



SUPERIOR COURT OF JUSTICE

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: BK-24-03038619-0031

DATE: February 27, 2024

NO. ON LIST: 3

TITLE OF PROCEEDING: BRR LOGISTICS LIMITED et al

BEFORE: JUSTICE CONWAY

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
	Counsel for BRR Logistics Limited	
Monica Faheim		mfaheim@millerthomson.com
Gregory Azeff		gazeff@millerthomson.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Ian Aversa	Counsel for the Proposal Trustee	iaversa@airdberlis.com
Matilda Lici		mlici@airdberlis.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Caitlin McIntyre	Counsel for Wal-Mart Canada Corp.	caitlin.mcintyre@blakes.com
Brent Warga	Proposal Trustee	bwarga@bdo.ca
John R. Fritz		jfritz@bdo.ca

ENDORSEMENT OF JUSTICE CONWAY:

- [1] All defined terms used in this Endorsement shall, unless otherwise defined, have the meanings ascribed to them in the Factum of BRR Logistics Limited dated February 26, 2024.
- [2] The Company filed an NOI on February 1, 2024. This is an orderly wind-down of the Company, supported by its senior secured creditor Sallyport. On this motion, the Company seeks various relief including an extension of time to file a proposal to April 15, 2024, an Administration Charge of \$250,000 to cover professional fees, authorization to carry out the Liquidation Plan, authorization to complete sales of inventory and equipment outside the ordinary course of business (subject to specified dollar limitations and the consent of the Proposal Trustee), authorization to make distributions to Sallyport, and approval of the Proposal Trustee's First Report.
- [3] The motion is unopposed. The Proposal Trustee, in the First Report, recommends the relief sought. I am satisfied that the relief should be granted, with one exception set out below.
- [4] The extension to April 15, 2024 is granted. The Company is acting in good faith and with due diligence. The Company will have sufficient cash flow for the extension period. The Company intends to use this period to implement the Liquidation Plan with a view to presenting a proposal to its unsecured creditors.
- [5] The Administration Charge is acceptable and is authorized under s. 64.2 of the BIA.
- [6] The Liquidation Plan is approved given that the Company is unable to sustain going concern operations. The ability to sell inventory and equipment (\$100,000 per transaction, \$500,000 in the aggregate), with the consent of the Proposal Trustee, is acceptable and authorized under s. 65.13(4) of the BIA.
- [7] The distribution to Sallyport, after consultation with the Proposal Trustee to minimize the impact on cash flow, is approved. The First Report is approved.
- [8] The Company seeks a declaration that WEPPA applies with respect to the 31 employees whose employment was terminated following the commencement of the NOI proceedings. Section 5(5) of WEPPA states that the court "may" in proceedings under the BIA, determine that a former employer meets the criteria prescribed by the WEPPA Regulations. Section 3.2 of those Regulations states that "for purposes of subsection 5(5) of the Act, a court may determine whether the former employer is the former employer all of whose employees in Canada have been terminated other than any retained to wind down its business operations".

- [9] I declined to give the requested declaration. As set out in the First Report, both the Company and the Proposal Trustee are of the view that the wind down of the Company qualifies the terminated employees to participate in the WEPP filing. The Proposal Trustee adds that it is of the view that the application of WEPPA is met in the circumstances. There is no reason set out in the materials why a declaration from this court is required to supplement the views of the Company and the Proposal Trustee. Nor is there any basis for the court to exercise its discretion under ss. 5(5) and 3(2) to make these determinations. Counsel has now removed this section from the draft order.
- [10] Order to go as signed by me and attached to this Endorsement. This order is effective from today's date and is enforceable without the need for entry and filing.

Conway J.