

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF QUÉBEC
Division: 01-Montréal

SUPERIOR COURT
(Commercial Division)
(*Bankruptcy and Insolvency Act*)

Court No.: 500-11-047554-148
File No.: 41-1920403

**IN THE MATTER OF THE NOTICE OF
INTENTION TO FILE A PROPOSAL OF:**

161617 CANADA INC., 5850 Vanden Abeele
Street, Saint-Laurent (Québec) H4S 1R9

Debtor/Petitioner

-and-

RICHTER ADVISORY GROUP INC., 1981 McGill
College Avenue, Montréal (Québec) H3A 0G6

Trustee

MOTION FOR THE APPROVAL OF A PROPOSAL

(Sections 58 and following of the *Bankruptcy and Insolvency Act*, L.R.C. 1985, c. B-3)

**TO ONE OF THE HONOURABLE JUDGES OR THE REGISTRAR OF THE SUPERIOR
COURT, SITTING IN COMMERCIAL DIVISION, IN AND FOR THE DISTRICT OF
MONTRÉAL, THE DEBTOR/PETITIONER SUBMITS THE FOLLOWING:**

1. By the present motion, the Debtor/Petitioner 161617 Canada Inc. ("**161617**") is seeking the approval of a proposal filed on December 22, 2014 (the "**Proposal**");
2. 161617 is a corporation constituted under the *Canada Business Corporations Act* having its principal place of business in Saint-Laurent (Québec);
3. 161617 specializes in the distribution of horticultural products in Québec and Eastern Ontario related to, *inter alia*, the irrigation and drainage of various types of properties, including sports fields (i.e. golf courses);
4. On October 10, 2014, due to general economic downturn and more specifically the current unfavourable economic conditions facing the golf industry, being an important industry in which 161617 operates, 161617 filed a *Notice of intention to file a proposal* with the Official Receiver and Richter Advisory Group Inc. (Mr. Philip Manel, CPA, CA, CIRP) (the "**Trustee**") was appointed trustee, the whole as appears from the Court record;
5. 161617 was initially required to file a proposal no later than November 10, 2014; however, on November 7, 2014, 161617 obtained an extension of its delay to file a proposal, which extension expired on December 22, 2014, the whole as appears from the Court record;

6. On December 22, 2014, 161617 filed a Proposal with the Trustee, the whole as more fully appears from a copy of the Proposal communicated herewith as **Exhibit R-1**;
7. A meeting of the creditors was held on January 12, 2015 at the office of the Superintendent of Bankruptcy, the whole as more fully appears from a copy of the notice of proposal to creditors and notice of hearing of application for court approval of proposal (the "**Notice**") communicated herewith as **Exhibit R-2**;
8. All capitalized terms herein that are not otherwise defined shall have the meaning ascribed thereto in the Proposal;
9. The Proposal provides, among other things, for the payment of an amount of \$180,000.00 (the "**Proposal Amount**") to be remitted to the Trustee in four (4) equal annual installments and which amount, subject to Sections 4 and 5 of the Proposal, will be payable as follows:
 - i. Payment in full of the Employee Claims, the Crown Claims and the Preferred Claims;
 - ii. Each of the Ordinary Creditors having a Proven Claim of less than \$250 will be paid the full amount of its Ordinary Claim without interest or penalty, within thirty (30) days after receipt by the Trustee of the Initial Installment of the Proposal Amount from the Company;
 - iii. For the balance of its Proven Claim, after the distribution mentioned in paragraph 9 hereof and within thirty (30) days after the payment by the Debtor of each of the First Installment, Second Installment, Third Installment, and Fourth and Final Installment, each of the Ordinary Creditors shall also receive, in full and final payment of its Ordinary Claim, without interest or penalty, its *pro rata* share of any amount remaining from the Proposal Amount,the whole as more fully appears from the Proposal;
10. The Proposal is not addressed to the Secured Creditors;
11. At the meeting of the creditors, the creditors voted by a majority of 92% in number representing 85.47% of the value of the Ordinary Unsecured Claims to accept the Proposal, the whole as more fully appears from a copy of the minutes of such meeting communicated herewith as **Exhibit R-3**;
12. The Trustee sent a notice of the hearing of this motion within the prescribed delay to 161617, the Official Receiver and to every creditor who had a Proven Claim, the whole as more fully appears from a copy of the Notice;
13. On January 16, 2015, the Trustee completed its report on the Proposal (the "**Report**") and forwarded a copy of same to the Official Receiver, the whole as more fully appears from a copy of the Report communicated herewith as **Exhibit R-4**;
14. In the Report, the Trustee states that the Proposal is an advantageous one for the creditors of 161617. The Trustee is also of the view that in a bankruptcy scenario, there would be no dividend payable to the Ordinary Unsecured Creditors;

15. The terms of the Proposal are thus reasonable and will certainly benefit the general body of the creditors of 161617;
16. The present motion is well-founded in fact and in law;

FOR THESE REASONS, MAY IT PLEASE THE COURT:

GRANT the present motion for the approval of a proposal;

DECLARE that the delays of service and presentation of the motion are sufficient;

REDUCE AND WAIVE all delays and requirements to serve and present the present motion;

APPROVE the Proposal of the Debtor/Petitioner 161617 Canada Inc. filed on December 22, 2014;

THE WHOLE without costs, save in the event of contestation.

True Copy

De Grandpré Chait

De Grandpré Chait S.E.N.C.R.L./LLP

Montréal, January 19, 2015

(s) *De Grandpré Chait* s.e.n.c.r.l./LLP

DE GRANDPRÉ CHAIT S.E.N.C.R.L./LLP
Attorneys for Debtor/Petitioner

AFFIDAVIT

I, the undersigned, GREG McVITTIE, businessman, having an office at 5850 Vanden-Abeelee Street, Saint-Laurent (Québec) H4S 1R9, solemnly affirm:

1. I am a duly authorized representative of Debtor/Petitioner in the present instance;
2. All the facts contained in the present motion are true.

AND I HAVE SIGNED:

MONTRÉAL, January 19, 2015

(s) *Greg McVittie*

GREG McVITTIE

Solemnly affirmed before me at Montréal, this
19th day of January, 2015.

(s) *Élise Normandeau (# 93 976)*

Commissioner of Oaths for Québec

True Copy

De Grandpré Chait

De Grandpré Chait S.E.N.C.R.L./LLP

NOTICE OF PRESENTATION

To: Richter Advisory Group Inc.
(Mr. Philip Manel)
1981 McGill College Avenue
Montréal (Québec) H3A 0G6

Office of the Superintendent of Bankruptcy
Sun Life Building
1155 Metcalfe Street, Suite 950
Montréal (Québec) H3B 2V6

TAKE NOTICE that the Motion for the Approval of a Proposal will be presented for adjudication before this Honourable Court, sitting in Commercial Division, at the Montréal Courthouse, 1 Notre-Dame Street East, Montréal, in Room 16.10, **January 26, 2015**, at 9:00 a.m., or so soon thereafter as counsel may be heard.

DO GOVERN YOURSELVES ACCORDINGLY.

True Copy

De Grandpré Chait

De Grandpré Chait s.e.n.c.r.l./LLP

MONTRÉAL, January 19, 2015

(s) *De Grandpré Chait* s.e.n.c.r.l./LLP

DE GRANDPRÉ CHAIT s.e.n.c.r.l./LLP
Attorneys for Debtor/Petitioner

DGCdocs - 1670739v1

No.: 500-11-047554-148

SUPERIOR COURT
PROVINCE OF QUÉBEC
DISTRICT OF QUÉBEC
DIVISION: 01-MONTRÉAL

IN THE MATTER OF THE NOTICE OF INTENTION
TO FILE A PROPOSAL OF:

161617 CANADA INC.

Debtor/Petitioner

-and-

RICHTER ADVISORY GROUP INC.

Trustee

MOTION FOR THE APPROVAL OF A PROPOSAL,
AFFIDAVIT AND NOTICE OF PRESENTATION

Richter Advisory Group Inc.
(Mr. Philip Manel)
1981 McGill College Avenue
Montréal (Québec) H3A 0G6

DE GRANDPRÉ CHAIT S.E.N.C.R.L./LLP
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BD-0085

Me Matthew Maloley

N/ 810471-61



SIGNIFIÉ LE

19/01/2015 12h10

hrs
mf