



No.VCL-S-204082  
Vancouver Registry

## IN THE SUPREME COURT OF BRITISH COLUMBIA

Between

THE TORONTO-DOMINION BANK

Petitioner

And

RONSONS SHOE STORES LTD.

Respondent

### NOTICE OF APPLICATION (Distribution, Fee Approval and Discharge)

**Name of Applicant:** MNP Ltd. in its capacity as Court Appointed Receiver (the “**Receiver**”) of all of the assets, undertaking and properties of the Respondent Ronsons Shoes Stores Ltd. (“**Ronsons**”) acquired for, or used in relation to a business carried on by the Ronsons, appointed by the Order of Madam Justice Fitzpatrick made April 20, 2020.

To: The Petitioner and its Counsel

And to: The Service List

TAKE NOTICE that an application will be made by the applicant via **MS Teams** to the presiding Judge in Chambers at the Courthouse at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia, on September 17, 2021, at 9:45am for the orders set out in Part 1 below.

#### **PART 1: ORDERS SOUGHT**

1. An order substantially in the form attached hereto as **Schedule “A”** approving the activities and fees of the Receiver and its counsel and discharging the Receiver;
2. Such further and other relief as counsel may request and this Court may grant.

## PART 2: FACTUAL BASIS

### BACKGROUND

3. Upon application by the Bank, by Order (the “**Receivership Order**”) pronounced April 20, 2020 by the Honourable Madam Justice Fitzpatrick, MNP Ltd. was appointed as Receiver (the “**Receiver**”) of all of the assets, undertaking and properties of Ronsons.
4. Prior to the receivership, Ronsons was in the business of online and in-store retail of shoe apparel and related accessories. As part of this business Ronsons owns, among other things, various inventory and intangible assets, including without limitation, various website address, brand name, and trademarks (the “**Assets**”)

### ACTIVITIES OF THE RECEIVER

5. As set out in the Reports filed herein, the Receiver has now completed its realization of Ronsons’ Assets. All of the net proceeds are to be paid to the Plaintiff, The Toronto-Dominion Bank, who will suffer a shortfall on its security.
6. On July 2, 2020, the court approved the sale of the Assets. The relevant facts regarding the sale process that was conducted by the Receiver in respect of Ronsons’ Assets is detailed in the Receiver's First Report to Court dated June 25, 2020 (the “**First Report**”).
7. The activities of the Receiver since the filing of the First Report are set out in the Receiver’s Final Report to Court dated September 1, 2021 (the “**Final Report**”) and have primarily consisting of matters relating to the sale of the Assets and concluding the receivership proceedings including:
  - (a) The Receiver completed the sale of the inventory and other Company assets.
  - (b) The Receiver collected further outstanding funds and accounts receivable.
  - (c) The Receiver received and responded to various creditor inquiries throughout the receivership proceedings.
  - (d) The Receiver prepared and filed various tax returns and other statutory returns on behalf of the Company. The Receiver also corresponded and exchanged information with the Canada Revenue Agency (“**CRA**”) and other regulatory agencies in relation to amounts owed by Ronsons.
  - (e) The Receiver discharged various statutory duties including attending to filing requirements pursuant to the *Wage Earner Protection Program Act* (“**WEPPA**”).

(f) The Receiver prepared and filed a statutory report as required by subsection 246(2) of the *Bankruptcy and Insolvency Act*.

8. Accordingly, subject to the remaining issues outlined in the Final Report of the Receiver to be filed herein, the Receiver has completed its duties in connection with its receivership and seeks an Order that the Receiver be discharged.

#### **REMAINING DUTIES OF THE RECEIVER-FINAL DISTRIBUTION OF FUNDS**

9. All of the net proceeds realized are to be paid to the Bank.

10. The relevant facts are set out in the Final Report herein.

#### **RECEIVER'S FEES AND DISBURSMENTS**

11. The Receiver's fees and administration costs incurred in this matter from the date of appointment to June 30, 2020 was \$263,955.27 (including applicable taxes).

12. The time and disbursements incurred by the Receiver in the course of its duties are fair and reasonable in a receivership of the nature described herein. In the Receiver's opinion, the cost of this receivership is comparable to receivership assignments of similar scale and complexity.

13. The hourly rates charged by the Receiver are consistent with the average hourly rates billed by the Receiver on its other engagements and, to the Receiver's knowledge, consistent with other insolvency firms of comparable size engaged on similar receivership matters.

14. The Receiver requests that the Court summarily approve the Receiver's fees incurred to date and approve additional fees, disbursements and taxes to a maximum of \$16,000.00 (including taxes) complete the administration of Ronsons. The estimated fees relate to work required to prepare for the discharge of the Receiver, and other unbilled work in process.

#### **RECEIVER'S LEGAL COUNSEL'S FEES AND COSTS**

15. The Receiver engaged Lawson Lundell LLP ("**Lawson**") as its independent legal counsel. The total fees of Lawson to July 6, 2021 were \$57,006.69 inclusive of disbursements and taxes as summarized in Exhibit "D" to the Final Report.

16. The Receiver has reviewed the invoices rendered to it by Lawson and believes them to be reasonable and proper. The legal services provided were necessary for the Receiver to fulfill its obligations in the proceeding.

17. The Receiver requests that the Court summarily approve the legal fees incurred to July 6, 2021 and approve additional fees, disbursements and taxes to a maximum of \$10,000.00 (including applicable taxes) to complete the administration of Ronsons's Receivership. The estimated fees relate to work required to complete the discharge of the Receiver and unbilled work in process.

**PART 3: LEGAL BASIS**

18. As indicated above, the Receiver has largely completed its duties and upon the Court approval of the final distribution and completion of the remaining duties the Receivership Proceedings will be concluded.
19. By virtue of paragraph 24 of the Receiver Order, the Receiver and its legal counsel shall pass their accounts from time to time and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia, which passing may be heard on a summary basis.
20. The Receiver will rely upon Rules 10-2(3) of the *Supreme Court Civil Rules*, paragraph 24 of the Receivership Order, and the inherent jurisdiction of this Honourable Court.
21. All of the proceeds are to be paid to the Petitioner, who will suffer a shortfall herein.

**PART 4: MATERIAL TO BE RELIED ON**

22. Receivership Order dated April 20, 2020;
23. Receiver's First Report to the Court dated June 25, 2020; and
24. Receiver's Final Report to the Court dated September 1, 2021;
25. Affidavit #1 of Julie Kennedy sworn September 1, 2021;
26. Affidavit #1 of Will Roberts sworn August 26, 2021; and
27. Such further and other material as counsel may advise and this Honourable Court may consider.

The applicant estimates that the application will take **10 minutes**.


This matter is not within the jurisdiction of a Master.

**TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION:**

If you wish to respond to this Notice of Application, you must, within 5 business days after service of this Notice of Application or, if this application is brought under Rule 9-7, within 8 business days after service of this Notice of Application:

- (a) file an Application Response in Form 33,
- (b) file the original of every affidavit, and every other document, that
  - (i) you intend to refer to at the hearing of this application, and
  - (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
  - (i) a copy of the filed Application Response;
  - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
- (d) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Dated at the City of Kelowna, in the Province of British Columbia, this 1st day of September, 2021.

  
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Scott R. Andersen  
Lawson Lundell LLP  
Solicitor for the Court Appointed Receiver

This Notice of Application is filed by the law firm of Lawson Lundell LLP, whose place of business and address for delivery is 1600 – 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2.

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Between

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And

RONSONS SHOE STORES LTD.

Respondent

**ORDER MADE AFTER APPLICATION**

**DISCHARGE OF RECEIVER**

BEFORE THE HONOURABLE  
JUSTICE

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FRIDAY, THE 17TH DAY  
OF SEPTEMBER, 2021

ON THE APPLICATION of MNP Ltd. in its capacity as court-appointed Receiver (the “**Receiver**”) of all of the assets, undertaking and properties of Ronsons Shoe Stores Ltd. (“**Ronsons**”) coming on for hearing this day at Vancouver, British Columbia, by MS Teams; AND ON HEARING Scott R. Andersen, counsel for the Receiver, and those other counsel listed on **Schedule “A”** hereto; AND UPON READING the material filed herein, including the Reports of the Receiver dated June 25, 2020 (the “**First Report**”), and September 1, 2021 (the “**Final Report**”) and the Affidavit #1 of Julie Kennedy and Affidavit #1 of Will Roberts (collectively,

the “**Fee Affidavit**”).

THIS COURT ORDERS that:

1. The activities of the Receiver, as set out in the Final Report, are hereby approved.
2. The fees and disbursements of the Receiver and its counsel, as set out in the Final Report and the Fee Affidavit, including the estimate of fees to conclude matters, be and are hereby approved.
3. After payment of the fees and disbursements of the Receiver as herein approved, including the priority payables referred to in the Final Report, the Receiver shall pay all funds remaining in its hands to the Toronto-Dominion Bank.
4. Upon payment of the amounts set out in paragraph 3 hereof, the Receiver shall be discharged as Receiver of the assets, undertaking and property of the Debtor, provided that notwithstanding its discharge herein: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of MNP Ltd. in its capacity as Receiver.
5. MNP Ltd. is hereby released and discharged from any and all liability that MNP Ltd. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of MNP Ltd. while acting in its capacity as Receiver herein. Without limiting the generality of the foregoing, MNP Ltd. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings.
6. Notwithstanding any provision herein, this Order shall not affect any person to whom notice of these proceedings was not delivered as required by the *Bankruptcy and Insolvency Act* and regulations thereto, any other applicable enactment or any other Order of this Court.

7. Approval of all parties as to the form of this Order by counsel appearing on this application is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

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Scott R. Andersen  
COUNSEL FOR THE RECEIVER

BY THE COURT

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REGISTRAR



**Schedule “A” List of Appearing Parties**

<b>Scott R. Andersen</b> <b>Lawson Lundell LLP</b>	Counsel for the Receiver

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Phone: (778) 738-2610  
Attention: Scott R. Andersen