

COURT FILE NUMBER QBG 915 of 2019

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE SASKATOON

IN THE MATTER OF THE RECEIVERSHIP OF BECKERLAND FARMS INC.

**NOTICE OF APPLICATION
(Sales Process and Commercial Lien Claim)**

NOTICE TO RESPONDENT

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

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

Where	Court House, 520 Spadina Crescent East Saskatoon, Saskatchewan
Date	Friday, August 23, 2019
Time	1:30 p.m.

(Read the Notice at the end of this document to see what else you can do and when you must do it.)

Remedy claimed or sought:

1. An Order in substantially the form of the Draft Order filed herewith:
 - (a) approving the actions, conduct and activities of MNP Ltd. (the "**Receiver**"), the receiver of the assets, properties and undertakings of Beckerland Farms Inc. (the "**Debtor**"), as outlined in the First Report of the Receiver dated August 16, 2019 (the "**First Report**");
 - (b) approving, authorizing and directing the Receiver to implement the sales process for certain assets owned by the Debtor as described in Exhibit "E" to the First Report (the "**Sales Process**"); and
 - (c) declaring that the Receiver held a valid and subsisting commercial lien in certain grain (the "**Subject Grain**") owned by S&D Solonenko Farms Ltd. ("**Solonenko Farms**") and Clarence Perpeluk ("**Perpeluk**"), respectively, prior to the sale of the Subject Grain with the consent of the Receiver, and directing that the remaining proceeds of the Subject Grain (the "**Grain Sale Proceeds**") be held in trust by Shawn Patenaude Legal Prof. Corp. ("**Patenaude Law**") on account of the Receiver's lien claim against the Subject Grain pursuant to *The Commercial Liens Act*, SS 2001, c C-15.1 (the "**Receiver's Lien Claim**") be paid to the Receiver.

2. Such further and other relief as counsel may request and this Honourable Court may allow.

Grounds for making this application:

3. The activities of the Receiver (both as Interim Receiver from July 5 to July 11, 2019, and as Receiver since July 11, 2019), as more particularly detailed in the First Report, have been carried out in accordance with the Receivership Order and ought to be approved by this Honourable Court.
4. The majority of the Debtor's assets facilitate the provision of grain storage and drying services, which are most in demand during and shortly after harvest. Accordingly, if the assets are not marketed and sold in short order, demand for the assets would likely be reduced until the 2020 harvest. The Sales Process is designed to maximize the realizable value of the Debtor's assets, and is a reasonable and cost-effective plan to obtain the best price available for those assets.
5. The Receiver has acted with due regard for the interests of all parties, and has not acted improvidently.
6. The Sales Process is contemplated to be conducted with efficiency and integrity, and with no unfairness to the relevant stakeholders.
7. Each of Solonenko Farms and Perpeluk requested that their respective grain be stored in facilities owned by the Debtor, Beckerland Farms Inc. The storage services were provided by the Debtor, but the Debtor was not paid for those services. Accordingly, the Receiver had a valid and subsisting lien on the Subject Grain pursuant to *The Commercial Liens Act*, SS 2001, c C-15.1.
8. The Receiver agreed to permit the release of the Subject Grain in exchange for an agreement that the portion of the sale proceeds of the Subject Grain representing the amounts claimed by the Receiver for storage services would be held back by Patenaude Law pending the determination of the validity of the Receiver's Lien Claim. Accordingly, if and when the Court determines that the Receiver held a valid commercial lien over the Subject Grain, it will be appropriate to order that the amounts in trust with Patenaude Law (\$105,000.00 for the Solonenko Farms grain and \$10,522.47 for the Perpeluk Grain) be paid to the Receiver in satisfaction of its commercial lien claim.

Material or evidence to be relied on:

9. This Notice of Application, with proof of service;
10. First Report of the Receiver dated August 16, 2019;
11. Draft Order (Sales Process and Commercial Lien Claim);

12. Brief of Law, to be filed;
13. The pleadings and proceedings therein; and
14. Such further and other materials as counsel may advise and this Honourable Court may allow.

Applicable Acts and regulations:

15. The *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, section 243.
16. *The Queen's Bench Act, 1998*, SS 1998, c Q-1.01.
17. *The Commercial Liens Act*, SS 2001, c C-15.1.

DATED at Saskatoon, Saskatchewan, this 16th day of August, 2019.

MLT AIKINS LLP



Per: _____
Jeffrey M. Lee, Q.C. and Paul Olfert, Counsel for
the Applicant, MNP Ltd.

NOTICE

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

CONTACT INFORMATION AND ADDRESS FOR SERVICE:

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