

CITATION: Romspen and 1514904 Ont. Ltd. et al, 2010 ONSC 3029
COURT FILE NO.: 09-47115
DATE: 20100521

SUPERIOR COURT OF JUSTICE – ONTARIO

IN THE MATTER OF SECTION 243 (1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990 C.C.43, AS AMENDED

RE: ROMSPEN INVESTMENT CORPORATION, Applicant

AND

1514904 ONTARIO LTD., 2000396 ONTARIO INC., 1278502 ONTARIO INC., 1259121 ONTARIO INC. and ALMONTE LAND MANAGEMENT INC. Respondent

BEFORE: Mr. Justice Charles T. Hackland

COUNSEL: David P. Preger, for Romspen Investment Corporation
Mario Mannarino, for the Respondent 1514904 Ontario Ltd. et al
Jahmiah Ferdinand-Hodkin, for 1067278 Ontario Inc. (second mortgagee)
Rick Brooks, for the Court Appointed Receiver

HEARD IN OTTAWA: May 21, 2010

ENDORSEMENT

[1] Having heard the submissions of counsel, and after reviewing the affidavit materials, I am persuaded that the recommendations of the Court Appointed Receiver, S.F. Partners Inc., should be approved and that further adjournments of this matter will not benefit and may indeed prejudice the creditors as a whole. The proposed stalking horse sales process appears to the court to be fair and to allow the first and second mortgagees and guarantors to bid if they are able to secure the appropriate financing. I have reviewed the initial bids in light of the appraisals submitted by the receiver (which will be sealed) and consider the initial bids to be appropriate. I note from the jurisprudence that the stalking horse sales process has been utilized in Canadian courts in similar circumstances.

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[2] Accordingly, I order as follows:

- (a) The responding parties application for a further adjournment is denied;
- (b) The receiver's First Report dated May 11, 2010, including the proposed actions set out therein, are approved;
- (c) The appraisals commissioned by the receiver of each of the properties herein, which are the subject of the receiver's administration in this proceeding, are to be sealed in the court file until further order of the court;
- (d) For greater clarity, approval is given for a stalking horse sales process, including the bidding procedures described, in respect to the properties; and
- (e) An order compelling the respondents and its principal Wilson Bassile to deliver to the receiver copies of all consultants' reports and surveys pertaining to the properties under administration, in their possession, power or control, on or before May 26, 2010.

[3] I will remain seized of this proceeding.



Mr. Justice Charles T. Hackland

Date: May 21, 2010