

NO. S-1810743
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED**

AND

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c.57, AS AMENDED**

AND

**IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*,
R.S.C. 1985, c.44, AS AMENDED**

AND

**IN THE MATTER OF A PLAN OR COMPROMISE AND ARRANGEMENT OF
PUREWAL BLUEBERRY FARMS LTD., 0726357 B.C. LTD., 0726365 B.C. LTD.,
0726368 B.C. LTD., PUREWAL FARMS PARTNERSHIP and 0740656 B.C. LTD.**

SIXTEENTH REPORT OF THE MONITOR

June 14, 2021

INTRODUCTION

1. This report (this “**Sixteenth Report**”) has been prepared by FTI Consulting Canada Inc. (“**FTI**”) in its capacity as the court-appointed Monitor (the “**Monitor**”) pursuant to an order of the Supreme Court of British Columbia (the “**Court**”) pronounced October 11, 2018 (the “**Initial Order**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985 c. C-36, (the “**CCAA**”) as amended.
2. Purewal Blueberry Farms Ltd. (“**Purewal**”) commenced operations in 1981 for the purpose of producing, packing and marketing blueberries. Purewal was formed by three brothers: Malkiat Singh Purewal, Charan Singh Purewal and Gurjit Singh Purewal.
3. Since its inception, Purewal developed a reputation for quality blueberries, which it sold as fresh product predominantly through Safeway stores in Canada and the U.S.A, and in frozen form through an established network of North American fruit brokers.
4. As competition in the industry grew and profit margins declined, Purewal was slow to react and did not make the changes necessary to reduce its operating costs.
5. In 2007/2008, Purewal expanded its operations by planting 165 acres of blueberries on leasehold land in Pitt Meadows at a cost of approximately \$3 million, funded from its operating revenues.
6. As a result of these decisions, Purewal suffered a significant negative impact on its cash flow and liquidity leading to a loss of confidence by its supply chain and customers utilizing the capacity in its processing plant (the “**Processing Plant**”).
7. Due to increasing pressure from its secured lenders, suppliers and customers, Purewal commenced a process to reduce its financial obligations and restore its profitability.

8. In 2013 Purewal sold 368 acres of blueberry producing properties in Abbotsford, Coquitlam, Pitt Meadows and Richmond. Total proceeds from these land sales was approximately \$37 million which was primarily used to pay down long-term debt and bring the accounts payable current.
9. Since its inception Purewal was a family-run business with management and direction being provided by the three founding brothers. As the brothers aged and began to withdraw from the business, a coordinated succession plan was not implemented.
10. Accordingly, the management of the business suffered, resulting in poor financial results and increasing pressure from the secured lender for either an exit strategy or a succession plan.
11. In the fall of 2017, the secured lender had become frustrated with management's indecision and commenced foreclosure proceedings. On January 11, 2018, the secured lender (Blueberry Holdings (GP) Ltd.) obtained an Order Nisi subject to a six-month redemption period expiring in July 2018.
12. After several discussions amongst the three founding shareholders, it was decided by a majority vote to file a Notice of Intention to File a Proposal ("NOI") on the basis that Purewal had significant value and an orderly process was required in order to maximize its value for all stakeholders.
13. Accordingly, on April 30, 2018, Purewal filed a NOI with the Superintendent of Bankruptcy pursuant to Part III, Division I of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended and FTI was appointed trustee under the NOI (the "**Proposal Trustee**").

COURT PROCEEDINGS

14. Subsequent to filing its NOI, Purewal sought and obtained extensions of the time to file a proposal under its NOI and its corresponding stay of proceedings as follows:
 - (a) by order of the Court pronounced May 30, 2018 extending the time to July 13, 2018;
 - (b) by order of the Court pronounced July 5, 2018 extending the time to August 27, 2018; and
 - (c) by order of the Court pronounced August 24, 2018 extending the time to October 11, 2018.

15. Additional orders sought and obtained by Purewal in the NOI proceedings included:
 - (a) an order of the Court pronounced May 30, 2018 approving:
 - i. an interim financing facility from Blueberry Holding (GP) Ltd. (in such capacity, the “**DIP Lender**”) in the maximum principal amount of \$500,000; and
 - ii. an administrative charge to secure the fees and disbursements of Purewal’s legal counsel, the Proposal Trustee, and its legal counsel (the “**Administrative Charge**”) for an amount up to \$200,000; and
 - (b) two orders of the Court pronounced July 5, 2018 approving:
 - i. a claims process (the “**Initial Claims Process**”) by the Proposal Trustee to assist in identifying and understanding the quantum and extent of creditor’s claims against Purewal (the “**Claims Process Order**”); and

- ii. a sale process (the “**Sale Process**”) for the Processing Plant in accordance with a proposed set of bidding procedures, to be administered by the Proposal Trustee (the “**Sale Process Order**”).
16. On October 11, 2018, the NOI proceedings were converted into these CCAA proceedings by the Initial Order, and all of the orders granted in the NOI proceedings, including but not limited to the Claims Process Order and the Sale Process Order, were continued into these CCAA proceedings.
 17. Three companies that were not included in the NOI proceedings were added to these CCAA proceedings; namely 0726357 B.C. Ltd. (“**6357**”), 0726365 B.C. Ltd. (“**6365**”) and 0726368 B.C. Ltd. (“**6368**”). 6357, 6365 and 6368 (collectively, the “**Brothers’ Companies**”) are holding companies owned by Malkiat, Charan and Gurjit Purewal, respectively.
 18. Among other things, the Initial Order extended the Administrative Charge over the property of Purewal and the Brothers’ Companies.
 19. On October 11, 2018, the Court made a further order approving an asset purchase agreement (the “**Stalking Horse Agreement**”) submitted by 0801226 B.C. Ltd. (a party related to the DIP Lender) in the Sale Process, as the stalking horse bidder in the Sale Process.
 20. On November 2, 2018, the Petitioners sought and obtained an order of this Court extending the stay of proceedings provided in the Initial Order to December 14, 2018.
 21. On December 12, 2018, the Petitioners sought and obtained two orders of this Court:
 - (a) the first order approved an Offer to Purchase and Agreement of Purchase and Sale dated November 21, 2018 (the “**PSA**”) between Purewal and 1176094 B.C. Ltd. (“**117**”) for the Processing Plant; and

- (b) the second order approved the extension of the stay of proceedings provided in the Initial Order to March 1, 2019 as well as increasing the Administrative Charge from a maximum aggregate of \$200,000 to \$300,000.
22. On February 6, 2019, the Petitioners sought and obtained two orders of this Court:
- (a) the first order approved an extension for the closing of the sale of the Processing Plant to March 8, 2019 or a date as agreed between the Monitor, on behalf of Purewal, and the purchaser no later than 21 days after March 8, 2019; and
- (b) the second order approved the extension of the stay of proceedings provided in the Initial Order to April 15, 2019, increased the Administrative Charge from an aggregate of \$300,000 to \$450,000 and added Purewal Farms Partnership (the “**Partnership**”) as a petitioner to these CCAA proceedings (collectively with Purewal and the Brothers’ Companies, the “**Petitioners**”).
23. On February 6, 2019, the Monitor sought and obtained an order of this Court approving its fees and expenses for the period from April 1, 2018 to November 30, 2018 and approving the fees and expenses of its legal counsel for the period from June 1, 2018 to November 30, 2018.
24. On April 12, 2019, the Petitioners sought and obtained an order of the Court extending the stay of proceedings provided in the Initial Order to May 6, 2019.
25. On May 6, 2019, the Petitioners sought and obtained an order of the Court extending the stay of proceedings provided in the Initial Order to May 10, 2019.
26. On May 8, 2019, the Petitioners sought and obtained an order (the “**Expanded Powers Order**”) of the Court extending the stay of proceedings provided in the Initial Order to August 13, 2019 and expanding the Monitor’s powers.

27. On August 12, 2019, the Petitioners sought and obtained two orders of this Court:
- (a) the first order approved the sale of a property located at 13549 Hale Road, Pitt Meadows, the details of which were described in the Seventh Report of the Monitor, dated August 7, 2019; and
 - (b) the second order approved the extension of the stay of proceedings provided in the Initial Order to September 30, 2019 and authorized the Petitioners' legal counsel to distribute the surplus funds remaining from the sale of the Processing Plant to the Monitor after providing for certain holdbacks related to priority claims.
28. On September 30, 2019, the Petitioners sought and obtained an order of the Court extending the stay of proceedings provided in the Initial Order to January 15, 2020.
29. On January 8, 2020, the Petitioners sought and obtained three orders of the Court:
- (a) the first order approved an Amended and Restated Settlement Agreement dated December 2019 as between the Petitioners and Berar Farms Ltd. and provided a vesting order to facilitate the closing of the transaction;
 - (b) the second order extended the stay of proceedings provided in the Initial Order to March 18, 2020; and
 - (c) the third order compelled the purchaser of the Processing Plant to allow the Petitioners access to the server which was acquired in the sale of the Processing Plant for the purpose of making a copy of Purewal's electronic accounting records.
30. On January 8, 2020, counsel to the Monitor sought and obtained an order of the Court approving the Monitor's fees and expenses for the period from December 1, 2018 to June 30, 2019 and for the Monitor's legal counsel for its fees and expenses for the period from December 1, 2018 to December 23, 2019.

31. On March 6, 2020, the Petitioners sought and obtained an order of the Court extending the stay of proceedings provided in the Initial Order to June 19, 2020.
32. On June 17, 2020, the Petitioners sought and obtained an order of the Court extending the stay of proceedings provided in the Initial Order to August 19, 2020.
33. On August 19, 2020, the Petitioners sought and obtained an order of the Court extending the stay of proceedings provided in the Initial Order to September 30, 2020.
34. On September 28, 2020, the Petitioners sought and obtained an order of the Court extending the stay of proceedings provided in the Initial Order to October 2, 2020.
35. On October 2, 2020, the Petitioners sought and obtained an order of the Court extending the stay of proceedings provided in the Initial Order to November 30, 2020.
36. On November 25, 2020, the Petitioners sought and obtained two orders of the Court:
 - (a) the first order extended the stay of proceedings provided in the Initial Order to February 1, 2021; and
 - (b) the second order added 0740656 B.C. Ltd. (“074”) as a Petitioner to these CCAA proceedings.
37. On January 28, 2021 (the “**January 2021 Application**”), the Monitor sought and obtained an order of the Court extending the stay of proceedings provided in the Initial Order to June 30, 2021.
38. The reports of the Proposal Trustee and the Monitor and other information in respect of these CCAA proceedings are posted on the Monitor’s website at <http://cfcanada.fticonsulting.com/purewal/>.

PURPOSE

39. The purpose of this Sixteenth Report is to provide the Court with an update on the following:
- (a) the activities of the Monitor, including the results of the claims process for 074 (the “**074 Claims Process**”);
 - (b) a summary of the cash receipts and disbursements of the Monitor for the period from November 15, 2018 to June 8, 2021;
 - (c) a summary of the events surrounding the disposition of a ground lease with the Pitt Meadows Airport Society (the “**PMAS**”) for approximately 165 acres of land for the purpose of growing and harvesting blueberries (the “**Airport Lease**”);
 - (d) a summary of the fees and expenses of the Monitor from July 1, 2019 to May 31, 2021 and the fees and expenses of the Monitor’s legal counsel for the period from January 1, 2020 to May 31, 2021; and
 - (e) the Monitor’s views and recommendations regarding its request for an extension of the provisions of the Initial Order, including the stay of proceedings, to August 13, 2021.

TERMS OF REFERENCE

40. In preparing this Sixteenth Report, the Monitor has relied upon unaudited financial information, other information available to the Monitor and, where appropriate, the Petitioners’ books and records and discussions with various parties (collectively, the “**Information**”).

41. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
42. The Monitor has not examined or reviewed financial forecasts and projections referred to in this Sixteenth Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
43. Future oriented financial information reported or relied on in preparing this Sixteenth Report is based on assumptions regarding future events; actual results may vary from forecast and such variations may be material.
44. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

THE ACTIVITIES OF THE PETITIONERS

45. The unresolved issue with the claim of the Canada Revenue Agency (“CRA”), as described at paragraphs 48-50 of the Fifteenth Report of the Monitor, dated January 25, 2021 (the “**Fifteenth Report**”), has now been resolved.
46. As noted in the Fifteenth Report, there was an outstanding issue related to CRA’s position with respect to its set off of post-filing credits against pre-filing debts of the Petitioners.
47. Subsequent to the Fifteenth Report, CRA confirmed that it would: (i) release the post-filing GST tax credits to the Monitor; and (ii) amend its proof of claim related to its pre-filing claim.
48. The Monitor is now in receipt of CRA’s amended proof of claim, which includes the aforementioned adjustments to its GST claim.

49. Some additional post-filing GST returns that were submitted by the Petitioners to CRA are currently under audit review. One of the returns being reviewed relates to a claim in excess of \$100,000 which, upon satisfaction of CRA's queries, should also be released to the Monitor.

UPDATE ON THE PETITIONERS' FUNDING

50. Subsequent to the Fifteenth Report, the only transactions recorded in the Monitor's trust account were the payment of professional fees and earned interest.
51. The following is a summary of the receipts and disbursements in the Monitor's trust account for the period from November 15, 2018 to June 8, 2021:

Summary of Receipts and Disbursements		
Receipts		
Advances pursuant to DIP Loan		265,000
Extension fee		150,000
Funds released from Clark Wilson		3,061,062
Interest income		27,150
Total receipts		3,503,212
Disbursements		
DIP Lender fee		10,500
Insurance		93,279
Security		62,827
BC Hydro		73,267
Contractor fees and expenses		388,672
Payment to City of Pitt Meadows		51,080
Petitioners' legal counsel fees and disbursements		190,186
Monitor's fees and disbursements		312,455
Monitor's legal counsel fees and disbursements		159,664
Bank charges		154
Total disbursements		1,342,085
Excess of receipts over disbursements		\$ 2,161,127

52. As indicated, the Monitor is holding funds of approximately \$2.2 million as at June 8, 2021.

THE 074 CLAIMS PROCESS

53. As 074 was added as a Petitioner in these proceedings after the Initial Claims Process had been completed, the Monitor was of the view that the 074 Claims Process was required to determine the extent of claims against 074, if any.

54. Accordingly, at the hearing of the January 2021 Application, the Monitor's counsel advised this Honourable Court of the Monitor's intention to conduct the 074 Claims Process.

55. Following the January 2021 Application, the Monitor conducted the 074 Claims Process on substantially the same terms and process as the Initial Claims Process (as set out in the Claims Process Order) and in accordance with its powers and discretion under and pursuant to the Expanded Powers Order and the *CCAA*. This included:

- (a) placing an advertisement in the print version of the Vancouver Sun on March 12, 2021 providing notice of the claims process;
 - (b) mailing notices to the directors of 074 on March 10, 2021 advising them of the claims process; and
 - (c) mailing notices to all potential creditors of 074 including CRA, the Director of Employment Standards on behalf of the Ministry of Labour (the "MOL") and the PMAS.
56. The Monitor set a deadline (the "**074 Claims Deadline**") of April 21, 2021 for the receipt of claims against 074.

57. Given that CRA and the MOL had already filed claims for debts relating to 074 against Purewal on a joint and several liability basis, and based on the Monitor's review of 074's books and records, the Monitor did not anticipate that any claims would be filed against 074 through the 074 Claims Process.
58. However, and notwithstanding the foregoing, prior to the 074 Claims Deadline, the Monitor received the following two claims (collectively, the "**074 Claims**"):
- (a) an unsecured claim from CRA in the amount of \$628,342.33; and
 - (b) an unsecured claim from the MOL in the amount of \$1,937,105.99.
59. The Monitor reviewed the 074 Claims and determined that a portion of them appeared to be duplicative of the claims filed by these creditors in the Initial Claims Process.
60. As indicated in its previous reports, the Monitor sought to include 074 as a Petitioner in these proceedings so that it would have standing to pursue a possible recovery for the Petitioners related to the transfer of the Airport Lease.
61. In addition, the Monitor had been advised by legal counsel to the Petitioners that they intended to seek a consolidation of all the Petitioners, including 074, so that a *pro rata* distribution could be made from the funds held by the Monitor (including any recovery related to the Airport Lease).
62. The Monitor's initial analysis of consolidation and the economics of pursuing the Airport Lease assumed that there would be no additional claims as against 074. As noted above, this assumption was predicated on the outcome of the Initial Claims Process (in which claims had been filed against 074 and Purewal on a joint and several liability basis), as well as the Monitor's review of 074's books and records.

63. However, upon receipt of the 074 Claims, the Monitor notes that the economics of consolidating the Petitioners (if such a consolidation included 074) and its pursuit of the Airport Lease, have changed to the detriment of the existing creditors with proven claims against the Petitioners, excluding 074 (the “**Existing Creditors**”). Of particular concern, the Monitor notes the following:
- (a) the proceeds held by the Monitor would be used to fund the litigation related to the Airport Lease. Given the 074 Claims, the Existing Creditors would be assuming an additional amount of the litigation risk with no certainty of recovery; and
 - (b) the existing claim pool would be increased by the amount of the additional 074 Claims, decreasing the *pro rata* dividend that would be payable to the Existing Creditors.
64. Accordingly, the Monitor and its counsel held discussions with both CRA and the MOL to first determine the extent of duplication in the 074 Claims and second to outline the impact of their respective claims on the economics of consolidation and the Monitor’s pursuit of the Airport Lease to the Existing Creditors.
65. Both CRA and the MOL advised that significant portions of their claims were duplicative of the claims filed in the Initial Claims Process. Accordingly, if a consolidation order was granted that included 074, the duplicative portion of their respective claims would need to be removed from the total claims pool.
66. However, even with the removal of the duplicative portions of their claims, it was determined that in the event that 074 was included in a consolidation, it would add approximately \$400,000 to the existing claims pool. This would result in an estimated reduction in the pro-rata distribution to Existing Creditors of ½ cent per dollar of claim.

67. As a result of the 074 Claims, the Monitor does not feel that it can recommend pursuing a consolidation of 074 with the Petitioners and, by extension, cannot pursue the transfer of the Airport Lease due to the litigation risk and impact on the Existing Creditors. The Monitor notes that as CRA and the MOL are both creditors of 074, either one of them could pursue the Airport Lease on their own behalf and at their own volition.
68. As at the date of this Sixteenth Report, the Monitor is advised by its counsel that the MOL has not made a determination as to whether it intends to pursue an action related to the Airport Lease.
69. The Monitor notes that the original lease as between 074 and the PMAS was surrendered on or about July 25, 2018, and a new lease was entered between Phoenix Farms Ltd. and the PMAS on August 1, 2018.
70. Accordingly, the Monitor is advised by its counsel that, with the suspension of filing timelines put in place as a result of the COVID-19 pandemic, there would be an estimated deadline for the expiration of the limitation period under the *Limitation Act*, S.B.C. 2012, c. 13 toward the end of July 2021.
71. In order to preserve any rights that may exist within the context of the CCAA, the Monitor is seeking an extension of the stay of proceedings until August 13, 2021 so that the MOL may determine its final decision with respect to pursuing the transfer of the Airport Lease.

THE ACTION BY THE PURCHASER OF THE PROCESSING PLANT

72. As detailed in previous reports of the Monitor, Purewal previously owned the Processing Plant. The Processing Plant was the subject of the Sale Process detailed above, which process was approved by the Court.
73. As noted above, 117 was the successful purchaser of the Processing Plant.
74. The sale of the Processing Plant by Purewal to 117 closed on March 15, 2019 (the “**Closing**”). Prior to the Closing, 117’s legal counsel advised the Petitioners’ legal counsel that it was “closing under protest”, as it believed certain of the assets (the “**Alleged Missing Assets**”) belonging to the Processing Plant had been removed prior to the Closing.
75. The Monitor is aware that subsequent to the Closing, some discussions occurred between representatives of 117 and Purewal with respect to the Alleged Missing Assets. However, the Monitor is not aware of the extent to which those discussions resolved the issue.
76. On March 12, 2021, the Petitioners’ legal counsel was served with notice that 117 had filed a Notice of Civil Claim (the “**117 Claim**”) against each of the Petitioners and several other individuals in their personal capacity, including but not limited to Gurjit Purewal, Charan Purewal, Malkiat Purewal and Gurdawar Purewal.
77. The 117 Claim seeks an unquantified amount for damages for breach of contract relating to the Alleged Missing Assets, which 117 alleges were owned by Purewal and were removed from the Processing Plant prior to the Closing.

78. The Monitor's counsel has also been advised by counsel to 117 that its position is that, if the allegations in the 117 Claim are proven, any damages would be a post-filing claim and, therefore: (i) the 117 Claim does not fall within the Claims Process Order; and (ii) it will oppose any distribution to creditors in respect of proven pre-filing claims prior to the determination and, if successful, the payment of the 117 Claim.
79. The Monitor has reviewed the 117 Claim and notes the following:
- (a) the Sale Process commenced on July 16, 2018, at which time a teaser document was forwarded to all known interested parties. The documents used in and throughout the Sale Process (the "**Sale Process Documents**") did not include an equipment list, as the Petitioners' records were not complete or up to date;
 - (b) the Monitor first met with a representative of 117 on August 8, 2018, and immediately after that meeting sent the 117 representative a copy of the Sale Process Documents, together with a copy of a stalking horse offer (the "**Stalking Horse Offer**") that had been executed prior to the commencement of the Sale Process. The Stalking Horse Offer also did not include a list of equipment to be included in the sale of the Processing Plant, only a reference to "All goods owned by the Vendor in respect of the lands";
 - (c) on August 15, 2018, the Monitor forwarded the Bidding Procedures, teaser document, and Stalking Horse Agreement to 117's legal counsel;

- (d) on August 18, 2018, the Monitor forwarded additional information to 117's legal counsel, with a note indicating that: (i) neither Purewal nor the Monitor had prepared an equipment list for or in respect of the Processing Plant; and (ii) 117 must do its own due diligence in respect of the Sale Process and the purchased assets. In this note, the Monitor also offered to arrange a tour of the Processing Plant for 117, which neither 117 nor its legal counsel accepted;
 - (e) article 5 of the PSA provides that the sale of the Processing Plant was on an "as is and where is basis", without any representations or warranty by Purewal (as the vendor). 117, as the purchaser thereunder, also acknowledged and represented that it entered into the PSA solely relying on its own due diligence investigations;
 - (f) the Monitor understands that the Alleged Missing Assets consisted primarily of certain packing lines. The Monitor has explained to 117 that the packing lines were leased by Purewal from Pemberton Leasing Services Ltd ("**Pemberton Leasing**"), and that Pemberton Leasing had previously engaged a bailiff to remove its equipment prior to the commencement of the Sale Process; and
 - (g) subsequent to the execution of the PSA, 24-hour security was put in place and the security company has confirmed to the Monitor that there were no reports of assets being removed from the Processing Plant.
80. The Monitor understands that representatives of 117 may have been shown the Processing Plant by Gurjit Purewal prior to the commencement of the Sales Process. The Monitor is not aware of the details of any discussions that may have occurred among the parties at that time.

81. The Monitor has requested that 117 and/or its legal counsel provide further documentation or evidence that could assist the Monitor in its review of the 117 Claim, including the valuation of what 117 has alleged as a post-filing claim. Based on all of the foregoing, and absent the provision of further documentation, details, or evidence from or by 117, the Monitor has reservations about the veracity of the 117 Claim, at least insofar as it has been asserted against the Petitioners.

APPROVAL OF THE MONITOR AND ITS COUNSEL'S FEES AND EXPENSES

82. The activities of the Monitor have largely been covered in its reports to this Court. As indicated previously, the Monitor has previously sought the approval of its fees and expenses as well as its legal counsel's fees and expenses.

83. The Monitor's fees and expenses have been approved for the period up to and including June 30, 2019.

84. The Monitor's legal counsel's fees and expenses have been approved for the period up to and including December 23, 2019.

85. The primary activities of the Monitor and its legal counsel since the dates of its last approval have included:

- (a) Supervising the Contractor with respect to accounting services and completion of various regulatory filings;
- (b) Liaising with the Petitioner's insurance provider;
- (c) Conducting a claims process for 074;
- (d) Consulting with the Petitioners and its legal counsel with respect to strategic decisions;

- (e) Addressing issues related to priorities including the claim of CRA;
 - (f) Assisting with the final settlement agreement as between the Petitioners and Berar;
 - (g) Analyzing and investigating the circumstances regarding the transfer of the Airport Lease;
 - (h) Closing the sale of the Houses;
 - (i) Responding to creditor enquiries; and
 - (j) Reporting to this Honourable Court.
86. The Monitor and the Monitor's legal counsel have each sworn an affidavit which includes all of the details of their respective activities as well as their hourly rates.
87. In accordance with paragraph 30 of the Initial Order, the Monitor hereby seeks the approval of this Honourable Court for the Monitor's fees and expenses as presented and for the Monitor's legal counsel's fees and expenses as presented.

MONITOR'S REQUEST TO EXTEND THE STAY OF PROCEEDINGS

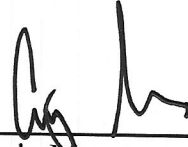
88. As indicated previously, the Monitor is seeking an extension of the provisions of the Initial Order, including the stay of proceedings, to August 13, 2021. Absent such extension, the stay will expire on June 30, 2021.
89. The Monitor's intention was to seek a distribution order at this application and would have also sought its discharge upon the completion of the distribution payments. However, 117's legal counsel has indicated that it would oppose such relief, pending a resolution or determination of the 117 Claim.

90. Accordingly, the Monitor is seeking a short extension of the stay of proceedings for the following purposes:
- (a) to provide time for the MOL to finalize its analysis and decision as to whether to pursue a claim in respect of the transfer of the Airport Lease;
 - (b) to provide 117 with sufficient time to quantify the 117 Claim so that a holdback could be made from any distribution order sought by the Monitor pending a determination or resolution of the 117 Claim, and/or to provide the parties with sufficient time to determine how best to resolve the 117 Claim in these proceedings; and
 - (c) to provide the Monitor with some additional time to provide CRA with the documentation it requires to conclude its audit and release the GST refunds.
91. The Monitor understands that the Petitioners intended to bring an application for the substantive consolidation of the Petitioners' estates concurrently with the Monitor's application for a distribution order. However, given the stated opposition by 117 to a distribution order prior to a determination or resolution of the 117 Claim, the Monitor understands that the Petitioners will not be proceeding with that application at this time.
92. The Monitor has considered the test that the Court must be satisfied with in order to grant an extension of the stay of proceedings to the Petitioners, namely that:
- (a) the Petitioners must be acting in good faith and with due diligence; and
 - (b) the Petitioners satisfy the Court that circumstances exist that make the order appropriate.

93. Given that the Petitioners' assets have now been monetized and the remaining issues are within the scope of the Monitor's expanded powers to pursue, the Monitor believes that the Petitioners are acting in sufficiently good faith and due diligence such that the extension of the stay of proceedings is in the best interests of all stakeholders.
94. Accordingly, the Monitor supports the Petitioners' request for an extension of the stay of proceedings to August 13, 2021.

All of which is respectfully submitted this 14th day of June, 2021.

FTI Consulting Canada Inc., in its capacity as
Monitor of Purewal Blueberry Farms Ltd.,
0726365 B.C. Ltd., 0726368 B.C. Ltd., 0726357
B.C. Ltd., Purewal Farms Partnership and
0740656 B.C. Ltd.



Name: Craig Munro
Title: Managing Director,
FTI Consulting Canada Inc.