

COURT FILE NUMBER Q.B. 1401 of 2019

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

DUPLICATE
ORIGINAL

JUDICIAL CENTRE SASKATOON

APPLICANT PILLAR CAPITAL CORP.

RESPONDENT HARMON INTERNATIONAL INDUSTRIES INC.

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

ORDER

(Property Claims Process)

Before the Honourable Mr. Justice R.W. Elson in Chambers the 5th day of June, 2020.

Upon the application of Jeffrey M. Lee., Q.C. and Paul Olfert, counsel on behalf of Hardie & Kelly Inc. (the "**Receiver**"), the Receiver of the assets, properties and undertakings of Harmon International Industries Inc. (the "**Debtor**"), and on hearing from counsel on behalf of the Receiver, and on reading the Notice of Application on behalf of the Receiver dated May 29, 2020, the First Report of the Receiver dated May 27, 2020 (the "**First Report**"), the Brief of Law of the Receiver, proof of substantial compliance with General Application Practice Directive #3, and a draft Order, all filed; and the pleadings and proceedings herein;

The Court Orders:

DEFINITIONS

1. All capitalized terms used and not otherwise defined herein shall have the same meanings as defined in the Receivership Order pronounced herein on January 10, 2020, by the Honourable Mr. Justice R.W. Elson (the "**Receivership Order**").
2. For the purposes of this Order the following terms shall have the following meanings:
 - (a) "**Claim**" means any right or claim of any person, whether or not asserted, to ownership of or title to any of the Property, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature.
 - (b) "**Claimant**" means a person asserting a Claim in accordance with the Property Claims Process.
 - (c) "**Claims Bar Date**" means the date that is thirty (30) days after the date of this Order.

- (d) **"Claims Package"** means the package of documents appended to this Order as **Schedule "A"**, comprising a Notice to Claimant, Proof of Claim form and Proof of Claim Response form.
- (e) **"Court"** means the Court of Queen's Bench for Saskatchewan.
- (f) **"Debtor"** has the meaning set forth in the preamble hereto.
- (g) **"Premises"** means those lands civically described as 2401 Millar Avenue and 821 - 47th Street East, Saskatoon, Saskatchewan, and legally described as:
 - (i) Surface Parcel #118989714, Lot 5-Blk/Par 466-Plan 61S20645 Ext 0;
 - (ii) Surface Parcel # 135721728, Lot L-Blk/Par 466-Plan 61S20645 Ext 5;
 - (iii) Surface Parcel # 118989512, Lot 12-Blk/Par 377-Plan 59S01097 Ext 0;
 - (iv) Surface Parcel # 118989501, Lot 13-Blk/Par 377-Plan 59S01097 Ext 0;
 - (v) Surface Parcel # 118989499, Lot 14-Blk/Par 377-Plan 59S01097 Ext 0; and
 - (vi) Surface Parcel # 118989567, Lot 15-Blk/Par 377-Plan 59S01097 Ext 0.
- (h) **"Proof of Claim"** means a Proof of Claim referred to herein filed by a Claimant, in substantially the form contained within the Claims Package.
- (i) **"Proof of Claim Response"** means a Proof of Claim Response referred to herein and delivered by the Receiver, in substantially the form contained within the Claims Package.
- (j) **"Property"** means any and all personal property located in, on, or upon the Premises as at the date of the Receivership Order.
- (k) **"Property Claims Process"** means the process outlined in this Order in connection with the assertion of a Claim to any Property.
- (l) **"Property Removal Date"** means the date that is twenty-eight (28) days after the Receiver's Delivery of the Proof of Claim Response accepting a Claimant's Claim.
- (m) **"Receivership Order"** has the meaning set forth in paragraph 1 hereof.

PROPERTY CLAIMS PROCESS

3. The Property Claims Process is hereby approved.
4. Calvin Moneo and Victor Moneo are bound by this Order and the Property Claims Process without requirement for further proof of service upon either of them of either this Order or (notwithstanding paragraph 6 hereof) the Claims Package.

5. The Receiver may, during the twenty-one (21) days following the date of this Order, grant to certain persons, including, without limitation, Calvin Moneo and/or Victor Moneo, limited and prescribed access to the Premises for the purpose of inspecting the Property and identifying potential Claims (the "**Permitted Access**"), subject to the following:
 - (a) the person(s) receiving the Permitted Access and the time, place and manner of the Permitted Access shall be specified in a written notice from the Receiver to such person(s) and counsel for Calvin Moneo and Victor Moneo (each, a "**Permitted Access Notice**"), a copy of which Permitted Access Notice shall be sent contemporaneously to counsel to Pillar Capital Corp.; and
 - (b) no person, including, without limitation, Calvin Moneo and Victor Moneo, shall enter upon or access the Premises in any manner whatsoever except as specifically provided in this Order or in a Permitted Access Notice.

NOTICE OF CLAIMS PROCESS

6. Within three (3) days after the date of this Order, the Receiver shall post the Claims Package on the Case Website.
7. Within fourteen (14) days of the date of this Order, the Receiver shall send the Claims Package to all persons known or suspected by the Receiver to have a Claim or potential Claim.
8. Within five (5) days of the date of this Order, each of the Debtor, Calvin Moneo and Victor Moneo shall provide the Receiver with names, addresses, e-mail addresses and telephone numbers for all persons known or suspected by any of them to have a Claim or a potential Claim.
9. On or before the date that is fourteen (14) days after the date of this Order, the Receiver shall cause to be published in *The Saskatoon Star-Phoenix* and *The Western Producer* an advertisement in a format which, in the professional judgment of the Receiver, will adequately bring notice to the attention of persons reading such newspaper that anyone asserting a claim to ownership of any Property must file a Proof of Claim to that Property with the Receiver at or before 5:00 Saskatchewan time on the Claims Bar Date.
10. The forms of Notice to Claimant, Proof of Claim form and Proof of Claim Response, comprising the Claims Package, are hereby approved. Despite the foregoing, the Receiver may, from time to time, make non-substantive changes to these forms as the Receiver considers necessary or desirable.
11. The sending and posting of the Claims Package in accordance with paragraphs 6-9 of this Order shall constitute good and sufficient service and delivery of notice of this Order and the Claims Bar Date on all persons who may be entitled to receive notice and who may wish to assert a Claim, and

no other notice or service need be given or made and no other document or materials need be sent to or served upon any person in respect of this Order.

FILING PROOFS OF CLAIM

12. Any person with a Claim must deliver a Proof of Claim to the Receiver on or before the Claims Bar Date or such later date as the Receiver may agree in writing or the Court may otherwise direct. Any person with a Claim who fails to deliver a Proof of Claim to the Receiver in the aforesaid manner shall be and is hereby forever barred, estopped and enjoined from asserting or enforcing any Claim against the Debtor, the Receiver or the Property, and all such Claims shall be forever extinguished.
13. A Proof of Claim must be filed in respect of every Claim, regardless of whether or not a legal proceeding in respect of a Claim has been previously commenced.
14. Each Claimant shall include any and all Claims in a single Proof of Claim.

ADJUDICATION OF CLAIMS

15. The Receiver shall review all Proofs of Claim received on or before the Claims Bar Date and shall accept, revise or reject each Claim. Following its review of each Proof of Claim, the Receiver shall advise each Claimant as to its determination of the validity of the Claimant's Claim by delivering to the Claimant a Proof of Claim Response indicating whether the claim of the Claimant set out in the Proof of Claim is accepted, denied or revised by the Receiver.
16. If a Claimant, having received a Proof of Claim Response, wishes to challenge or contest a Proof of Claim Response, then that party must, within fourteen (14) days after the sending of the Proof of Claim Response, complete and cause to be served upon counsel to the Receiver a Notice of Application returnable in the Receivership Proceedings along with supporting affidavit materials seeking to determine the validity of that portion of the Claimant's Claim that was disallowed by the Receiver, the hearing of such application to be on a date agreed upon by the parties to the application and subject to the Court's availability. For greater certainty, if such an application cannot be set down for a hearing due to restrictions on Court operations during the COVID-19 pandemic, it shall be sufficient for a Claimant to serve its application materials with a hearing date to be determined.
17. Any person who, having been sent a Proof of Claim Response, fails within the time specified above in paragraph 16 hereof to serve a Notice of Application as set out in paragraph 16 hereof, shall conclusively be deemed to have accepted the decision set out in such Proof of Claim Response.

REMOVAL OF PROPERTY

18. A Claimant whose Proof of Claim is accepted by the Receiver shall remove the Property from the Premises, at the Claimant's own expense and in cooperation with the Receiver, no later than the Property Removal Date.
19. All right, title and interest in and to any and all Property which is:
 - (a) the subject of an approved Proof of Claim; and
 - (b) not removed from the Premises on or before the Property Removal Date,shall be deemed to be abandoned and forever forfeited in favour of the Debtor as at the Property Removal Date and shall form part of the "Property" (as that term is defined in the Receivership Order).
20. Notwithstanding paragraphs 18 and 19 hereof, a Claimant who challenges a Proof of Claim Response in Court and is successful shall have fourteen (14) days after the date of the Court Order in their favour to remove their Property from the Premises, failing which ownership of such Property shall be deemed to be abandoned and forever forfeited in favour of the Debtor and shall form part of the "Property" (as that term is defined in the Receivership Order).
21. Nothing in paragraphs 17, 18, and 19 hereof shall prevent the Claimant and the Receiver from entering into a written agreement as to the treatment of any Property subject to the Claim, including, without limitation, an agreement that the Receiver will effect the sale of certain Property subject to a Claim and will hold the net proceeds of such sale in trust for the Claimant.

PROTECTIONS FOR RECEIVER

22. In carrying out the terms of this Order, the Receiver shall have all of the protections given to it by the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 and as an officer of this Court, including the stay of proceedings in its favour.
23. The Receiver shall incur no liability or obligation as a result of the carrying out of the provisions of this Order.
24. The Receiver shall be entitled to in its sole discretion, but shall not be required to, rely on the books and records of the Debtor, and any information provided by the Debtor, Calvin Moneo and/or Victor Moneo, all without independent investigation. The Receiver shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

SERVICE AND NOTICE

25. The Receiver may serve and deliver the Claims Package, any letters, notices or other documents to Claimants or any other interested person by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or email to such persons at the physical or electronic address, as applicable, last shown on the books and records of the Debtor (or as provided by the Debtor, Calvin Moneo or Victor Moneo) or set out in such Claimant's Proof of Claim. Any such service and delivery shall be deemed to have been received: (i) if sent by ordinary mail, the fifth business day after mailing; (ii) if sent by courier or personal delivery, on the next business day following dispatch; and (iii) if delivered by facsimile transmission or by email by 5:00 p.m. on a business day, on such business day and if delivered after by 5:00 p.m. or other than on a business day, on the following business day.
26. Any notice or communication required to be provided or delivered by a Claimant to the Receiver under this Order shall be in writing in substantially the form, if any, provided for in this Order and will be sufficiently given only if delivered by prepaid registered mail, courier, personal delivery, facsimile transmission or email addressed to:
- Hardie & Kelly Inc. – Receiver of Harmon International Industries Inc.**
110, 5800 – 2nd Street SW
Calgary, Alberta T2H 0H2
Attention: Kevin Meyler
E-mail: kmeyler@bdo.ca
27. Any such notice or communication delivered by a Creditor shall be deemed to be received upon actual receipt thereof by the Receiver during normal business hours on a business day or if delivered outside of normal business hours, the next business day.
28. If during any period during which notices or other communications are being given pursuant to this Order a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery, facsimile transmission or email in accordance with this Order.
29. In the event this Order is later amended by further Order of this Court, the Receiver may post such further Order on the Case Website and such posting shall constitute adequate notice to creditors of such amended Property Claims Process.

GENERAL PROVISIONS

- 30. The Debtor, Calvin Moneo, Victor Moneo and their respective employees, agents and representatives and any other person given notice of this Order shall fully cooperate with the Receiver in the exercise of its powers and the discharge of its duties and obligations under this Order.

- 31. The Receiver is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any forms delivered hereunder are completed and executed and the time in which they are submitted, and may, where they are satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Order, including in respect of the completion, execution and time of delivery of such forms, and may request any further documentation from a Claimant that the Receiver may require in order to enable them to determine the validity of a Claim.

- 32. 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:
 - (a) 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;
 - (b) to grant representative status to the Receiver in any foreign proceeding; and
 - (c) to assist the Receiver and its agents in carrying out the terms of this Order.

ISSUED at Saskatoon, Saskatchewan, this 5th day of June, 2020.



(Deputy) Local Registrar

CONTACT INFORMATION AND ADDRESS FOR SERVICE:

Name of firm:	MLT Aikins LLP
Lawyer in charge of file:	Jeffrey M. Lee, Q.C. and Paul Olfert
Address of firm:	1500, 410 22nd Street E, Saskatoon SK S7K 5T6
Telephone number:	306.975.7100
Email address:	JMLee@mltaikins.com / POlfert@mltaikins.com
File No:	33124.16

SCHEDULE A
CLAIMS PACKAGE

The following attached documents comprise the Claims Package:

1. Notice to Claimant;
2. Proof of Claim form, with instructions; and
3. Proof of Claim Response form.

NOTICE TO CREDITOR FORM

[Date]

TO: [NAME AND ADDRESS OF CREDITOR OR INTERESTED PARTY]

RE: IN THE MATTER OF THE RECEIVERSHIP OF HARMON INTERNATIONAL INDUSTRIES INC.

On January 10, 2020, Hardie & Kelly Inc. (the "**Receiver**") was appointed as Receiver of all of the assets, undertakings and properties of Harmon International Industries Inc. (the "**Debtor**") pursuant to a Receivership Order granted by the Honourable Mr. Justice R.W. Elson of the Court of Queen's Bench for Saskatchewan (the "**Receivership Order**") in proceedings styled as *Re Harmon International Industries Inc.*, Q.B. 1401 of 2019, Judicial Centre of Saskatoon (the "**Receivership Proceedings**").

As part of the Receivership Proceedings, the Court of Queen's Bench for Saskatchewan has ordered that a "**Property Claims Process**" be initiated in order that the ownership of all personal property (the "**Property**") located at the Debtor's premises of 2401 Millar Avenue and 821- 47th Street East, Saskatoon (the "**Premises**") can be determined.

All Claimants with an ownership claim to any Property must establish that claim with the Receiver as part of the Property Claims Process.

The Order establishing the Property Claims Process, granted by the Honourable _____ Justice _____ on _____, 2020, as well as all relevant instructions and documents related to the Property Claims Process, including the Proof of Claim form, can be obtained from the Receiver's webpage located at <<https://relieffromdebt.ca/harmon-international/>> or by contacting the Receiver at the following address:

Hardie & Kelly Inc. – Receiver of Harmon International Industries Inc.
110, 5800 – 2nd Street SW
Calgary, Alberta T2H 0H2
Attention: Kevin Meyler
E-mail: kmeyler@bdo.ca

The deadline for a Claimant to submit a Proof of Claim in respect of any claim it has, or believes it has, to any Property is the ____ day of _____, 2020 (the "**Claims Bar Date**").

Any Claim to ownership of any Property which is not submitted to the Receiver by way of Proof of Claim, or otherwise acknowledged by the Receiver, on or before the Claims Bar Date will be forever barred and Claimants holding such Claims will be forever barred from making or enforcing any Claim against the Property, the Debtor, or the Receiver. Claims which not proven to the satisfaction of, and accepted by, the Receiver will be forever released and extinguished, and title to the Property will be irrevocably vested in the Debtor.

Yours truly,

HARDIE & KELLY INC., solely in its capacity as Receiver of Harmon International Industries Inc. and not in its personal or corporate capacity.

Per: _____

PROOF OF CLAIM FORM

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.

PROOF OF CLAIM

Full Name of Claimant: _____
(the "Claimant")

Full Mailing Address of Creditor: _____
(All notices and correspondence regarding your Claim will be forwarded to this address)

Fax No. _____

Telephone No. _____

Email: _____

Attention: _____

CERTIFICATION AS TO CLAIM

I do hereby certify that *(please see notes below for further instructions)*:

1. The Claimant is the owner of one or more items of personal property ("**Property**") located at the premises of Harmon International Industries Inc. (the "**Debtor**"); namely, 2401 Millar Avenue and 821 - 47th Street East, Saskatoon (the "**Premises**").
2. I have knowledge of all of the circumstances connected with the claim referred to in this form.
3. A description of the property owned by the Claimant and located at the Premises is as follows *(include specifics of each item or class of property including make, model and serial number if applicable, and using additional paper if required)*:

(a) _____

(b) _____

(c) _____

4. I attach the following documents which support the Claimant's ownership claim to the items of Property described above:

- (a) _____
- (b) _____
- (c) _____

DATED THIS _____ DAY OF _____, 2020.

Signature:

(Please Print Name)

Instructions for Completion of Proof of Claim:

- Ensure that you complete the full name and delivery address, including fax number and/or email address, of the Claimant making the Claim.
- The Proof of Claim is incomplete unless you include a statement and description of the Claim and attach all supporting documents including bills of sale or other supporting documents.
- The Proof of Claim is incomplete unless it is signed and dated by the Claimant or, if the Claimant is a corporation, an officer of the Claimant with personal knowledge of the Claim.
- The signed and completed Proof of Claim, together with all supporting documents, must be returned to the Receiver, Hardie & Kelly Inc. at the following address at or before 5:00 p.m. Saskatchewan time on the ____ day of _____, 2020:

Hardie & Kelly Inc. – Receiver of Harmon International Industries Inc.
 110, 5800 – 2nd Street SW
 Calgary, Alberta T2H 0H2
 Attention: Kevin Meyler
 E-mail: kmeyler@bdo.ca

- Pursuant to the order of the Honourable _____ Justice _____, pronounced in the above noted proceedings on _____, 2020, and as may be amended, restated or supplemented from time to time (the "Property Claims Process Order"), the Receiver is entitled to accept your Claim or disallow your Proof of Claim in whole or in part. The Receiver will send you a Response to Proof of Claim accepting your Claim or disallowing it in whole or in part. The Response will contain particulars as to how you may dispute a disallowance of your Claim.

Please contact the Receiver at the address and email set out above if you have any questions about completing your Proof of Claim. Any failure to properly complete or return your Proof of Claim to the Receiver at the above address by 5:00 p.m. on the _____ day of _____, 2020 will result in your Claim being extinguished and title to the Property vesting in the Debtor, and the Claimant will have no further rights to recover the Property.

PROOF OF CLAIM RESPONSE FORM

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.

PROOF OF CLAIM RESPONSE

TO: [Claimant]

TAKE NOTICE THAT your Proof of Claim filed with Hardie & Kelly Inc. (the "**Receiver**"), Receiver of the assets, undertakings, and properties of Harmon International Industries Inc. (the "**Debtor**"), has been:

_____ allowed

_____ disallowed for the following reasons:

[insert reasons]

A copy of the order of the Honourable _____ Justice _____, pronounced in the above noted proceedings on _____, 2020 (the "**Property Claims Process Order**") is enclosed, and terms which are capitalized in this Proof of Claim Response have the same meaning given to them in the Property Claims Process Order.

If you object to the decision set out in this Proof of Claim Response you must, on or before the date that is fourteen (14) days after the sending of this Proof of Claim Response, complete and cause to be served upon counsel to the Receiver a Notice of Application returnable in the Receivership Proceedings along with supporting affidavit materials seeking to determine the validity of that portion of the Claimant's Claim that was disallowed by the Receiver, the hearing of such application to be on a date agreed upon by the parties to the application and subject to the Court's availability. For greater certainty, if such an application cannot be set down for a hearing due to restrictions on Court operations during the COVID-19 pandemic, it shall be sufficient for a Claimant to serve its application materials with a hearing date to be determined.

If you fail to file a Notice of Application within the time period set out above, you will be deemed to have conclusively accepted the decision set out in this Proof of Claim Response.

Yours truly,

**HARDIE & KELLY INC., solely in its capacity as Receiver of Harmon International Industries Inc.
and not in its personal or corporate capacity**

Per: _____

[enclose copy of Property Claims Process Order]