

THE QUEEN'S BENCH

WINNIPEG CENTRE

IN THE MATTER OF: The Appointment of a Receiver pursuant to Section 243
of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-
3, as amended, and Section 55 of *The Court of Queen's
Bench Act*, C.C.S.M. c. C280

BETWEEN:

ROYAL BANK OF CANADA,

plaintiff,

- and -

KELLER & SONS FARMING LTD. and KELLER
HOLDINGS LTD.,

defendants.

ORDER

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(Matter No. 0138084 RAM)
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defendants.

ON READING the First Report of the Receiver January 19, 2016 (the "First Report") and the Confidential First Report of the Receiver dated January 19,

2016 (the "First Confidential Report"), and on hearing the submissions of counsel for the Receiver, the plaintiff, the defendants, Shilo Farms Ltd., and Redfern Farm Services Ltd., no one appearing for any other interested party, although properly served as appears from the Affidavit of Service of Ross A. McFadyen affirmed January 21, 2015:

1. THIS COURT ORDERS AND DECLARES that the time for service of the Notice of Motion, the First Report and the First Confidential Report and any other materials relating thereto is hereby abridged and validated and further service is hereby dispensed with.

2. THIS COURT APPROVES the First Report and the activities of the Receiver described therein, including the Receiver's Interim Statement of Receipts and Disbursements. All capitalized terms not otherwise defined herein shall have the meanings set out in the First Report.

3. THIS COURT ORDERS AND DECLARES that the First Confidential Report shall be treated as confidential and sealed and shall neither form part of the public record nor be disclosed to any party to this proceeding or otherwise, except:

- (a) by further Order of the Court, following notice to the Receiver of such motion; or

- (b) upon the date on which the Receiver files with the Court a written notice certifying that a transaction or transactions relating to all the assets dealt with under the First Confidential Report have closed to the satisfaction of the Receiver;

whichever shall first occur, whereupon the First Confidential Report shall form part of the public record and no longer be sealed.

4. THIS COURT ORDERS AND DECLARES that the Sales Process described in paragraphs 81 through 110 of the First Report in relation to the sale of equipment and in relation to the process described as "Phase One" in the First Report (the "Sales Process") shall be and is hereby authorized and approved and all actions taken by the Receiver to the date of the First Report to implement the Sales Process shall be and are hereby authorized and approved.

5. THIS COURT ORDERS AND DECLARES that the Receiver is authorized and directed to continue to implement the Sales Process, subject to further order of the Court, and to take such steps as it considers necessary or desirable in carrying out the Sales Process, including entering into an auction agreement with Ritchie Bros. Auctioneers (Canada) Ltd. ("Ritchie") with respect to the equipment of Keller & Sons Farming Ltd.

6. THIS COURT ORDERS AND DECLARES that the Receiver is authorized and directed to disclaim and terminate the Farm Lease agreement dated

May 1, 2015 (the "Farm Lease") entered into between the defendants and Shilo Farms Ltd. ("Shilo"), but only in so far as it relates to the lease of the machinery and equipment of the defendant Keller & Sons Farming Ltd., and that Shilo Farms Ltd. shall forthwith deliver up possession to the Receiver of all of the equipment the subject of the Farm Lease, other than those pieces of equipment listed in Schedule "A" hereto, which pieces of equipment shall be delivered to the Receiver on or before March 10, 2016.

7. THIS COURT ORDERS AND DECLARES that at any point in time prior to its discharge, the Receiver is authorized to file a Notice of Motion seeking an order for a finding of contempt as against Calidon Financial Services Inc. ("Calidon") and any of its directors or officers, in relation to Calidon's allegedly willful violation of the Receivership Order in causing the seizure of the following item of equipment: RBR Venturi 350 w/ FLX Applicator, 350HP, Cummins Engine, 6 Speed Allison Transmission, S/N: FA1506126 (the "Applicator") on or about October 26, 2015.

8. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order.

9. THIS COURT ORDERS that this Order may be served by email or regular mail to all parties listed on the Service List and on any party that appeared at the hearing of this motion, and further service on any other party is hereby dispensed

with. Approval as to the form of this Order by any interested parties is also hereby dispensed with.

February 9th
January 26, 2016

G.L. CHARTIER

JUSTICE CHARTIER

SCHEDULE "A"

1. 37 1995 International Truck - evenflow
2. 38 1995 International Truck - evenflow
3. 39 1985 International Truck - evenflow
4. 61 2010 John Deere Skid Steer - Loader
5. 62 2010 John Deere Skid Steer - Loader
6. 63 2000 Cat Skid Steer - Loader
7. 65 930G Cat Loader
8. 128 Double L 831 Potato Piler
9. 129 Double L 831 Potato Piler
10. 130 Double L 861 42 In Piler
11. 131 Lockwood ACS 8 Air Separator
12. 135 2008 Milestone MSDS92 Sorting Table
13. 136 2008 Milestone MSDS72 Sorting Table