



SUPERIOR COURT OF JUSTICE

**COUNSEL/ENDORSEMENT SLIP**

COURT FILE NO.: CV-23-00710259-00CL

DATE: Match 8<sup>th</sup>, 2024

NO. ON LIST: 1

TITLE OF PROCEEDING: OLD MM GP INC v 15320 BAYVIEW AVENUE HOLDINGS LIMITED  
BEFORE: JUSTICE STEELE

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**PARTICIPANT INFORMATION**

**For Plaintiff, Applicant, Moving Party:**

Name of Person Appearing	Name of Party	Contact Info
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**For Defendant, Respondent, Responding Party:**

Name of Person Appearing	Name of Party	Contact Info
Joshua Foster	to Alvarez & Marsal Canada Inc	<a href="mailto:fosterj@bennettjones.com">fosterj@bennettjones.com</a>
Josh Nevsky	CCAA Monitor	<a href="mailto:jnevsky@alvarezandmarsal.com">jnevsky@alvarezandmarsal.com</a>

**For Other, Self-Represented:**

Name of Person Appearing	Name of Party	Contact Info

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## **ENDORSEMENT OF JUSTICE STEELE:**

- [1] The Monitor, Alvarez & Marsal Canada Inc., seeks an order under the *Companies' Creditors Arrangement Act* to implement a claims procedure and extend the stay period.
- [2] Mastermind's liquidation sale was completed on or about January 14, 2024, and the transaction contemplated by the asset purchase agreement closed on January 15, 2024. The Monitor is holding approximately \$2.3 million in excess proceeds, which it intends to be made available for distribution to claimants with proven claims in the claims procedure (less any applicable administrative costs).
- [3] No one opposes the relief sought by the Monitor.
- Should the Court approve the proposed Claims Procedure?*
- [4] I am satisfied that the Court should approve the proposed claims procedure.
- [5] The Court has the authority to make an order approving the claims process under sections 11 and 12 of the CCAA, which authorize the Court to make "any order it considers appropriate in the circumstances", and "fix deadlines for the purposes of voting and for the purposes of distributions."
- [6] As noted above, following the liquidation sale and other activities, the Monitor is holding approximately \$2.3 million.
- [7] The Monitor sets out how notice of the Claims Procedure will be disseminated at para. 5.9 of the Monitor's 4<sup>th</sup> report, including:
- a. sending claims packages to each of the known claimants within 5 days following the granting of the order,
  - b. causing the Notice Letter to be published in The Globe and Mail (National Edition),
  - c. posting a copy of key documents, including the Claims Procedure Order and the Claims Package, on the Case website, and
  - d. delivering the Claims Package to any person claiming to be a claimant and requesting the materials.
- [8] The claims bar date for the filing of claims will be approximately 6 weeks from now – April 19, 2024. The Monitor has also proposed a procedure for disputes of any claim revisions or disallowances.
- [9] The proposed claims process includes a "negative claims process" for certain known claimants.
- [10] The Court in *Re Toys "R" Us (Canada) Ltd.*, 2018 ONSC 60, at paras. 8, 11-14, recognized that such orders, including those that provide for a "negative claims process," are routinely granted.

- [11] The Monitor states that it is appropriate for the Court to exercise its discretion to approve the claims procedure and sets out the reasons for so doing at para. 31 of the Monitor's factum.
- [12] I am satisfied that the proposed claims procedure is fair, reasonable and appropriate in the circumstances.
- Should the Court extend the Stay of Proceedings?*
- [13] The stay of proceedings is set to expire on April 30, 2024. The Monitor asks that the stay be extended to October 31, 2024.
- [14] The Court has authority under s. 11.02(2) of the CCAA to grant an extension of the stay for "any period that the court considers necessary."
- [15] To grant an extension, the Court must be satisfied that circumstances exist that make the order appropriate and that the debtor companies have acted and continue to act in good faith and with due diligence: CCAA, s. 11.02(2).
- [16] I note the Monitor's submissions at para. 35 of the Monitor's factum. I am satisfied that the proposed stay extension is appropriate in the circumstances. Among other things, the Monitor requires the additional time to run the claims process and to seek approval of distributions to the debtor companies' creditors. Further, the debtor companies have continued to act in good faith and with due diligence.
- [17] Order attached.

A handwritten signature in blue ink, appearing to be "J. H. H.", is located in the lower right quadrant of the page. The signature is fluid and cursive, with a horizontal line extending to the right.