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COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

Justice Sidnell  
COM  
Dec 10, 2021

APPLICANT ATB FINANCIAL



RESPONDENTS WA GRAIN HOLDINGS INC., 1309497 ALBERTA LTD.  
(o/a W.A. GRAIN & PULSE SOLUTIONS), NEW LEAF  
ESSENTIALS (WEST) LTD., NEW LEAF ESSENTIALS  
(EAST) LTD., 1887612 ALBERTA LTD.

DOCUMENT **THIRD REPORT OF BDO CANADA LIMITED,  
IN ITS CAPACITY AS RECEIVER OF WA GRAIN  
HOLDINGS INC., 1309497 ALBERTA LTD. (o/a W.A.  
GRAIN & PULSE SOLUTIONS), NEW LEAF  
ESSENTIALS (WEST) LTD., 1887612 ALBERTA LTD.  
and CERTAIN ASSETS OF NEW LEAF ESSENTIALS  
(EAST) LTD.**

**November 30, 2021**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**RECEIVER'S COUNSEL**

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**THIRD REPORT OF THE RECEIVER  
BDO CANADA LIMITED  
November 30, 2021**

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## INTRODUCTION

1. On April 26, 2021 (the “**Receivership Date**”), ATB Financial (“**ATB**”) made an application to the Court of Queen’s Bench of Alberta (the “**Court**”) and pursuant to an Order of the Honourable Justice Mah (the “**Receivership Order**”), BDO Canada Limited (“**BDO**”) was appointed Receiver (the “**Receiver**”) of the assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof of W. A. Grain Holdings Inc. (“**WA Holdings**”), 1887612 Alberta Ltd. (“**1887612**”), 1309497 Alberta Ltd. o/a W. A. Grain & Pulse Solutions Inc. (“**1309497**”), New Leaf Essentials (West) Ltd. (“**NLEW**”) and certain assets of New Leaf Essentials (East) Ltd. (“**NLEE**”) (collectively “**WA Grain**” or the “**Company**”).
  
2. This Third Report of the Receiver (the “**Third Report**”), all other Court materials and Orders issued and filed in this receivership proceeding (the “**Proceeding**”) are available on the Receiver’s case website (the “**Receiver’s Website**”) at: <https://www.bdo.ca/en-ca/extranets/wagrainholdings/> and will remain available on the Receiver’s Website for a period of six months following the Receiver’s discharge.

## PURPOSE

3. The purpose of this Third Report is to provide this Honourable Court with information in respect of the Receiver’s application seeking:
  - a) approval of the proposed claims procedure in respect of the priority claims of grain producers holding Primary Elevator Receipts (“**Priority Producer Creditors**”) and the subsequent distribution of the sale proceeds from Like Grain (as identified in the attached **Appendix “A**” and defined in paragraph 21) to Priority Producer Creditors with proven claims;
  
  - b) approval of a distribution to creditors holding Grain Receipts who filed valid claims (“**BIA 81.2 Claims**”) under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”) section 81.2 (“**BIA 81.2**”) from the inventory proceeds. “Grain Receipts” are defined in the *Canada Grain Act*, RSC 1985, c G-10 (the “**CGA**”) as “...a document in prescribed form issued in respect of grain delivered

*to a process elevator or grain dealer acknowledging receipt of the grain and entitling the holder of the document to payment by the operator of the elevator or the grain dealer for the grain.”;*

- c) approval of the Receiver’s disallowance of the claims of Priority Producer Creditors who filed claims under BIA 81.2;
- d) approval of a distribution from the sale of the Vanguard Plant to the secured creditor, Farm Credit Canada (“**FCC**”);
- e) approval of an interim distribution to ATB, of up to \$10 million;
- f) approval of the further interim fees and disbursements of the Receiver, the final invoice of the Sales Agent, BDO LLP (“**Sales Agent**”), and the Receiver’s legal counsel, MLT Aikins LLP (“**MLT**”), and authorization for the Receiver to pay all approved unpaid fees and disbursements; and
- g) approval of the actions and activities of the Receiver described herein.

#### **TERMS OF REFERENCE AND DISCLAIMER**

4. In preparing this Third Report, the Receiver has relied upon unaudited financial information, discussions with former management of the Company, discussions with former Company employees and contract staff, available books and records of the Company, information provided by the Canadian Grain Commission (“**CGC**”) and information provided by the Receiver’s legal counsel (collectively referred to as the “**Information**”). The Receiver has not performed an audit, review or otherwise attempted to verify the accuracy or completeness of the Information.

**BACKGROUND**

5. WA Grain purchased grain from producers or resellers for its processing plants located in Alberta, Saskatchewan and Prince Edward Island and sold the product, after cleaning and processing it, domestically and internationally. Customers were located throughout Canada and world-wide including the United States, the Middle East and Asia. Products that were sold by the Company included, but were not limited to, green and yellow peas, chickpeas, and lentils for human consumption and pet food (the “**Inventory**”).
6. WA Grain owned and operated six grain processing plants located in Vanguard, Saskatchewan, Pambrun, Saskatchewan, Ponteix, Saskatchewan, Bashaw, Alberta, Bowden, Alberta (collectively the “**Processing Plants**”) and Slemon, Prince Edward Island (the “**PEI Plant**”). The Processing Plants exclude the PEI Plant, which is subject to a separate receivership proceeding.
7. The Processing Plants were regulated by the CGC. The Company held Primary Elevator Licences at each of the Processing Plants under 1309497 and a Grain Dealer Licence also under 1309497 (collectively the “**Grain Licences**”).
8. On April 19, 2021, a week prior to the Receivership Date, the CGC suspended all the Grain Licences (“**Licence Suspension**”). The Licence Suspension restricted any movement of grain onto or off the Processing Plants and their respective grain elevators such that the Company had effectively ceased active operations prior to the Receivership Date. The Grain Licences were suspended until April 30, 2021 at which time the CGC would make a determination to either cancel, amend or reissue the Grain Licences following its audit of the grain and unsettled Primary Elevator Receipts (“**PER(s)**”) and Grain Receipts issued to any producers.
9. On May 1, 2021, the Receiver, on behalf of 1309497, received conditional Grain Licences (“**Conditional Licences**”) from the CGC. The Conditional Licences allowed the Receiver to remove and sell grain from the Processing Plants but not accept grain or incur producer liabilities at the Processing Plants. The Conditional Licences were renewed monthly through August 2021.

10. On May 31, 2021, the Receiver filed its first report to court (the “**First Report**”) in advance of its application seeking, *inter alia*:
  - a) approval of the Inventory Sale Agreement (“**ISA**”) between Bridge Agri Partners Inc. (“**Bridge Agri**”) and the Receiver for Inventory located at the Processing Plants;
  - b) approval of the Sales Solicitation Process (“**SSP**”) proposed by the Receiver in respect of the sale of the Processing Plants;
  - c) approval of the initial interim billings (the “**Initial Interim Accounts**”) of the Receiver and its legal counsel MLT; and
  - d) the sealing of the Confidential Appendices included as part of the First Report.
11. On June 10, 2021, the Honourable Justice M.J. Lema granted the following Orders:
  - a) an order approving the ISA;
  - b) an order approving the SSP and the Initial Interim Accounts; and
  - c) an order sealing the Confidential Appendices to the First Report.
12. On September 10, 2021, the Receiver prepared a report (the “**Second Report**”) in advance of its application seeking, *inter alia*:
  - a) approval of the sale of the Processing Plants;
  - b) preliminary information regarding the Receiver’s proposed methodology for the distribution of funds to Priority Producer Claims and BIA 81.2 Claims;
  - c) approval of the further interim fees and disbursements of the Receiver and its legal counsel and payment of all approved unpaid fees and disbursements; and
  - d) the sealing of the Confidential Appendices included as part of the Second Report.

13. On September 23, 2021, the Honourable Madam Justice Dario granted the following Orders:
- a) Sale Approval and Vesting Order – to 2371394 Alberta Ltd. regarding the Bashaw Plant;
  - b) Sale Approval and Vesting Order – to Global Food and Ingredients Inc. regarding the Bowden Plant;
  - c) Sale Approval and Vesting Order – to GP Acres Grain Inc. regarding the Saskatchewan Plants;
  - d) Three Sealing Orders regarding the above noted sales; and
  - e) Approval of the further interim fees of the Receiver, the Sales Agent and MLT.

**CLAIMS PROCEDURE FOR PRIORITY GRAIN CLAIMS AND DISTRIBUTION FOR LIKE GRAIN**

14. As previously noted, on June 10, 2021, the Court approved the ISA between the Receiver and Bridge-Agri. Pursuant to the ISA, Bridge-Agri was to weigh and remove the Inventory from the Processing Plants. The Receiver also engaged Cotecna Canada Inc. (“**Cotecna**”), a third-party grading company approved by the CGC, to attend onsite to grade the inventory as it was being removed (“**Grain Audits**”).
15. By August 11, 2021, all the Inventory at the Processing Plants had been removed, the Grain Audits had been completed and issued by Cotecna and shortly thereafter, Bridge-Agri fully paid for the Inventory. The Receiver maintains the Inventory sales proceeds in its trust account.
16. As summarized in the Second Report, the Receiver’s position in respect of the potential claims against the proceeds from the sale of Inventory is as follows:
- a) Priority Producer Creditors have priority over the BIA 81.2 Claims as the Priority Producer Creditors maintain a proprietary interest in the proceeds of Like Grain (defined in paragraph 21 herein) sold under the ISA.

- b) BIA 81.2 Claims filed with a PER do not appear to comply with the provisions of BIA 81.2 on the basis that the issuance of a PER indicates that the grain was not sold as required under BIA 81.2. Twenty-six producers holding one or more PERs filed claims under BIA 81.2 totalling approximately \$1.2 million. The Receiver proposes to disallow these BIA 81.2 Claims as filed.
  - c) Grain producers with valid PERs should be paid from the proceeds for Like Grain as identified on the individual PER, as graded by Cotecna, and weighed by Bridge-Agri and Cotecna. This would include commodity type, grade, and weight, if available, and be paid on a pro rata basis where full weight is not available. The CGC has agreed with this methodology.
  - d) Payment from Inventory proceeds, other than from Like Grain (defined in paragraph 21) proceeds, will be made for valid and accepted BIA 81.2 Claims supported by Grain Receipts.
17. The Receiver has discussed this position with the stakeholders: CGC and ATB, and both are supportive of the above proposed treatment of the grain claims. The Receiver has also advised the Company's grain licence insurer, Intact Insurance, of this proposed course of action.

***Primary Elevator Receipts Claims Procedure***

18. The CGC has provided the Receiver with a copy of its audit of the Primary Elevator Receipts held by producers who delivered grain to the Processing Plants prior to the Licence Suspension (the "CGC PER Audit"). The CGC PER Audit identified PERs totalling approximately \$5.57 million.



19. Section 2 of the Canada Grain Act (“CGA”) defines a primary elevator as:  
*“primary elevator means an elevator the principal use of which is the receiving of grain directly from producers for storage or forwarding or both”.*
20. Pursuant to Section 61(1) of the CGA, when a producer delivers grain to a primary elevator the producer will receive either a cash purchase ticket, identifying payment, or a PER which is defined as:  
*“A document in prescribed form issued in respect of grain delivered to an elevator acknowledging receipt of the grain and, subject to any conditions contained therein or in this Act, entitling the holder of the document*  
*(a) to the delivery of grain of the same kind, grade and quantity as the grain referred to in the document, or*  
*(b) in the case of a document issued for specially binned grain, to delivery of the identical grain;”*
21. Pursuant to the above, the Receiver understands that a Priority Producer Creditor has a proprietary interest in the grain delivered to a primary elevator until such time as the producer surrenders the PER and the elevator issues payment, or the return of grain of the same kind, grade and quantity (“**Like Grain**”) as referred to in the PER.
22. Using the data received from the Grain Audits, and the information from the CGC’s PER Audit, the Receiver has identified approximately \$1.5 million of Like Grain. A summary of the results of the analysis of Like Grain by commodity is attached as **Appendix “A”**.

23. The Receiver, in cooperation with the CGC, proposes to facilitate a claims process as follows:
- a) The CGC will prepare and forward to the Priority Producer Creditors a claims package (“**Priority Producer Claim**”) including a standard producer acknowledgement letter (“**Producer Acknowledgement**”) for approval and signature. A copy of a form of Producer Acknowledgement is attached as **Appendix “B”**.
  - b) The Receiver will, within 10 days of Court approval, publish in newspapers in both Alberta and Saskatchewan a call for claims of Priority Producer Creditors. The CGC will also post notification on its website to ensure all Priority Producer Creditors holding PERs have an opportunity to participate in this claims process. A copy of the proposed publication is attached as **Appendix “C”**.
  - c) The Priority Producer Creditors, either on their own behalf or by CGC, will be required to submit all Priority Producer Claims by no later than January 21, 2022 (the “**Priority Producer Claims Bar Date**”).
  - d) Once the Priority Producer Claims are received from the Priority Producer Creditors, the CGC will provide copies of the same to the Receiver by no later than the Priority Producer Claims Bar Date including the signed Producer Acknowledgement.
  - e) The Receiver will provide the CGC with detailed information related to the amounts owed to each Priority Producer Creditor for Like Grain by percentage and value, where 100% is not available.
  - f) Costs associated with the Receiver’s time related to the exercise will be deducted from the overall amount of Like Grain proceeds and will be prorated amongst the Priority Producer Claims. The CGC and the Receiver will work closely to limit the overall costs and attend to an efficient claims process.

- g) Subject to Court approval, the Receiver, will distribute, in one payment, the funds payable for the Priority Producer Claims to the CGC for ultimate distribution to Priority Producer Creditors and the Receiver will have no further obligation to pay any amounts to the Priority Producers on behalf of the Priority Producer Claims.

### **PROPOSED DISTRIBUTION TO GRAIN RECEIPT BIA 81.2 CLAIMS**

24. BIA 81.2 contemplates claims situations where a farmer has sold and delivered agricultural products to another person for use in relation to the purchaser's business and where the products were delivered to the purchaser within the fifteen day period preceding the first day of the receivership. The claim of the farmer for unpaid amounts in respect of the products is secured by all the inventory of or held by the purchaser as of the day of the receivership and the security ranks above every other claim, right, charge or security against that inventory. The Receiver established that the fifteen-day period began on April 12, 2021.
25. As set out in paragraphs 19 and 20 above, the Receiver understands that a producer holding a PER has a proprietary interest in the grain it delivered, whereas BIA 81.2 describes the qualifying product as "sold and delivered". If the producer maintains ownership in the unpaid grain, it could not have sold the grain to the Company and accordingly is not eligible to advance a claim pursuant to BIA 81.2. In this regard, the Receiver proposes to disallow the BIA 81.2 Claims which included a PER as such claims are effectively being captured and dealt with in accordance with their priority entitlements under the Priority Producer Claims process.
26. In light of the foregoing, the Receiver's position is that only nine claims totalling \$198,318 relate to Grain Receipts issued under the Grain Licences and are valid claims under BIA 81.2. The Receiver is seeking the Court's approval to distribute payment to these nine claimants.

**STATEMENT OF RECEIPTS AND DISBURSEMENTS**

27. Attached as **Appendix “D”** is a copy of the Receiver’s consolidated Statement of Receipts and Disbursements as at November 15, 2021 (the “**R&D**”) indicating the Receiver maintains \$13,513,559 in its trust accounts. The Receiver proposes to make certain distributions to secured creditors as outlined below and is seeking the Court’s approval of same.

**PRIORITY CLAIMS**

28. Based on discussions with Canada Revenue Agency (“**CRA**”), the Company was current with source deductions and GST. The Receiver is awaiting the completion of CRA audits of both the GST and the payroll account. At this time, the Receiver is not aware of any amounts outstanding to CRA for these priorities.
29. The Receiver has paid the super priority to Service Canada on behalf of the *Wage Earner Protection Program Act*, SC 2005, c 47, s 1, in the amount of \$75,764.42.

**PROPOSED DISTRIBUTION TO SECURED CREDITORS*****Farm Credit Canada – secured creditor***

30. FCC’s security includes a first ranking general security agreement dated August 14, 2015 from 1309497 registered in both Alberta and Saskatchewan; general security agreements dated June 14, 2018 from 1887612, NLEE, NLEW and WA Grain; and a mortgage on the Vanguard Plant in the amount of \$5,500,000 dated August 14, 2015 from (the “**FCC Security**”). The Receiver has received an independent legal opinion confirming the validity, enforceability, and priority of FCC’s security position in relation to the Vanguard Plant.
31. The Receiver has allocated \$92,714 in costs incurred and associated with taking possession of and the sale of the Vanguard Plant. Therefore, as the sale of the Vanguard Plant realized \$1,180,00, the amount to be paid to FCC is \$1,087,286.

32. The Receiver's legal counsel is in the process of reviewing FCC's security as it relates to the Pambrun Plant. A recommendation in respect of the \$150,000 realized from the sale of the Pambrun Plant (exclusive of costs) will be addressed at a subsequent application.

***ATB Financial – secured creditor***

33. ATB's security includes general security agreements dated July 10, 2017 from WA Holdings; July 10, 2017 and January 30, 2020 from 1309497; October 13, 2017 and January 30, 2020 from NLEE; July 10, 2017 and January 30, 2020 from 1887612; and July 10, 2017 from NLEW. ATB also holds a mortgage of a lease dated July 10, 2017 from NLEW in the amount of \$3,930,000. Furthermore, there are guarantees of each of the entities as follows (collectively referred to as the "**ATB Security**"):
- a) Unlimited guarantee of WA Holdings against the debts and liabilities of 1309497 and NLEW dated January 30, 2020;
  - b) Unlimited guarantees of 1309497 against the debts and liabilities of NLEW and WA Holdings dated July 10, 2017 and January 30, 2020;
  - c) Unlimited guarantee of NLEW against the debts and liabilities of WA Holdings dated July 10, 2017 and WA Holdings and 1309497 dated January 30, 2020;
  - d) Unlimited guarantees of 1887612 against the debts and liabilities of WA Holdings and NLEW dated July 10, 2017 and January 30, 2020; and
  - e) Unlimited guarantees of NLEE against the debts and liabilities of NLEW and WA Holdings dated July 10, 2017 and January 30, 2020.
34. The obligations of the Company to ATB include interest charges to November 24, 2021 and total approximately \$11,913,239 as reflected in the payout statement provided by ATB to the receiver and attached as **Appendix "E"**. No repayments have been made to ATB since the Receivership Date.

35. MLT has advised the Receiver that, subject to the usual qualifications and assumptions, it is of the opinion that: (i) the ATB Security constitutes legal, valid and binding obligations of the Company, enforceable in accordance with the terms thereof; (ii) which charges the general personal property of the Company, respectively, the ATB Security was duly perfected by registration under *The Personal Property Security Act* (Alberta) (“**AB PPSA**”) *The Personal Property Security Act* (Saskatchewan) (“**SK PPSA**”), respectively; and (iii) ATB’s order of registration under the AB PPSA and SK PPSA 1309497 in respect of the security interests granted by the Debtor entities to ATB pursuant to the ATB Security is first on all the estate with the exception of the Vanguard Plant and the Pambrun Plant, where FCC ranks first.
36. Accordingly, the Receiver recommends and requests approval to make an interim distribution to ATB of up to \$10,000,000 after payment of the FCC debt, the Priority Producer Claims and the BIA 81.2 Claims.

***Avrio Subordinated Debt General Partner II Ltd. (“Avrio”) – secured creditor***

37. Avrio’s security includes general security agreements dated October 20, 2017 from WA Grain, 1309497, NLEW and NLEE; a collateral mortgage dated October 20, 2017 from NLEE in the amount of \$8,000,000 against the PEI Plant and associated lands; and a collateral mortgage dated October 20, 2017 from 1309497 in the amount of \$8,000,000 against the Ponteix Plant and associated lands.
38. The Receiver’s legal counsel has provided an opinion that Avrio’s security is valid and enforceable and ranks first against the Ponteix Plant. However, there is a priority agreement between Avrio and ATB (“**Priority Agreement**”) wherein the Priority Agreement allows for any proceeds of sale from any property received by Avrio to be held in trust for ATB.
39. Notwithstanding the above, the proceeds of sale from the Ponteix Plant were \$25,000, and the costs allocated to the Ponteix Plant total \$54,459 which exceed the proceeds available for distribution and no distribution is proposed in respect of the proceeds received from the Ponteix Plant as a result of such cost allocation.

**FEES AND DISBURSEMENTS**

40. Pursuant to paragraph 18 of the Receivership Order, the Receiver and its counsel shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver are entitled to the benefits of and were granted a charge (the “**Receiver’s Charge**”) for their professional fees and disbursements. This includes professional fees incurred at the normal rates and charges of the Receiver and such counsel both before and after the making of the Receivership Order in respect of the Proceeding as they constitute part of the Receiver’s Charge.
41. As mentioned earlier in this Third Report, the interim accounts to the First Report and the Second Report were previously approved by the Court.
42. The Receiver has rendered two invoices for the period August 27, 2021 through November 15, 2021 totaling \$51,141.80 (including GST of \$2,625.80), copies of which will be provided to the Court prior to the upcoming Court application.
43. As set out in the First Report and Second Report, the Sales Agent was used to administer the SSP. The Sales Agent has issued additional invoices through the completion of the sales totaling \$14,566.13 (including GST of \$693.63).
44. The detailed narratives contained in the Receiver’s and the Sales Agent’s invoices provide a fair and accurate description of the services provided and the amounts charged by the Receiver and the Sales Agent. Included with each invoice is a summary of the time charges of partners and staff, whose services are reflected in the invoices, including the total fees and hours billed.
45. MLT has rendered two accounts for the period from September 1, 2021 through October 31, 2021 totalling \$37,385.12 (including disbursements of \$1,439.50 and GST of \$1,777.86). The two MLT invoices will be provided to the Court upon request.
46. The Receiver respectfully submits that its fees and disbursements, including those of the Sales Agent, and those of MLT are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Receivership Order.

**RECOMMENDATIONS**

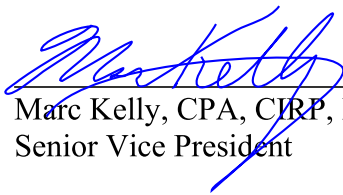
47. For the reasons set out in this Third Report, the Receiver recommends to this Honourable Court the following:

- a) approval of the proposed claims procedure for Priority Producer Creditors and subsequent distribution of proceeds of Like Grain to Priority Producer Creditors with proven claims;
- b) approval of the proposed distribution to creditors holding Grain Receipts who filed valid claims under the BIA 81.2 from the Inventory proceeds and the disallowance of the claims of Priority Producer Creditors who filed claims under BIA 81.2;
- c) approval of the distribution of the net proceeds from the sale of the Vanguard Plant to FCC;
- d) approval of an interim distribution to ATB, of up to \$10,000,000;
- e) approval OF the R&D to November 15, 2021; and
- f) approval of the further interim fees and disbursements of the Receiver, including those of the Sales Agent and MLT, as outlined herein and authorizing the Receiver to pay all approved and unpaid fees and disbursements; and approving the actions and activities of the Receiver described herein.

All of which is respectfully submitted this 30<sup>th</sup> day of November 2021.

**BDO Canada Limited**  
**in its capacity as Receiver and Manager of W.A. Grain Holdings Inc.**  
**1887612 Alberta Ltd. 1309497 Alberta Ltd. New Leaf Essentials (West) Ltd.**  
**and certain assets of New Leaf Essentials (East) Ltd.**  
**and not in its personal or corporate capacity**

Per:

  
 Marc Kelly, CPA, CIRP, LIT  
 Senior Vice President

  
 Anna Koroneos, CIRP, LIT  
 Vice President



# APPENDIX “A”

## Appendix "A"

Commodity	CGC calculated PER amount (net of splits)	Add back: split amount	Calculated PER Amount (Including splits)	Deduct: PER Levies	Estimated eligible PER Amount (Net)	Less PER Splits payable 100%	PER less splits and levies	Like Grain \$ value available	Like Grain % payable on commodity	Total payable by Receiver for PER Like Grain and Splits
254- Chickpeas Feed Totals	\$114,176	\$1,764	\$115,940	\$830	\$115,109	\$1,764	\$113,345	\$113,345	100%	\$115,109
258 - Chickpea Mixed Totals	\$1,693,572	\$38,723	\$1,732,295	\$12,421	\$1,719,874	\$38,723	\$1,681,151	\$141,838	8%	\$180,561
312- Fababeans 2CW Totals	\$39,797	\$552	\$40,349	\$303	\$40,046	\$552	\$39,494	\$0	0%	\$552
319 - Fababeans Feed Totals	\$128,695	\$208	\$128,903	\$967	\$127,936	\$208	\$127,728	\$64,624	51%	\$64,832
351 - Flaxseed Brown 1CW Totals	\$51,238	\$0	\$51,238	\$157	\$51,080	\$0	\$51,080	\$51,080	100%	\$51,080
412- Lentils Laird 2CW Large Totals	\$854,938	\$0	\$854,938	\$6,055	\$848,883	\$0	\$848,883	\$343,630	40%	\$343,630
422- Richlea Lentils 2CW Med GR	\$95,970	\$0	\$95,970	\$675	\$95,295	\$0	\$95,295	\$0	0%	\$0
432- Lentils French Green 2CW	\$26,501	\$0	\$26,501	\$186	\$26,315	\$0	\$26,315	\$0	0%	\$0
442- Lentils Red 2CW- Totals	\$405,511	\$0	\$405,511	\$2,877	\$402,634	\$0	\$402,634	\$307,907	76%	\$307,907
452, 453 Lentils Feed (red/undetermined)	\$47,991	\$0	\$47,991	\$360	\$47,631	\$0	\$47,631	\$47,631	100%	\$47,631
461- Lentils Eston 2CW GR- Totals	\$66,312	\$0	\$66,312	\$467	\$65,846	\$0	\$65,846	\$0	0%	\$0
470 - Mustard Brown 1CW	\$1,141	\$0	\$1,141	\$6	\$1,135	\$0	\$1,135	\$1,135	100%	\$1,135
610 - Maple Peas #2- Totals	\$124,449	\$649	\$125,097	\$892	\$124,205	\$649	\$123,557	\$34,670	28%	\$35,318
612- Yellow Peas (#2 and #3)	\$128,453	\$1,695	\$130,147	\$360	\$129,787	\$1,695	\$128,092	\$128,537	100%	\$130,232
632- Peas Large Rd Gr 2CG - Totals	\$1,366,119	\$18,498	\$1,384,617	\$10,142	\$1,374,474	\$18,498	\$1,355,977	\$55,312	4%	\$73,809
635 - Peas Large Rd Gr 5% BL 2CG- Totals	\$186,871	\$1,175	\$188,046	\$1,410	\$186,636	\$1,175	\$185,460	\$27,776	15%	\$28,952
636/637- Peas Large Rd (10%/15% BL 2CG)	\$158,408	\$1,390	\$159,798	\$1,198	\$158,599	\$1,390	\$157,209	\$0	0%	\$1,390
643, 640, 642- Peas Feed (all types included)	\$361,094	\$0	\$361,094	\$2,703	\$358,392	\$0	\$358,392	\$139,501	39%	\$139,501
<b>Totals all PER commodities</b>	<b>\$5,851,235</b>	<b>\$64,653</b>	<b>\$5,915,888</b>	<b>\$42,009</b>	<b>\$5,873,879</b>	<b>\$64,653</b>	<b>\$5,809,226</b>	<b>\$1,456,988</b>		<b>\$1,521,641</b>

# APPENDIX “B”



Canadian Grain  
Commission

Commission canadienne  
des grains



303 Main Street  
Winnipeg, Manitoba R3C 3G8

303, rue Main  
Winnipeg (Manitoba) R3C 3G8

## Producer Acknowledgement

**RE: 1309497 Alberta Ltd. o/a W.A. Grain & Pulse Solutions**

Please check the appropriate boxes below and return this letter, along with your claim form and copies of grain receipts, primary elevator receipts and/or cash purchase tickets, to the Canadian Grain Commission.

I agree that the amount owed to me has been fairly presented on the claim form attached.	
I do not agree with the amount owed to me as shown on the claim form provided. I have included my reasons and any additional documentation to support my claim.	
I confirm that I have not received any other payment from 1309497 Alberta Ltd. o/a W.A. Grain & Pulse Solutions regarding my claim.	
I confirm that I have not received payment from any other party regarding my claim.	

Claim amount per schedule A attached: \_\_\_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

# APPENDIX “C”

**IN THE MATTER OF RECEIVERSHIP OF  
1309497 ALBERTA LIMITED O/A WA GRAIN & PULSE SOLUTIONS**

**NOTICE OF CLAIMS PROCEDURE  
FOR PRODUCERS HOLDING A PRIMARY ELEVATOR RECEIPT**

**GRAIN ELEVATORS**

BOWDEN, ALBERTA  
BASHAW, ALBERTA  
VANGUARD, SASKATCHEWAN  
POINTEIX, SASKATCHEWAN  
PAMBRUN, SASKATCHEWAN  
collectively (the “**WA Grain Elevators**”)

**TAKE NOTICE THAT:**

On the 26<sup>th</sup> day of April, 2021, BDO Canada Limited was appointed receiver (the “**Receiver**”) pursuant to an Order of the Court of the Queen’s Bench of Alberta (the “**Court**”) in respect of all of the assets, undertaking and properties of 1309497 Alberta Limited (o/a “**WA Grain & Pulse Solutions**”) and its related entities (collectively “**WA Grain**”).

On December 10, 2021, the Court approved a claims procedure for producers holding Primary Elevator Receipts issued at any of the WA Grain Elevators prior to April 26, 2021 (“**Priority Producer Claims**”).

Producers with Priority Producer Claims who have not yet filed a valid claim with the Canadian Grain Commission (“**CGC**”) must file a claim with the CGC or the Receiver prior to January 21, 2022 in order to participate in any potential distributions.

If producers holding Primary Elevator Receipts have already received a producer claim package from the CGC, and filed a claim with the CGC, no further action is needed. Should Producers not file a claim on or before January 21, 2022, the Receiver will proceed to make distributions without any regard to claims which have not been filed.

Dated at \_\_\_\_\_ this   <sup>th</sup> day of December, 2021.

BDO CANADA LIMITED



# APPENDIX “D”

Appendix "B"

WA Grain & Pulse Solutions et. al  
 Combined Statement of Receipts and Disbursements  
 April 26, 2021 to November 15, 2021

**Receipts**

Cash (bank)	\$	1,062,014
Accounts receivable		4,782,279
Sale of inventory offsite		780,128
Sale of inventory- Bridge Agri		2,736,939
Sale of inventory - Slemon, PEI		701,247
GST/HST collected		59,579
Sale of Plants		4,855,000
Sale of assets other		4,982
Insurance refunds/proceeds		11,261
Miscellaneous refunds		3,684

**Total Receipts** **\$ 14,997,115**

**Disbursements**

Independent contractors		217,347
Pre receivership payroll		159,206
Pre receivership storage payments		144,517
Receiver's fees		258,143
M&A - BDO LLP		136,022
Repairs and maintenance		79,992
Freight		65,093
Insurance		72,498
Property tax		40,981
Taking possession, security		65,377
Utilities		50,365
GST/HST paid		42,477
Legal fees		80,561
ESA- Pinchin		21,318
Computer services		15,916
Occupation rent/lease		15,581
Advertisement- Globe/Sale of assets		10,220
Bank charges/other		4,724
Licence - Grain Commission		2,632
Filing fees		365
Courier		221

**Total Disbursements** **\$ 1,483,556**

**Receipts over disbursements** **\$ 13,513,559**



# APPENDIX “E”

## ATB Financial

Eighth Avenue Place  
600 - 585, 8 Avenue SW  
Calgary, AB T2P 1G1

### Loan Payout Estimate

The loan information and payout amounts below are provided for information purposes only and represent an estimate of the total amount outstanding for the facilities on the scheduled payout date. The actual payout figure on the date of payment may be different than the figure indicated below.

Date Completed: 11/24/2021

Expected Payout Date: 11/24/2021

Loan Payout Statement

W.A. Grain Holdings Inc.

Loan(s)	Principal	Interest	Facility/ Standby Fee	Prepayment Fee	Total	Interest Per Diem
712-37258927300	\$2,320,177.94	\$167,821.99	\$0.00	\$0.00	\$2,487,999.93	\$727.84
760-37363711500	\$64,491.49	\$4,664.78	\$0.00	\$0.00	\$69,156.27	\$20.23
832-32434990300	\$6,064,108.55	\$440,814.46	\$0.00	\$0.00	\$6,504,923.01	\$1,902.30
832-39938959800	\$92,406.84	\$5,350.71	\$0.00	\$0.00	\$97,757.55	\$28.99
<b>Subtotal</b>	<b>\$8,541,184.82</b>	<b>\$618,651.94</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,159,836.76</b>	

Other Products	Beneficiary	Note	Total
N/A	N/A	N/A	\$0.00
<b>Subtotal</b>			<b>\$0.00</b>
<b>Grand Total for All Facilities</b>			<b>\$9,159,836.76</b>

**NOTE:** Letters of Credit/Guarantee may not be cancelled unless we receive consent of the beneficiary and the original letter of Credit/Guarantee or sufficient cash security as determined by ATB Financial.

## ATB Financial

To make sure we're on the same page. ATB's lawyers would like to remind you that this Statement is subject to the following conditions:

1. This Statement is valid for 30 days from the date of issue noted above.
2. All payments scheduled prior to the Payout Date are paid in full when due and no further charges, adjustments or advances are made to the loan prior to and including the Payout Date.
3. Payment must be received by ATB Financial at the above noted address prior to 2:00 pm on the Payout Date by wire, internal Transfer or lawyer's trust cheque.
4. The payout amount is in equivalent or excess of \$25 Million CAD must be sent by wire transfer.
5. This Statement is issued subject to any errors and omissions.
6. The variable rate advances can change with any change to the Prime rate. Contact your ATB expert to verify the balances on the Payout Date.

Please note that acceptance and/or processing of any payment by ATB in any amount less than the full amount owing as per the relevant loan agreements between you (the Borrower) and ATB shall not be deemed payment of the debt owing and you shall not be entitled to a discharge of any relevant security held by ATB until full repayment of all applicable loan balances are received by ATB.

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## ATB Financial

Eighth Avenue Place  
600 - 585, 8 Avenue SW  
Calgary, AB T2P 1G1

### Loan Payout Estimate

The loan information and payout amounts below are provided for information purposes only and represent an estimate of the total amount outstanding for the facilities on the scheduled payout date. The actual payout figure on the date of payment may be different than the figure indicated below.

Date Completed: 11/24/2021

Expected Payout Date: 11/24/2021

Loan Payout Statement

1309497 Alberta Ltd.

Loan(s)	Principal	Interest	Facility/ Standby Fee	Prepayment Fee	Total	Interest Per Diem
832-38303289200	\$2,560,942.99	\$185,236.85	\$0.00	\$0.00	\$2,746,179.84	\$803.36
911-40382094700	\$2,615.86	\$288.09	\$0.00	\$0.00	\$2,903.95	\$1.43
911-40382405500	\$205.89	\$22.68	\$0.00	\$0.00	\$228.57	\$0.11
911-40382407100	\$213.91	\$23.58	\$0.00	\$0.00	\$237.49	\$0.12
911-40382409800	\$2,712.87	\$298.77	\$0.00	\$0.00	\$3,011.64	\$1.48
911-40392521800	\$757.51	\$83.41	\$0.00	\$0.00	\$840.92	\$0.41
<b>Subtotal</b>	<b>\$2,567,449.03</b>	<b>\$185,953.38</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,753,402.41</b>	

Other Products	Beneficiary	Note	Total
N/A	N/A	N/A	\$0.00
<b>Subtotal</b>			<b>\$0.00</b>
<b>Grand Total for All Facilities</b>			<b>\$2,753,402.41</b>

**NOTE:** Letters of Credit/Guarantee may not be cancelled unless we receive consent of the beneficiary and the original letter of Credit/Guarantee or sufficient cash security as determined by ATB Financial.

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