation duly incorporated, organized and subsisting under the laws of Canada, Ontario or another province of Canada;
 - (b) it has the corporate power and authority to enter into and perform its obligations under the Agreement of Purchase and Sale and all necessary actions and approvals have been taken or obtained by the Purchaser to authorize the creation,

execution, delivery and performance of the offer and resulting Agreement of Purchase and Sale and the offer has been duly executed and delivered by the Purchaser, and the resulting Agreement of Purchase and Sale is enforceable against the Purchaser in accordance with its terms; and

- (c) it is not a non-Canadian for the purpose of the *Investment Canada Act* (Canada) and it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
9. The Purchaser agrees to indemnify and save harmless the Receiver with respect to any claims, demands, losses, damages, costs, charges and expenses which the Receiver may suffer as a result of any claim made by any third party, including any member of the public, against the Receiver or the Companies, based upon any damage claimed to be suffered by such party and arising out of the use of the Purchased Assets or the re-sale of the Purchased Assets by the Purchaser, and for the costs (including legal costs on a solicitor client basis) of enforcing the indemnity contained herein. The said indemnity shall remain in existence for a period of one (1) year subsequent to the Closing Date and be unlimited in amount.
10. Any tender of documents or money hereunder may be made upon the Purchaser at its respective addresses indicated in the Offer Form, or its respective solicitor.
11. The Purchaser shall not assign its rights and obligations under the Agreement of Purchase and Sale without the written consent of the Receiver.
12. On closing the Vendor shall deliver to the Purchaser a Bill of Sale in the form appended as Schedule "B" hereto, and shall not be required to make any further conveyance except as provided for in the further assurances provision of this Agreement.
13. The validity and interpretation of the Agreement of Purchase and Sale shall be governed by the laws of Ontario and the laws of Canada applicable in the Province of Ontario, and such Agreement shall enure to the benefit of and be binding upon the parties thereto, and their respective heirs, executors, administrators, successors or permitted assigns as the case may be.
14. Unless otherwise specifically stated herein, all obligations, representations and warranties of the parties contained in the Agreement of Purchase and Sale shall survive the completion of the sale.
15. The Agreement of Purchase and Sale shall constitute the entire agreement between the parties to it pertaining to the subject matter thereof and shall supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there shall be no agreements or understandings between the parties in connection with the subject matter thereof except as specifically set forth herein. No party hereto has relied on any express or implied representation, written or oral, of any individual, or entity as an inducement to enter into the Agreement of Purchase and Sale.

16. No supplement, modification, waiver or termination of the Agreement of Purchase and Sale shall be binding unless executed in writing by the parties to be bound thereby, provided that the time provided for doing any matter or thing contemplated herein may be abridged or extended by written agreement, in letter form or otherwise, executed by the duly authorized solicitors for the parties.
17. The obligation of the Vendor to complete the Agreement of Purchase and Sale is subject to the satisfaction of the following terms and conditions at or prior to the Closing Date, which conditions are for the sole benefit of the Vendor and which may be waived by the Receiver:
- (a) the representations and warranties of the Purchaser herein are true and accurate as of the Closing Date;
 - (b) no action or proceeding at law or in equity shall be pending or threatened by any person, form, government, governmental authority, regulatory body or agency to enjoin, restrict or prohibit the purchase and sale of the Purchased Property;
 - (c) the Purchased Property shall not have been removed from the control of the Receiver by any means or process;
 - (d) no party shall have taken any action to redeem any of the Purchased Property; and
 - (e) Court approval of the Agreement of Purchase and Sale and the granting of a Vesting Order in favour of the Purchaser on terms acceptable to the Receiver.

In the event that any of the foregoing conditions is not satisfied as of the Closing Date, the Agreement of Purchase and Sale shall thereupon at the option of the Receiver be rendered null and void and the Purchaser shall be entitled only to the return of the Deposit without interest but without any further cost or consequence.

18. Any notices, requests, demands or other communications to be given under this Agreement of Purchaser and Sale (referred to herein as “**Notice**”) shall be in writing and shall be either hand delivered, telegraphed, telefaxed or mailed prepaid registered mail addressed as follows:

To the Purchaser: at the address set forth in Offer Form.

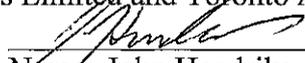
To the Vendor to: 150 York Street, Suite 1600, Toronto, Ontario, M5H 3S5, Attention: John Hendriks, Fax No.: 416-496-3839.

Notice shall be effective upon personal delivery or, if mailed, three days after the deposit with the post office, or if telefaxed or sent by email transmission, on the date the Notice was sent by telefax or by email, or if on a holiday, the next business day thereafter.

19. Dated at Toronto, Ontario, this <*> day of October, 2014

IN WITNESS HEREOF this Indenture has been executed by the parties on the date first above written.

A. FARBER & PARTNERS INC. in its capacity as a Court Appointed Receiver of Quality Meat Packers Limited and Toronto Abattoirs Limited

Per: 
Name: John Hendriks, CPA, CA, CIRP
Title: Vice President

Per: _____
Name:
Title:

QUALITY MEAT PACKERS HOLDINGS LIMITED

Per: _____
Name:
Title:

IN WITNESS HEREOF this Indenture has been executed by the parties on the date first above written.

A. FARBER & PARTNERS INC. in its capacity
as a Court Appointed Receiver of Quality Meat
Packers Limited and Toronto Abattoirs Limited
Per: _____

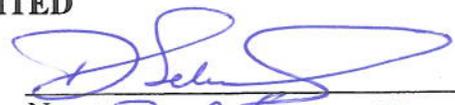
Name:
Title:

Per: _____

Name:
Title:

**QUALITY MEAT PACKERS HOLDINGS
LIMITED**

Per: _____


Name: *DAVID SCHWARTZ*
Title: *PRESIDENT*

SCHEDULE A

SCHEDULE A

The trade-marks, trade-mark applications and trade-mark registrations set forth below:

Country	Trade-mark	Appln No.	Regn No.
CA	TASTE OUR PASSION	1,320,109	TMA763,640
CA	NATURE'S OWN	1,321,381	TMA764,701
CA		1,322,129	TMA753572
CA		1,322,131	TMA764,574
CA	FRESH GUARD	1,419,499	TMA780,091
CA	MINI GRILLS	1,419,500	TMA816,450
CA		1,427,215	TMA778,774
CA		1,445,253	TMA816,451
CA	TASTY CHIP	1,458,166	TMA809,901
CA	FILLET ROAST	1,474,753	TMA859,198
CA	GOLDEN FIELDS	1,622,563	
CA	PORK'N PULL	1,653,471	
CA		1,666,341	
JP	TASTE OUR PASSION	053585/20075	5,136,247
JP	GOLDEN FIELDS	30056/2013	5618350

The benefit of the agreements between the Vendor and TMF Foods Limited/The Meat Factory and Sofina Foods Inc. regarding, *inter alia*, the trade-marks QUALITY MEATS and MARKET STYLE PEAMEAL.

SCHEDULE A

INTELLECTUAL PROPERTY OF QUALITY MEAT PACKERS LIMITED AND TORONTO ABATTOIRS LIMITED

Trademarks: Q & MEN DESIGN, Registered, 0775054, TMA467970 <<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=0775054&extension=0&startingDocumentIndexOnPage=1>>

Trademarks: ONTARIO SELECT PORK & Design, Formalized, 1666341 <<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=1666341&extension=0&startingDocumentIndexOnPage=1>>

Trademarks: PORK'N PULL, Advertised, 1653471 <<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=1653471&extension=0&startingDocumentIndexOnPage=1>>

Trademarks: FRESH GUARD, Registered, 1419499, TMA780091 <<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=1419499&extension=0&startingDocumentIndexOnPage=1>>

Trademarks: MINI GRILLS, Registered, 1419500, TMA816450 <<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=1419500&extension=0&startingDocumentIndexOnPage=1>>

Trademarks: GOLDEN FIELDS, Searched, 1622563 <<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=1622563&extension=0&startingDocumentIndexOnPage=11>>

Trademarks: FILLET ROAST, Registered, 1474753, TMA859198 <<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=1474753&extension=0&startingDocumentIndexOnPage=11>>

Trademarks: TASTY CHIP, Registered, 1458166, TMA809901 <<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=1458166&extension=0&startingDocumentIndexOnPage=11>>

Trademarks: LEGACY PREMIUM & DESIGN, Registered, 1322129, TMA753572 <<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=1322129&extension=0&startingDocumentIndexOnPage=11>>

Trademarks: NATURE'S OWN, Registered, 1321381, TMA764701 <<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=1321381&extension=0&startingDocumentIndexOnPage=11>>

Trademarks: COUNTRY MANOR, Registered, 0859631, TMA500971 <<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=0859631&extension=0&startingDocumentIndexOnPage=11>>

Trademarks: MINI GRILLS & DESIGN, Registered, 1445253, TMA816451
<<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=1445253&extension=0&startingDocumentIndexOnPage=21>>

Trademarks: LEGACY & DESIGN, Registered, 1322131, TMA764574 <<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=1322131&extension=0&startingDocumentIndexOnPage=21>>

Trademarks: TASTE OUR PASSION, Registered, 1320109, TMA763640
<<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=1320109&extension=0&startingDocumentIndexOnPage=21>>

Trademarks: QUALITY MEAT PACKERS LTD. & DESIGN, Registered, 0696600, TMA427444
<<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=0696600&extension=0&startingDocumentIndexOnPage=21>>

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Trademarks: TOWN CLUB, Registered, 0277550, TMA136501 <<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=0277550&extension=0&startingDocumentIndexOnPage=21>>

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Trademarks: FRESH GUARD & DESIGN, Registered, 1427215, TMA778774
<<http://www.cipo.ic.gc.ca/app/opic-cipo/trdmrks/srch/vwTrdmrk.do?lang=eng&status=&fileNumber=1427215&extension=0&startingDocumentIndexOnPage=31>>

SCHEDULE "B"

BILL OF SALE

THIS INDENTURE is made as of the day of November, 2014,

BETWEEN:

A. FARBER & PARTNERS INC.
In its capacity as a Court Appointed Receiver of
Quality Meat Packers Limited ("QMPL") and
Toronto Abattoirs Limited ("TAL") and not in its personal capacity
(TAL together with QMPL being the "Companies")
(the "Vendor")

- and -

<*>

A Corporation incorporated pursuant to the laws of the Province of Ontario
(the "Purchaser")

RECITALS

WHEREAS the Purchaser and the Vendor have entered into a sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") made as of the <*> day of October, 2014, pursuant to which the Vendor agreed to sell to the Purchaser and the Purchaser agreed to purchase from the Vendor all of the right, title and interest, if any, of the Companies and of the Vendor, if any, in and to any intellectual property interests, OF THE COMPANIES (the "Purchased Assets") INCLUDING THOSE referred to on Schedule "A" appended hereto;

AND WHEREAS capitalized terms used herein but not otherwise defined shall have the meanings set out in the Sale Agreement;

FOR VALUE RECEIVED, the parties agree as follows:

SECTION 1 – SALE OF PURCHASED ASSETS

1.1 Sale of Purchased Assets

The Vendor hereby sells, transfers, conveys, assigns and sets over to the Purchaser, pursuant to and in accordance with the terms of the Sale Agreement, all of the right, title and interest of the Companies and the Vendor, if any, in and to the Purchased Assets including but not limited to the Purchased Assets set forth in Schedule "A".

1.2 “As is, Where is”

The Purchaser acknowledges that the Vendor is selling the Purchased Assets on an “as is, where is” basis as they shall exist on the date hereof, subject to any insured loss or damage. The Purchaser further acknowledges that it has entered into this Indenture on the basis that the Vendor does not guarantee title to the Purchased Assets and that the Purchaser has conducted and will conduct such inspections of the condition of and title to the Purchased Assets as it deemed appropriate and has satisfied or will satisfy itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Vendor to sell or assign same save and except as expressly represented or warranted herein. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) or similar legislation do not apply hereto and have been waived by the Purchaser. The description of the Purchased Assets contained in the Schedule hereto is for the purpose of identification only. No representation, warranty or condition has or will be given by the Vendor concerning completeness or the accuracy of such descriptions.

SECTION 2 – MISCELLANEOUS

2.1 Further Assurances

Each of the parties shall, from time to time after the date hereof, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such documents and further assurances as may be reasonably necessary to give effect to this Indenture.

2.2 Benefit of Agreement

This Indenture and all of its provisions shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

2.3 Paramountcy

This Indenture is being delivered pursuant to the terms and conditions of the Sale Agreement. In the event of any conflict or inconsistency between the provisions of this Indenture and the Sale Agreement, the provisions of the Sale Agreement shall prevail to the extent of such conflict or inconsistency.

2.4 Vendor’s Capacity

The Vendor acts in its capacity as the Court-appointed receiver of all of the assets, undertakings and properties of the Companies and shall have no personal or corporate liability under this Indenture.

2.5 Governing Law

This Indenture shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the parties irrevocably attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario.

2.6 Assignment

This Indenture may not be assigned by any party hereto without the prior written consent of the other party.

2.7 Headings

The division of this Indenture into sections and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of this Indenture.

2.8 Counterparts

This Indenture may be executed in any number of counterparts with the same effect as if all parties had signed the same document. All counterparts shall be construed together, and shall constitute one and the same agreement. For the convenience of the parties hereto, this Indenture may be executed by facsimile transmission or other electronic means (.pdf, .jpeg, .gif, .tiff, .bmp or other format) without the necessity of that party delivering an original executed copy thereof.

IN WITNESS HEREOF this Indenture has been executed by the parties on the date first above written.

A. FARBER & PARTNERS INC. in its capacity as a Court Appointed Receiver of Quality Meat Packers Limited and Toronto Abattoirs Limited

Per: _____
Name:
Title:

Per: _____
Name:
Title:



Per: _____
Name:
Title:

SCHEDULE A

The trade-marks, trade-mark applications and trade-mark registrations set forth below:

Country	Trade-mark	Appln No.	Regn No.
CA	TASTE OUR PASSION	1,320,109	TMA763,640
CA	NATURE'S OWN	1,321,381	TMA764,701
CA		1,322,129	TMA753572
CA		1,322,131	TMA764,574
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CA	MINI GRILLS	1,419,500	TMA816,450
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CA		1,445,253	TMA816,451
CA	TASTY CHIP	1,458,166	TMA809,901
CA	FILLET ROAST	1,474,753	TMA859,198
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CA	PORK'N PULL	1,653,471	
CA		1,666,341	
JP	TASTE OUR PASSION	053585/20075	5,136,247
JP	GOLDEN FIELDS	30056/2013	5618350

The benefit of the agreements between the Vendor and TMF Foods Limited/The Meat Factory and Sofina Foods Inc. regarding, *inter alia*, the trade-marks QUALITY MEATS and MARKET STYLE PEAMEAL.

APPENDIX “G”

**JULY 15, 2014 ORDER OF THE HONOURABLE MR. JUSTICE BROWN
APPROVING THE INTERIM DISTRIBUTION**



Court File No. CV-14-10537-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) TUESDAY, THE 15TH DAY
)
JUSTICE D.M. BROWN) OF JULY, 2014

QUALITY MEAT PACKERS HOLDINGS LIMITED

Applicant

- and -

**QUALITY MEAT PACKERS LIMITED AND
TORONTO ABATTOIRS LIMITED**

Respondents

**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**ORDER
(Fee Approval and Interim Distribution)**

THIS MOTION, made by A. Farber & Partners Inc., in its capacity as the Court-appointed receiver (the "**Receiver**") of all of the undertaking, property and assets of Quality Meat Packers Limited ("**QMP**") and Toronto Abattoirs Limited ("**TAL**") (collectively, the "**Debtors**"), for an Order, *inter alia*: (a) approving the Second Report of the Receiver dated July 3, 2014 (the "**Second Report**") and the activities of the Receiver set out therein; (b) approving the distribution by the Receiver to TD Asset Finance ("**TD**") in the amount of \$7,893.82 in respect of amounts owing to TD under the security granted to it by the Debtors; (c) approving the

distribution by the Receiver to Quality Meat Packers Holdings Limited (“QMPH”) in the amount of \$7,500,000.00 in respect of amounts owing to QMPH under the security granted to it by the Debtors; and (d) approving the fees and disbursements of the Receiver and its counsel, Aird & Berlis LLP, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report, the Fee Affidavit of John Hendriks sworn on July 3, 2014 and the Fee Affidavit of Ian Aversa sworn on July 3, 2014 (collectively, the “**Fee Affidavits**”), and on hearing the submissions of counsel for the Receiver, counsel for QMPH and those other parties as appearing on the Counsel Slip, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Paula Hoosain sworn July 3, 2014.

1. **THIS COURT ORDERS** that the Second Report and the activities of the Receiver as set out therein be and the same are hereby approved.
2. **THIS COURT ORDERS** that the fees and disbursements of the Receiver in the sum of \$200,172.55 for the period May 5, 2014 to June 13, 2014 and the fees and disbursements of Aird & Berlis LLP, in its capacity as counsel to the Receiver, in the sum of \$55,161.60 for the period May 5, 2014 to June 26, 2014, as set out in the Fee Affidavits, be and are hereby approved.
3. **THIS COURT ORDERS** the Receiver be and the same is hereby authorized and directed to distribute from the monies on hand with the Receiver the sum of \$7,893.82 to the secured creditor, TD, in respect of amounts owing to TD under the security granted to it by the Debtors.

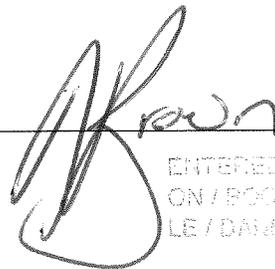
4. **THIS COURT ORDERS** the Receiver be and the same is hereby authorized and directed to distribute from the monies on hand with the Receiver the sum of \$7,500,000.00 to the secured creditor, QMPH, in respect of amounts owing to QMPH under the security granted to it by the Debtors.

5. **THIS COURT ORDERS AND DECLARES** that, notwithstanding:

- (a) the pendency of these proceedings; and
- (b) the bankruptcies pursuant to the *Bankruptcy and Insolvency Act* (the “**BIA**”) in respect of the Debtors and any order issued pursuant to any such bankruptcies,

the distributions and payments to be made to TD and QMPH by the Receiver pursuant to this Order are final and irreversible and shall be binding upon any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall any such distributions or payments constitute or be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial law, nor shall such distributions and payments constitute conduct which is oppressive, unfairly prejudicial to or which unfairly disregards the interest of any person pursuant to any applicable federal or provision legislation.

Natasha Brown
Registrar



ENTERED AT / INCORPORATED AT TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

JUL 17 2014



QUALITY MEAT PACKERS HOLDINGS LIMITED

and

QUALITY MEAT PACKERS LIMITED et al.

Applicant

Respondents

Court File No.: CV-14-10537-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**ORDER
(Fee Approval and Interim Distribution)**

AIRD & BERLIS LLP

Barristers and Solicitors

Brookfield Place

181 Bay Street, Suite 1800

Toronto, ON M5J 2T9

D. Robb English (LSUC # 19862F1B)

Tel: (416) 865-4748

Fax: (416) 863-1515

E-mail: renchlish@airdberlis.com

Lawyers for A. Farber & Partners Inc.

APPENDIX “H”

FEE AFFIDAVIT OF JOHN HENDRIKS SWORN ON OCTOBER 15, 2014

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

QUALITY MEAT PACKERS HOLDINGS LIMITED

Applicant

- and -

**QUALITY MEAT PACKERS LIMITED AND
TORONTO ABATTOIRS LIMITED**

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c.B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c.C-43, AS AMENDED

AFFIDAVIT OF JOHN HENDRIKS
(Sworn October 15, 2014)

I, John Hendriks, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am a Vice-President with A. Farber & Partners Inc. and, as such, I have knowledge of the matters to which I hereinafter depose.
2. A. Farber & Partners Inc. was appointed receiver in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of Quality Meat Packers Limited ("**QMP**") and Toronto Abattoirs Limited ("**TAL**") (collectively the "**Debtors**") pursuant to an Order of this Court made on the 6th day of May, 2014 ("Appointment Order").

3. The Receiver has prepared Statements of Account in connection with its appointment as Receiver detailing its services rendered and disbursements incurred for the period from June 14, 2014 to October 10, 2014.

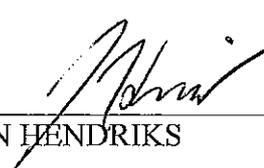
4. Attached hereto and marked as **Exhibit "A"** to this my Affidavit is a copy of the Statement of Account for the period June 14, 2014 to September 12, 2014. The average hourly rate in respect of the accounts is \$281.58.

5. Attached hereto and marked as **Exhibit "B"** to this my Affidavit is a copy of the Statement of Account for the period September 12, 2014 to October 10, 2014. The average hourly rate in respect of the accounts is \$350.58.

6. This Affidavit is made in support of a motion to, *inter alia*, approve the receipts and disbursements of the Receiver and its accounts as prescribed in the Appointment Order.

SWORN before me at the City of)
Toronto, in the Province of Ontario)
this 15th day of October, 2014.)


_____)

) 

JOHN HENDRIKS

A Commissioner, etc.

**Diane Da Silva-Falcione, A Commissioner, etc.,
Province of Ontario, for A. Farber & Partners Inc.
Trustee in Bankruptcy.
Expires: January 16, 2015.**

Attached is Exhibit "A"

Referred to in the
AFFIDAVIT OF JOHN HENDRIKS

Sworn before me

This 15th day of October, 2014



Commissioner for taking Affidavits, etc.

**Wigne Da Silva-Falcione, A Commissioner, etc.,
Province of Ontario, for A. Farber & Partners Inc.
Trustee in Bankruptcy.
Expires: January 16, 2015.**

150 York Street
Suite 1600
Toronto, ON M5H 3S5
Canada
Office 416.497.0150
Fax 416.496.3839
www.farberfinancial.com

September 18, 2014

Quality Meat Packers Limited and
Toronto Abattoirs Limited
2 Tecumseth Street
Toronto, ON M5V 2R5

Invoice No. 11302

Receiverships of Quality Meat Packers Limited and Toronto Abattoirs Limited

TO PROFESSIONAL SERVICES RENDERED BY A. FARBER & PARTNERS INC. for the period ended September 12, 2014.

DATE	SERVICE	STAFF	HOURS
06/16/2014	Consulting fees - Corporate Respond to numerous calls from employees regarding WEPPA.	Chopowick	2.60
06/16/2014	Consulting fees - Corporate Attend plant for general supervisory matters, attend to cash flow update and TC payment instructions; review rent payment history and documentation; perform roll of receivables; request reversal of further BNS lease PADs; instruct re accounting for receipts; emails TD Bank re logistics of demerging accounts	Gallop	6.80
06/16/2014	Consulting fees - Corporate Emails and phone call with J. Teskey of Norton Rose, lawyer for Toronto Hydro, regarding an accounting of the deposit on the new receiver account and refund of the credit balance in the company's account.	Mitchell	0.20
06/16/2014	Consulting fees - Corporate A/R, inventory, sale of inventory A/R, and cash reconciliations and roll-forwards with Gallop, Schwarz and McKeown; occupation costs updates with Schwartz, Gallop and Garfinkle including reconciliations of amounts transferred out of QMP/TAL and to Two Tecumseh's tax roll; Schwarz and Cassels Brock re litigations v. Lloyds and Imperial Cold Storage; payroll and HR issues with Aurora including storage of records; meeting Buonaiuto re financial records, storage of same, timing of financial statements for final corporate income tax returns; Arruda re various premises issues and costs of repairs from removal of Sanimax equipment and auction equipment; Chopowick and Aurora re	Hendriks	5.10

WEPP, employee queries, T4's etc.; English, Schwartz and Lyle re liquidation services agreement; follow up with Blunda re estate receipts, wires and disbursements; Garfinkle re his ongoing services and Schwartz request to keep him on for now; English re response to counsel for Industrial Refrigeration re potential lien claim; ongoing calls and discussions with Foti at BNS re funds still not released to Receivers

06/16/2014	Banking - Corporate Produced cheques and deposits.	Lloyd-Key	0.80
06/16/2014	Banking - Corporate Banking, prepare cheque requisitions etc.	Blunda	0.50
06/17/2014	Consulting fees - Corporate Call with City of Toronto (lengthy hold) re: Utility Bill and summary of services; update J. Hendriks.	Da Silva-Falcione	0.50
06/17/2014	Consulting fees - Corporate Attend on site and update and distribute cash flows; finalize roll or accounts receivable for prior week and follow up on differences calculated; call with Bev at Loblaw's and make arrangements for pick up of payments; review Loblaw's workbook of reconciliations and follow up on discrepancies and create exception list; review T2 correspondence; transfer instructions	Gallop	8.00
06/17/2014	Consulting fees - Corporate A/R, inventory, sale of inventory A/R, and cash reconciliations and roll forwards with Gallop and McKeown; review draft auction agreement and discussions with Schwartz, Gallop, Lyle and English re same; general update to Schwartz; Xerox lease issues with Xerox and Arruda; review lease and sub-lease and summarize rent and property taxes payable by TAL and QMP and cheque request for QMP portion; Mitchell re insurance; Toronto Hydro bills and follow up with Mitchell re status of outstanding hydro deposit still owed to estate; general estate receipts and disbursements follow up; follow up status of CRA source audit and timing of HST audit; meeting Buonaiuto re status of financial statements and records for HST audit and corporate income tax filings; respond to City of Toronto re parking lot and road access ease disclaimers and City looking to Receiver to pay occupation rent and clear premises.	Hendriks	4.10

06/17/2014	Banking - Corporate Banking, posting.	Samoilov	2.10
06/18/2014	Consulting fees - Corporate Attend plant, update and distribute cash flow; review mail received with Jerry and attend to payroll matter; review Loblaw reconciliation with Nimpha and update schedules, summarize and distribute including queries to Loblaw; confirm receipt of funds and instruct payment to Tasty Chip	Gallop	5.50
06/18/2014	Consulting fees - Corporate Letter from BFL regarding the outstanding insurance damages claim which I passed on to J. Hendriks. J. Teskey of Norton Rose, email and telephone call regarding following up on the Hydro refund dollar amount and payout timing.	Mitchell	0.50
06/18/2014	Consulting fees - Corporate Prepare for and attend Court re approval of Hilco liquidation proposal; calls and emails Hilco re outstanding matters to address before finalizing liquidation services agreement; Chopowick re updates to website re today's hearing and order; follow up with BNS re funds still outstanding; Chopowick re T4's and WEPP; A/R, inventory, sale of inventory A/R, and cash reconciliations and roll forwards with Gallop and McKeown	Hendriks	1.80
06/18/2014	Consulting fees - Corporate Reviewed and discussed various emails and status with J. Hendriks.	Lifman	1.00
06/18/2014	Consulting fees - Corporate Review emails, respond to queries; respond to numerous queries from employees regarding WEPPA; request cheque to pay ADP QMP accounts to prepare 2014 T4s; discuss same with J Hendriks.	Chopowick	1.80
06/18/2014	Banking - Corporate Banking, posting.	Samoilov	1.20
06/19/2014	Consulting fees - Corporate Scan/email Toronto Hydro invoice re: TAL to May 28 2014 to R. Gallop.	Da Silva-Falcione	0.20

06/19/2014	Consulting fees - Corporate	Gallop	7.30
	Attend plant, update and distribute cash flow; arrange payments, instruct re transfers; call with J Early re TD web banking and access; dealing with TD re migration to Easy web; analysis of Metro accounts receivable with Brian M and Nimpha A and preparation of roll forward of cash and creditors applied to entity basis and pre-filing A/R balance, review and comment on liquidation services agreement		
06/19/2014	Consulting fees - Corporate	Mitchell	0.50
	Correspondence from Enbridge. Correspondence with BFL regarding the coverage of the various insurance policies. J. Hendriks correspondence regarding utilities and insurance issues.		
06/19/2014	Consulting fees - Corporate	Hendriks	3.30
	Calls and emails Foti at BNS and English re BNS legal still not releasing funds and follow up of same; emails re Sun Life pension plan; emails and calls Zagar and review documents re litigations in favour of QMP re product damaged in Dec 2011 shipment to Imperial Cold Storage; employee/WEPP/T4 queries with Chopowick; Gallop and Samoilov re Tasty funds in receiver account; letter from Scotchmer re Koski Minsky seeking representation order; meeting Lee re documents needed to extricate QMP and TAL from former QMP umbrella facility for the operating companies; A/R follow up with Sanimax; updated hydro bills; calls and emails Hilco and meeting Hilco and Schwartz to finalize understanding of various outstanding matters; summarize same and detailed email to English with final comments on LSA and draft cover email to go to Zweig to formalize understanding re equipment and landlord issues as impacted by Hilco proposal		
06/19/2014	Consulting fees - Corporate	Chopowick	1.80
	Review emails, respond to queries; respond to numerous queries from employees regarding WEPPA; post document on website.		
06/19/2014	Banking - Corporate	Samoilov	1.40
	Banking, posting.		
06/20/2014	Consulting fees - Corporate	Lloyd-Key	2.50
	Track materials from employees and WEPP to control sheet of information submitted to WEPP for consistency and follow up discrepancies.		

06/20/2014	Consulting fees - Corporate	Gallop	5.50
	Attend plant and update and distribute cash flows, meet with management re Metro account status and chargebacks, amend roll forward and distribute with comments and observations; meet B McKeown re amounts owing to Tasty and instruct payment on prior cheque payments from customers; instruct arrangements for pick up and distribution of weekly consulting fees; update Loblaw's workbook for payments received including quantity adjustments and revise estimate of future receipts;		
06/20/2014	Consulting fees - Corporate	Hendriks	1.50
	Emails and calls re weekly consultants cheques; comments to English re letter and draft order from Koskie Minsky seeking representation order; Chopowick re employee and creditor queries; Gallop re Metro taking creditors; emails English re yesterday's comments on draft liquidation services agreement; emails Samoilov and Hayes re ICS wire transfer reconciliation; emails Mahar and English re timing and advance notice to service list of interim distribution application		
06/20/2014	Consulting fees - Corporate	Lifman	0.30
	Review various emails.		
06/20/2014	Consulting fees - Corporate	Chopowick	3.20
	Review emails, respond to; respond to numerous queries from employees regarding WEPPA; post document on website.		
06/20/2014	Banking - Corporate	Samoilov	1.10
	Banking, posting.		
06/23/2014	Consulting fees - Corporate	Hendriks	2.40
	Updates with Gallop; call from Foti re BNS funds to be released tomorrow morning; Arruda re spice inventory; monitor emails re T4 issues and ensuring all ADP accounts and sub-accounts closed; fax from CRA re source audit and deemed trust claim for TAL RP 002 and 3, recommendation to follow up re the 3 remaining accounts before advising TD re security discharge and update Schwartz and Mahar re same; Zagar re scheduling settlement meeting with Lloyds; review statement of claim and statement of defence re same with follow up queries to Zagar; call Lyle re LSA and understanding re side issues with landlord; review insurance coverage and email to Schwartz and meeting		

	Mitchell re same		
06/23/2014	Consulting fees - Corporate Review emails; respond to queries from employees regarding WEPPA.	Chopowick	1.00
06/23/2014	Consulting fees - Corporate Attend plant and update cash flows and report including allocation accounting for transfers; review Metro credit of 115k and comment; review prior week activity and prepare roll of accounts receivable; prepare June 20 A/R analysis; co-ordinate payments to suppliers; receive TC request for Payment from B McKeown and request and receive back up from Nimpha	Gallop	6.25
06/23/2014	Consulting fees - Corporate Discussions with J. Hendriks regarding reduction of the insurance coverage and initiate correspondence regarding same with BFL.	Mitchell	0.50
06/23/2014	Banking - Corporate Banking, posting.	Samoilov	0.50
06/24/2014	Consulting fees - Corporate Update from Foti re funds released today from BNS; call with Gallop re same to reconcile amounts received compared to bank statements; Gallop re materials needed for drafting interim distribution report planned to be served by June 2; call from TCL Assets re auction status; Zagar re rescheduling meeting to discuss litigations settlement; Lyle re Receiver account information for wire of deposit once LSA signed; finalize LSA and forward to English; update call on outstanding matters with Schwartz; McGuire and Chopowick re T4's for all accounts and Garfinkle re management payroll T4's; Mitchell re Product Recall insurance not renewed by insurer and call Schwartz to discuss coverage needs	Hendriks	2.50
06/24/2014	Consulting fees - Corporate Review emails, respond to queries; respond to numerous queries from employees regarding WEPPA; emails with J Hendriks and R Gallop re T4s; telephone discussions and emails with ADP re invoices received, accounts for companies, account balances, preparation of T4s and request wire transfer information; document preparation.	Chopowick	4.60
06/24/2014	Consulting fees - Corporate Review emails.	Lifman	0.20

06/24/2014	Consulting fees - Corporate	Gallop	6.20
	Attend plant; update and distribute cash flows with commentary; call with BNS re funds in transit and account 00107 and review transactions including life insurance and policy enquiries; attend to instructions to repay Tasty on four requests and arrange for courier; enquiries re unmatched wire receipt; review Loblaws movement with D Schwartz; review CRA payroll audit correspondence; follow up with Chris on ADP matters and report; Meet S Bradley re lost consultant's cheque and request replacement; email D Schwartz re enquiry re Tasty in QMP Loblaw account; review receipts with N Delarosa and pdf and arrange courier of cheques; call with and email BNS re requests for prior months' statements, review statements and email D Schwartz and J Hendriks re apparent TAL payroll funding account swept April 4 and funds now returned; review of receipts and disbursements to date with D Schwartz; attend to utilities billing payment instruction		
06/24/2014	Banking - Corporate	Samoilov	1.90
	Banking, posting.		
06/25/2014	Consulting fees - Corporate	Lloyd-Key	1.10
	Track materials from employees and WEPP to control sheet of information submitted to WEPP for consistency and follow up discrepancies.		
06/25/2014	Consulting fees - Corporate	Da Silva-Falcione	0.20
	Scan/email Enbridge invoice for 2 Tecumseth to R. Gallop.		
06/25/2014	Consulting fees - Corporate	Hendriks	3.80
	Start draft of Second Receiver's report and discussion with English re same; prepare for and attend meeting at Cassels Brock re settlement discussions with Lloyds on QMP's insurance claim; insurance coverage discussions with Mitchell for update to broker to reduce ongoing costs; follow up Aug 2013 insurance claim to be submitted with broker; Gallop re status of consultants' tasks, draft financial statements for pre-filing HST and financial statements, status update on A/R, inventory, inventory A/R etc. for Second Report; premises and utilities issues and payments; Gallop re daily cash reporting and funds from BNS yesterday and request for outstanding bank statements from BNS		

06/25/2014	Consulting fees - Corporate	Chopowick	3.10
	Review emails; respond to numerous queries from employees regarding WEPPA/Proof of Claim forms; follow up email with ADP re T4s and wire transfer; discuss wire transfer with L Samoilov; update WEPP site for claims received; email to R Gallop requesting information regarding two employees and determination regarding their eligibility for a claim/WEPP.		
06/25/2014	Consulting fees - Corporate	Gallop	7.45
	Attend plant for general supervision; update cash flows and distribute with commentary prepare accounting of transfer allocation; review Sanimax payment confirmation and emails to staff; instruct re wires in from BNS; calls with TD Bank re web access; email transfer information; receive consolidated financial statements for year ended 31 December 2013, and reconstruct individual corporation statements including Income statement and balance sheets for CIT purposes and distribute; review former employees WEPA claim for status with C McGuire; update A/R roll and queries re invoicing; query B McKeown re unknown wire received; receive request for Tasty Chip funds, review and request adjustment for deductions taken, and split into two requests; emails and call with B McKeown re inefficiencies of Tasty request process and suggested improvements		
06/25/2014	Consulting fees - Corporate	Mitchell	0.50
	Correspondence with J. Hendriks and C. Black of BFL regarding changes to the insurance coverage.		
06/25/2014	Banking - Corporate	Samoilov	1.20
	Banking, posting.		
06/25/2014	Banking - Corporate	Lloyd-Key	0.40
	Bank reconciliation for May 2014.		
06/26/2014	Consulting fees - Corporate	Lloyd-Key	2.60
	Track materials from employees and WEPP to control sheet of information submitted to WEPP for consistency and follow up discrepancies.		
06/26/2014	Consulting fees - Corporate	Hendriks	0.30
	Email Arruda re post-receivership payment to employee re pre-filing vacation calculation shortfall and impact on his WEPP claim; updates with Gallop re consulting services, IT support, snapshot of inventory sales and and receivables, etc.		

06/26/2014	Consulting fees - Corporate	Chopowick	3.40
	Review emails/faxes; respond to numerous queries from employees regarding WEPPA/Proof of Claim forms; follow up email with ADP re T4s, wire transfer and outstanding invoices; telephone discussion with S Caetano regarding his eligibility for WEPP; email to R Gallop and J Hendriks re same and requesting confirmation of his eligibility; emails regarding invoices from Maxx Global to be paid.		
06/26/2014	Consulting fees - Corporate	Gallop	7.40
	Request TD balances and update cash position and distribute with commentary; attend plant for general supervisory matters; review receipts; analyze post receivership changes in inventory and accounts receivable; confirm Maxx status with S Bradley and request payment; attend to Tasty payment requests; meet Nimpha re receipts, arrange courier of cheques to Farber; distribute A/R analysis June 20; calls with B McKeown re Inventory Revaluation May 6 Inventory balances, sales since receivership and closing balances and create roll forward for incorporation in Receiver's Second Report; confirm wires in with L Samoilov; receive WEPP enquiry re employee on leave of absence and redirect; email Belchior re consulting fee coordinator role		
06/26/2014	Consulting fees - Corporate	Mitchell	0.50
	Ongoing correspondence with C. Black at BFL regarding the insurance coverage and necessary changes to be made and the refund and the impact on the monthly amount due and owing by the Receivership estate.		
06/26/2014	Banking - Corporate	Samoilov	1.70
	Banking, posting.		
06/27/2014	Consulting fees - Corporate	Lloyd-Key	2.50
	Track materials from employees and WEPP to control sheet of information submitted to WEPP for consistency and follow up discrepancies.		
06/27/2014	Consulting fees - Corporate	Hendriks	8.50
	Draft second report of the receiver and forward to counsel for comments; calls and emails Mahar re receivership and fee status; calls CRA HST re outstanding HST audit and arrange for audit on July 3 and 4; call CRA payroll to confirm only deemed trust on the 2 payroll accounts that CRA provided letters for and		

no deemed trust on 3 payroll accounts; QMP and TAL operating expenses and cheques; Lee of TD re account authorizations; follow up additional invoice from Baker McKenzie re costs added to TD security; insurance claim follow up with Garfinkle and Hiller re July 2013 loss documents; conference call BFL and Mitchell re property and liability insurances for QMP, TAL and the related parties that were included in the umbrella policy; call to Equitable Life re closing QMP and TAL accounts; Gallop re CRA response to Fairness Appeal

06/27/2014	Consulting fees - Corporate	Chopowick	3.10
	Respond to numerous queries from employees regarding WEPPA Claim forms; discussion and emails regarding employees on leave but not terminated for company and their eligibility for termination, severance and WEPP; forward creditor package; prepare and email copies of WEPP packages to employees who did not receive original package in the mail; request wire transfer to ADP to pay T4 invoices and email to confirm wire transfer prior to deadline of July 2; fax ADP invoices/confirmations.		
06/27/2014	Consulting fees - Corporate	Gallop	4.80
	Email TD bank re balance requests (no activity); email re bank balances; attend premises for general management; Instruct Belchior re consultant invoice review process for him and approvals; direct Jerry re bankruptcy date financial statements and review and provide liability calculations re hogs, utilities, and water; t/c request for confirmation of cleared cheque re released equipment; arrange payments to consultants and arrangements for reduced paid work-week for holiday Tuesday and Monday as well; finalize A/R roll prior week in balance; numerous emails re transfer of TD Bank account access; provide cheque copy info email to B McKeown for Tasty Chip request purposes		
06/27/2014	Banking - Corporate	Samoilov	1.80
	Banking, posting. Assist with bank reconciliations for the month of May 2014.		
06/29/2014	Consulting fees - Corporate	Hendriks	1.00
	Additional edits to draft second report; R&D to June 29; email to Mahar with draft billings as requested		
06/30/2014	Consulting fees - Corporate	Chopowick	1.20
	Respond to numerous queries from employees regarding WEPP process.		

06/30/2014	Consulting fees - Corporate	Gallop	1.00
	Review and edit second report; analyze and reply to queries;		
06/30/2014	Consulting fees - Corporate	Lifman	1.00
	Review draft Receiver's second report and comments thereon.		
06/30/2014	Consulting fees - Corporate	Hendriks	2.50
	Amendments for draft second report from Gallop and English; Mahar and English re additional fees from Baker McKenzie and integrate same into draft second report; update from English re Levine and his potential instructions to oppose interim distribution; follow up with Gallop re Tasty receipts that were still in QMP receiver receipts pending waiting for funds to clear before paying to Tasty; correspondence TD and meeting Lee re original documents needed for Receiver to maintain access to QMP receipts accounts at TD re ongoing wires collections still remitted to these accounts re QMP A/R		
06/30/2014	Banking - Corporate	Samoilov	0.80
	Banking, posting.		
07/02/2014	Consulting fees - Corporate	Gallop	6.40
	Receive TC bank from Jerry and distribute with comments; request TD Bank balances; attend conference call with D Schwartz, N Delrosario and TC re all receivables and collections, receive Brian's TC and QMP summary from D Schwartz and review AR error with David and follow up with report queries with B McKeown; attend to TC request for Loblaw funds; follow up on Sobey's receipt (need invoice from Nimpha) and attend to second TC request of day; meet Jerry re progress on finalizing May Bankruptcy trial balance, review his outstanding amounts and retrieve and provide QMP and TAL working papers/invoicing and instructions on unpaid amounts; follow up email to J Foti of BNS re TAL account statement request		
07/02/2014	Consulting fees - Corporate	Hendriks	4.10
	Emails Garfinkle re Statscan demands; follow up with Chopowick re T4's and additional bills from ADP; WEPP issues re employees on disability and leave, follow up with Aird & Berlis and email to calculate; follow up status of refund due from Toronto Hydro, review ongoing premises expenses and allocation between QMP and		

	TAL re same; queries from Energy Works; follow up with Gallop re outstanding receivership issues; Gallop and McKeown re Tasty Chip proceeds and update R&D to second report accordingly; Davenport re vacation pay of Santiag re WEPP; emails Cartwright and Arruda re assets moved from GLSM to QMP; comments from Mahar and updates to second report		
07/02/2014	Consulting fees - Corporate	Mitchell	0.50
	Correspondence with and telephone calls with J. Hendriks and C. Black at BFL regarding changes to the insurance coverage, refunds and adjustments to the monthly amount owing to First Insurance Funding.		
07/02/2014	Consulting fees - Corporate	Chopowick	2.00
	Various emails with L Keddy (of ADP), J Hendriks, C Maguire, R Gallop regarding payment of ADP invoices and arrangements for processing of T4s; emails and discussions with J Hendriks and C Maguire regarding employees who are eligible for WEPP but who were not previously on the lists provided by the company; respond to employee and creditor queries via email and telephone; document preparation.		
07/03/2014	Consulting fees - Corporate	Gallop	5.70
	Review B McKeown email re Tasty Chip funds request re funds (Cheques, Metro and Loblaws), review transactions and confirm cheques overstated for cheques not received (Tasty or cut-off) reduce Metro for items deducted and review post filing role and rationale for payment with J Hendriks, confirm Loblaws holdbacks remain valid, and request payments for amounts owing; AR roll including follow up on customer payment in receipt records prior week not received (deposited to Tasty) and APC Nutrition cheque deposited but not in QMP receipts ledger; review Loblaws post June 16 with Nimpha; review IT staffing with B Arruda; review various matters with B McKeown including TC cash requests and cash reporting; including TC payments, sales and AR; with Bev from Loblaws; review Metro payments and instruct payments; emails TD Bank re balances and transfers; receive letter from City re City v. QMP, follow up with City at request of D Schwartz and determine pre filing action re noise complaint and emails confirming this and course of action; attend to D Schwartz request for QMP sublease and deliver to counsel Mark St. Cyr; review unopened mail and retrieve Sun Life policy overpayment cheque and provide to M Delrosario for courier to Farber offices; instruct payments re utilities;		

	update cash and distribute with commentary		
07/03/2014	Consulting fees - Corporate Track materials from employees and WEPP to control sheet of information submitted to WEPP for consistency and follow up discrepancies.	Lloyd-Key	2.10
07/03/2014	Consulting fees - Corporate Call to Enbridge re: deposit on TAL account; await return call.	Da Silva-Falcione	0.10
07/03/2014	Consulting fees - Corporate Call from Cartwright of PWC re assets moved recently from GLSM to QMP and re insurance coverages; emails and calls McKeown and Gallop to finalize funds owing to Tasty as at June 29 and update report R&D accordingly; ongoing calls and emails Mahar, Aversa and English to finalize Second report appendices and text, subject to finalizing Receiver fee affidavit; emails Gallop and Foti re statements for management payroll account at BNS; emails City of Toronto re them pursuing noise violation action notwithstanding stay of proceedings; Gallop re A/R roll forward, snap shot, inventory etc.; consultants and Gallop re invoices this week and re Iron Horse; City of Toronto re industrial water discharge agreements	Hendriks	4.00
07/03/2014	Consulting fees - Corporate Correspondence with J. Hendriks and D. Falcione regarding the status of the refund still outstanding from Enbridge. Correspondence with J. Teskey at Norton Rose regarding the status of the Toronto Hydro refund and the \$19,000 deposit for the new Receiver account.	Mitchell	0.50
07/03/2014	Consulting fees - Corporate Telephone call from A Abreu regarding WEPP denial of claim and follow up with WEPP; re-enter WEPP data; enter WEPP data and update tracking for another employee claim received.	Chopowick	0.40
07/03/2014	Banking - Corporate Banking, posting.	Samoilov	0.70
07/04/2014	Consulting fees - Corporate Email N Delrosario re meeting request for Loblaw review; request bank balances from TD Bank and update cash position and receiver's accounting for receipts and email L Samoilov; distribute cash flow; instruct payments; meet S Bradley re discrepancy in A/Roll and request, receive and review invoicing	Gallop	7.50

workbook for prior week; review Loblaws receipts including today's receipts including tracking of TC portions in A/R and update Loblaws workbook schedules, reviews with Nimpha; review all A/R with George and Nimpha and instruct activities; prepare summary spreadsheet of roll forward of June 27 A/R for collections, reserves and write-offs including blow up of Route 1 accounts and distribute with comments including request to B McKeown re Tasty Chip portion; follow up with Jerry on status of May trial balances and HST audit in progress; receive cheques for consultants and security and instruct re distribution and confirmation required; review TAL bank statement received from BNS for Management payroll funding and funds returned by BNS; draft work plan and discuss with J Hendriks

07/04/2014	Consulting fees - Corporate	Lloyd-Key	3.20
	Track materials from employees and WEPP to control sheet of information submitted to WEPP for consistency and follow up discrepancies.		
07/04/2014	Consulting fees - Corporate	Hendriks	2.00
	Finalize invoice and fee affidavit for second report and package to Aird & Berlis to service; review service list for updates; review completed motion materials for Hoosain to distribute to service list; Gallop re receipts, inventory sales and A/R; Gallop re his duties/outstanding list for ongoing receivership issues; ongoing WEPP, T4 and employee issues		
07/04/2014	Consulting fees - Corporate	Chopowick	1.10
	Document preparation; responding to calls and emails from employees and creditors.		
07/04/2014	Banking - Corporate	Samoilov	2.00
	Banking, posting.		
07/06/2014	Consulting fees - Corporate	Gallop	1.00
	Prepare/update A/R analysis for route 1 accounts		
07/07/2014	Consulting fees - Corporate	Hendriks	1.70
	Call Mahar and Schwarz re various outstanding items and people responsible for the various matters going forward to complete same; McKeown and ICS re sale of inventory to Wilkinson; Gallop re cash A/R and offsets update and changes to same then forward to Schwarz and Mahar for review; Gallop and Schwarz re status of financial information for HST audit and stub-period		

corporate returns

07/07/2014	Consulting fees - Corporate	Gallop	5.40
	Attend plant and receive and review various reports required for A/R roll; update cash flows and receivers receipts from TD and distribute; review components of sundry account and expand July 5 roll of A/R sub ledger for these amounts; compare to write off processed (Costco and Longo's outstanding); enquire with Jerry re books updating to May 6; enquiries re HST audit and email J Hendriks; review draft TBs and discuss revisions with Jerry and instruct; emails with unsuccessful bidder re status of auction; meet with S Bradley re accounting access and make arrangements to gain access Tuesday; review draft May 6 financial statements and query various accounts re Bankruptcy date and confirm and direct adjustments; various receivable matters including Cargill, Rothsay		
07/07/2014	Banking - Corporate	Samoilov	0.50
	Banking, posting.		
07/08/2014	Consulting fees - Corporate	Da Silva-Falcione	0.20
	Scan/email Hydro invoices to R. Gallop et al.		
07/08/2014	Consulting fees - Corporate	Chopowick	1.20
	Respond to employee queries re WEPP via email and telephone; open/review mail; follow up discussion with J Hendriks regarding eligible employees not on WEPP data previously provided by company; telephone call with ADP re outstanding invoice and delayed processing of T4s; emails to/from IUOE Local 772 regarding employees belonging to this union.		
07/08/2014	Consulting fees - Corporate	Hendriks	1.00
	Calls and emails re employee issues, deposit with Enbridge, deposit refund outstanding (then received) from Toronto Hydro, accounts receivable details with Gallop, discussion with English re outstanding matters with Koskie Minsky and potential impact on receiver's occupation of premises, remaining frozen inventory, etc.		
07/08/2014	Consulting fees - Corporate	Gallop	5.30
	Attend plant and discuss planning points with D Schwartz including staffing, receivables and collections and remote receiver activities; redistribute Last week A/R and conference call with B McKeown and D Schwartz to review July 4 receivables and outline required activities and confirm D Schwartz supervision		

of collection efforts; review Bell summary of outstanding invoices, compare to bills collected (complete), and provide Bell summary and excluded Bell summary bills to S Bradley for direction on continuation; Email B McKeown the Bell lines billed to Quality to be contra from amounts owing to Tasty; forward May 6 financial statements to J Hendriks and reply to telephone query re F/S captioning; revise B McKeown request for Tasty funds transfer for contras of Bell and Quality A/R and delivery of cheques on hand to Farber; arrange auctioneer access to Niagara for display of CRM server and photographs for auction; meet with Nimpha re status of Loblaw's chargebacks and inclusion of EDI 821 references, meet with Jerry to confirm accounting access points (Dynamics) passwords and modules loaded and how to utilize and dry run of access to the system; discuss RBC Life insurance PAD with D Schwartz and provide copy of bank statement for follow up on PADs and policy; request and review frozen inventory status

07/08/2014	Banking - Corporate Banking, posting.	Samoilov	1.00
07/09/2014	Consulting fees - Corporate Email to R Gallop, J Hendriks and B Arruda re IUOE Local 772 employee members; email to S Caetano re status of WEPP data; respond to employee/creditor queries.	Chopowick	0.70
07/09/2014	Consulting fees - Corporate Emails re payments to Tasty and to Sanimax; call Arruda confirming no offset to Sanimax re premises repairs satisfactory after Sanimax removed their equipment; T4, engineer union and WEPP issues with Arruda, Aurora and Chopowick; emails and calls English and Schwarz re receiver notice to landlord re occupancy; outstanding rent calculation and request cheques; call with Schwartz to discuss various outstanding issues updates; Gallop and Buonaiuto re HST audit and queries from auditor	Hendriks	2.70
07/09/2014	Consulting fees - Corporate Correspondence regarding the Enbridge deposit and regarding the Hydro deposit.	Mitchell	0.50
07/09/2014	Consulting fees - Corporate Call with B McKeown for meeting for IT review; review Tasty requests and request corrected process; email Jerry for revised financial statements with correct captioning; call with	Gallop	1.50



		Jerry re trial balances and HST audit; email J Hendriks re HST auditor request and follow up call re HST and staffing; email process for cheques and couriers to L Samoilov and N Delarosa; call from Brian re A/R reporting for Tasty A/R in QMP books; email D Schwartz re cheque process; respond to T4 info and staffing requests	
07/09/2014	Banking - Corporate Banking, posting.	Samoilov	0.60
07/10/2014	Consulting fees - Corporate Respond to employee and creditor queries via telephone and email; telephone call to C Harding of Service Canada regarding calls from employees indicating that Service Canada was denying their claims and request she investigate; telephone discussions with Elizabeth regarding list of employees that were not on the WEPP lists and contacted Farber requesting WEPP package; discussion with J Hendriks re same; email to Elizabeth requesting she provide either WEPP data or proof of termination for those employees, and request for information regarding employee who says he is owed one week vacation pay and that has not been paid.	Chopowick	1.60
07/10/2014	Consulting fees - Corporate Update of interested parties to Lyle; consulting and occupation and rent invoices review and processing; cash receipts summary from Gallop; process Tasty Chip repayments; follow up T4's	Hendriks	0.50
07/10/2014	Consulting fees - Corporate Review AR July 5 for Brian's breakout of Tasty, revise and send to Brian and discuss Noto; attend plant for meeting with Serge (no-show) for discussion of computer environment; meet with HST auditor (Arlene) and review requirements (asked for detailed AP invoices and fixed asset listing); respond to voicemail from Arlene re systems access and calls with Jerry and Belchior as follow up	Gallop	1.50
07/10/2014	Banking - Corporate Banking, posting.	Samoilov	1.40
07/11/2014	Consulting fees - Corporate Follow up emails to Karen Doucet of ADP regarding delivery of 2014 T4s.	Chopowick	0.20

07/11/2014	Consulting fees - Corporate To review and sign contracted labour and other cheques.	Cooperman	0.30
07/11/2014	Consulting fees - Corporate Review cash flows for week including today knowns and report; report on Metro A/R; email Serge re outstanding Bell reporting and HST data requirements; instruct Lidia re payrolls and receipt; email Seema requesting bank balances and sweep for Monday	Gallop	1.00
07/11/2014	Banking - Corporate Banking, posting.	Samoilov	1.20
07/14/2014	Consulting fees - Corporate Request bank activity from TD bank, receive B McKeown query and provide advance adjustments; request prior week receivables activity from Nimpha; calls with B McKeown re Loblaw's and request analysis; review and approve Tasty transfer; prepare and distribute transfer accounting; review Loblaw payment re 2013 and query Nimpha; attend top T4 payroll enquiries and provide remittance advice	Gallop	1.20
07/14/2014	Consulting fees - Corporate Respond to employee queries re WEPP; follow up emails to Karen Doucet of ADP regarding 2014 T4s; email to J Hendriks to confirm receipt of boxes of 2014 T4s; update website and post documents.	Chopowick	1.00
07/14/2014	Banking - Corporate Banking, posting.	Samoilov	0.50
07/15/2014	Consulting fees - Corporate Emails and calls re proposed changes to paragraph 5 of draft order; prepare for and attend Court re interim distribution approval; Gallop re outstanding matters; call from CRA re timing of payments on TAL RP0003; T4's from Maguire and meeting Chopowick to issue and to get copy of T4 summary for Receiver's records; call from Accuval re interest in equipment; Gallop re BNS life insurance PAD's; Aurora and Chopowick re WEPP for employees on extended leave	Hendriks	2.40
07/15/2014	Consulting fees - Corporate Call with Jerry re audit; call with Brian re planned meeting with Serge; v/m from Arlene of CRA re audit requirements and system down; call with Jerry and Arlene re next steps and	Gallop	1.40

manpower requirements; call with B McKeown, call with Serge for requirements re Bell and copies of downloads for CRA; call with Nimpha re Loblaw status (updating with Donna, work in progress); review Loblaw approved claim and email update to Brian; review Nimpha's updated Loblaw workbook; follow up call from Jerry re HST audit progress and next steps

07/15/2014	Consulting fees - Corporate	Chopowick	1.00
	Respond to employee/creditor queries; re-enter WEPP data for E Araujo; telephone calls with CRA regarding T4s and T4 Summary; telephone calls to ADP to ask about T4 Summary for both accounts; discussion with J Hendriks re sending T4s; request for copy of N Flamino's 2013 T4 to be sent to his home; emails to C Maguire re same and to enquire whether T4 Summaries were received from ADP.		
07/15/2014	Banking - Corporate	Samoilov	0.50
	Banking, posting.		
07/16/2014	Consulting fees - Corporate	Hendriks	0.90
	CRA Sudbury re demand on TAL RP003; Mahar and English re clean issued-and-entered order and timing of payments related thereto; Watts and Samoilov re unclaimed VP cheque for F. Santiago; Graff and Lyle re update on auction process; Miller re two problem A/R accounts		
07/16/2014	Consulting fees - Corporate	Gallop	0.70
	Receive email from TD Bank re Longos funds, update cash flow; call from B McKeown re Longo's receipts and contra; emails with D Schwartz re status Jerry, Serge and HST audit		
07/17/2014	Consulting fees - Corporate	Hendriks	0.70
	Emails Schwartz re wiring \$7.5m secured debt repayment per Court order; other miscellaneous payments and occupation issues; clean order from Court and to Falcione to post on website		
07/17/2014	Consulting fees - Corporate	Gallop	0.40
	Review Longo's TC package and approve payment		
07/17/2014	Banking - Corporate	Samoilov	1.80
	Banking, posting.		
07/18/2014	Consulting fees - Corporate	Cooperman	0.30
	Receivership financial matters - approve & sign cheques.		

07/18/2014	Consulting fees - Corporate Review and approve consultants invoices; Watts re replacement cheque for Santiago; Schwarz re upcoming meeting re outstanding issues	Hendriks	0.50
07/18/2014	Consulting fees - Corporate Call with Belchior re payroll and Serge's Bell reporting requirements; call from Nimpha re receipts and instruct and forward TC for processing to B McKeown; email TD Bank re Friday wires and sweep; update Bell payment request for Serge's instructions and additional bills	Gallop	1.30
07/18/2014	Consulting fees - Corporate Post document to website and update site text; respond to calls and emails from employees re WEPP; telephone call from employee requesting letter re employment start date with QMP.	Chopowick	0.30
07/18/2014	Banking - Corporate Banking, posting.	Samoilov	1.30
07/21/2014	Consulting fees - Corporate Update cash flow and distribute with comments; review Enbridge request for funds (TAL) review payments and query Leslie; discuss outstanding points with J Hendriks; finalize Bell summary and forward for agreement with D Schwartz, email Serge for missing Bell bills	Gallop	1.00
07/21/2014	Consulting fees - Corporate Prepare numerous cheque requisitions for Quality Meat & Toronto Abattoirs, reconciliation of Enbridge paid to date for R. Gallop	Blunda	0.80
07/21/2014	Consulting fees - Corporate Review and follow up outstanding items and email to Schwartz re same for discussion at tomorrow's meeting; follow up with Gallop re cash and A/R status; request from Ontario Pork re return of euthanizing kits owned by Ontario Pork	Hendriks	1.00
07/21/2014	Consulting fees - Corporate Telephone calls and emails from employees re WEPP program.	Chopowick	0.60
07/21/2014	Banking - Corporate Prepared deposits for bank deposit.	Lloyd-Key	0.60

07/21/2014	Banking - Corporate Prepared cheques for mailing.	Lloyd-Key	0.50
07/22/2014	Consulting fees - Corporate Call from Nimpha; review payment and deduction remittances emails; instruct re correspondence and cheques and notify J Hendriks; review Nimpha's emails, call with Belchior re continued Bell requirements; emails with Enbridge re payment status	Gallop	0.80
07/22/2014	Consulting fees - Corporate Call Equitable Life; occupation expenses and email to Arruda re interim reading on main water meter; call from Chen re need letter re WEPP; prepare for and attend meeting with Arruda and Schwartz re outstanding items and action plan going forward; email from Lyle re auction status and items	Hendriks	2.30
07/22/2014	Consulting fees - Corporate Telephone calls and emails from employees re WEPP program; re-enter WEPP data for QMP employee; telephone call from CRA requesting 2014 T4 Summaries; email to ADP to request 2014 T4 Summaries.	Chopowick	1.00
07/22/2014	Banking - Corporate Prepared cheques and deposits.	Lloyd-Key	1.10
07/22/2014	Banking - Corporate Banking	Blunda	0.50
07/23/2014	Consulting fees - Corporate Receive B McKeown request for funds; email TD requesting activity and sweeps; review, approve and instruct payments to Tasty Chip; update schedule of receiver's transfers; update and distribute cash flow with commentary; receive email and voice mail payment queries from Angela of Enbridge Gas and forward to L Blunda for follow up and confirmations	Gallop	1.30
07/23/2014	Consulting fees - Corporate Follow up emails from yesterday's meeting with company; call Lyle re auction and garbage/elevator issues	Hendriks	0.40
07/23/2014	Banking - Corporate Banking	Blunda	0.50

07/24/2014	Consulting fees - Corporate Emails from L Blunda re Tasty payments and call to answer queries; attend to hand over Bell and auditor emails	Gallop	1.00
07/24/2014	Consulting fees - Corporate Banking	Blunda	0.80
07/24/2014	Consulting fees - Corporate Follow up outstanding items re HST audit, miscellaneous employee queries, elevator repair, utility expenses, etc.	Hendriks	0.70
07/24/2014	Consulting fees - Corporate Another follow up email to ADP re 2014 T4 summaries and lack of response to previous email; discussions with J Hendriks re request for employee letter, other eligible employees re WEPP; call from party requesting landlord information; calls to employees regarding letter request, WEPP eligibility; preparation of correspondence re M Fiorillo.	Chopowick	1.20
07/24/2014	Banking - Corporate Produced cheques.	Lloyd-Key	0.60
07/24/2014	Banking - Corporate Produced deposits for bank deposit.	Lloyd-Key	0.40
07/24/2014	Banking - Corporate Cheques and transfer re: Tasty Chip funds in Receiver's name	Blunda	0.50
07/25/2014	Consulting fees - Corporate Review and approve weekly consultant and other expenses; Gallop and Arruda re Bell lines; follow up with Nimpha re Forest Fibers A/R account details; Davenport re replacement cheque to Santiago	Hendriks	0.40
07/25/2014	Banking - Corporate Produced cheques.	Lloyd-Key	0.30
07/25/2014	Banking - Corporate Prepare cheque requisitions for payroll ending July 23/14, obtain copy of cashed Enbridge cheques and provide same to Enbridge and R. Gallop	Blunda	0.80
07/28/2014	Consulting fees - Corporate Update call with Schwarz; follow up property insurance reduction for July 30 payment; Arruda and Ontario Pork re euthanizing kits; call Buonaiuto and message from	Hendriks	0.80

CRA re outstanding HST audit information

07/28/2014	Consulting fees - Corporate	Chopowick	0.60
	Emails to/from ADP to follow up on status of T4 summaries requested by CRA; follow up email to C Maguire re request for copy of employee 2013 T4.		
07/28/2014	Banking - Corporate	Samoilov	0.80
	E-mail to TD re deposits from June 2 and June 18, 2014. Prepare and forward to TD request to investigate incorrect posting and post adjustments. Banking, posting.		
07/29/2014	Consulting fees - Corporate	Hendriks	0.40
	Follow up Toronto Hydro reconciliation of payments to date per Norton Rose request; correspondence from Quality		
07/29/2014	Consulting fees - Corporate	Mitchell	0.50
	Correspondence with J. Teskey of Norton Rose regarding her client Toronto Hydro, its bills and the status of the Receiver's deposit. Correspondence with C. Black, our insurance agent, regarding the revised July 28th invoice for premiums due to First Insurance Finance.		
07/29/2014	Consulting fees - Corporate	Chopowick	0.20
	Email to J Hendriks re employee request for 2013 T4.		
07/29/2014	Banking - Corporate	Lloyd-Key	0.50
	Prepared deposit and bank delivery.		
07/30/2014	Consulting fees - Corporate	Hendriks	0.70
	Updated R&D's to Schwarz as requested; follow up July 30 insurance payment with Samoilov; calls to CRA and Buonaiuto re HST audit; Arruda re Allstream, Bell, GS1 and CFIA		
07/30/2014	Consulting fees - Corporate	Chopowick	1.00
	Emails to/from Belchior to request copy of 2013 T4 for ex-employee; scan and mail same; email from creditor requesting status update of the estate; emails and telephone calls with employees regarding WEPP process and contact details.		
07/30/2014	Banking - Corporate	Samoilov	0.30
	Banking, posting.		

07/31/2014	Banking - Corporate Banking, posting.	Samoilov	1.30
08/01/2014	Consulting fees - Corporate Emails re ongoing occupation and receivership costs payments with Arruda and Samoilov including update rent schedule for August and to Samoilov for payment; follow up re HST audit	Hendriks	0.40
08/01/2014	Consulting fees - Corporate Enter WEPP data for three employees, prepare and send packages via mail.	Chopowick	0.70
08/01/2014	Consulting fees - Corporate July 28-14 emails to TD Bank and receive response; update cash flow and distribute; voice mail from Jerry B re CRA request for asset listing and refer to J Hendriks	Gallop	0.60
08/01/2014	Banking - Corporate Banking, posting.	Samoilov	0.80
08/05/2014	Consulting fees - Corporate Calls and emails Schwartz et al re Tasty Chip reconciliation; process outstanding invoices for occupation and receivership expenses; update email from Garfinkle re his action items; calls and emails Schwartz and Telus to re-activate cell phones	Hendriks	0.60
08/05/2014	Consulting fees - Corporate Respond to employee queries via email and telephone.	Chopowick	0.60
08/05/2014	Consulting fees - Corporate Emails throughout the week re reconciliation of Tasty amounts process	Gallop	0.30
08/05/2014	Banking - Corporate Banking, posting.	Samoilov	0.90
08/06/2014	Consulting fees - Corporate Bell and Tasty Chip reconciliations with Schwarz, Franks and Bailey; Maguire re WSIB accounts and ongoing billings	Hendriks	1.30
08/06/2014	Consulting fees - Corporate Email TD Bank for transactions and instruct sweep; review transactions; email re Loblaw and New Mandoor payments	Gallop	0.40

08/06/2014	Banking - Corporate Banking, posting. Review Bell's invoices and reconcile to Bell's payment schedule and GL.	Samoilov	2.10
08/07/2014	Banking - Corporate Banking, posting.	Samoilov	0.70
08/11/2014	Consulting fees - Corporate Invoices for last weeks premises expenses and consultants; review, amend and sign retainer letter for CRA Fairness consultant and copy to consultant and Schwartz	Hendriks	0.50
08/11/2014	Banking - Corporate Banking, posting.	Samoilov	1.70
08/12/2014	Consulting fees - Corporate Package of cheques and mail from Bailey; call from Schwartz re IP, property taxes, water bills, properties leased from City of Toronto, etc.	Hendriks	0.40
08/12/2014	Consulting fees - Corporate Respond to employee queries re WEPP claims via email and telephone.	Chopowick	0.60
08/12/2014	Banking - Corporate Banking, posting.	Samoilov	0.80
08/13/2014	Consulting fees - Corporate Bailey re cheque to Tasty Chip; review A/R info to be scanned and sent to English for Basset & Walker and Forest Fiber; package of mail from plant; \$89k of cheques from Export re sale of inventory	Hendriks	0.60
08/13/2014	Consulting fees - Corporate Respond to emails and telephone queries from ex-employees and creditors regarding claims and WEPP; telephone discussion with Viscofan and email to J Hendriks regarding request to confirm claim acceptance amount for insurance purposes; scan various documents and email to J Hendriks.	Chopowick	1.00
08/13/2014	Banking - Corporate Banking, posting.	Samoilov	0.80
08/14/2014	Consulting fees - Corporate Third party asset claims and ongoing high water bill follow up with Arruda; email to English re materials for demand letter to Forest Fiber and Bassett Walker;	Hendriks	0.70

parties interested in auction assets and in real estate

08/14/2014	Consulting fees - Corporate	Chopowick	0.70
	Respond to various emails and telephone calls from employees regarding WEPP and eligibility; scan and email various documents to J Hendriks.		
08/14/2014	Banking - Corporate	Samoilov	0.80
	Prepare and forward to CRA request to open divisional HST number and process form RC59. Banking, posting.		
08/15/2014	Consulting fees - Corporate	Hendriks	0.60
	Mail from plant including cheques from Export Packers re sale of inventory; consultants and security cheques for next week; Arruda re water usage on both meters at plant; email from/to Youngerman re his interest in auction assets		
08/15/2014	Banking - Corporate	Samoilov	0.60
	Banking, posting.		
08/18/2014	Consulting fees - Corporate	Hendriks	0.40
	Calls and emails Bailey re reconciliation of funds from Export Packers and allocation to Tasty, if any; call Gallop and emails Gallop, Maguire and Samoilov re funds wired to TD account last week		
08/18/2014	Consulting fees - Corporate	Chopowick	0.40
	Respond to employee queries regarding WEPP.		
08/18/2014	Consulting fees - Corporate	Gallop	0.30
	Attend to TD Bank balance enquiry and response		
08/18/2014	Banking - Corporate	Samoilov	0.50
	Prepare RC59 and request to open divisional HST numbers for Toronto Abattoirs receivership and bankruptcy.		
08/19/2014	Consulting fees - Corporate	Hendriks	0.80
	Arruda re water reading and re books and records storage vis-a-vis upcoming Hilco auction; package from Tasty with cheques, bank statements and other documents; call to CRA re status of HST audit and if any additional information required; emails Graff re queries on status of receivership, auction and interest in butina		

08/19/2014	Consulting fees - Corporate	Chopowick	0.60
	Respond to employee queries regarding WEPP; re-enter WEPP data as requested and notify employee.		
08/19/2014	Banking - Corporate	Samoilov	0.90
	Banking, posting. E-mail to TD bank following up incoming transfers.		
08/20/2014	Consulting fees - Corporate	Hendriks	0.90
	Call from Schwarz re Tasty Chip receipts, letters to B&W and Forest Fibers cheque from Element, letter from hydro re potential problem with new meter, receipts and disbursements, rent cheques for September, etc.; follow up same with Samoilov, Bailey, McGuire and Arruda; draft letters from Aird & Berlis to Bassett & Walker and Forest Fibers including review of amount being claimed from B&W re third invoice for destroyed shipment; Gallop re follow up of books and records storage		
08/20/2014	Consulting fees - Corporate	Chopowick	0.30
	Prepare and forward copy of WEPP package to two employees who did not receive originals.		
08/20/2014	Consulting fees - Corporate	Gallop	1.30
	Attend 2 Tecumseth and review storage requirements with B Arruda; review Farber office contents at Quality and instruct and retrieve for filing		
08/20/2014	Banking - Corporate	Samoilov	1.20
	Banking, posting.		
08/21/2014	Consulting fees - Corporate	Hendriks	1.20
	R&D for Quality and TAL to August 21, 2014 as requested by Schwartz; emails Aird & Berlis re letter to B&W, their response and our recommended follow up thereto and subsequent emails between counsel; call from interested party re assets; call from City of Toronto Provincial Offences counsel re questions on proceedings; emails from Sun Life re them to wind up pension plan and requesting our appointment documents		
08/22/2014	Consulting fees - Corporate	Hendriks	0.10
	Cheques; call Arruda re time still being charged by Serge		

08/22/2014	Consulting fees - Corporate Respond to creditor and employee queries; preparation of correspondence to creditor, Viscofan, regarding their claim for insurance purposes.	Chopowick	1.00
08/22/2014	Banking - Corporate Banking, posting.	Samoilov	1.10
08/25/2014	Consulting fees - Corporate Review Toronto Hydro (TAL) invoices last few days and call with L Samoilov re process for weekly payments; email TD Bank for prior week activity; call with Seema P and email receipts and query to D Schwartz; attend to Basset and Walker email and response	Gallop	0.60
08/25/2014	Consulting fees - Corporate Respond to employee queries regarding WEPP.	Chopowick	0.40
08/25/2014	Banking - Corporate Banking, posting.	Samoilov	0.80
08/26/2014	Consulting fees - Corporate Telephone discussion with party interested in contacting landlord for QMP property; email to J Hendriks re same.	Chopowick	0.20
08/26/2014	Banking - Corporate Banking, posting.	Samoilov	0.10
08/27/2014	Consulting fees - Corporate Emails re TeloIP vendor; email to B Arruda for requirements; review B McKeown AR and instruct re Loblaws and Sobeys receipts	Gallop	0.60
08/27/2014	Consulting fees - Corporate Call from company's IT provider asking about outstanding invoices and whether to continue service; emails to/from J Hendriks, R Gallop and B Arruda regarding same; follow up call to IT provider confirming that service should continue and indicating we would review invoices to determine which ones were to be paid by the Receiver and which ones would entitle them to an unsecured claim.	Chopowick	0.50
08/27/2014	Banking - Corporate Banking	Blunda	0.50
08/27/2014	Banking - Corporate Bank reconciliation for July 2014.	Lloyd-Key	0.30

08/28/2014	Consulting fees - Corporate Respond to various calls/emails from employees regarding WEPP.	Chopowick	0.60
08/29/2014	Consulting fees - Corporate Call from creditor looking for information on bidding on certain equipment; email to J Hendriks re same.	Chopowick	0.20
08/29/2014	Banking - Corporate Banking	Blunda	1.50
09/02/2014	Consulting fees - Corporate Emails re services to premises, upcoming auction and deposits/wires for Tasty; email from Cassels re status of insurance claim issues; call from Schwarz re updates on vacation pay and re various outstanding matters; emails re Bassett Walker A/R follow up	Hendriks	1.00
09/02/2014	Consulting fees - Corporate Request transaction and sweep from TD Bank; review payment advices from J Hendriks compare to bank and advise	Gallop	0.40
09/02/2014	Banking - Corporate Banking	Blunda	0.50
09/03/2014	Consulting fees - Corporate Follow up outstanding items from yesterday's call with Schwartz; Arruda and Hilco re status of auction and lots split between RBC and QMP	Hendriks	0.50
09/03/2014	Banking - Corporate Banking, posting.	Samoilov	0.20
09/04/2014	Consulting fees - Corporate Calls and emails re premises, Bassett Walker, consultants, funds from Element Leases, etc.	Hendriks	0.30
09/04/2014	Banking - Corporate Banking, posting.	Samoilov	0.30
09/05/2014	Consulting fees - Corporate Calls and emails re updates on IT consultants, auction, Basset Walker, water meter, utilities, etc.	Hendriks	0.40
09/05/2014	Banking - Corporate Banking, posting.	Samoilov	0.60

09/08/2014	Consulting fees - Corporate Document preparation.	Da Silva-Falcione	0.50
09/08/2014	Consulting fees - Corporate Gallop and Schwarz re funds for Tasty; Iron Horse invoice; follow up re BWI settlement and emails English re status; follow up status of Forest Fiber demand with Aird & Berlis	Hendriks	0.50
09/08/2014	Consulting fees - Corporate Review TD Bank activity and distribute	Gallop	0.20
09/08/2014	Banking - Corporate Review account activity. Assist L. Lloyd-Key with the bank reconciliations for the month of June 2014. Posting journal entry adjustments. Prepare and forward to Tasty Chip the copies of all cheque stubs payable to Tasty Chip.	Samoilov	1.60
09/09/2014	Consulting fees - Corporate Calls and emails Arruda and Schwartz re cell phone service and payments, auction lots, transfers to Tasty, water bills and sprinkler compressor automatically switching from meter #1 to meter #2; settlement with Bassett Walker; Services Canada call re EI verifications	Hendriks	1.20
09/09/2014	Consulting fees - Corporate Review and authorize payment of Tasty invoices	Gallop	0.50
09/09/2014	Banking - Corporate Banking. Review bank account activity re: A/R transfers. E-mail exchange with M. Bailey re refunds to Tasty Chip.	Samoilov	1.60
09/09/2014	Banking - Corporate Bank reconciliation for July 2014.	Lloyd-Key	0.40
09/10/2014	Consulting fees - Corporate Discussion with Service Canada re: discrepancies on ROE; email to J. Hendriks re: same and seeking instructions.	Da Silva-Falcione	0.20
09/10/2014	Consulting fees - Corporate Emails and calls Arruda, Gallop, Simkic and Schwartz re Basset Walker, water bills, TSSA invoice re Clayton opening TSSA seal on a boiler, funds at TD and from Tasty, incoming cheques from Metro and timing of reimbursement to Tasty, copy of May 6, 2014 trial balances to Schwartz as requested, Telus bill paid by Schwartz to reactivate phones, etc.; emails Zagar re	Hendriks	2.00

status of insurance claim with Lloyds and to get a quote on coverage opinion; Schwartz re his request for an interim licensing deal until offer to purchase can be Court approved; emails PwC re sale to Sofina and possibility of surplus funds after paying out Farm Credit and Royal Bank and consider the impact on intercompany amounts owed to QMP; ROE follow up requested by Services Canada for Zhang

09/10/2014	Consulting fees - Corporate Attend to FS request; attend to TD bank request and confirmation	Gallop	0.40
09/10/2014	Banking - Corporate Banking, posting. Assist L. Lloyd-Key with the bank reconciliations for June, July 2014.	Samoilov	2.10
09/11/2014	Consulting fees - Corporate Calls Arruda and Schwartz re auction status; Tasty Chip payment to bring up to date; Metro remittance slip copies to Schwartz as requested; Simkic re finalizing BWI settlement	Hendriks	1.00
09/11/2014	Banking - Corporate Banking, posting. E-mail to TD following up an incoming funds transfer.	Samoilov	0.80
09/12/2014	Consulting fees - Corporate Update from Arruda on auction status, plan to clear premises, water v. electric compressor for sprinkler, etc.; IP licensing agreement to Schwartz; weekly consultant and utilities invoices; emails Simkic re BWI settlement agreement	Hendriks	0.60
09/12/2014	Banking - Corporate Banking, posting.	Samoilov	0.80
		Total For Services	\$ 92,864.50
	Expenses: Photocopies, faxes, miscellaneous costs, etc.	Total For Expenses	<u>2,003.05</u>
		Subtotal	94,867.55
		HST	<u>12,072.39</u>
		Current Amount Due	<u>\$ 106,939.94</u>

HST#136800752RT0001

A. FARBER & PARTNERS INC.

QUALITY MEAT PACKERS LIMITED
TORONTO ABATTOIRS LIMITED

SUMMARY OF TIME INCURRED
JUNE 14, 2014 TO SEPTEMBER 12, 2014

Name	Total Hours	Rate Per Hour	Billing
G. Lifman	2.50	\$575.00	\$1,437.50
S. Mitchell	4.70	\$575.00	\$2,702.50
J. Cooperman	0.60	\$575.00	\$345.00
J. Hendriks	80.00	\$525.00	\$42,000.00
R. Gallop	116.20	\$225.00	\$26,145.00
L. Blunda	6.90	\$190.00	\$1,311.00
L. Samoilov	49.40	\$165.00	\$8,151.00
L. Lloyd-Key	19.90	\$155.00	\$3,084.50
D. Falcione	1.90	\$155.00	\$294.50
A. Chopowick	47.70	\$155.00	\$7,393.50
Totals	329.80		\$92,864.50

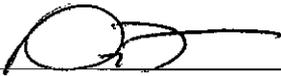
Average Hourly Rate: \$281.58

Attached is Exhibit "B"

Referred to in the
AFFIDAVIT OF JOHN HENDRIKS

Sworn before me

This 15th day of October, 2014



Commissioner for taking Affidavits, etc.

**Diane Da Silva-Falcione, A Commissioner, etc.,
Province of Ontario, for A. Farber & Partners Inc.
Trustee in Bankruptcy.
Expires: January 16, 2015.**

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Suite 1600
Toronto, ON M5H 3S5
Canada
Office 416.497.0150
Fax 416.496.3839
www.farberfinancial.com

October 14, 2014

Quality Meat Packers Limited and
Toronto Abattoirs Limited
2 Tecumseth Street
Toronto, ON M5V 2R5

Invoice No. 11355

Receiverships of Quality Meat Packers Limited and Toronto Abattoirs Limited

TO PROFESSIONAL SERVICES RENDERED BY A. FARBER & PARTNERS INC. for the period from September 13, 2014 to October 10, 2014.

DATE	SERVICE	STAFF	HOURS
09/15/2014	Consulting fees - Corporate Emails and calls interested parties, RBC's counsel and Hilco re status of auction, lots still available etc.; sign BWI settlement agreement and email from counsel re settlement funds wired to receiver account to be confirmed.	Hendriks	0.40
09/15/2014	Consulting fees - Corporate Respond to employee calls and emails regarding WEPP; respond to creditor queries.	Chopowick	0.50
09/15/2014	Banking - Corporate Banking, posting.	Samoilov	0.50
09/16/2014	Consulting fees - Corporate Update documentation for J. Hendriks review.	Da Silva-Falcione	0.40
09/16/2014	Consulting fees - Corporate Review email and accounting from Equitable Life on remaining amounts due to/from QMP, TAL and Great Lakes; summary email with recommendation to Schwartz re no further follow up from the QMP or TAL; emails English re: status; confirm funds received from Bassett Walker re: A/R settlement; follow up with Simkic re: Forest Fiber status; status update call from Schwartz; follow up Tasty Chip funds received via cheque and wire in last day	Hendriks	0.90
09/16/2014	Consulting fees - Corporate Request bank activity and sweep from TD Bank and follow up on receipt	Gallop	0.20

09/16/2014	Banking - Corporate Banking, posting.	Samoilov	0.90
09/17/2014	Consulting fees - Corporate Finalize documentation.	Da Silva-Falcione	0.20
09/17/2014	Consulting fees - Corporate Arruda and Ferris re: Iron Horse cheque not yet delivered from Tasty to QMP; emails Lyle and Arruda re: surveillance system	Hendriks	0.20
09/17/2014	Consulting fees - Corporate Emails to/from creditor (Design Label) and Coface regarding Design Label's claim and request for documentation for their insurance claim with Coface.	Chopowick	0.60
09/17/2014	Banking - Corporate Banking, posting. Filing HST return for May, June, July, and August 2014.	Samoilov	1.90
09/18/2014	Consulting fees - Corporate Arruda re: TELoIP open invoice, TELoIP account termination charges and security cameras; Schwartz re: premises rent payments to date	Hendriks	0.10
09/18/2014	Consulting fees - Corporate Update creditor database for claim received.	Chopowick	0.10
09/18/2014	Banking - Corporate Bank reconciliation for August 2014.	Lloyd-Key	0.40
09/18/2014	Banking - Corporate Filing HST returns for RT0001 account for May, June, July, and August 2014. (TAL). Banking, posting.	Samoilov	0.80
09/19/2014	Consulting fees - Corporate Proof of claim from Design Label requesting confirmation of amount and queries to Schwartz re: alleged shipment of May 20/14; operations and premises issues with Arruda; Lyle re: sold assets for future insurance premium reduction	Hendriks	0.40
09/19/2014	Consulting fees - Corporate Banking	Blunda	0.20
09/19/2014	Consulting fees - Corporate Email to/from creditor (Design Label) to regarding further documentation or information required to support amount indicated on their Proof of Claim; email and	Chopowick	0.50

discussion with J Hendriks; further email to Design Label to advise that can only confirm claim amount as indicated on Statement of Affairs.

09/19/2014	Banking - Corporate Bank reconciliation for August - TAL.	Lloyd-Key	0.30
09/19/2014	Banking - Corporate Prepared various cheques for pick up and mailing.	Lloyd-Key	0.60
09/22/2014	Consulting fees - Corporate Status update call with Schwartz; emails Simkic re: Forest Fiber; ongoing water bill issues with Arruda; Cassels Brock re: insurance claim re: Imperial Cold Storage; wire transfer from Loblaws and Metro cheques to Tasty; emails Graf and Lyle re: status on sale of RBC	Hendriks	1.40
09/22/2014	Consulting fees - Corporate Request bank activity and sweep from TD Bank	Gallop	0.20
09/22/2014	Banking - Corporate Banking, posting.	Samoilov	1.30
09/23/2014	Consulting fees - Corporate Arruda and Schwartz re: premises matters; follow up with Lyle re: balance of net minimum guarantee and confirm receipt thereof; Lyle re: RBC and other auction matters; Schwarz and English re: timing and steps for next interim distribution, review of last report, IP credit bid sale, etc.;	Hendriks	2.50
09/23/2014	Banking - Corporate Banking, posting.	Samoilov	1.70
09/24/2014	Consulting fees - Corporate Email to creditor regarding amended claim.	Chopowick	0.10
09/24/2014	Banking - Corporate Filing HST returns for May, June, July, and August 2014.	Samoilov	1.20
09/26/2014	Consulting fees - Corporate Call from Shimmerman re: interest in City of Toronto Abattoir license; calls and emails Arruda and Lyle re: elevator repairs needed to access sold assets from pickle cellar; weekly consultants' invoices; CRA request for address of former employee re: amended 2013 T4; emails Graff re: timing and quantum of RBC distribution.	Hendriks	1.10

09/26/2014	Banking - Corporate Banking, posting.	Samoilov	0.50
09/29/2014	Consulting fees - Corporate Request bank activity and sweep from TD Bank	Gallop	0.20
09/29/2014	Consulting fees - Corporate Hilco, Xpress Technologies and Arruda re: elevator repairs; call Black re insurance coverages; Samoilov re: monthly rent and insurance payments; prepare summary of monthly costs and to Schwartz; call Schwartz to discuss Sysco, fleet insurance, monthly insurance payments, estimated time for Receiver to occupy, Holdings payment to City re outstanding water and taxes, City of Toronto license; two couriers with cheques to deposit and re-route back to Tasty; email to Sysco re: \$30k a/r due to QMP; Iron Horse for this week's security.	Hendriks	2.00
09/29/2014	Banking - Corporate Banking, posting.	Samoilov	1.60
09/30/2014	Consulting fees - Corporate Emails re: Bell bill and need for all the lines; call with RBC to negotiate and finalize cost-sharing agreement re: RBC equipment in QMP auction; emails and meeting Samoilov re: funds from TD, back up re: funds deposited by Loblaws and payment to Tasty	Hendriks	0.40
09/30/2014	Banking - Corporate Banking, posting.	Samoilov	1.50
10/01/2014	Consulting fees - Corporate Re-enter WEPP data for employee.	Chopowick	0.20
10/01/2014	Consulting fees - Corporate Calls and emails counsels re: TD payout information for potential assignment of debt and IP sale agreement; updates re: Forest Fiber; incoming Metro cheques and payments to Tasty; email confirming RBC cost sharing to RBC, English and Schwarz	Hendriks	0.50
10/02/2014	Consulting fees - Corporate Calls and emails re notice of cancellation from insurer re: non-payment of October premium by Great Lakes and Tasty; Arruda re: general updates; Simkic re: Forest Fiber status	Hendriks	0.40

10/02/2014	Banking - Corporate Banking, posting.	Samoilov	0.30
10/03/2014	Consulting fees - Corporate Funds to account and reimburse portion to Tasty; review and approve security, garbage disposal and consultant fees	Hendriks	0.20
10/03/2014	Banking - Corporate Banking, posting.	Samoilov	0.50
10/05/2014	Consulting fees - Corporate Receive and reply to banking information requests and respond with information on hand and request for requirements	Gallop	0.50
10/06/2014	Consulting fees - Corporate Calls and emails English and Gallop re: transactions through the various TD bank accounts for support of assignment of claim from TD to QMP re QMP funds used to payout Great Lakes TD debt as at April 17, 2014; call from Dietrich re: status of insurance litigation matters; call Arruda re: premises issues and re: allocation of auction net minimum guarantee between QMP and TAL; Forest Fiber update from Simkic.	Hendriks	1.30
10/06/2014	Banking - Corporate Banking.	Samoilov	0.70
10/07/2014	Consulting fees - Corporate Call from CRA audit (non-insolvency) re: re-assessments to 2013 and 2014 payroll accounts re: 2013 PIER assessment change and deficiency (unsecured portion) of 2014 T4 summary all notwithstanding insolvency branch already audited and filed proofs of claim; follow up with CRA re: outstanding HST audit results and pre-audit refund due to estate; call from Schwartz re: status update on various outstanding issues; bank transaction summaries to Schwartz as requested; call to Black re: cancel fleet insurance and update on October premiums due from Tasty and Great Lakes; draft R&D's for QMP and TAL, including reallocation of costs and equipment sale proceeds, for Receiver's 3rd Report with comparison to R&D's in Receiver's 2nd report	Hendriks	3.10
10/07/2014	Banking - Corporate Banking, posting.	Samoilov	0.50

10/08/2014	Consulting fees - Corporate	Hendriks	6.00
	First draft of Third Report to court and to English for comments; calls PwC, BFL and Schwartz to make arrangements and avoid cancellation of insurance including extra payment to insurer for balance of outstanding October premium; call with McKenna re status of Great Lakes sale, estimated residual proceeds, creditors in that estate, timing to Court for distribution motion etc.; additional funds from Metro and to Tasty; Equitable Life request for position on offsets amongst related parties in group benefits plans.		
10/08/2014	Banking - Corporate	Lloyd-Key	0.50
	Prepared cheque for deposit at bank and processed cheque for pick up.		
10/09/2014	Consulting fees - Corporate	Hendriks	0.60
	Miscellaneous disbursements and receivables follow up; emails English and Equitable Life re offset claim of amounts owing from QMP and TAL against amounts owed to Great Lakes; follow up address for amended 2013 T4 prepared by CRA; Black to confirm October insurance in place; English re comments on draft Third Report and follow up re IP bill of sale and potential assignment of TD secured debt to QMP		
10/09/2014	Banking - Corporate	Lloyd-Key	0.40
	Bank reconciliation for September 2014.		
10/09/2014	Banking - Corporate	Samoilov	0.80
	Banking, posting.		
10/10/2014	Consulting fees - Corporate	Hendriks	1.70
	Weekly disbursements; call to Herrera of Sysco re status of a/r owed to QMP; review and update Third Report based on comments/changes from English and compile appendices		
10/10/2014	Banking - Corporate	Samoilov	1.20
	Banking, posting.		

Expenses: Photocopies, faxes, etc.	Total for Services	\$ 15,833.00
	Total for Expenses	<u>271.20</u>
	Subtotal	16,104.20
	HST	<u>2,058.29</u>
	Current Amount Due	\$ <u>18,162.49</u>

HST#136800752RT0001



A. FARBER & PARTNERS INC.

QUALITY MEAT PACKERS LIMITED
TORONTO ABATTOIRS LIMITED

SUMMARY OF TIME INCURRED
SEPTEMBER 13, 2014 TO OCTOBER 10, 2014

Name	Total Hours	Rate Per Hour	Billing
J. Hendriks	23.20	\$525.00	\$12,180.00
R. Gallop	1.10	\$225.00	\$247.50
L. Blunda	0.20	\$190.00	\$38.00
L. Samoilov	15.90	\$165.00	\$2,623.50
L. Lloyd-Key	2.20	\$155.00	\$341.00
D. Falcione	0.60	\$155.00	\$93.00
A. Chopowick	2.00	\$155.00	\$310.00
Totals	45.20		\$15,833.00

Average hourly rate: \$350.29

QUALITY MEAT PACKERS HOLDINGS LIMITED

and

QUALITY MEAT PACKERS LIMITED

Applicant

Respondent

Court File No.: CV-14-10537-00CL

ONTARIO
**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at **Toronto**

AFFIDAVIT OF FEES

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

D. Robb English (LSUC # 19862FIB)
Tel: (416) 865-4748
Fax: (416) 863-1515
E-mail: renglish@airdberlis.com

Lawyers for A. Farber & Partners Inc.

APPENDIX “I”

FEE AFFIDAVIT OF JEREMY NEMERS SWORN ON OCTOBER 23, 2014

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

QUALITY MEAT PACKERS HOLDINGS LIMITED

Applicant

- and -

**QUALITY MEAT PACKERS LIMITED AND
TORONTO ABATTOIRS LIMITED**

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c.B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c.C-43, AS AMENDED

AFFIDAVIT OF JEREMY NEMERS

(Sworn October 23, 2014)

1. I am an Associate at Aird & Berlis LLP and, as such, I have knowledge of the matters to which I hereinafter depose. Aird & Berlis LLP has acted as counsel for A. Farber & Partners Inc. in its capacity as the Court-appointed receiver (the “**Receiver**”) of the undertaking, property and assets of Quality Meat Packers Limited (“**QMP**”) and Toronto Abattoirs Limited (“**TAL**”) (collectively the “**Debtors**”).

2. Aird & Berlis LLP has prepared a Statement of Account in connection with its mandate as counsel to the Receiver, namely, an account dated July 28, 2014 in respect of the period from June 26, 2014 to July 24, 2014. Attached hereto and marked as **Exhibit “A”** to this my affidavit is a copy of the Statement of Account. The average hourly rate of Aird & Berlis LLP is \$637.05.

3. Aird & Berlis LLP has prepared a Statement of Account in connection with its mandate as counsel to the Receiver, namely, an account dated August 29, 2014 in respect of the period

from July 28, 2014 to August 29, 2014. Attached hereto and marked as **Exhibit "B"** to this my affidavit is a copy of the Statement of Account. The average hourly rate of Aird & Berlis LLP is \$480.19.

4. Aird & Berlis LLP has prepared a Statement of Account in connection with its mandate as counsel to the Receiver, namely, an account dated October 15, 2014 in respect of the period from August 30, 2014 to October 14, 2014. Attached hereto and marked as **Exhibit "C"** to this my affidavit is a copy of the Statement of Account. The average hourly rate of Aird & Berlis LLP is \$603.68.

5. This Affidavit is made in support of a motion to, *inter alia*, approve the attached account of Aird & Berlis LLP and the fees and disbursements detailed therein and for no improper purpose.

SWORN before me at the City of)
Toronto, in the Province of Ontario)
This 23rd day of October, 2014)
)
)
)

A Commissioner, etc.)



JEREMY NEMERS

Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF JEREMY NEMERS

Sworn before me

This 23rd day of October, 2014

Commissioner for taking Affidavits, etc

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

Brookfield Place, 181 Bay Street
Suite 1800, Box 754, Toronto, ON M5J 2T9 Canada
T 416.863.1500 F 416.863.1515
www.airdberlis.com

A. Farber & Partners Inc.
1600-150 York Street
Toronto, ON
Canada M5H 3S5

Attention: Mr. Gary Lifman

Account No.: 487210

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 13885/120173

July 28, 2014

Re: Quality Meat Packers Holdings Limited, Toronto Abattoirs Limited, Quality Meat Packers Group of Companies, Quality Meat Packers Limited

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended July 24, 2014:

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	26/06/14	\$395.00	0.20	\$79.00	Emails to and from client and L. Lisi regarding employment issues
IEA	27/06/14	\$395.00	0.20	\$79.00	Emails to and from client, L. Lisi and R. English regarding employee issues
DRE	27/06/14	\$750.00	0.80	\$600.00	Letter to Inspector counsel; Review landlord issue; Telephone call with J. Hendriks; Letter to K. Mahar
DRE	27/06/14	\$750.00	0.50	\$375.00	Deal with inspectors; Deal with Receiver, etc.
DRE	27/06/14	\$750.00	0.10	\$75.00	Letter to Farber, etc.
LL	27/06/14	\$630.00	0.50	\$315.00	Telephone discussion and email exchange with client regarding ESA provisions concerning calculation of notice; Telephone discussion with J. Hendricks; Email regarding calculation of service
DRE	30/06/14	\$750.00	1.00	\$750.00	Revise Receiver's draft report; Letter to K. Mahar; Letter to J. Levine; Instruct regarding motion

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DRE	30/06/14	\$750.00	0.40	\$300.00	Draft Notice of Motion and Order
DRE	30/06/14	\$750.00	0.30	\$225.00	Letter to J. Hendriks and K. Mahar
IEA	02/07/14	\$395.00	1.30	\$513.50	Telephone calls and emails to and from client and R. English re the motion materials and the hearing; Emails to and from K. Maher re same; Engaged with reviewing the draft motion materials; Engaged with reviewing the revised motion materials; Emails to and from R. English and K. Maher re the same
DRE	02/07/14	\$750.00	0.80	\$600.00	Letter to J. Hendriks; Revise draft Order and motion; Prepare Affidavit of Fees
DRE	02/07/14	\$750.00	0.30	\$225.00	Revise Affidavit of Fees; Instruct I. Aversa; Letter to J. Hendriks
DRE	02/07/14	\$750.00	0.50	\$375.00	Review revised order and motion material; Letter to K. Mahar; Instruct I. Aversa
IEA	03/07/14	\$395.00	1.90	\$750.50	Engaged with reviewing and revising the motion material; Telephone calls and emails to and from client, K. Maher and R. English re the same; Engaged with compiling the motion record
DRE	03/07/14	\$750.00	0.50	\$375.00	Letter to K. Mahar; Instruct I. Aversa
IEA	04/07/14	\$395.00	0.50	\$197.50	Emails to and from client and R. English regarding the motion record; Engaged with compiling and serving the motion record
DRE	07/07/14	\$750.00	0.40	\$300.00	Letter to Union counsel; Letter from inspector counsel
PW	07/07/14	\$155.00	0.60	\$93.00	Filed Motion Record for July 15, 2014
DRE	08/07/14	\$750.00	0.80	\$600.00	Review lease and disclaimer and Minutes; Telephone call with J. Hendriks; Letter to Union counsel and employee counsel

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DRE	08/07/14	\$750.00	0.30	\$225.00	Revise Inspector Minutes; Revise letter to landlord; Letter to J. Hendriks
DRE	09/07/14	\$750.00	0.70	\$525.00	Telephone call with J. Hendriks; Revise letter and Minutes
DRE	09/07/14	\$750.00	0.30	\$225.00	Telephone call with K. Mahar; Revise Minutes
DRE	10/07/14	\$750.00	0.20	\$150.00	Various letters
DRE	11/07/14	\$750.00	0.30	\$225.00	Update status
DRE	14/07/14	\$750.00	0.20	\$150.00	Review file and update Farber; Letter to K. Mahar
DRE	14/07/14	\$750.00	0.60	\$450.00	Prepare for motion; Telephone call with K. Mahar
DRE	14/07/14	\$750.00	0.50	\$375.00	Telephone call with K. Mahar; Letter to A. Hatnay; Review report and Order
DRE	14/07/14	\$750.00	0.20	\$150.00	Letter to A. Hatnay
DRE	14/07/14	\$750.00	0.40	\$300.00	Comments on Order; Prepare for Court
DRE	15/07/14	\$750.00	2.50	\$1,875.00	Prepare and attend before Brown J.; Letter to and instruct regarding Order and endorsement; Letter to A. Hatnay
DRE	16/07/14	\$750.00	0.30	\$225.00	Telephone call with J. Hendriks; Instruct regarding Order, etc.
DRE	16/07/14	\$750.00	0.30	\$225.00	Telephone call with J. Hendriks; Letter regarding Order
PW	16/07/14	\$155.00	0.60	\$93.00	Issued and entered Order of July 15, 2014
DRE	17/07/14	\$750.00	0.40	\$300.00	Letter to regarding payment to secured; Telephone call with J. Hendriks; Instruct regarding Order
DRE	17/07/14	\$750.00	0.30	\$225.00	Telephone call with and letter to J. Hendriks; Deal with issues
PW	17/07/14	\$155.00	0.60	\$93.00	Re-issued and entered Order of July

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					15, 2014
DRE	18/07/14	\$750.00	0.80	\$600.00	Deal with media inquiry; Deal with accounts; Deal with inspectors; Telephone call with J. Hendriks
DRE	18/07/14	\$750.00	0.50	\$375.00	Meeting with J. Hendriks; Discuss remaining issues
DRE	21/07/14	\$750.00	0.30	\$225.00	Letter to K. Mahar; Letter to J. Hendriks; Letter to inspectors
DRE	21/07/14	\$750.00	0.30	\$225.00	Deal with outstanding issues
DRE	22/07/14	\$750.00	0.10	\$75.00	Letter to Inspectors
DRE	23/07/14	\$750.00	0.10	\$75.00	Letter to D. Abreu; Follow up
DRE	23/07/14	\$750.00	0.30	\$225.00	Review and update billings
DRE	24/07/14	\$750.00	0.20	\$150.00	Telephone call with J. Hendriks; Review status of minutes and distribution

TOTAL: 22.90 \$14,588.50

OUR FEE \$14,588.50
 HST at 13% \$1,896.51

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Notice of Motion/Application \$127.00

Subject to HST

Photocopies - Local	\$17.00
Photocopies	\$217.00
Imaging/Scanning	\$37.00
Binding and Tabs	\$34.00
Deliveries/Parss	\$76.49
Long Distance Charges	\$5.60
 Total Disbursements	 \$387.09
HST at 13%	\$50.32

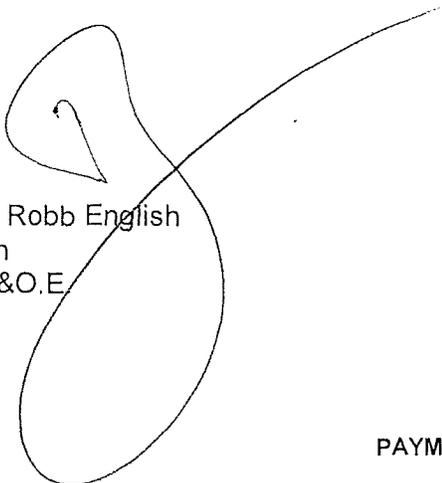
AMOUNT NOW DUE \$17,049.42

SUMMARY

Name	Year of Call	Hours	Rate	Value
Ian E. Aversa (IEA)	01/08/08	4.10	\$395.00	\$1,619.50
D. R. English (DRE)	01/01/80	16.50	\$750.00	\$12,375.00
Lorenzo Lisi (LL)	01/01/90	0.50	\$630.00	\$315.00
Patrick Williams (PW)		1.80	\$155.00	\$279.00

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

D. Robb English
/ph
E.&O.E.



PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.3% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.

18965462.1

A. Farber & Partners Inc.

In its capacity as Court Appointed Receiver of the undertaking, property and assets of Quality Meat Packers Limited and Toronto Abattoirs Limited

Account dated July 28, 2014

Lawyer	Call to Bar	2014/hr	Total Time	Value
D.R. English	1980	750.00	16.50	\$12,375.00
I.E. Aversa	2008	395.00	4.10	\$1,619.50
L. Lisi	1990	630.00	0.50	\$315.00
File Clerk				
Patrick Williams		155.00	1.80	279.00

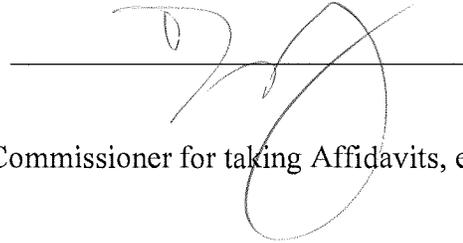
Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF JEREMY NEMERS

Sworn before me

This 23rd day of October, 2014



A handwritten signature in black ink is written over a horizontal line. The signature is stylized and appears to be the name of the Commissioner for taking Affidavits, etc.

Commissioner for taking Affidavits, etc

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

Brookfield Place, 181 Bay Street
Suite 1800, Box 754, Toronto, ON M5J 2T9 Canada
T 416.863.1500 F 416.863.1515
www.airdberlis.com

A. Farber & Partners Inc.
1600-150 York Street
Toronto, ON
Canada M5H 3S5

Attention: Mr. Gary Lifman

Account No.: 489555

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 13885/120173

August 29, 2014

Re: Quality Meat Packers Holdings Limited, Toronto Abattoirs Limited, Quality Meat Packers Group of Companies, Quality Meat Packers Limited

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended August 29, 2014:

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DRE	28/07/14	\$750.00	0.20	\$150.00	Review file; Letter to Farber
DRE	29/07/14	\$750.00	0.20	\$150.00	Review status; Letter to P. Denton
DRE	14/08/14	\$750.00	0.30	\$225.00	Letter to J. Hendriks; Letter to purchaser
DRE	15/08/14	\$750.00	0.10	\$75.00	Letter to J. Hendriks; Instruct regarding letters
DRE	18/08/14	\$750.00	0.30	\$225.00	Review demand letters; Instruct V. Simikic
DRE	20/08/14	\$750.00	0.20	\$150.00	Telephone call with J. Hendriks; Instruct V. Simikic
VS	20/08/14	\$280.00	1.40	\$392.00	Review documents re unpaid invoices; Draft demand letters to Basset and Walker Intl. and Forest Fibres re unpaid invoices; Follow up with R. English re same; Email to and from J. Hendriks re same; Arrange for delivery of same
DRE	21/08/14	\$750.00	0.30	\$225.00	Letter to regarding accounts

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					receivable collection and instruct; Letter regarding Pension Wind-up
VS	21/08/14	\$280.00	0.60	\$168.00	Correspondence with N. Walker, J. Hendrix and R. English re unpaid invoices
VS	22/08/14	\$280.00	0.20	\$56.00	Correspondence with N. Walker and J. Hendrix re recovery of unpaid invoices
DRE	25/08/14	\$750.00	0.10	\$75.00	Letter to Receiver
VS	25/08/14	\$280.00	0.20	\$56.00	Correspondence with M. Miller and J. Hendrix re recovery of unpaid invoices
DRE	26/08/14	\$750.00	0.30	\$225.00	Instruct; Letter to Receiver for Great Lakes
VS	27/08/14	\$280.00	0.40	\$112.00	Emails to and from R. Di Panfilo, J. Hendricks and M. Miller re unpaid invoice
DRE	28/08/14	\$750.00	0.10	\$75.00	Review and update on collections
VS	28/08/14	\$280.00	0.30	\$84.00	Emails to M. Miller and N. Walker
DRE	29/08/14	\$750.00	0.20	\$150.00	Letter to P. Denton regarding outstanding claims
TOTAL:			<u>5.40</u>	<u>\$2,593.00</u>	

OUR FEE \$2,593.00
 HST at 13% \$337.09

DISBURSEMENTS

Subject to HST

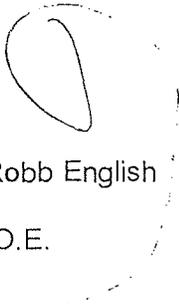
Photocopies - Local	\$25.00
Deliveries/Parss	\$25.03
Total Disbursements	\$50.03
HST at 13%	\$6.50

AMOUNT NOW DUE \$2,986.62

SUMMARY

Name	Year of Call	Hours	Rate	Value
D. R. English (DRE)	01/01/80	2.30	\$750.00	\$1,725.00
Vedran Simkic (VS)	01/08/13	3.10	\$280.00	\$868.00

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



D. Robb English
/ph
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.3% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

19496978.1

A. Farber & Partners Inc.

In its capacity as Court Appointed Receiver of the undertaking, property and assets of Quality Meat Packers Limited and Toronto Abattoirs Limited

Account dated August 29, 2014

Lawyer	Call to Bar	2014/hr	Total Time	Value
D.R. English	1980	750.00	2.30	\$1,725.00
V. Simkic	2013	280.00	3.10	\$868.00

Attached is Exhibit "C"

Referred to in the

AFFIDAVIT OF JEREMY NEMERS

Sworn before me

This 23rd day of October, 2014

Commissioner for taking Affidavits, etc

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

Brookfield Place, 181 Bay Street
Suite 1800, Box 754, Toronto, ON M5J 2T9 Canada
T 416.863.1500 F 416.863.1515
www.airdberlis.com

A. Farber & Partners Inc.
1600-150 York Street
Toronto, ON
Canada M5H 3S5

Attention: Mr. Gary Lifman

Account No.: 492691

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 13885/120173

October 15, 2014

Re: Quality Meat Packers Holdings Limited, Toronto Abattoirs Limited, Quality Meat Packers Group of Companies, Quality Meat Packers Limited

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended October 14, 2014:

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
VS	30/08/14	\$280.00	0.30	\$84.00	Emails to and from N. Walker and R. English re offers to settle
VS	31/08/14	\$280.00	0.30	\$84.00	Emails to and from J. Hendricks re offers to settle
DRE	02/09/14	\$750.00	0.10	\$75.00	Letter to Receiver for Great Lakes
DRE	02/09/14	\$750.00	0.20	\$150.00	Letter to P. Denton; Review file
DRE	02/09/14	\$750.00	0.20	\$150.00	Letter to P. Denton; Review creditor list
DRE	03/09/14	\$750.00	0.20	\$150.00	Letter to and instruct regarding accounts receivable claim
VS	03/09/14	\$280.00	0.20	\$56.00	Email to and from J. Hendricks re settlement offer
DRE	08/09/14	\$750.00	0.30	\$225.00	Review and update settlement; Letter to Farber
DRE	08/09/14	\$750.00	0.20	\$150.00	Letter to J. Hendricks; Letter to TD and update

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
VS	08/09/14	\$280.00	0.30	\$84.00	Correspondence with M. Kelleher, J. Hendriks and N. Walker re settlement and releases
VS	09/09/14	\$280.00	0.30	\$84.00	Emails to and from J. Hendriks re release; Review same
DRE	10/09/14	\$750.00	0.30	\$225.00	Review order selling Great Lakes; Letter to Farber
DRE	10/09/14	\$750.00	0.20	\$150.00	Letter from J. Hendriks
VS	10/09/14	\$280.00	0.60	\$168.00	Review and revise draft release re settlement of BWI claims; Email to J. Hendriks re same
DRE	11/09/14	\$750.00	0.20	\$150.00	Review settlement agreement; Instruct associate
VS	11/09/14	\$280.00	1.80	\$504.00	Review, revise, continue drafting and finalize settlement agreement re BWI claim; Correspondence with R. English, J. Hendriks and M. Kelleher re same; Receive executed copy of same from M. Kelleher
VS	15/09/14	\$280.00	0.40	\$112.00	Correspondence with M. Kelleher and J. Hendriks re the transfer of funds; Receive and forward executed copy of settlement agreement
DRE	16/09/14	\$750.00	0.20	\$150.00	Letter to J. Hendriks; Review status of distribution
DRE	16/09/14	\$750.00	0.10	\$75.00	Letter to J. Hendriks
VS	16/09/14	\$280.00	0.70	\$196.00	Correspondence with J. Hendriks, M. Kelleher re BWI settlement; Review and finalize agreement; Send same to J. Hendricks; Email to R. Di Panfilo Receive and review correspondence and documents re Forest Fibers; Email from R. Di Panfilo; Follow up with J. Hendriks re Forest Fibers claim
VS	22/09/14	\$280.00	0.10	\$28.00	Email to J. Hendricks re Forest Fibers
DRE	23/09/14	\$750.00	1.00	\$750.00	Telephone call with and letter to J. Hendriks; Letter to S. Graff; Review Orders; Contact Court for date

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DRE	24/09/14	\$750.00	1.00	\$750.00	Letter to Farber; Set up court date; Telephone call with K. Mahar; Telephone with and letter to TD
DRE	24/09/14	\$750.00	0.80	\$600.00	Telephone call with K. Mahar; Review TD security; Telephone call with letter to TD; Telephone call with J. Hendriks; Confirm court date
DRE	24/09/14	\$750.00	0.10	\$75.00	Telephone call with J. Hendriks
DRE	24/09/14	\$750.00	0.10	\$75.00	Letter to J. Hendriks
DRE	25/09/14	\$750.00	0.20	\$150.00	Letter to and telephone call with J. Hendriks
DRE	25/09/14	\$750.00	0.20	\$150.00	Telephone call with B. Walsh; Letter to J. Hendriks
DRE	26/09/14	\$750.00	0.30	\$225.00	Telephone call with K. Hughes
DRE	26/09/14	\$750.00	0.20	\$150.00	Letter to J. Hendriks; Report on sale
DRE	29/09/14	\$750.00	0.10	\$75.00	Letter to Farber; Note to S. Graff
DRE	29/09/14	\$750.00	0.80	\$600.00	Draft sale agreement and bill of sale
DRE	29/09/14	\$750.00	0.20	\$150.00	Telephone call with K. Mahar
DRE	29/09/14	\$750.00	0.40	\$300.00	Revise IP sale documents
DRE	29/09/14	\$750.00	0.10	\$75.00	Letter to J. Hendriks
DRE	30/09/14	\$750.00	0.30	\$225.00	Letter to J. Hendriks; Letter to TD; Letter to K. Mahar; Review file
DRE	30/09/14	\$750.00	0.50	\$375.00	Follow-up on on TD cash flow; Review Forbearance Agreement with TD and draft assignment
DRE	30/09/14	\$750.00	0.40	\$300.00	Letter to K. Mahar; Letter to TD; Letter to Farber
DRE	01/10/14	\$750.00	0.40	\$300.00	Letter to K. Mahar and Farber; Finalize and send Agreement of Purchase and Sale and Bill of Sale
DRE	01/10/14	\$750.00	0.50	\$375.00	Draft Assignment of Debt and Security
DRE	01/10/14	\$750.00	0.40	\$300.00	Revise assignment

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DRE	01/10/14	\$750.00	0.40	\$300.00	Letter regarding RBC split; Letter and circulate assignment, etc.
VS	01/10/14	\$280.00	0.20	\$56.00	Email to and from J. Hendricks re Forest Fiber
DRE	02/10/14	\$750.00	0.20	\$150.00	Letter to J. Hendriks; Letter to K. Mahar
VS	02/10/14	\$280.00	0.20	\$56.00	Correspondence with J. Hendricks re Forest Fibers
DRE	03/10/14	\$750.00	0.30	\$225.00	Letter to K. Mahar; Review file; Instruct Farber
VS	03/10/14	\$280.00	0.80	\$224.00	Draft offer to settle regarding Forest Fiber; Email to R. Di Panfilo regarding same
DRE	06/10/14	\$750.00	0.60	\$450.00	Telephone call with J. Hendriks; Letter to K. Mahar; Review TD Farm Credit Intercreditor Agreement
VS	06/10/14	\$280.00	0.10	\$28.00	Email to J. Hendricks
DRE	07/10/14	\$750.00	0.20	\$150.00	Letter to K. Mahar; Telephone call with J. Hendriks
DRE	08/10/14	\$750.00	0.30	\$225.00	Receive and review information from J. Hendriks and K. Mahar
DRE	09/10/14	\$750.00	2.00	\$1,500.00	Telephone call with J. Hendriks; Deal with Equitable Trust issue on set off; Deal with Great Lakes assignment; Deal with IP sale; Deal with RBC equipment claim; Review and revise Third Report; Letters to K. Mahar, etc.
VS	10/10/14	\$280.00	0.30	\$84.00	Email to R. Di Panfilo re unresponsiveness and settlement offer
DRE	14/10/14	\$750.00	0.40	\$300.00	Letter to J. Hendriks; Revise IP sale document; Letter to J. Hendrks and K. Mahar
TOTAL:			<u>21.20</u>	<u>\$12,798.00</u>	

OUR FEE \$12,798.00
HST at 13% \$1,663.74

DISBURSEMENTS

Subject to HST

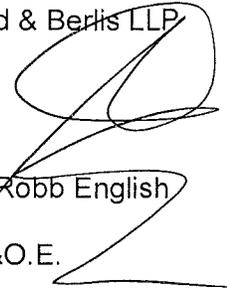
Photocopies - Local \$1.50
HST at 13% \$0.20

AMOUNT NOW DUE \$14,463.44

SUMMARY

Name	Year of Call	Hours	Rate	Value
Vedran Simkic (VS)	01/08/13	6.60	\$280.00)	\$1,848.00)
D. R. English (DRE)	01/01/80	14.60	\$750.00)	\$10,950.00)

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP


D. Robb English
/ph
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.3% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

A. Farber & Partners Inc.

In its capacity as Court Appointed Receiver of the undertaking, property and assets of Quality Meat Packers Limited and Toronto Abattoirs Limited

Account dated October 15, 2014

Lawyer	Call to Bar	2014/hr	Total Time	Value
D.R. English	1980	750.00	14.60	\$10,950.00
V. Simkic	2013	280.00	6.80	\$1,848.00

QUALITY MEAT PACKERS HOLDINGS LIMITED

and

QUALITY MEAT PACKERS LIMITED

Applicant

Respondent

Court File No.: CV-14-10537-00CL

ONTARIO
**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at **Toronto**

AFFIDAVIT OF FEES

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Barristers and Solicitors

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