

**IN THE SUPREME COURT OF NOVA SCOTIA
IN BANKRUPTCY AND INSOLVENCY**
Citation: *H & H Fisheries Limited, Re*, 2005 NSSC 346

Date: 20051219
Docket: SH B259148
Registry: Halifax

IN THE MATTER OF: H & H Fisheries Limited

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Judge: The Honourable Justice Walter R.E. Goodfellow

Heard: December 14, 2005 in Halifax, Nova Scotia

Subject: Bankruptcy - Notice of Intention to File a Proposal

Summary: HHFL employs approximately 75 people in its fish processing facility located in Eastern Passage, Halifax. In May 2003 it became a customer of BNS. Agreement required HHFL to maintain banking accounts with BNS. However, when it became clear BNS was going to utilize funds, accounts receivable to pay down the loan to HHFL which would effectively close the plant, HHFL switched its operating accounts to CIBC. Since Notice of intention to file a proposal filed BNS received \$95,000 U.S. and its interest due November 2005. HHFL applied under s. 50.4(9) of the *Bankruptcy and Insolvency Act* for an extension to January 30, 2006 to file a proposal.

Issues: Has HHFL met the requirement of satisfying all three conditions set out in s. 50.4(9) namely, that it has acted in good faith and with due diligence; that it would likely be able to make a viable proposal and that no creditor would be materially prejudiced if the extension being applied for were granted?

Result: A review of the various affidavits, evidence and arguments advanced and addressing them individually with the result that HHFL has met the onus upon it to satisfy the court on a balance of probabilities that all the three prerequisites of s. 50.4(9) have been established and the application for an extension of time to January 30, 2006 is granted. Such in the best interests and beneficial to BNS, all of the other creditors and the employees. However, certain conditions apply.

*THIS INFORMATION SHEET DOES NOT FORM PART OF THE COURT'S DECISION.
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