

Sunrise leaves creditor hanging

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Scorched remains cover the Sunrise Propane site on Murray Rd. after the massive explosion there Aug. 10, 2008.

First Choice Petroleum still waiting for business to settle unpaid account from 2002, owner says

August 13, 2008

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Staff Reporter

The owner of the petroleum company that won a court order for an outstanding payment from Sunrise Petroleum and its owner Sean Ben-Moshe says he is still waiting for payment six years later.

"I just got to the point where I can't afford to chase them," said Rob Lennox, owner of First Choice Petroleum Inc., the defunct company that sued Sunrise Petroleum for an unpaid account and won \$93,389.54 plus legal fees in 2002.

Lennox's company began selling gasoline products and lubricants to Sunrise Petroleum in 1999. The 2002 judgment ruled that Sunrise Petroleum had forged a First Choice employee signature on a document stating Sunrise Petroleum was being replaced by a new legal company, Sunrise Petroleum Lubricants, and that Sunrise Petroleum was thereby no longer responsible for its outstanding accounts. Sunrise Petroleum appealed the ruling in 2003 and lost. Lennox said he has been unable to collect payment from the company or Ben-Moshe since then.

In the court ruling, Justice Bruce Glass wrote that Sunrise documents referred to "a variety of names for Sunrise," citing three, and that even Ben-Moshe himself "could not keep the names straight." Yesterday, Lennox said, "They just change company names like they change socks."

Sean Ben-Moshe's Thornhill home is owned by his wife, Ronit Ben-Moshe. Sunrise Propane's new spokesperson, Danny Roth, said yesterday that Sean Ben-Moshe, Valery Belahov and Leon Belahov, who was also cited in the court case, currently own the two companies that were located at the Murray Rd. site: Sunrise Propane Energy Group and Sunrise Propane Industrial Gases. They also own three retail outlets in Toronto.

Roth said the company has been in the propane business for over a decade and moved to Murray Rd. approximately four years ago.

Roth said the company was not disputing the court case outlined in the 2002 ruling – "the record is the record," he said.

He would not confirm nor deny whether Sunrise had followed the court order and settled their debts with First Choice. "That litigation ... relates to a contractual matter," he said. "It has nothing to do with safety. It has nothing to do with the operation of the site."

Roth said the company was acting responsibly before the accident, and is co-operating fully with the ongoing investigation. "They satisfied the obligations and operated in strict compliance with all licensing, and operated in strict compliance with all safety and licensing regulations," he said.

Asked why there have been at least four Sunrise companies registered to Ben-Moshe, Roth said, "There may have been different names used at different points for different companies that did different things, which is not that unusual in business."

HOW THE PROPANE INDUSTRY WORKS

- Natural gas is extracted from the ground.
- It goes to refineries and facilities to be stripped of other gases and become propane.
- The product is transported by pipeline, railcar or truck and sold to wholesalers and retailers.
- Wholesalers tend to own storage cars and railcars and other big capital equipment. They might sell directly to the end user, or to retailers.
- Retailers sell to the common user. While some may own storage yards, others just own a few trucks.
- Retailers and wholesalers would likely transfer propane from one container to another, but need to be certified to do so.
- Sunrise Propane is a propane wholesaler and distributor that sells bulk propane as well as propane for home use.

Source: Tracy Walden, communications manager for the Propane Gas Association of Canada