

**COURT FILE NUMBER        Q.B. 1401 of 2019**

**COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY**

**JUDICIAL CENTRE            SASKATOON**

**APPLICANT                    PILLAR CAPITAL CORP.**

**RESPONDENT                 HARMON INTERNATIONAL INDUSTRIES INC.**

**IN THE MATTER OF THE RECEIVERSHIP  
OF HARMON INTERNATIONAL INDUSTRIES INC.**

**AFFIDAVIT OF KEATON O'BRIEN**

I, Keaton O'Brien, of the City of Calgary Alberta, businessperson, MAKE OATH AND SAY AS FOLLOWS THAT:

1. I am the Vice-President of Operations of Pillar Capital Corp. ("**Pillar**"), such that I have personal knowledge of the facts and matters hereinafter deposed to, except where stated to be on information and belief, and whereso stated, I believe the same to be true.
2. I adopt the defined terms established in the September 30, 2019, Affidavit of Steven Dizep.
3. This Affidavit is made for the purpose of providing the Court with further and better particulars respecting the nature of the assets of Harmon against which the amounts owing to Pillar are secured.
4. In June, 2018, I personally inspected the Lands, the personal property thereon, and the Millar Avenue Building on behalf of Pillar. I was not permitted to inspect the 47<sup>th</sup> Street Building by Harmon at that time and thus cannot speak directly to the status of that facility or its contents.

**I.        STATUS OF THE EXTERIOR OF THE LANDS**

5. As is discussed in paragraph 28 of the September 30, 2019, Affidavit of Steven Dizep, I noticed the Lands to be disorganized, cluttered, and in a general state of disrepair when I viewed them in June of 2018. The Lands surrounding the Millar Avenue Building are littered with miscellaneous disused items that appeared to have been stored there inactive for a period of at

least several years.

6. By way of an example of the cluttered nature of the Lands, attached and marked as Exhibit “A” to my Affidavit is a true copy of a photo taken by me of two busses, which busses appear to have remained stationary for a significant amount of time.

7. By way of a further example, attached and marked as Exhibit “B” to my Affidavit is a photo taken by me of what appears to be the shipping and receiving bay of the Millar Avenue Building as it appeared when I visited the facility in 2018. I have determined from my review of Exhibit “B”, and I believe it to be true, that what appears to be the shipping and receiving bay for the Millar Avenue Building was blocked by a number of old vehicles, trailers and other items of property which appeared to have been parked in that location for some time.

8. Further to the preceding paragraph, attached and marked as Exhibit “C” to my Affidavit is a screenshot obtained by Pillar’s solicitors at the W Law Group LLP online from Google Street View, showing a broader view of this same shipping and receiving bay. This photo also shows numerous other vehicles, trailers, and shipping containers blocking nearly all of the Millar Avenue Building’s receiving bay.

9. I am also attaching a particularly illustrative photos obtained by Pillar’s solicitors at the W Law Group LLP online from Google Street View, showing views of the south and the north portions of the Lands from the vantage points of 46<sup>th</sup> Street East and 47<sup>th</sup> Street East as **Exhibits “D” and “E,”** of this Affidavit respectively. I am advised, and I believe it to be true, that these images were obtained online by Pillar’s lawyers at the W Law Group LLP on October 3, 2019. The photos clearly show that the Lands are cluttered with old equipment and what appear to be miscellaneous pieces of scrap metal, which comports with my recollection of the generally disorganized nature of the Lands and the status of the assets thereon from my inspection in June of 2018.

10. In further support of my above characterization of the Lands, I am attaching an aerial photo obtained online from Google Maps as **Exhibit “F”** of this Affidavit. I am advised, and I believe it to be true, that this image was obtained online by Pillar’s lawyers at the W Law Group LLP on October 3, 2019.

## II. STATUS OF THE MILLAR AVENUE BUILDING

11. As is referenced in paragraph 28 of the Affidavit of Steven Dizep, I have serious concerns respecting the salability of the Lands in their current state. Such concerns are founded, in large part, on my knowledge of the status of the Millar Avenue Building.

12. I first note that the exterior of the Millar Avenue Building is, in places, dilapidated, unsightly, and in obvious need of repair. In support of this fact, I am attaching an exterior photograph showing visible damage to one of the walls of the Millar Avenue Building as **Exhibit "G"** of this Affidavit.

13. The interior of the Millar Avenue Building is, much like the Lands, in a state of disarray. It contains numerous and seemingly disorganized, yet densely packed, articles of personal property. Such property includes industrial equipment, scrap metal, miscellaneous parts and other miscellaneous items that appear to have no obvious connection to the business of manufacturing. When I viewed it, much of this property appeared old and and looked as though it had not been used in quite some time. In support of these facts, I am attaching the following photos taken by myself during the June 2018 inspection:

- a) I am attaching a photo of the Millar Avenue Building's front office as **Exhibit "H"** of this Affidavit. I note that the front office is cluttered with shelving, a refrigerator, pieces of lumber and a vehicle door;
- b) I am attaching a photo of a forklift surrounded by garbage or scrap as **Exhibit "I"** of this Affidavit;
- c) I am attaching a photo of numerous machine parts stored on racking next to a conveyer on which pieces of scrap appear to be stored haphazardly as **Exhibit "J"** of this Affidavit; and
- d) I am attaching a photo of a conveyer being used to store miscellaneous pieces of scrap and pallets of what appear to be wheels as **Exhibit "K"** of this Affidavit.

## III. Environmental Concerns

14. Further to the concerns respecting potential environmental liabilities laid out in paragraph

28 of the Affidavit of Steven Dizep, I am advised by Pillar's solicitors at the W Law Group LLP, and I believe it to be true, that Harmon is listed as the operator of Hazardous Materials Storage Facility in a database maintained by the Province of Saskatchewan's Ministry of Environment. In support of this fact, I am attaching a search result of the said database as **Exhibit "L"** of this Affidavit.

15. Given the issues respecting the Lands and the Millar Avenue Building discussed herein, I have serious concerns respecting Harmon's ability to maintain a Hazardous Materials Storage Facility properly within that building.

16. I make this Affidavit in support of Pillar's application seeking the appointment of Receiver over the assets of Harmon and for no other or improper purpose.

SWORN BEFORE ME at Calgary, )  
Alberta, this 7<sup>th</sup> day of )  
January, 2020. )  
\_\_\_\_\_)  
A NOTARY PUBLIC )  
in and for the Province of Alberta. )  
(My commission expires \_\_\_\_\_) )  
or Being a Solicitor.) )

  
\_\_\_\_\_  
KEATON O'BRIEN

**Alex Matthews**  
Barrister & Solicitor

**CONTACT INFORMATION AND ADDRESS FOR SERVICE**

Name of firm:	The W Law Group LLP
Name of lawyer in charge of file:	Mike Russell and Kevin Hoy
Address of legal firms:	Suite 300, 110 – 21 <sup>st</sup> Street East Saskatoon, Saskatchewan S7K 0B6
Telephone number:	(306) 244-2242
E-mail address:	<a href="mailto:mrussell@wlawgroup.com">mrussell@wlawgroup.com</a> / <a href="mailto:khoy@wlawgroup.com">khoy@wlawgroup.com</a>