

Court File No. CV-24-00705869-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

MOTION RECORD OF THE RECEIVER

(Returnable April 24, 2024)

April 4, 2024

HARRISON PENZA LLP

Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2

Timothy C. Hogan (LSO #36553S)

Tel: (519) 679-9660
Fax: (519) 667-3362
Email: thogan@harrisonpensa.com

Solicitors for the Receiver,
msi Spergel Inc.

TO: Service List

Service List

| | |
|----------------|--|
| TO: | <p>BORDEN LADNER GERVAIS LLP Bay Adelaide Centre, East Tower 22 Adelaide Street West Toronto, ON M5H 4E3 Tel: (416) 367-6000 Fax: (416) 367-6749</p> <p>Roger Jaipargas Tel: (416) 367-6266 Email: rjaipargas@blg.com</p> <p>Lawyers for Royal Bank of Canada</p> |
| AND TO: | <p>msi Spergel Inc. 200 Yorkland Blvd., Suite 1100 Toronto, ON M2J 5C1 Tel: 416-497-1660 Fax: 416-498-4314</p> <p>Mukul Manchanda Tel: (416)- 498-4314 Email: mmanchanda@spergel.ca</p> <p>Proposed Receiver</p> |
| AND TO: | <p>TEN 4 SYSTEM LTD.</p> <p>Nasir Mahmood Email: nasirmahmood@ten4system.com</p> <p>Respondent</p> <p>M. SINGH LAW PROFESSIONAL CORPORATION 100 King Street West - Suite 5700 First Canadian Place Toronto, Ontario M5X 1C7</p> <p>Manjit Singh Tel: (647) 722-8400 Email: msingh@msinghlaw.ca</p> <p>Lawyers for the Respondent</p> |

| | |
|----------------|--|
| AND TO: | <p>BLANEY MCMURTRY LLP 2 Queen St E #1500 Toronto, ON M5C 3G5</p> <p>David T. Ullman Tel: (416) 596-4289 Email: dullmann@blaney.com</p> <p>Lawyers for Nasir Mahmood and Rupinder Taggar</p> |
| AND TO: | <p>1000043321 ONTARIO INC.</p> <p>Nasir Mahmood Email: nasirmahmood@ten4system.com</p> <p>Guarantor</p> |
| AND TO: | <p>10000122550 ONTARIO INC.</p> <p>Nasir Mahmood Email: nasirmahmood@ten4system.com</p> <p>Guarantor</p> |
| AND TO: | <p>INTAKE CENTRE FOR INSOLVENCY (Ontario Region) Administrative Agreement Requests Manager, Insolvency Toronto Centre Tax Services Office Canada Revenue Agency</p> <p>Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca</p> <p>Lawyers for the Canada Revenue Agency</p> |
| AND TO: | <p>INSOLVENCY UNIT ONTARIO MINISTRY OF FINANCE 33 King Street West, 6th Floor Oshawa, ON L1H 8H5</p> <p>Insolvency Unit Email: insolvency.unit@ontario.ca</p> |
| AND TO: | <p>PRIDE FLEET SOLUTIONS INC. 1450 Meyerside Dr., Suite 401 Mississauga, ON L57 1A6</p> <p>6050 Dixie Road Mississauga, ON L5T 2N5 Email: gurleen@pridefleetsolutions.com</p> |

| | |
|----------------|---|
| AND TO: | TFG FINANCIAL CORPORATION 400-4180 Lougheed Highway Burnaby, BC V5C 6A7 Email: absecparties@avssystems.ca |
| AND TO: | DAIMLER TRUCK FINANCIAL SERVICES CANADA CORPORATION 2680 Matheson Blvd. E Ste 202 Mississauga, ON L4W 0A5 Email: dtf@daimlertruck.com |
| AND TO: | BODKIN, A DIVISION OF BENNINGTON FINANCIAL CORP. 102-1465 North Service Rd E Oakville, ON L6H 1A7 Email: leann@benningtonfinancial.ca |
| AND TO: | TPINE LEASING CAPITAL CORPORATION 6050 Dixie Road Mississauga, ON L5T 1A6 Email: absecparties@avssystems.ca |
| AND TO: | NORTHWEST CARRIER LTD. 2396 Cedar Creek Road Ayr, ON N0B 1E0 Unit 10, 7895 Tranmere Drive Mississauga, ON L5S 1V9 Anoop Singh Email: info@northwestcarrier.ca anoop@northwestcarrier.ca |
| AND TO: | FLUENT CAPITAL LENDING 101 – 180 Bass Pro Mills Drive Vaughan, ON L4K 0G9 |
| AND TO: | POPULAR TIRE SALES AND SERVICE INC. 1137 Lorimar Drive Mississauga, ON L5S 1X9 |
| AND TO: | GURVGURS PROPERTY HOLDINGS INC. 2592 Burslem Road Mississauga, ON L5A 2R6 |
| AND TO: | 13164454 CANADA INC. 1654 Lakeshore Road West Mississauga, ON L5J 1J3 |

INDEX

INDEX

| Tab | Document | Page No. |
|-----|---|----------|
| 1 | Notice of Motion dated April 4, 2024 | 9 |
| 2 | First Report of the Receiver dated April 3, 2024 | 19 |
| | Appendix 1 – The September 20 th Endorsement | 48 |
| | Appendix 2 – Receivership Order dated October 18, 2023 | 51 |
| | Appendix 3 – The October 26 th Endorsement | 69 |
| | Appendix 4 – November 14, 2023, Endorsement of Mr. Justice Osborne | 72 |
| | Appendix 5 – Sealing Order dated October 26, 2023 | 75 |
| | Appendix 6 – Receivership Endorsement issued after Sealing Order | 80 |
| | Appendix 7 – Respondent’s Notice of Appeal | 87 |
| | Appendix 8 – Endorsement of Mr. Justice Brown dated December 15, 2023 | 94 |
| | Appendix 9 – Copies of the Email exchanges between the Receiver’s Counsel and Counsel for the Debtors/Ten 4 Financial Statements | 104 |
| | Appendix 10 – The Northwest Lease | 122 |
| | Appendix 11 – The January 10 th NW Email | 128 |
| | Appendix 12 – The January 16 th NW Tenant Email | 134 |
| | Appendix 13 – The January 17 th Receiver’s Counsel NW Email | 136 |
| | Appendix 14 – The January 24 th and 26 th Emails | 138 |
| | Appendix 15 – The March 14 th NW Letter | 140 |
| | Appendix 16 – Copies of Email exchanges from March 28, 2024, to April 4, 2024, between the Receiver’s Counsel and the Tenant | 143 |
| | Appendix 17 – Copies of Parcel Registers for Real Properties | 147 |
| | Appendix 18 – The December 15 th HP Letter | 152 |
| | Appendix 19 – January 24, 2024, Email from Counsel for the Debtors | 156 |
| | Appendix 20 – The March 25 th Endorsement | 158 |
| | Appendix 21 – March 25, 2024, Emails to Counsel for the Debtors and Blaney McMurtry LLP | 162 |
| | Appendix 22 – Fee Affidavit of Philip H. Gennis sworn April 3, 2024 | 165 |
| | Appendix 23 – Fee Affidavit of Thomas Masterson sworn April 2, 2024 | 201 |

| | | |
|--|---|-----|
| | Appendix 24 – Receiver’s Interim Statement of Receipts and Disbursements as of April 1, 2024 | 216 |
|--|---|-----|

Tab 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO 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**

**NOTICE OF MOTION
(Returnable April 24, 2024)**

msi Spergel inc. ("**Spergel**") in its capacity as court-appointed receiver (in such capacity, the "**Receiver**"), will make a Motion to a Judge presiding over the Commercial List.

PROPOSED METHOD OF HEARING: The Motion is to be heard:

- In writing under subrule 37.12.1 (1) because it is on consent;
- In writing as an opposed motion under subrule 37.12.1 (4);
- In person;
- By telephone conference;
- By video conference.

at the following location:

On April 24, 2024, at 10:00 a.m., or as soon after that time as the Motion can be heard by judicial teleconference via Zoom at Toronto, Ontario.

THE MOTION IS FOR:

1. An Order:
 - a) abridging the time for service, filing and confirmation of the Notice of Motion and the Motion Record, and validating service so that this motion is properly returnable on April 24, 2024;
 - b) approving the First Report of the Receiver dated April 3, 2024 (the “**First Report**”), and the activities and conduct of the Receiver set out therein provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the First Report;
 - c) approving the Receiver’s Interim Statement of Receipts and Disbursements as detailed in the First Report;
 - d) directing the Debtors and the Principals (as defined below) to immediately advise the Receiver of the location of all Property and Records (all as defined in the Appointment Order);
 - e) directing the Debtors and the Principals (as defined below) to immediately produce and deliver the Records (as defined in the Appointment Order), including the List of Information (as defined in the First Report) and all documents in relation to the Account Receivable Variance (as defined in the First Report) to the Receiver;
 - f) authorizing and directing the Receiver to execute a Listing Agreement (the “**Listing Agreement**”) on terms acceptable to the Receiver between the Receiver and Avison Young Commercial Real Estate Services LP (“**Avison**”) for the sale of the Real Property (as defined below) and to take such steps as the Receiver deems necessary or advisable to carry out the terms thereof;
 - g) authorizing and directing the Receiver, with Avison as its real estate consultant, to carry out the sale process (the “**Sale Process**”), as described in the First Report and to take such steps and execute such documentation as the Receiver considers necessary or desirable in carrying out its obligations thereunder, subject to prior

approval of this Court being obtained before completion of any transaction under the Sale Process;

- h) sealing the Confidential Appendices to the First Report until the completion of the Sale Process, or until a further order of this Court;
- i) approving the fees and disbursements of the Receiver and its counsel, Harrison Pensa LLP, and authorizing payment of same;
- j) authorizing and confirming the termination of the Northwest Lease (as defined below) and, if necessary, an Order granting leave to issue a writ of possession for the Real Property;
- k) the costs of this motion on a substantial indemnity basis, if opposed; and,
- l) Such further and other relief as counsel may request and this honourable court may permit.

THE GROUNDS FOR THE MOTION ARE:

The Appointment of the Receiver

1. Pursuant to an Order of this Court made on October 18, 2023 (the “**Appointment Order**”), Spergel was appointed Receiver, without security, of the assets, undertakings and properties of Ten 4 System Ltd. (“**Ten 4**”), 1000043321 Ontario Inc. (“**321 Ontario**”) and 1000122550 Ontario Inc. (“**550 Ontario**” and together with Ten 4 and 321 Ontario, the “**Debtors**”).
2. Nasir Mahmood is a director of each of the Debtors, and Rupinder Taggar (together with Nasir Mahmood, the “**Principals**”) is a director of both 321 Ontario and 550 Ontario.

The Real Property

3. 321 Ontario and 550 Ontario own certain adjoining real property located in Ayr, Ontario (the “**Real Property**”).

4. The Real Property is subject to a lease dated June 26, 2023 (the “**Northwest Lease**”). Pursuant to the Northwest Lease, the Debtors are the landlord and Northwest Carrier Ltd. (the “**Tenant**”) is the tenant.

The Receiver’s Activities

5. The Receiver’s activities since its appointment have concentrated on:
 - a. requesting the book and records for the Debtors from the Principals;
 - b. arranged for two appraisals to be completed in relation to the Real Property;
 - c. communications with the Tenant and the termination of the Northwest Lease;
 - d. solicited real estate brokers to potentially list the Real Property; and,
 - e. preparing the First Report.
6. Pursuant to paragraph 3 (o) of the Receivership Order, the Receiver is authorized to make an assignment into bankruptcy on behalf of any Debtors.
7. In the face if the concerns as reported above with respect to financial reporting provided by the Debtors and the status of the Debtors’ records, the Receiver will be proceeding with an assignment into bankruptcy of Ten 4. The bankruptcy of Ten 4 will assist the administration of the estate through the statutory right of the Trustee to examine parties and to conduct a more fulsome investigation into the financial affairs of Ten 4.
8. The Receiver states that its actions, as outlined in the First Report, should be approved by this Honourable Court.

The Records

9. Paragraph 5 of the Appointment Order directs, among others, the Debtors and the Principals to provide the Receiver copies of the Records, as defined in the Appointment Order.
10. The Receiver and its legal counsel have made multiple requests for copies of the Records from the Debtors and the Principals, but the Debtors and the Principals have failed or refused to deliver the Records to the Receiver.

11. The Receiver requires the Records to administer the estate of the Debtors.

The Sale Process

12. Paragraph 3(j) of the Appointment Order authorizes the Receiver to market any or all the Property of the Debtors, including advertising and soliciting offers in respect of the Property of the Debtors, including the Real Property and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.

13. Paragraph 3(k) of the Appointment Order authorizes the Receiver to sell the Property of the Debtors, subject to Court approval, having regard to the monetary limits set out therein.

14. Paragraph 3(l) of the Appointment Order authorizes the Receiver to apply for a vesting order, or other orders necessary to convey the Property, or any part or parts thereof to a purchaser, or purchasers thereof, free and clear of any liens or encumbrances affecting such Property.

15. The Receiver solicited two real estate brokers to submit listing proposals for the marketing and sale of the Real Property.

16. Following such process, the Receiver recommends and requests that it be authorized to retain and execute the Listing Agreement with Avison to market the Real Property, which is based on:

- a. The commission structure payable to Avison is favourable;
- b. Avison's familiarity with the area where the Real Property is located;
- c. Avison's proposed process to list and sell the Real Property; and,
- d. Avison's view of the value of the Real Property.

17. The Sale Process, as reported in the First Report, is recommended by the Receiver and includes:

- a. Preparation of marketing material for prospective purchasers by Avison;

- b. Marketing to targeted prospective purchasers, including arranging site visits, providing access to the data room (upon execution of a confidentiality agreement) and conducting discussions with prospective purchasers and agents (if applicable);
 - c. Bid review, negotiation and acceptance; and
 - d. Court approval of accepted bid and the closing of sale of the Real Property.
18. The Receiver is of the view that the Sale Process is appropriate as it will optimize the chance of securing the best return for the Real Property and recommends the Sale Process as same will involve a process with integrity and will encourage a competitive environment for the solicitation of offers.

Sealing Order

19. The disclosure of the information contained in the Confidential Appendices could potentially impair the value maximizing purpose of the Sale Process, and the sealing order sought in relation to the Confidential Appendices (i) aligns with the purpose of the Sale Process and the interest promoted therein; (ii) is fair and reasonable in the circumstances; and (iii) will achieve the desired benefit without unduly impairing the openness of the Court's process
20. Until such time as the Sale Process is completed and the Real Property is sold, or until further order of this Court, the Receiver is of the view that the information and documentation contained in the Confidential Appendices should be sealed in order to avoid the negative impact that the dissemination of the confidential information contained therein would have.

Professional Fees

21. The Appointment Order requires the Receiver and its legal counsel to pass its accounts from time to time.
22. The Receiver and its counsel have each properly incurred fees and disbursements as detailed in the First Report.

23. The Receiver seeks the approval of its fees and disbursements and its counsel's fees and disbursements, and payment of same.

The Northwest Lease/Possession of the Real Property

24. The terms of the Northwest Lease will have a significant impact on the value and salability of the Real Property. Specifically, the rent charged in accordance with the Northwest Lease being well below market value and the indefinite right of renewal provided to the Tenant.

25. The Tenant is in default of the Northwest Lease and the Northwest Lease has been terminated by the Receiver.

26. On March 28, 2024, the Tenant confirmed it would vacate the Real Property by April 4, 2024.

27. The Receiver seeks an order authorizing the Receiver to disclaim the Northwest Lease, and the Receiver is of the view that such is just in the circumstances.

28. In the event that the Tenant fails to vacate the Real Property, the Receiver will require a writ of possession and seeks an Order granting leave to obtain same. The Tenant does have notice of this motion.

29. Section 243 and 249 of the Bankruptcy and Insolvency Act.

30. Sections 100 and 137(2) of the Courts of Justice Act.

31. Rules 1.04, 2, 3, 37, 38, and 60.10 of the Rules of Civil Procedure.

32. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

1. The Appointment Order;
2. The First Report and the Appendices thereto; and,
3. Such materials as counsel may advise and this Honourable Court may permit.

April 4, 2024

HARRISON PENZA LLP

Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2

Timothy C. Hogan (LSO #36553S)

Tel: 519-679-9660

Fax: 519-667-3362

Email: thogan@harrisonpensa.com

Solicitors for the Receiver,
msi Spergel inc.

TO: Service List

ROYAL BANK OF CANADA

Applicant

and TEN 4 SYSTEM LTD., et al.

Respondents

Court File No. CV-24-00705869-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

NOTICE OF MOTION

HARRISON PENZA LLP

Barristers and Solicitors
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2

Timothy Hogan (LSO # 36553S)

Tel: (519) 679 9660
Fax: (519) 667 3362
Email: thogan@harrisonpensa.com

Solicitors for the Receiver,
msi Spergel inc.

Tab 2

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

**FIRST REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC.
AND 1000122550 ONTARIO INC.**

APRIL 3, 2024

Table of Contents

| | | |
|-------|--|----|
| I. | APPOINTMENT AND BACKGROUND | 5 |
| II. | PURPOSE OF THIS FIRST REPORT AND DISCLAIMER | 7 |
| III. | RECEIVER'S ACTIVITIES..... | 10 |
| IV. | FAILURE OF PRODUCTION OF RECORDS BY THE DEBTORS | 11 |
| V. | THE REAL PROPERTIES | 17 |
| VI. | PROPOSED SALE PROCESS..... | 21 |
| VII. | REQUEST FOR A SEALING ORDER..... | 24 |
| VIII. | FLUENT CAPITAL LENDING MORTGAGE | 24 |
| IX. | DEBTORS' AND GUARANTOR'S COUNSEL..... | 25 |
| X. | ASSIGNMENT INTO BANKRUPTCY OF TEN 4..... | 26 |
| XI. | PROFESSIONAL FEES AND DISBURSEMENTS | 26 |
| XII. | RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS | 27 |
| XIII. | RECOMMENDATIONS | 27 |

APPENDICES

1. The September 20th Endorsement
2. Receivership Order dated October 18, 2023
3. The October 26th Endorsement
4. November 14, 2023 Endorsement of Mr. Justice Osborne
5. Sealing Order dated October 26, 2023
6. Receivership Endorsement issued after Sealing Order
7. Respondent's Notice of Appeal
8. Endorsement of Mr. Justice Brown dated December 15, 2023
9. Copies of the email exchanges between the Receiver's Counsel and counsel for the Debtors along with the Ten4 Financial Statements
10. The Northwest Lease
11. The January 10th NW Email
12. The January 16th NW Tenant Email
13. The January 17th Receiver's Counsel NW Email
14. The January 24th and 26th Emails
15. The March 14th NW Letter
16. Copies of email exchanges for the period from March 28, 2024 to April 4, 2024 between the Receiver's Counsel and the Tenant
17. Copies of Parcel Registers for Real Properties
18. The December 15th HP Letter
19. January 24, 2024 email from counsel for the Debtors
20. The March 25th Endorsement
21. March 25, 2024 emails to counsel for the Debtors and Blaney McMurtry LLP
22. Fee Affidavit of Philip H. Gennis sworn April 3, 2024
23. Fee Affidavit of Thomas Masterson sworn April 2, 2024
24. Receiver's Interim Statement of Receipts and Disbursements as of April 1, 2024

CONFIDENTIAL APPENDICES

1. Wagner Kovacs Appraisal
2. Colliers Appraisal
3. Listing Proposal Summary
4. Avison Young and Colliers Listing Proposals

I. APPOINTMENT AND BACKGROUND

1. This report (the “**First Report**”) is filed by msi Spergel inc. (“**Spergel**”), in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) of the following entities:
 - i. Ten 4 System Ltd. (“**Ten4**”)
 - ii. 1000043321 Ontario Inc. (“**321**”) and
 - iii. 1000122550 Ontario Inc. (“**550**”, together with Ten4 and 321, the “**Debtors**”)
2. Ten4 is incorporated pursuant to the laws of the Province of Alberta and is extra-provincially registered in the Province of Ontario. Ten4 was primarily engaged in the business of logistics and trucking. Ten4’s principal place of business was located at 73 Eastern Avenue, Brampton, Ontario. The director of Ten4 is Nasir Mahmood (“**Nasir**”).
3. 321 and 550 are each incorporated pursuant to the laws of the Province of Ontario. Both 321 and 550 are each primarily engaged in the business of holding real estate. The President of each of 321 and 550 is Nasir. The Secretary of each of 321 and 550 is Rupinder Taggar (“**Rupinder**”, together with Nasir, the “**Principals**”).
4. 321 is the owner of the real property located in Ayr, Ontario and legally described as Part Lot 28, Concession 11, being Part 1, Plan 58R15460, North Dumfries (the “**321 Real Property**”). 550 is the owner of adjoining lands legally described as Part Lot 28, Concession 11, North Dumfries (the “**550 Real Property**”, together with 321 Real Property, the “**Real Properties**”).
5. On September 13, 2023, Royal Bank of Canada (“**RBC**” or the “**Bank**”), a secured creditor of the Debtors, moved by way of an application in the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) for a Court order appointing

Spergel as the Receiver of all of the assets, undertakings and properties, including the Real Properties (collectively, the “**Property**”) of the Debtors.

6. The Bank’s application, originally returnable on September 20, 2023, was put over to October 11, 2023, pursuant to the endorsement of the Honourable Mr. Justice Osborne dated September 20, 2023 (the “**September 20th Endorsement**”). Attached to this First Report as **Appendix “1”** is a copy of the September 20th Endorsement.
7. The hearing of the Bank’s application was held on October 11, 2023, at which hearing the Court reserved its decision. While the matter was under reserve, counsel for the Debtors unilaterally communicated with the Court, which precipitated a request by the Bank for a case conference. The case conference was held on October 18, 2023. Following the case conference, the Honourable Mr. Justice Osborne issued an endorsement (the “**October 18th Endorsement**”) and granted an Order appointing Spergel as Receiver of the Property of the Debtors (the “**Receivership Order**”). Attached to this First Report as **Appendix “2”** is a copy of the Receivership Order.
8. The Receiver retained Harrison Pensa LLP (the “**Receiver’s Counsel**”) as its independent legal counsel.
9. Subsequently, counsel for the Bank requested a further case conference to address concerns with respect to evidence placed on the record in the Supplemental Affidavit of Nasir Mahmood affirmed October 10, 2023 (the “**Nasir Supplementary Affidavit**”) and the resulting terms of the October 18th Endorsement issued by the Court. Counsel for the Bank sought a Sealing Order in relation to this evidence on the record. At the case conference held October 26, 2023, the Honourable Mr. Justice Osborne granted the Bank’s request for a Sealing Order and issued an endorsement to this effect (the “**October 26th Endorsement**”). Attached to this First Report as **Appendix “3”** is a copy of the

October 26th Endorsement.

10. Counsel for the Bank and counsel for the Debtors were unable to agree on the form of a redacted endorsement following the October 26th Endorsement, requiring a further attendance before the Court. At a chambers attendance held November 14, 2023, the Honourable Mr. Justice Osborne issued an endorsement confirming the redactions (the “**November 14th Endorsement**”) and signed an Order sealing and redacting certain parts of the Supplemental Affidavit of Nasir Mahmood (the “**Sealing Order**”) Attached to this First Report as **Appendices “4” and “5”**, respectively, are copies of the November 14th Endorsement and the Sealing Order.
11. Following the granting of the Sealing Order above, the Court issued its Endorsement in relation to the granting of the Receivership Order, which endorsement is attached to this First Report as **Appendix “6”**.
12. Prior to seeking leave to appeal, counsel for the Debtors served a Notice of Appeal with respect to the Receivership Order dated October 23, 2023. Attached to this First Report as **Appendix “7”** is a copy of the Debtors’ Notice of Appeal.
13. In the face of the Notice of Appeal, the Receiver limited its actions to monitoring the assets of the Debtors and attempting to gather information.
14. The Debtors subsequently moved before the Court of Appeal of Ontario for an Order granting leave to appeal the Receivership Order, and such leave was refused. Attached to this First Report as **Appendix “8”** is a copy of the Endorsement of the Honourable Justice Brown dated December 15, 2023 refusing leave to appeal.

II. PURPOSE OF THIS FIRST REPORT AND DISCLAIMER

15. The purpose of this First Report is to advise the Court as to the steps taken by the Receiver to date in these proceedings and to seek Orders from the Court,

including:

- a) providing the Court with an update in respect of the activities of the Receiver since the date of the Receivership Order;
- b) approving this First Report and the actions and activities of the Receiver described herein and that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the First Report;
- c) requiring the Debtors and the Principals of the Debtors to provide whereabouts of all of the Property (as defined in the Receivership Order) of Ten4 to the Receiver.
- d) requiring the Debtors and the Principals of the Debtors to produce all Records (as defined in the Receivership Order) including but not limited to the information requested by the Receiver;
- e) authorizing and confirming the termination of the Northwest Lease (as defined herein), if necessary, and an Order granting leave to issue a writ of possession for the Real Properties;
- f) approving the Receiver's Interim Statement of Receipts and Disbursements as at March 31, 2024;
- g) authorizing and directing the Receiver to execute a listing agreement (the "**Listing Agreement**") between the Receiver and Avison Young Commercial Real Estate Service LP (the "**Listing Broker**") and to take such steps as the Receiver deems necessary or advisable to carry out the terms thereof;

- h) authorizing and directing the Receiver, in conjunction with the Listing Broker as its real estate consultant, to carry out the Sale Process (as defined herein) and to take such steps and execute such documentation as the Receiver considers necessary or desirable in carrying out its obligations thereunder, subject to the prior approval of this Court being obtained before completion of any transaction resulting from the Sale Process;
- i) sealing the Confidential Appendices (as defined herein) to the First Report; and
- j) approving the fees and disbursements of the Receiver to and including February 29, 2024 and the Receiver's Counsel to and including April 1, 2024.

Disclaimer

- 16. The Receiver will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction, or use of this First Report for any other purpose than intended.
- 17. In preparing this First Report, the Receiver has relied upon certain information found on site and/or provided to it by the management of the Debtors including, without limitation, past financial performance, and other financial information. The Receiver has not performed an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises or International Financial Reporting Standards. Accordingly, the Receiver expresses no opinion or other forms of assurance with respect to such information. Future oriented financial information relied upon in this First Report is based on assumptions regarding future events, actual results achieved may vary from this information and these variations may be material.

18. All references to dollars in this First Report are in Canadian currency unless otherwise noted.

III. RECEIVER'S ACTIVITIES

19. A copy of the Receivership Order was provided to the Debtors and the Debtors' counsel. In addition, the Receiver prepared its statutory Notices and Statements of the Receiver in accordance with subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act* (Canada) ("**BIA**") and mailed same to all creditors known to the Receiver.
20. Since the effective date of its appointment on October 18, 2023, the Receiver directly or through the Receiver's Counsel attended to the following:
- a) attended at the purported business premises of Ten4 located at 73 Eastern Avenue, Brampton, Ontario and discovered that the business had not been operating from this premises for at least four (4) to six (6) months;
 - b) attended at both the 321 Real Property and the 550 Real Property in Ayr, Ontario;
 - c) communicated with the Debtors directly or through counsel in relation to, amongst other things, obtaining books and records of the Debtors;
 - d) arranged for funding from the Bank;
 - e) opened a dedicated trust account for the receivership entities;
 - f) dealt with Ritchie Bros. Auctioneers (Canada) Ltd. ("**Ritchie**") with respect to purchase money security interest of certain lenders in the equipment sold by Ritchie;

- g) arranged for two appraisals to be completed on each of the 321 Real Property and the 550 Real Property each containing valuations of the Real Properties on an individual and combined basis;
- h) arranged for the registration of the Receiver's interest on the title of the Real Properties;
- i) arranged for insurance on the Real Properties and other assets to the extent required;
- j) notified the office of the Superintendent of Bankruptcy of its appointment as Receiver;
- k) communicated with the Tenant (as defined herein) and ultimately terminated the Northwest Lease (as defined herein);
- l) communicated with the Canada Revenue Agency ("CRA"); and
- m) requested and received sales and marketing proposals from two commercial real estate brokerages.

IV. FAILURE OF PRODUCTION OF RECORDS BY THE DEBTORS

21. As indicated above that since the effective date of its appointment on October 18, 2023, the Receiver directly or through the Receiver's Counsel communicated with the Debtors directly or through Debtors' counsel in relation to, amongst other things, obtaining books and records of the Debtors. As at the date of this First Report, the Debtor has not provided any meaningful books and records despite multiple demands by the Receiver for same. The demands made by the Receiver of the Debtors with respect to books and records are outlined in greater detail

below.

22. On October 18, 2023, the Receiver's Counsel sent an email to counsel for the Debtors advising, amongst other things, that pursuant to paragraphs 4, 5 and 6 of the Receivership Order all Persons (as defined in the Receivership Order) are obligated to advise the Receiver of the existence of any Property in such Person's possession or control, and to deliver such Property to the Receiver upon the Receiver's request. The Receiver's Counsel further advised that the Debtors' counsel should consider the email as the Receiver's request to the Debtors to deliver all Property, including all tractors and trailers, to the Receiver.
23. On October 19, 2023. The Receiver's Counsel sent a follow up email to the Debtors' counsel:
 - a) advising that the Receiver attended at the Debtors' purported business premises located at 73 Eastern Avenue, Brampton Ontario (the "**Brampton Premises**") and was advised that the Debtors are not operating or in possession of the Brampton Premises and have not been for some time;
 - b) asking to advise the where the Debtors operated from, the address for their head office and the location of all the Debtors' books and records; and
 - c) advising that pursuant to paragraphs 4 and 5 of the Receivership Order, the Receiver requires that it immediately be provided with a list of all assets of the Debtors, including all owned equipment, chattels, inventory, tractors, trailers and motor vehicles and all assets subject to any lease agreements.
24. On the same day, counsel for the Debtors sent an email confirming receipt of the email from the Receiver's Counsel and advising that he will be in touch with the Debtors regarding providing the books and records requested by the Receiver.

25. On October 20, 2023, counsel for the Debtors sent an email providing the contact information for Nasir, advising that all communications should go through the Debtors' counsel, providing a copy of the Northwest Lease (as defined herein), providing information with respect to the bank accounts held by the Debtors and advising that he continues to investigate this matter and will provide further updates to the Receiver's Counsel.
26. On November 10, 2023, the Receiver's Counsel sent an email to the Debtors' counsel following up on the outstanding requests regarding location of property and books and records and outlining specific information (the "**List of Information**") required by the Receiver as follows:
- a) Last three years financial statements for each of the Debtors;
 - b) Last three years CRA T2 returns for each of the Debtors;
 - c) Books and records including copy of the book-keeping software for each of the Debtors;
 - d) List of assets including but not limited to:
 - i. accounts receivable listing with all supporting documents;
 - ii. list of vehicles and trailers;
 - iii. intellectual property;
 - iv. government receivables; and
 - v. details of any other assets including cash, securities and investment assets.
 - e) Copy of accounts payable listing for each of the Debtors;
 - f) Minute books for each of the Debtors;

- g) 24 months bank statements for each of the Debtors for all bank accounts operated by the Debtors;
 - h) Information and contact details for external accountant of the Debtors;
 - i) Information of employees of the Debtors and any amounts outstanding to the employees;
 - j) All property and insurance formation including:
 - i. name and contact information of insurance broker(s); and
 - ii. copies of all insurance certificates and policies.
27. On November 14, 2023, the Receiver's Counsel sent a follow-up email to the Debtors' counsel asking him to confirm receipt of the email dated November 10, 2023.
28. On November 16, 2023, the counsel for the Debtors sent an email to the Receiver's Counsel asking if the Receiver's position is that the Receivership Order is not stayed pending appeal thereof pursuant to section 195 of the *Bankruptcy and Insolvency Act* ("**BIA**"). On the same day, the Receiver's Counsel responded to the counsel for the Debtors and advised that the Receiver's position is that only on the Court granting leave to appeal is the stay under section 195 of the BIA is triggered.
29. On November 18, 2023, counsel for the Debtors sent an email to the Receiver's Counsel advising that he disagrees with the Receiver's position regarding the stay and asserted that the stay is triggered upon filing of the appeal. On November 19, 2023, the Receiver's Counsel sent an email to the Debtors' counsel providing a copy of the decision of the Court of Appeal and directing him to relevant paragraph of the decision supporting the Receiver's position regarding the stay. The Receiver's Counsel further asked the Debtors' counsel to advise if the Debtors will be providing books and records requested by the Receiver. On November 22,

2023, the Debtors' counsel advised that he would review and advise of the Debtors' position with respect to the stay. In addition, the Debtors' counsel advised that in the interim he will work with the Debtors to gather the information and documentation requested by the Receiver.

30. On December 4, 2023, and December 21, 2023, the Receiver's Counsel sent follow up emails to the Debtors' counsel advising that if the books and records are not provided to the Receiver, the Receiver will seek an Order from the Court compelling the production of these documents.
31. On December 22, 2023, the Receiver's Counsel received an email from the Debtors' counsel advising that there are no financial statements available for 321 and 550 and enclosing the following:
 - a) Internally prepared income statement of Ten4 for the period from January 2023 to November 2023 indicating total sale of approximately \$1.2 million and a net profit of nil.
 - b) Internally prepared balance sheet of Ten4 as at November 30, 2023 (the "**Ten4 2023 BS**") indicating, amongst other things, accounts receivable of approximately \$110,000 and trade payables of approximately \$73,000.
 - c) Internally prepared income statement of Ten4 for the period from January 2022 to December 2022 indicating total sale of approximately \$1.1 million and a net profit of approximately \$3,000.
 - d) Internally prepared balance sheet of Ten4 as at December 31, 2022 indicating, amongst other things, accounts receivable of approximately \$91,000 and trade payables of approximately \$61,000.

- e) Internally prepared income statement of Ten4 for the period from January 2021 to December 2021 indicating total sale of approximately \$1.0 million and a net loss of approximately (\$200).
 - f) Internally prepared balance sheet of Ten4 as at December 31, 2021 indicating, amongst other things, accounts receivable of approximately \$70,000 and trade payables of approximately \$45,000.
(collectively, the “**Ten4 Financial Statements**”)
32. As at the date of this First Report, no further information (with the exception of the information regarding the bank accounts of the Debtors, copy of the Northwest Lease and the Ten4 Financial Statements) regarding whereabouts of the Property and/or books and records have been provided by the Debtors. On January 24, 2024 the Debtors’ counsel sent an email to the Receiver’s Counsel advising that he no longer represents the Debtors. Copies of the email exchanges between the Receiver’s Counsel and counsel for the Debtors along with the Ten4 Financial Statements are attached to this First Report as **Appendix “9”**.
33. The Ten4 Financial Statements provided by the Debtors are problematic as the accounts receivable reported therein, specifically in the Ten4 2023 BS, is materially different than the information provided to the Court by the Debtors.
34. The Nasir Supplementary Affidavit filed by the Debtors in response to RBC’s application to appoint a receiver indicated a substantially higher accounts receivable of Ten4 as at September 30, 2023 (the “**September 2023 AR**”) as compared to the accounts receivable of approximately \$110,000 reported in the Ten4 2023 BS. The Receiver has refrained from mentioning the amount of the accounts receivable as at September 30, 2023 reported by the Debtors to the Court as that information is subject to a sealing order. The Receiver will have this information available for the Court, should the Court require it at the return date of

the Receiver's motion.

35. Given the foregoing, the Receiver believes that in the circumstances it is appropriate for the Receiver to seek an Order from the Court, ordering the Debtors and the Principals of the Debtors to forthwith:
- a) advise the Receiver of the whereabouts of all of the Property of Ten4;
 - b) provide to the Receiver all of the Records (as defined in the Receivership Order), including but not limited to the List of Information, of the Debtors; and
 - c) provide written explanation and documents in support of the large variance between the September 2023 AR filed with the Court and the accounts receivable of approximately \$110,000 reported in the Ten4 2023 BS (the "**Account Receivable Variance**").

V. THE REAL PROPERTIES

36. Both the 321 Real Property and the 550 Real Property are industrial lots located within a Dry Industrial/Commercial zone as designated on the Township of Ayr Official Plan.
37. The 321 Real Property is unimproved. The 550 Real Property has a metal prefabricated structure located thereon.
38. Both the 321 Real Property and the 550 Real Property are subject to a lease (the "**Northwest Lease**") entered into between the 321 and 550 as Landlords and Northwest Carrier Limited as Tenant ("**Northwest** or the "**Tenant**"). Attached to this First Report as **Appendix "10"** is a copy of the Northwest Lease.

39. The Northwest Lease and the relief being sought by the Receiver with respect thereto is described in greater detail below.

The Northwest Lease

40. On or about June 26, 2023, 321 and 550 entered into the Northwest Lease. The Northwest Lease contains, inter alia, the following terms:
- a) The initial rental period is one year commencing July 1, 2023, with an entitlement to renew for multiple one-year terms at a rental rate to be negotiated on three months notice prior to the expiry of the then current one-year term;
 - b) The rental rate on each renewal shall be subject to arbitration absent agreement between the parties;
 - c) The base rent to be paid for the initial one-year term is \$15,000.00 per month plus *Harmonized Sale Tax* (“**HST**”); and
 - d) The Tenant is to arrange for installation of connections for gas, water and hydro and to pay the cost of hydro, gas, water, heating, and air conditioning.
41. Given the terms of the Northwest Lease, the Receiver sought the opinion of both the appraisers and the commercial real estate brokers as to the impact on value and salability of the Northwest Lease. Both the appraisals and the sales and marketing proposals submitted by listing brokers, each of which is included as a Confidential Appendix to this First report, indicated the fact that current rent being paid by the Tenant is well below market value. This fact, together with the seemingly indefinite right of renewal will have a significant impact on both value and salability of the Real Properties. The appraisals and the sales and marketing proposals are referenced later in this First Report.

42. On January 10, 2024, (the “**January 10th NW Email**”) the Receiver’s Counsel sent an email to the Tenant containing a letter dated January 10, 2024 (the “**January 10th NW Correspondence**”), which letter advised the Tenant of the Receiver’s intention to seek an Order from the Court approving a disclaimer of the Northwest Lease and enclosed a draft Disclaimer of Lease and a consent for the disclaimer. The January 10th NW Correspondence requested a response by January 17, 2024. Attached to this First Report as **Appendix “11”** is a copy of the January 10th NW Email together with the attachments thereto.

43. On January 16, 2024, the Tenant sent an email (the “**January 16th NW Tenant Email**”) to the Receiver’s Counsel acknowledging receipt of the January 10th NW Correspondence and asserting its right under the Northwest Lease to remain in occupation of the Real Properties until July 2024. Attached to this First Report as **Appendix “12”** is a copy of the January 16th NW Tenant Email.

44. On January 17, 2024 day, in response to the January 16th NW Tenant Email, the Receiver’s Counsel responded by email (the “**January 17th Receiver’s Counsel NW Email**”) requesting evidence of the payment of the security deposit and evidence of insurance as specified in the Northwest Lease. The Receiver’s Counsel also advised that a condition to the Tenant remaining in occupation is the payment of monthly rent from July 2023 to January 2024. Attached to this First Report as **Appendix “13”** is a copy of the January 17th Receiver’s Counsel NW Email.

45. On January 24, 2024 and January 26, 2024, respectively, absent a response to the January 17th Receiver’s Counsel NW Email, the Receiver’s Counsel sent emails (the “**January 24th and 26th Emails**”) to the Tenant repeating the requests in the January 17th Receiver’s Counsel NW Email and confirming the intention of the Receiver to seek an Order approving the disclaimer of the Northwest Lease. Attached to this First Report as **Appendix “14”** are copies of the January 24th and

26th NW Emails.

46. On March 14, 2024, Receiver's Counsel wrote to the Tenant (the **March 14th NW Letter**"), summarizing previous correspondences and confirming a lack of fulsome response thereto. The March 14th Letter also noted the Tenant in default of its obligations under the Northwest Lease, terminating the Northwest Lease and requiring vacant possession of the Real Properties and removal of all vehicles, tractors, and trailers by no later than March 29, 2024. Attached to this First Report as **Appendix "15"** is a copy of the March 14th NW Letter.
47. On March 28, 2024, the Tenant responded to the Receiver's Counsel advising that it had commenced removal of its tractors and trailers (the "**NW Equipment**") from the Real Properties and requested additional time to April 4, 2023 to complete such removal and vacate the Real Properties.
48. The Receiver immediately dispatched its agent to the Real Properties to confirm that the Tenant had commenced the removal of the NW Equipment. Having confirmed the advice of the Tenant, the Receiver's Counsel granted an extension to the Tenant to April 4, 2024 for the removal of the NW Equipment and confirming that the Northwest Lease had been terminated with the Receiver reserving all rights to recover unpaid rent and any damages. Attached to this First Report as **Appendix "16"** is a copy of the email exchange between the Receiver's Counsel and the Tenant in this regard.
49. The Receiver was advised by the Tenant that it was removing only the NW Equipment from the Real Properties and that the truck, tractors, and trailers remaining were purportedly the property of Ten4 (the "**Ten4 Equipment**"). The Receiver's agent obtained, to the extent possible, the VIN numbers of the Ten4 Equipment and the Receiver is reviewing title to the Ten4 Equipment.

50. In the event that Northwest fails to return vacant possession of the Real Properties to the Receiver, the Receiver will request from the Court an Order confirming the termination of the Northwest Lease and an Order granting leave to issue a writ of possession for the Real Properties.
51. Subsequent to the above exchange with Northwest, the Receiver's Counsel conducted VIN searches on the tractors and trailers to be left on the Real Properties after the departure of Northwest (the "**Abandoned Equipment**") The searches conducted by the Receiver's Counsel on the Abandoned Equipment did not disclose Ten4 as the registered owner.
52. Vacant possession is essential to the Sale Process to be conducted by the Receiver relative to the Real Properties. Accordingly, the Receiver intends to arrange for the removal and storage of the Abandoned Equipment until such time as the registered owners can be contacted.

VI. PROPOSED SALE PROCESS

53. Pursuant to the terms of the Receivership Order, the Receiver is authorized to market any or all of the Property, including advertising and soliciting offers in respect of the Property, or any part or parts thereof, and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate. The sole asset of 321 is the 321 Real Property. The sole asset of 550 is the 550 Real Property.
54. The Receiver engaged the services of Wagner, Andrews & Kovacs Ltd. ("**Wagner**") and Colliers International ("**Colliers**") to attend at and conduct full narrative appraisals of the 321 Real Property and the 550 Real Property. Copies of these Appraisals are attached to this First Report as **Confidential Appendices "1"** and **"2"**, respectively. The appraisals contain valuations of each parcel

individually and the two contiguous parcels combined.

55. The Receiver obtained listing proposals from Avison Young Commercial Real Estate Services LP, (“**Avison Young**”) and Colliers International (“**Colliers**”). A summary of these listing proposals is attached to this First Report as **Confidential Appendix “3”**. Copies of the listing proposals submitted by Avison Young and Colliers are attached to this First Report as **Confidential Appendix “4”** (collectively with Confidential Appendices “1”, “2” and “3”, the “**Confidential Appendices**”).
56. The Receiver recommends proceeding with the listing proposal submitted by Avison Young and entering into a sale listing agreement with Avison Young on terms acceptable to the Receiver for the following reasons:
 - a) the commission structure is favourable; and
 - b) the Avison Young office in Cambridge, Ontario is extremely familiar with the area where the Real Properties are located.
57. The sale process proposed herein (the “**Sale Process**”) is designed to ensure that the marketing process is fair and reasonable and prospective interested parties can make an offer to purchase either of the 321 Real Property or the 550 Real Property as individual parcels of land or together as one contiguous parcel.
58. The principal elements of the proposed Sale Process are as follows:
 - a) A transparent listing process;
 - b) As soon as is reasonably possible, the listing broker will list the Real Properties on the MLS service and distribute marketing material notifying prospective purchasers of the existence of the offering and inviting

prospective purchasers to submit an offer in respect of the Real Property, pursuant to the terms of the Sale Process;

- c) Prospective purchasers that wish to commence due diligence will be required to execute a non-disclosure agreement (“**NDA**”), after which each will be granted access to the Listing Broker’s Data Room;
- d) A binding Agreement of Purchase and Sale must comply with all the following:
 - i. The Offer is an offer using the Receiver’s Form of Offer to purchase either or both the 321 Real Property and/or the 550 Real Property on terms and conditions acceptable to the Receiver and delivered to the listing broker;
 - ii. It fully discloses the identity of each entity that will be offering to purchase the Real Properties;
 - iii. It includes an acknowledgement and representation from the Purchaser that: (i) it has had an opportunity to conduct any and all due diligence regarding the Real Properties and the Receiver prior to making its bid, (ii) it has relied solely upon its own independent review, investigation, and/or inspection of any documents in making its bid, and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, regarding the Real Properties, the Debtors, or the completeness of any information provided in connection therewith;
 - iv. Provides a deposit in the amount of not less than 10% of the Purchase Price offered by the Qualified Bidder (the “**Deposit**”); and
 - v. The bid contemplates closing the transaction within 20 Business

Days (the “**Closing Date**”) of the granting of an Approval and Vesting Order by the Court.

59. The Receiver is of the view that, in the circumstances, the proposed Sale Process represents the best opportunity to identify a potential sale for the 321 Real Property and 550 Real Property and to maximize value for the benefit of stakeholders.

VII. REQUEST FOR A SEALING ORDER

60. The Receiver is seeking a sealing order in respect of the Confidential Appendices to this First Report as they each contain commercially sensitive information, the release of which prior to completion of a transaction would be prejudicial to the stakeholders of the Debtors’ estate.

VIII. FLUENT CAPITAL LENDING MORTGAGE

61. On October 20, 2023, the Receiver caused the Receivership Order to be registered on title to the Real Properties.
62. On the same day, but subsequent to the registration of the Receivership Order, Fluent Capital Lending (“**Fluent**”) registered a charge/mortgage in the principal sum of \$410,000 and a related assignment of rents (the “**Fluent Assignment of Rents**”) on title to the 321 Real Property (collectively, the “**Fluent Mortgage**”). Additional Mortgage Provisions attached to the Fluent Mortgage and the Fluent Assignment of Rents indicate that this loan was entered into on October 19, 2023, after the date of the Receivership Order. Attached to this First Report as **Appendix “17”** are copies of the Parcel Registers for the 321 Real Property and 550 Real Property.
63. On December 15, 2023, the Receiver’s Counsel delivered a letter to Fluent (the “**December 15th HP Fluent Letter**”) advising that 321 did not possess the authority to enter into the Fluent Mortgage or to permit the registration of same on title to the 321 Real Property absent the consent of the Receiver, which consent was not

obtained. In addition, the December 15th HP Fluent Letter requested certain information from Fluent relative to the Fluent Mortgage.

64. On December 15, 2023 Receiver's Counsel sent an e-mail to counsel for the Debtors attaching the December 15th HP Fluent Letter. Attached to this First Report as **Appendix "18"** is a copy of this e-mail and the December 15th HP Letter.
65. No response was received to the December 15th Fluent Letter, with the exception of the Debtors' counsel acknowledging receipt of the email, and the Receiver's counsel followed by e-mail to counsel for the Debtor on January 4, 2024, seeking an e-mail contact for Fluent. No response was received to this January 4, 2024 e-mail.

IX. DEBTORS' AND GUARANTOR'S COUNSEL

66. By way of e-mail dated January 24, 2024 to Receiver's counsel, counsel for the Debtors advised that it no longer represented the Debtors in any capacity. Attached to this First Report as **Appendix "19"** is a copy of the January 24, 2024 email from counsel for the Debtors.
67. Counsel to the Debtors has not obtained an Order from the Court removing itself from the record.
68. At a scheduling hearing before the Honourable Justice Osborne on March 25, 2024, His Honour noted in the endorsement issued (the "**March 25th Endorsement**") that counsel for the Debtors had not obtained an Order to be removed from the Record and accordingly remained counsel for the Debtors. In addition, the Court was advised that the guarantors under the Bank's credit facility have retained the firm of Blaney McMurtry LLP. Attached to this First Report as **Appendix "20"** is a copy of the March 25th Endorsement.

69. Following the March 25, 2024 hearing and further to the March 25th Endorsement, the Receiver's Counsel sent emails with a copy of the March 25th Endorsement to counsel for the Debtors and to Blaney McMurtry LLP. Attached to this First Report as **Appendix "21"** is a copy of these emails.

X. ASSIGNMENT INTO BANKRUPTCY OF TEN 4

70. Pursuant to paragraph 3 (o) of the Receivership Order, the Receiver is authorized to make an assignment into bankruptcy on behalf of any of the Debtors.

71. In the face of the concerns as reported above with respect to the lack of financial reporting provided by the Debtors and the status of the Debtors' records, the Receiver will be proceeding with an assignment into bankruptcy of Ten4. The bankruptcy of Ten4 will assist the administration of the estate through the statutory right of the Licensed Insolvency Trustee to examine parties and to conduct a more fulsome investigation into the financial affairs of Ten4.

XI. PROFESSIONAL FEES AND DISBURSEMENTS

72. Attached to this First Report as **Appendix "22"** is the Affidavit of Philip Gennis sworn April 3, 2024, (the "**Receiver's Fee Affidavit**") which incorporates by reference a copy of the Receiver's time docket:

a) pertaining to the receivership of Ten4 to and including February 29, 2024.in the amount of \$80,009.41 inclusive of disbursements and HST. This represents a total of 167.37 hours at an average rate of \$422.92 per hour before HST;

b) pertaining to the receivership of 550 to and including February 29, 2024 in the amount of \$1,918.18 inclusive of disbursements and HST. This represents a total of 4.7 hours at an average rate of \$361.17 per hour before HST; and

c) pertaining to the receivership of 321 to and including February 29, 2024 in the amount of \$1,765.63 inclusive of disbursements and HST. This represents a total of 4.5 hours at an average rate of \$347.22 per hour before HST.

73. Attached hereto as **Appendix “23”** to this First Report is the Affidavit of Thomas Masterson sworn April 2, 2024, which incorporates by reference a copy of the time dockets of the Receiver’s Counsel for the period to and including April 1, 2024, in the amount of \$36,489.37 inclusive of disbursements and HST.

74. The Receiver has reviewed the accounts of the Receiver’s Counsel and is of the view that all the work set out in these accounts was carried out and was necessary, that the hourly rates of the lawyers who worked on this matter were reasonable in light of the services required and that the services were carried out by lawyers with the appropriate level of experience.

XII. RECEIVER’S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

75. Attached hereto as **Appendix “24”** is a copy of the Interim Statement of Receipts and Disbursements as of March 31, 2024 prepared by the Receiver.

XIII. RECOMMENDATIONS

76. The Receiver respectfully requests that this Honourable Court grant the relief sought in this First Report.

All of which is respectfully submitted.

Dated at Toronto, this 3rd day of April 2024

msi Spergel inc.,
solely in its capacity as Court-appointed
Receiver of Ten4 System Ltd., 1000043321 Ontario Inc.
and 1000122550 Ontario Inc. and not in any corporate
or personal capacities

Per:



Mukul Manchanda, CPA, CIRP, LIT
Managing Partner

Appendix 1



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-23-00705869-00CL **DATE:** 20 September 2023

NO. ON LIST: 2

TITLE OF PROCEEDING: ROYAL BANK OF CANADA v. TEN 4 SYSTEM LTD.

BEFORE JUSTICE: Osborne

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|----------------------|----------------------------|
| Doug Smith | ROYAL BANK OF CANADA | dsmith@blg.com - applicant |
| | | |
| | | |

For Defendant, Respondent, Responding Party, Defence:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|--------------------------|------------------------|
| Adam Asgarali | TEN 4 SYSTEM LTD. et al. | aasgarali@msinghlaw.ca |
| | | |
| | | |

For Other, Self-Represented:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|---------------|--------------|
| | | |
| | | |
| | | |
| | | |

ENDORSEMENT OF JUSTICE OSBORNE:

1. This receivership application was scheduled today. The Application Record was served on September 13.
2. The Application will be heard on the merits on **October 11, 2023 commencing at 11 AM and continuing as necessary for 90 minutes via Zoom.** All parties have confirmed their availability for that date and the fact that the record will be complete and ripe for determination.
3. The Respondents will deliver all responding materials no later than Monday, October 2 at 12 PM noon, and earlier if necessary. If cross examinations are required they will be completed so that the matter can proceed as scheduled.

Osborne, J.

Appendix 2



Court File No. CV-23-00705869-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE · MR.) TUESDAY, THE 18th
JUSTICE OSBORNE)
) DAY OF OCTOBER, 2023

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

**ORDER
(Appointment Order)**

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing msi Spergel inc. as receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties of Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc. (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, was heard this day by Zoom videoconference.

ON READING the affidavit of Tro DerBedrossian sworn September 12, 2023 and the exhibits thereto and on hearing the submissions of counsel for Royal Bank of Canada and no one appearing for any other parties, although duly served, as appears from the affidavit of service of Mariela Adriana Gasparini sworn September , 2023 and on reading the consent of msi Spergel inc. to act as the Receiver.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, msi Spergel inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including and without limiting the generality of the foregoing, the lands and premises described in Schedule "A" hereto, and all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to make an assignment into bankruptcy on behalf of any of the Debtors;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that

nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to

the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal

information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may

consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further

orders that a Case Website shall be established in accordance with the Protocol with the following URL '<https://www.spergelcorporate.ca/engagements>'.

26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

29. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

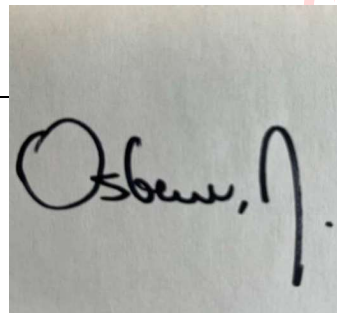
30. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within

proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. **THIS COURT ORDERS** that the Applicant shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

32. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

33. **THIS COURT ORDERS** that this Order and all of its provisions shall take effect as of 12:01a.m on the date of this Order and shall be immediately enforceable without the need for further entry or filing.



2023.10.1

8

15:31:43

-04'00'

SCHEDULE "A"

Cedar Creek Rd, Ayr, Ontario

PIN 03848-0355 (LT)

PT LT 28, CON 11, PT 1, 58R15460; NORTH DUMFRIES.

Registered Owner: 1000043321 Ontario Inc.

2396 Cedar Creek Rd, Ayr, Ontario

PIN 03848-0068 (LT)

PT LT 28 CON 11 NORTH DUMFRIES AS IN WS546774; NORTH DUMFRIES

Registered Owner: 1000122550 Ontario Inc.

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "**Receiver**") of the assets, undertakings and properties of acquired for, or used in relation to a business carried on Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc. (collectively, the "**Debtors**"), including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 20th day of September, 2023 (the "**Order**") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

msi Spergel inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

Court File No. CV-23-00705869-00CI

IN THE MATTER OF AN APPLICATION PURSUANT TO 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

ROYAL BANK OF CANADA

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 100012251 ONTARIO INC.

Applicant

Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

ORDER
(Appointment Order)

BORDEN LADNER GERVAIS LLP
Bay Adelaide Centre, East Tower
22 Adelaide St West
Toronto, Ontario M5H 4E3
Tel: 416-367-6000
Fax: 416-367-6749

Roger Jaipargas (LSO No. 43275C)
Tel: 416-367-6266
RJaipargas@blg.com

Lawyers for the Applicant

Appendix 3



**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-23-00705869-00CL

DATE: October 26, 2023

NO. ON LIST: 3

TITLE OF PROCEEDING: ROYAL BANK OF CANADA v. TEN 4 SYSTEM LTD. et al.

BEFORE: JUSTICE OSBORNE

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

| Name of Person Appearing | Name of Party | Contact Info |
|-----------------------------------|----------------------|--------------------------------------|
| JAIPARGAS, ROGER M SMITH, DOUG | ROYAL BANK OF CANADA | rjaipargas@blg.com dsmith@blg.com |
| | | |
| | | |
| | | |

For Defendant, Respondent, Responding Party:

| Name of Person Appearing | Name of Party | Contact Info |
|---------------------------------|--------------------------|---------------------|
| SINGH, MANJIT | TEN 4 SYSTEM LTD. et al. | MSingh@MSinghLaw.ca |
| | | |
| | | |
| | | |

For Other, Self-Represented:

| Name of Person Appearing | Name of Party | Contact Info |
|---------------------------------|------------------------|---|
| HOGAN, TIM MANCHANDA, MUKUL | msi SPERGEL (RECEIVER) | thogan@harrisonpensa.com mmanchanda@spergel.ca |
| | | |
| | | |

ENDORSEMENT OF JUSTICE OSBORNE:

- [1] This case conference was requested to address issues arising out of my Endorsement and Order of October 18, 2023 appointing the Receiver.
- [2] RBC requested a sealing order in respect of paragraphs 8 and 9 of the Supplemental Affidavit of Nasir Mahmood affirmed October 10, 2023, and Exhibits “D” and “E” thereto. The Respondents and the Receiver consent to such an order.
- [3] The material sought to be sealed, which is extremely limited in nature, relates to the quantum of accounts receivable and appraised values for the property, the disclosure of which could reasonably be expected impact the marketing and sale of the property as may well be required by the Receiver.
- [4] I am satisfied that the test articulated by the Supreme Court of Canada in *Sierra Club* as refined in *Sherman Estate* has been satisfied. The materials sought to be sealed are proportionate and the three-part test is met. The sealing order will be in effect only until the completion of any transaction within the receivership or further order of the Court.
- [5] The parties are directed to file with the Commercial List Office redacted copies of the Affidavit in accordance with this Endorsement, and those redacted copies will form part of the public record.
- [6] For the same reasons, RBC requests, and the Respondents and the Receiver consent, that my Endorsement of October 18, 2023 be amended to redact the dollar amount of a valuation referred to in paragraph 30 thereof. In the circumstances and for the above reasons, I agree that that is appropriate in the Endorsement is so amended.

Osborne, J.

Appendix 4



SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

ENDORSEMENT/COUNSEL SLIP

COURT FILE NO.: CV-23-00705869-00CL DATE: November 14, 2023

NO. ON LIST: 2

TITLE OF PROCEEDING: ROYAL BANK OF CANADA v. TEN 4 SYSTEM LTD. et al

BEFORE JUSTICE: Justice Osborne

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|-----------------------|--|
| Doug Smith | Counsel for Applicant | dsmith@blg.com |

For Defendant, Respondent, Responding Party, Defence:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|-------------------------|--|
| Manjit Singh | Counsel for Respondents | MSingh@MSinghLaw.ca |

For Other, Self-Represented:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|-------------------------------------|--|
| Tim Hogan | Counsel for Receiver | thogan@harrisonpensa.com |
| Mukul Manchanda | Representative for msi Spergel inc. | mmanchanda@spergel.ca |

ENDORSEMENT OF JUSTICE OSBORNE:

1. This Chambers attendance was scheduled to settle the terms of the order arising out of my Endorsement made October 26, 2023.
2. The form of order approved accords with the draft submitted by the Applicant which I have signed today. The order is effective immediately and without the necessity of issuing and entering.

3. That order includes, among other things, a partial sealing order. Counsel made submissions on what should be redacted from paragraphs 8 and 9 of the supplementary affidavit of Mr. Mahmood. I directed that, consistent with the Open Court Principle, it is only the quantum in each paragraph that is to be redacted.

Olson, J.

Appendix 5

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) THURSDAY, THE 26th
)
MR. JUSTICE OSBORNE) DAY OF OCTOBER, 2023

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO 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***

**ORDER
(Partial Sealing Order)**

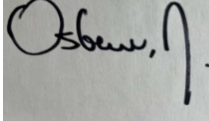
ON CONSENT of the Applicant, the Respondents and msi Spergel inc. in its capacity as the court appointed receiver (the “**Receiver**”) of the Respondents, appointed pursuant to the Order of Justice Osborne dated October 18, 2023 (the “**Appointment Order**”).

1. **THIS COURT ORDERS** that Exhibits “D” and “E” to the Supplemental Affidavit of Nasir Mahmood affirmed October 10, 2023 (the “**Supplemental Mahmood Affidavit**”) be sealed, kept confidential and not form part of the public record, until the completion of the collection of all accounts receivable of the Respondents and the sale of all Property of the Respondents, or until further Order of the Court.

2. **THIS COURT FURTHER ORDERS** that references to the value of the accounts receivable of the Respondent Ten 4 Systems Ltd. in paragraph 8 of the Supplemental Mahmood Affidavit and references to the appraised value of the property located at 2396 Cedar Creek Road, Ayr, Ontario in paragraph 9 of the Supplemental Mahmood Affidavit be redacted from the Supplemental Mahmood Affidavit, kept confidential and not form part of the public record, until the completion of the collection of all accounts receivable of the Respondents and the sale of all Property of the Respondents, or until further Order of the Court.

3. **THIS COURT FURTHER ORDERS** that the Supplemental Mahmood Affidavit as currently filed with the Court and on Caselines, be replaced with a version of the Supplemental Mahmood Affidavit wherein Exhibits “D” and “E” have been removed and paragraphs 8 and 9 have been redacted, as ordered in paragraphs 2 and 3 hereof (the “**Redacted Supplemental Mahmood Affidavit**”).

4. **THIS COURT FURTHER ORDERS** that the Receiver, in accordance with section 25 of the Appointment Order, shall post the Redacted Supplemental Mahmood Affidavit to the Receiver's Case Website in place of the Supplemental Mahmood Affidavit.



2023.11.14
21:37:54
-05'00'

JUSTICE OSBORNE

ROYAL BANK OF CANADA -and- TEN 4 SYSTEM LTD., et al.
Applicant Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at TORONTO

ORDER (Partial Sealing Order)

BORDEN LADNER GERVAIS LLP

Bay Adelaide Centre, East Tower 22
Adelaide Street West, Suite 3400
Toronto ON M5H 4E3

Roger Jaipargas

LSO #43275C
E: rjaipargas@blg.com
T: 416.367.6266 direct

Douglas Smith

LSO #36915R
E: dsmith@blg.com
T: 416.367.6015 direct
T: 416.367.6578 direct

Lawyers for the Applicant

Appendix 6



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP / ENDORSEMENT

COURT FILE NO.: CV-23-00705869-00CL DATE: October 18, 2023

NO. ON LIST: 1

TITLE OF PROCEEDING: **RBC V.TEN 4 SYSTEM LTD et. al**

BEFORE JUSTICE: **Osborne**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|---------------|--|
| Doug Smith | RBC | dsmith@blg.com |
| Roger Jaipargas | RBC | rjaipargas@blg.com |
| | | |
| | | |

For Defendant, Respondent, Responding Party, Defence:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|------------------|--|
| Manjit Singh | TEN 4 SYSTEM LTD | MSingh@MSinghLaw.ca |
| | | |
| | | |

ENDORSEMENT OF JUSTICE OSBORNE:

Chronology

1. The Applicant, RBC, seeks an order appointing msi Spergel Inc. as receiver over the assets and properties of the Respondents/Debtors Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc. pursuant to section 243(1) of the *BIA* and section 101 of the *CJA*.
2. The full Application Record was originally served September 13, 2023. At the first return date of September 20, 2023, I scheduled the hearing of the Application on the merits for October 11, 2023 at the request of the Respondents, Debtors, to give them their requested additional opportunity to fully respond and to file responding materials. I imposed a timetable that required the delivery of responding materials by October 2.
3. The Application was heard on the merits as scheduled on October 11, 2023.
4. While the matter was under reserve, counsel for the Respondents wrote to the Court unilaterally to advise that a funding commitment had been obtained. The Applicant objected to the unilateral communication, but requested a short case conference before the Court to address the matter. That case conference proceeded today.
5. Just prior to the case conference, the Respondents filed supplementary materials including, as discussed below, the late-breaking commitment referred to above.
6. The Applicant maintains its position that the appointment of a receiver is appropriate. The Respondent urges the Court to consider alternatives as further described below.

The Test for the Appointment of a Receiver

7. The test for the appointment of a receiver pursuant to section 243 of the *BIA* or section 101 of the *CJA* is not in dispute. Is it just or convenient to do so?
8. In making a determination about whether it is, in the circumstances of a particular case, just or convenient to appoint a receiver, the Court must have regard to all of the circumstances, but in particular the nature of the property and the rights and interests of all parties in relation thereto. These include the rights of the secured creditor pursuant to its security: *Bank of Nova Scotia v. Freure Village on the Clair Creek*, 1996 O.J. No. 5088, 1996 CanLII 8258.
9. Where the rights of the secured creditor include, pursuant to the terms of its security, the right to seek the appointment of a receiver, the burden on the applicant is lessened: while the appointment of a receiver is generally an extraordinary equitable remedy, the courts do not so regard the nature of the remedy where the relevant security permits the appointment and as a result, the applicant is merely seeking to enforce a term of an agreement already made by both parties: *Elleway Acquisitions Ltd. v. Cruise Professionals Ltd.*, 2013 ONSC 6866 at para. 27. However, the presence or lack of such a contractual entitlement is not determinative of the issue.
10. The Courts have considered numerous factors which have been historically taken into account in the determination of whether it is appropriate to appoint a receiver and which I have considered in this case:
 - a. whether irreparable harm might be caused if no order is made, although as stated above, it is not essential for a creditor to establish irreparable harm if a receiver is not appointed where the appointment is authorized by the security documentation;
 - b. the risk to the security holder taking into consideration the size of the debtor's equity in the assets and the need for protection or safeguarding of assets while litigation takes place;

- c. the nature of the property;
- d. the apprehended or actual waste of the debtor's assets;
- e. the preservation and protection of the property pending judicial resolution;
- f. the balance of convenience to the parties;
- g. the fact that the creditor has a right to appointment under the loan documentation;
- h. the enforcement of rights under a security instrument where the security-holder encounters or expects to encounter difficulties with the debtor;
- i. the principle that the appointment of a receiver should be granted cautiously;
- j. the consideration of whether a court appointment is necessary to enable the receiver to carry out its duties efficiently;
- k. the effect of the order upon the parties;
- l. the conduct of the parties;
- m. the length of time that a receiver may be in place;
- n. the cost to the parties;
- o. the likelihood of maximizing return to the parties; and
- p. the goal of facilitating the duties of the receiver.

See: *Canadian Equipment Finance and Leasing Inc. v. The Hypoint Company Limited*, 2022 ONSC 6186, and *Maple Trade Finance Inc. v. CY Oriental Holdings Ltd.*, 2009 BCSC 1527 at para. 25, citing *Bennett on Receivership*, 2nd ed. (Toronto, Carswell, 1999).

11. How are these factors to be applied? The British Columbia Supreme Court put it, I think, correctly: “these factors are not a checklist but a collection of considerations to be viewed holistically in an assessment as to whether, in all the circumstances, the appointment of a receiver is just or convenient: *Pandion Mine Finance Fund LP v. Otso Gold Corp.*, 2022 BCSC 136 at para. 54).
12. The issue is whether a receiver should be appointed in the circumstances of this case.

The Facts and Application of the Relevant Factors

13. Many, and indeed almost all, of the material facts are not in dispute. The Applicant relies on the Affidavit of Tro DerBedrossian sworn September 12, 2023 together with Exhibits thereto, and the Reply affidavit sworn October 4, 2023 together with Exhibits thereto.
14. Defined terms in this Endorsement have the meaning given to them in the Application materials unless otherwise stated.
15. Ten 4 is an Alberta Corporation extra provincially registered in Ontario, primarily engaged in the business of shipping, transportation and logistics. The director of Ten 4 is Nasir Mahmood. The other two numbered company Respondents are essentially holding companies that hold title to real estate properties.
16. RBC made available to the Debtors credit facilities. Those included an RBC visa business card agreement. The obligations of Ten 4 to RBC were guaranteed by each of the two numbered company Respondents and by Mr. Mahmood. His guarantee is for a maximum amount of \$2.5 million plus interest.

17. As security for the advances thereunder, the parties entered into three general security agreements; one from each of the Debtors. Each GSA gives RBC the contractual right to appoint a receiver. The guarantees were entered into also. Mortgages registered on title to real property and assignments of rents and insurance were also given.
18. The Debtors are in default of their obligations. RBC has delivered demands and section 244 Notices of Intention. The defaults are material and have not been waived. As of August 31, 2023, Ten 4 was indebted to RBC in amounts as set out in the Application materials of approximately CDN \$5,200,000 and USD \$453,000. The numbered company Respondents are indebted in the approximate amounts of CDN \$4.2 million and CDN \$5.3 million respectively.
19. The concern of RBC has been exacerbated by the fact, of which it has just recently learned, that a writ of execution has been filed against Ten 4 on August 10, 2023 in respect of a judgment in favour of BVD Capital Corporation in the amount of \$1,099,763.44, the enforcement of which would erode the RBC security.
20. In addition, the Respondents have committed covenant defaults in that, for example, Ten 4 is required to report to the bank on a monthly and quarterly basis with respect to aged accounts receivable and quarterly financial statements, neither of which were received on either of May 15, 2023 or August 14, 2023, as required. In addition, monthly reporting of borrowing base certificate, aged accounts receivables, payables in priority payables was not provided on September 30 as required.
21. RBC has therefore demanded payment of the obligations which are clearly (and admitted to be) repayable on demand according to their contractual terms. As stated above, demands and section 244 Notices were delivered, all in August, 2023. No repayment has been made by any of the Debtors or the guarantors.
22. RBC's concern, said in its materials to have been contributed to by unusual and suspicious account activity, was exacerbated by both the writ of action referred to above and also the non-payment of property taxes as a result of all of which the bank has significant concerns with respect to the business and stability of the Debtors and wishes to ensure that a Receiver is appointed to secure the collateral for the benefit of all stakeholders.
23. The Respondents rely on the Affidavit of Mr. Mahmood affirmed October 2, 2023, together with Exhibits thereto, the Supplementary Affidavit sworn October 10, 2023 together with Exhibits thereto, the Further Supplementary Affidavit of October 17, 2023 and the Affidavit of Abdul Ishaq sworn October 17, 2023 together with the one Exhibit thereto. I pause to observe that the last two affidavits were filed yesterday, without leave, in advance of the case conference today.
24. The Respondents advance the position that the triggering event for RBC was the fact that one of the primary customers of Ten 4, Northwest Carrier Ltd., paid certain outstanding accounts in the amount of CDN \$1.1 million by cheque, and certain of those cheques were returned as NSF. All of this resulted in a trickle-down effect on the liquidity of the Respondents and their inability to pay RBC. The Respondents emphasized that this event was out of their control.
25. In addition, the Respondents say that Northwest subsequently paid approximately two thirds of the amount owing (CAD \$720,840.57) but the balance remains outstanding. RBC submits and the banking records show that the relationship and transactions with Northwest are more complicated than indicated. Numerous different cheques from two different entities were sent. The returned cheques were effectively replaced on August 9 and 10, 2023, with the deposit to accounts of Ten 4 of a further series of 69 checks, totaling over \$3,500,000 in the aggregate from two other entities that RBC believes to be connected to the Respondents or their principal. All of those 69 cheques were also all subsequently returned NSF between August 11 and August 14, 2023. This resulted in the overdraft position referred to above.

26. With respect to property taxes, the Respondents asserted, and subsequently filed supplementary materials confirm, that real property taxes had in fact been paid.
27. The Respondents stated that the accountant for Ten 4 was out of the country between July and September for vacation with the result that the company could not provide its August and September reports to RBC. In my view, it is not an answer to a contractual commitment to provide formal reports on the agreed-upon terms and by the agreed-upon deadlines, to say that an accountant was on vacation for some three months.
28. Concerningly to RBC, however, the Respondents disclosed for the first time in their responding materials filed just prior to the hearing of the Application that they are currently in the process of removing a charge registered by a non-party (Pride Truck Sales Ltd.) but encumbering the property of the Respondents in the amount of \$6 million.
29. The Respondents maintain, however, that the \$6 million charge against title to the property was registered in error, and that in fact it was supposed to be registered in a maximum amount of \$3 million and moreover, the debt outstanding that is secured by the charge totals significantly less than that, and in any event, counsel for the Respondents advises that the Respondents are “in the process of settling that dispute”. There is, however, no evidence in the Record beyond the admitted fact of the \$6 million charge.
30. Finally, the Respondents submitted an appraisal report of the Property dated October 10, 2023 reflecting a current value with the result, the Respondents submit, that the bank is not at risk since there is ample equity in the property to pay out all indebtedness to RBC, even if that became necessary.
31. At the hearing of this Application on October 11, 2023, counsel for the Respondents advised that while the Respondents had no firm commitment for refinancing or a buyout, they were in active negotiations with third parties. No commitment was in the record.
32. As noted above, following the hearing, counsel to the Respondents wrote to the Court unilaterally to advise that commitment had in fact been obtained, resulting in the case conference today at the request of the Applicant. Also as noted above, further affidavit evidence was filed without leave yesterday, but I have considered it nonetheless.
33. As part of that evidence is what was represented by the Respondents to be a commitment letter which would fully satisfy the obligations to RBC. That commitment letter, dated October 12, 2023, is attached as Exhibit “A” to the affidavit of Abdul Ishaq.
34. However, and as submitted by counsel for the Applicant, the commitment letter is problematic in a number of ways:
 - a. it contemplates first mortgage financing for the numbered company Respondents over the Property;
 - b. the commitment, from Toronto Wire Solutions Corp., contemplates the numbered company Respondents as borrowers and a number of other parties, including Nasir Mahmood, to be joint and several guarantors;
 - c. it contemplates a loan amount of \$23,600,000 “in favour of [existing properties]”, interest at 9% per annum payable monthly on account of interest-only in the amount of \$177,000 per month or a one year term;
 - d. it contemplates an advance date of January 16, 2024; and
 - e. it includes various express conditions precedent to which the obligation to advance funds are expressly subject, including appraisals, inspections, surveys, “up-to-date Environmental Reports, satisfactory to the lender in its sole discretion” and other conditions.

35. In short, and having considered the commitment letter notwithstanding the manner and timing of its filing, it does not get the Respondents where they need to be. The commitment is highly conditional, and even if the conditions were met, it does not provide for funding until January next year. It simply does not answer the problem, let alone do so in any timely way.
36. I am satisfied that, considering all of the relevant factors in the circumstances of this case, that the appointment of a receiver is appropriate. Not only have the parties contractually agreed the appointment of a receiver in an event of default, which has clearly occurred here, but I am satisfied that it would otherwise be appropriate in any event.
37. The indebtedness is outstanding and payments are not being made. A receivership will provide for stability, transparency and orderly conduct under the supervision of a court-appointed officer that is necessary here. It may well be that the receiver negotiates a firm, unconditional and more expedient source of alternative funds, either with the proposed lender referred to in the commitment letter discussed above, or any other investor or lender. I would expect the receiver to investigate and explore all available options.
38. If those options bear fruit in the sense that there is a binding and unconditional commitment that will generate funds sufficient to pay out RBC inclusive of all indebtedness, fees, interest and costs, I would expect that the receivership could be terminated relatively quickly. But unless and until that occurs, a receivership is appropriate here.
39. There is considerable uncertainty about the status and amount of possibly competing claims. There is uncertainty about whether the value of the Property, even if accurate as reflected in the appraisal report, would be sufficient to pay out all claims. The fact that the mortgage is currently registered in the amount of \$6 million (in addition to the security of RBC) suggests that there may not be a material surplus, if indeed there is any at all.
40. A receivership will allow for the orderly exploration, investigation and analysis of those claims, and the available assets, all in circumstances where potential chaos of competing claims, and the ensuing expensive litigation, can be avoided or minimized. It will also allow for the avoidance of further chaos and an analysis of the receivables and payables of the Debtors.
41. Counsel for the Respondents urges that the Court considered creative or more flexible relief, such as a standstill agreement and an order imposing terms that no further encumbrances could be placed on the Property of the Debtors without consent or order of the Court, and that the indebtedness to Pride secured by the mortgage is in question referred to above in the aggregate sum of \$6 million, be limited to an amount of \$2 million in the aggregate.
42. Even if I had the jurisdiction to impose such terms, which I am far from certain I do, I would decline to do so in the circumstances of this case. Such would amount to rewriting of the agreements between the Debtors and counterparties which are not represented here and in which in my view would not be appropriate in any event.
43. For all of these reasons, I am satisfied that the appointment of a receiver is not only just or convenient, as is the test, but indeed that it is just *and* convenient in the circumstances.
44. Order to go in the form signed by me today which is effective immediately and without the necessity of issuing and entering.

Addendum: This Endorsement was amended on the consent of all parties on October 26, 2023 to remove a dollar figure in para. 30 per endorsement of that date. No other changes made.

Owen, J.

Appendix 7

Court File No.:

COURT OF APPEAL FOR ONTARIO

B E T W E E N:

**TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. and 1000122550
ONTARIO INC.**

Appellants

- and -

ROYAL BANK OF CANADA

Respondent

NOTICE OF APPEAL

THE APPELLANT APPEALS to the Court of Appeal from the Order of the Honourable Justice Osborne, dated October 18, 2023, made at Toronto, Ontario.

THE APPELLANT ASKS that the Order be set aside and an Order be entered as follows:

1. The application for an appointment of a receiver is denied;
2. In the alternative, the application be returned to the Superior Court of Justice for reconsideration of alternatives to an appointment of a receiver;
3. The Respondent to pay costs to the Appellants for the underlying application and this appeal; and,
4. Such further and other relief as the Appellant may request and this Honourable Court may deem just.

THE GROUNDS OF APPEAL are as follows:

1. The learned Applications Judge erred in law by incorrectly applying section 101 of the *Courts of Justice Act* notwithstanding the fact that the relief sought in the application was for a final, and not an interlocutory, order.
2. The learned Applications Judge also made an overriding and palpable error of mixed fact and law by concluding that it was “just and convenient” to appoint a receiver notwithstanding the fact that reasonable alternatives were available.
3. In the alternative, the learned Applications Judge’s discretionary decision to appoint a receiver, and/or the insufficient weight given to the relevant considerations of reasonable alternatives by the learned Applications Judge in coming to that decision, was so clearly wrong that it amounted to an injustice.
4. Such further and other grounds as the Appellant may advise and this Honourable Court may permit.

THE BASIS OF THE APPELLATE COURT'S JURISDICTION IS:

5. The Order appealed from is a final order of a judge of the Superior Court of Justice pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* and, thus, an appeal as of right is afforded in these circumstances pursuant to s. 6(1)(b) of the *Courts of Justice Act* and by Rule 61 of the *Rules of Civil Procedure*.

Dated October 23, 2023.

**M. SINGH LAW
PROFESSIONAL CORPORATION**

100 King Street West – Suite 5700
Toronto, Ontario
M5X 1C7

Manjit Singh (LSO#55976D)

Tel: 647-722-8400

Email: MSingh@MSinghLaw.ca

Lawyers for the Appellants

| | |
|----------------|---|
| TO: | BORDEN LADNER GERVAIS LLP Bay Adelaide Centre, East Tower 22 Adelaide Street West Toronto, ON M5H 4E3 Tel: 416-367-6000 Fax: 416-367-6749 Roger Jaipargas – LSO No. 43275C Tel: 416-367-6266 Email: rjaipargas@blg.com Lawyers for the Respondent |
| AND TO: | msi Spergel Inc. 200 Yorkland Blvd., Suite 1100 Toronto, ON M2J 5C1 Tel: 416-497-1660 Fax: 416-498-4314 Mukul Manchanda Tel: (416)- 498-4314 mmanchanda@spergel.ca Receiver |
| AND TO: | HARRISON PENZA LLP 130 Dufferin Avenue, Suite 1101 London, ON N6A 5R2 Tel: (519) 679-9660 Fax: (519) 667-3362 Tim Hogan Tel: (519) 661-6743 thogan@harrisonpensa.com Lawyers for msi Spergel Inc., Receiver |
| AND TO: | DEPARTMENT OF JUSTICE Ontario Regional Office 120 Adelaide Street West, Suite 400 Toronto ON M5H 1T1 Ed Park Tel: 647-256-7429 Fax: 416-973-0810 edward.park@justice.gc.ca Lawyers for the Canada Revenue Agency |

| | |
|---------|---|
| AND TO: | INSOLVENCY UNIT ONTARIO MINISTRY OF FINANCE 33 King Street West, 6th Floor Oshawa, ON L1H 8H5 Leslie Crawford Tel: 905.433.5657 Leslie.Crawford@ontario.ca Insolvency Unit insolvency.unit@ontario.ca |
| AND TO: | PRIDE FLEET SOLUTIONS INC. 1450 Meyerside Dr., Suite 401 Mississauga, ON L57 1A6 6050 Dixie Road Mississauga, ON L5T 2N5 Email: info@pridegroupenterprises.com |
| AND TO: | AXIOM LEASING INC. 4 Robert Speck Parkway, 15 th Floor Mississauga, ON L4Z 1S1 Email: admin@axiomleasing.com |
| AND TO: | MERCADO CAPITAL CORPORATION Suite 1900, 13450 102 Ave Surrey, BC V3T 5Y1 Email: leasing@prospera.ca |
| AND TO: | TFG FINANCIAL CORPORATION 400-4180 Lougheed Highway Burnaby, BC V5C 6A7 Email: info@tfgfinancial.com |
| AND TO: | DAIMLER TRUCK FINANCIAL SERVICES CANADA CORPORATION 2680 Matheson Blvd. E Ste 202 Mississauga, ON L4W 0A5 Email: dtf@daimlertruck.com |
| AND TO: | BODKIN, A DIVISION OF BENNINGTON FINANCIAL CORP. 102-1465 North Service Rd E Oakville, ON L6H 1A7 Email: executiveoffice@benningtonfinancial.ca |
| AND TO: | TPINE LEASING CAPITAL CORPORATION 6050 Dixie Road Mississauga, ON L5T 1A6 Email: credit@tpinecapital.com |

Court File No.

TEN 4 SYSTEM LTD. *et al.*
APPELLANTS

-and- ROYAL BANK OF CANADA.
RESPONDENT

ONTARIO
COURT OF APPEAL

NOTICE OF APPEAL

M. SINGH LAW
PROFESSIONAL CORPORATION

100 King Street West – Suite 5700
Toronto, Ontario
M5X 1C7

Manjit Singh (LSO# 55976D)

Email: MSingh@MSinghLaw.ca

Tel: 647.722.8400

Lawyers for the Appellants

Appendix 8

COURT OF APPEAL FOR ONTARIO

CITATION: Royal Bank of Canada v. Ten 4 System Ltd., 2023 ONCA 839

DATE: 20231215

DOCKET: COA-23-OM-0304

Brown J.A. (Motions Judge)

BETWEEN

Royal Bank of Canada

Applicant
(Responding Party/Respondent)

and

Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.

Respondents
(Moving Parties/Appellants)

Manjit Singh, for the moving parties/appellants

Roger Jaipargas and Douglas O. Smith, for the responding party/respondent

Heard: in writing

On appeal from the order of Justice Peter Osborne of the Superior Court of Justice, dated October 18, 2023.

ENDORSEMENT

I. OVERVIEW

[1] Ten 4 System Ltd., 1000043321 Ontario Inc., and 1000122550 Ontario Inc. (the “Debtors”) move, pursuant to s. 193(e) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, for an order granting them leave to appeal the order of

Osborne J. dated October 18, 2023 (the “Appointment Order”), which appointed msi Spergel inc. as receiver of the Debtors’ assets, undertakings, and properties. The Appointment Order was made pursuant to *BIA* s. 243(1) and s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43 (“*CJA*”).

[2] Several key facts were not in dispute before the application judge:

- the Debtors owed their creditor, the respondent Royal Bank of Canada, approximately CAD\$14.7 million and USD\$453,000;
- They were in default of their obligations to RBC; and
- RBC holds valid security, including three general security agreements that give RBC the contractual right to appoint a receiver.

[3] Very late in the life of the appointment application process, the Debtors filed a commitment letter they submitted would solve their financial problems with RBC. The application judge explained, in considerable detail, why he was not satisfied that the highly conditional commitment letter would answer the problems in a timely way. After taking into account a variety of relevant factors and circumstances, the application judge concluded it was just and convenient to appoint a receiver, as requested by RBC.

II. ANALYSIS

[4] The exercise of granting leave to appeal under *BIA* s. 193(e) is discretionary and must be exercised in a flexible and contextual way. The prevailing

considerations for a court to take into account are summarized in *Business Development Bank of Canada v. Pine Tree Resorts Inc.*, 2013 ONCA 282, 115 O.R. (3d) 617, at para. 29. I shall consider each.

A. Merits of the proposed appeal

[5] I start by considering the merits of the Debtors' proposed appeal. In their notice of motion for leave to appeal, the Debtors identify four grounds on which they intend to appeal.

First ground of appeal

[6] As their first ground of appeal, the Debtors contend the application judge denied them a fair hearing. Their notice of motion states:

The learned Applications Judge erred in law by incorrectly relying upon [RBC's] characterization of evidence it had compiled in a so-called "confidential brief" that was neither served upon or made available to the Defendants or their counsel, nor filed with the Superior Court of Justice or put before the learned Applications Judge.

[7] Assessing the merits of this ground of appeal requires some understanding of the background facts, including what the Debtors refer to as the "confidential brief".

[8] RBC's application for a receiver was supported by the affidavit of Tro DerBedrossian, Director of RBC's Special Loans and Advisory Services ("SLAS"). In para. 24 of his affidavit, Mr. DerBedrossian deposed that the Debtors'

accounts were transferred to SLAS on August 17, 2023 “due to unusual account activity resulting in the full utilization of the operating line and an account excess of CA\$2,489,450.90 and US\$452,915.45.”

[9] In para. 8 of his reply affidavit, Mr. DerBedrossian repeated that there had been unusual activity involving the Debtors’ accounts and went on to provide considerable details of that unusual activity in paras. 9 through 14 of his reply affidavit. At paras. 24 and 25 of his endorsement, the application judge reproduced some of the details about the unusual activity described in Mr. DerBedrossian’s reply affidavit.

[10] After providing details of the unusual account activity, in para. 14 of his reply affidavit Mr. DerBedrossian went on to depose:

A confidential brief (“Confidential Brief”) evidencing the unusual account activity of the Debtors has been prepared and will be made available to the Court, if the Court requests same at the hearing of this application. In the event that the Court requests that the Applicant produce the Confidential Brief, I understand that counsel for the Bank will request that the Court grant a sealing Order in respect of same, until further Order of the Court.

[11] There is no dispute that the application judge did not request disclosure of the confidential brief referred to by Mr. DerBedrossian nor did he review it. His reasons make no mention of a confidential brief. However, paras. 24 and 25 of his reasons do refer to the unusual activity described by Mr. DerBedrossian in his

affidavits. As well, para. 22 summarizes the position advanced by RBC on the appointment motion as follows:

RBC's concern, said in its materials to have been contributed to by unusual and suspicious account activity, was exacerbated by both the writ of action referred to above and also the non-payment of property taxes as a result of all of which the bank has significant concerns with respect to the business and stability of the Debtors and wishes to ensure that a Receiver is appointed to secure the collateral for the benefit of all stakeholders.

[12] The Debtors contend three errors arise from that factual background:

- First, RBC's failure to disclose the confidential brief "irretrievably tainted the hearing from the outset". I have difficulty seeing how. RBC disclosed the existence of the brief and indicated it would be disclosed if subject to a sealing order. However, there is no suggestion in the record that the Debtors ever asked the application judge to obtain disclosure of the brief;
- Second, the Debtors contend their right to a fair hearing "was further exacerbated by [RBC's] self-serving characterization of the documents in the so-called secret confidential brief as suggestive of 'unusual activity' in the [Debtors'] bank accounts". If a party views language in a document filed in court as "scandalous, frivolous or vexatious", it can request the court to strike out the offending language: *Rules of Civil Procedure*, r. 25.11(b). The record does not disclose any such request from the Debtors; and

- Third, the Debtors argue the application judge erred by repeating in his reasons some of the language used in the DerBedrossian affidavits and adding to the deponent's word "unusual" his own word "suspicious" in describing the account activity. A judge is entitled to summarize a party's submissions using the language employed by the party, which the application judge did at para. 22 of his reasons. I read his use of the word "suspicious" as simply a synonym for "unusual".

[13] In any event, the unusual activity RBC observed in the Debtors' accounts was not one of the facts upon which the application judge rested his decision to appoint a receiver: Reasons, at paras. 35 to 40. Consequently, the Debtors' first ground of appeal is not *prima facie* meritorious.

Second ground of appeal

[14] Second, the Debtors assert the application judge erred in law by incorrectly applying *CJA* s. 101 notwithstanding the fact that the relief sought in the application was for a final and not an interlocutory order.

[15] I confess I have difficulty following the Debtors' argument: an initial order appointing a receiver, such as the form of order used in this case, does not finally determine any rights. Instead, it appoints a receiver to preserve a debtor's assets for distribution to its creditors following a review of their respective rights and determination of a proper allocation. In any event, RBC applied under *BIA* s. 243(1)

as well as *CJA* s. 101; the final/interlocutory distinction does not play the same role under the *BIA* as it does for civil litigation under the *CJA*. The application judge clearly had the authority to make the order that he did.

[16] The Debtors' second ground of appeal is not *prima facie* meritorious.

Third and fourth grounds of appeal

[17] The Debtors' third and fourth grounds of appeal are related. The Debtors contend the application judge made a palpable and overriding error of mixed fact and law by concluding that it was just and convenient to appoint a receiver notwithstanding the fact that reasonable alternatives were available in the circumstances and that the Debtors' assets exceeded the value of their liabilities.

[18] Although the Debtors obviously disagree with the weight the application judge assigned to different factors in his analysis, his reasons do not disclose that he applied incorrect or inapplicable legal principles. And while the evidence may have shown that the Debtors' assets exceeded their liabilities, there was no dispute about the amount of their indebtedness to RBC or their default under the loans.

[19] These are very weak grounds of appeal on which to seek to set aside a discretionary order. In my view, they stand a very low possibility of success.

B. Issue of general importance to insolvency practice or the administration of justice

[20] Since the record does not disclose any merit in the first two grounds of appeal, they cannot raise issues of general importance. The third and fourth grounds of appeal are rooted in the application of established principles to the specific facts of the case before the application judge; they do not give rise to issues of general importance.

C. Effect of granting leave on the specific insolvency proceeding

[21] I accept RBC's submission that granting leave to appeal would unduly hinder the progress of the administration of the receivership. The consequent automatic stay under *BIA* s. 195 would halt the receivership. Given the level of indebtedness of the Debtors to RBC, their default, and the absence of firm replacement financing, the interests of justice would not be served by granting leave.

D. Conclusion

[22] Considering the criteria as a whole, I would not grant leave to appeal. The grounds of appeal either lack any merit or are very weak; they do not raise any issue of general importance; and permitting the Debtors to appeal, thereby staying the receivership, in the absence of firm replacement financing would pose a serious risk to the rights of creditors in the circumstances.

III. DISPOSITION

[23] The Debtors' motion for leave to appeal is dismissed.

[24] As the successful party, RBC is entitled to its costs of this motion. Under the terms of the security, the Debtors are liable for "all costs, charges and expenses reasonably incurred by RBC ... in preparing or enforcing ..." the security. RBC seeks its costs of this motion on a full recovery basis. RBC filed a bill of costs stating that its actual legal costs for the motion amounted to \$35,225.00. I am not satisfied that the full amount of those costs constitutes "reasonably incurred" costs. This was a simple motion, yet RBC's bill of costs records time spent by two partners, an articling student, and a law clerk. In my view, costs "reasonably incurred" should be set at \$25,000, inclusive of disbursements and applicable taxes, and I order the appellants to pay RBC such costs within 30 days of the date of this order.



Appendix 9

From: Manjit Singh <MSingh@msinghlaw.ca>
Sent: Friday, December 22, 2023 2:41 PM
To: Tim Hogan <thogan@harrisonpensa.com>
Subject: RE: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al [IWOV-HPMain.FID711321]

[EXTERNAL EMAIL]

Hi Tim,

We've been working with our clients to obtain the information/documentation requested.

Please see attached documentation we've received from the client.

Please Note: We've also been informed that there are no financial statements for the two numbered companies.

We continue working on responding to the balance of your request.

Sincerely,

Manjit Singh, JD

M. SINGH LAW PROFESSIONAL CORPORATION

100 King Street West - Suite 5700
First Canadian Place
Toronto, Ontario
M5X 1C7

Phone: (647) 722-8400
Email: msingh@msinghlaw.ca
Website: www.msinghlaw.ca

This e-mail may contain legally privileged and confidential information intended only for the individual or entity named in the message. If you are not the intended recipient or the agent thereof or responsible to deliver it to the intended recipient, and this communication was received in error, please notify me by reply e-mail and delete the original message.

From: Tim Hogan <thogan@harrisonpensa.com>
Sent: December 21, 2023 10:21 AM
To: Manjit Singh <MSingh@msinghlaw.ca>
Cc: Manchanda Mukul - msi Spergel (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>; Philip Gennis - Spergel (pgennis@spergel.ca) <pgennis@spergel.ca>
Subject: RE: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al [IWOV-HPMain.FID711321]

Manjit

Your client has been no responsive to the Receiver's request for records and documents.

Our e-mail of November 10, 2023 (below) details the documents required to be provided to the Receiver.

These documents are required by the Receiver to administer the estate.

Ultimately, if required, the Receiver will seek a Court order compelling the production of these documents.

Thank-you

Tim Hogan | [HARRISON PENZA LLP](#) | [130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2](#) | *tel* 519-661-6743
| *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel* 519-850-5568 |
anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Tim Hogan
Sent: Monday, December 4, 2023 2:48 PM
To: Manjit Singh <MSingh@msinghlaw.ca>
Cc: Manchanda Mukul - msi Spergel (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>
Subject: FW: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

Manjit

We have not had a response to the below e-mail.

The Receiver has no Records provided to it.

Please advise as to the status of the delivery of Records.

Please confirm receipt of this email.

Regards

From: Manjit Singh <MSingh@msinghlaw.ca>
Sent: Wednesday, November 22, 2023 3:00 PM
To: Tim Hogan <thogan@harrisonpensa.com>
Cc: Mukul Manchanda <mmanchanda@spergel.ca>
Subject: RE: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

Hi Tim,

We are reviewing and will provide our position.

In the interim, we will work with our clients to gather the information/documentation you've requested in the trailing email below.

Sincerely,

Manjit Singh, JD

M. SINGH LAW PROFESSIONAL CORPORATION

TH05 - 2220 Lake Shore Blvd. W.
Toronto, ON, M8V 0C1
Phone: (647) 722-8400
Email: msingh@msinghlaw.ca
Website: www.msinghlaw.ca

This e-mail may contain legally privileged and confidential information intended only for the individual or entity named in the message. If you are not the intended recipient or the agent thereof or responsible to deliver it to the intended recipient, and this communication was received in error, please notify me by reply e-mail and delete the original message.

From: Tim Hogan <thogan@harrisonpensa.com>
Sent: November 19, 2023 7:48 AM
To: Manjit Singh <MSingh@msinghlaw.ca>
Cc: Manchanda Mukul - msi Spergel (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>
Subject: FW: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

Good morning Manjit,

Please see paragraph 36 of the attached Court of Appeal decision that is clear and supports that position of the Receiver. The law is clear that it is the granting of leave to appeal that triggers the stay. At this stage there is no appeal in the absence of leave.

Will your client be providing the records that the Receiver has requested?

Tim Hogan | HARRISON PENZA LLP | 130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2 | *tel*/ 519-661-6743
| *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel*/ 519-850-5568 |
anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Manjit Singh <MSingh@msinghlaw.ca>
Sent: Saturday, November 18, 2023 9:14 PM
To: Tim Hogan <thogan@harrisonpensa.com>
Subject: RE: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

[EXTERNAL EMAIL]

Hi Tim,

Thanks for your email providing your client's position. We read the stay provision differently – to wit:

- s.195 is titled “Stay of proceedings on **filing** of appeal” [emphasis added]. This suggests that the “filing” and not the “granting” is the trigger point.
- Both ss.193(e), pursuant to which my clients are pursuing their appeal, & 195 come under section of the BIA titled “Appeals” – thus, the ***filing*** of the Appeal (as per s.195) commences with the ***filing*** of the notice seeking leave to appeal (as per s.193(e)).
- Finally, s.195 reads that begins with the phrase “***all proceedings under an order or judgment appealed from shall be stayed until the appeal is disposed of***” – read together, within the same “Appeals” section, the Order (granting the Receivership) that is being appealed from is stayed until the appeal, initiated via the process outlined in s.193(e), is disposed of.

Sincerely,

Manjit Singh, JD

M. SINGH LAW PROFESSIONAL CORPORATION

TH05 - 2220 Lake Shore Blvd. W.
Toronto, ON, M8V 0C1
Phone: (647) 722-8400
Email: msingh@msinghlaw.ca
Website: www.msinghlaw.ca

This e-mail may contain legally privileged and confidential information intended only for the individual or entity named in the message. If you are not the intended recipient or the agent thereof or responsible to deliver it to the intended recipient, and this communication was received in error, please notify me by reply e-mail and delete the original message.

From: Tim Hogan <thogan@harrisonpensa.com>
Sent: November 16, 2023 10:22 AM
To: Manjit Singh <MSingh@msinghlaw.ca>
Cc: Manchanda Mukul - msi Spergel (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>
Subject: RE: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

Good morning Manjit

The Receiver's position is that only on the Court granting leave to appeal is the stay under s. 195 of the BIA is triggered.

Tim Hogan | HARRISON PENZA LLP | 130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2 | *tel* 519-661-6743
| *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel* 519-850-5568 |
anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Manjit Singh <MSingh@msinghlaw.ca>
Sent: Wednesday, November 15, 2023 7:46 PM

To: Tim Hogan <thogan@harrisonpensa.com>
Subject: RE: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

[EXTERNAL EMAIL]

Hi Tim,

Further to your email below, is it your client's position that the Order granting the receivership is not stayed pending the appeal thereof pursuant to s.195 of the BIA?

Sincerely,

Manjit Singh, JD

M. SINGH LAW PROFESSIONAL CORPORATION

TH05 - 2220 Lake Shore Blvd. W.
Toronto, ON, M8V 0C1
Phone: (647) 722-8400
Email: msingh@msinghlaw.ca
Website: www.msinghlaw.ca

This e-mail may contain legally privileged and confidential information intended only for the individual or entity named in the message. If you are not the intended recipient or the agent thereof or responsible to deliver it to the intended recipient, and this communication was received in error, please notify me by reply e-mail and delete the original message.

From: Tim Hogan <thogan@harrisonpensa.com>
Sent: November 14, 2023 12:57 PM
To: Manjit Singh <MSingh@msinghlaw.ca>
Cc: Manchanda Mukul - msi Spergel (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>; Melinda Vine <mvine@harrisonpensa.com>; Paula Amaral <pamaral@spergel.ca>; Philip Gennis - Spergel (pgennis@spergel.ca) <pgennis@spergel.ca>
Subject: RE: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

Hello Manjit

Can you please confirm receipt of the below e-mail and advise when the Receiver can expect to receive the documents required to be provided?

We look forward to hearing from you.

Tim Hogan | HARRISON PENZA LLP | 130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2 | *tel*/ 519-661-6743
| *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel*/ 519-850-5568 |
anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Tim Hogan
Sent: Friday, November 10, 2023 4:35 PM
To: Manjit Singh <MSingh@msinghlaw.ca>
Cc: Manchanda Mukul - msi Spergel (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>; Melinda Vine <mvine@harrisonpensa.com>; Paula Amaral <pamaral@spergel.ca>; Philip Gennis - Spergel (pgennis@spergel.ca)

<pgennis@spergel.ca>

Subject: RE: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

Manjit

I am following on the below e-mail.

The information that the Receiver requires is as follows:

1. Last three years financial statements for each of the debtors under the receivership (the “Debtors”);
2. Last three years CRA T2 returns for each of the Debtors;
3. Books and records including copy of the book-keeping software for each of the Debtors;
4. List of assets including but not limited to:
 - a. accounts receivable listing with all supporting documents,
 - b. list of vehicles and trailers
 - c. intellectual property,
 - d. government receivables and
 - e. details of any other assets including cash, securities and investment assets;
5. Copy of accounts payable listing for each of the Debtors;
6. Minute books for each of the Debtors;
7. 24 months bank statements for each of the Debtors for all bank accounts operated by the Debtors;
8. Information and contact details for external accountant of the Debtors;
9. Information of employees of the Debtors and any amounts outstanding to the employees;
10. All property and Insurance information including:
 - a. name and contact information of insurance broker(s)
 - b. Copies of all insurance certificates and policies.

We would ask that you confirm receipt of this e-mail and advise if you have any questions.

Tim Hogan | [HARRISON PENZA LLP](#) | [130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2](#) | *tel* 519-661-6743
| *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel* 519-850-5568 |
anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Tim Hogan

Sent: Friday, October 20, 2023 4:20 PM

To: Manjit Singh <MSingh@msinghlaw.ca>

Cc: Manchanda Mukul - msi Spergel (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>; Melinda Vine <mvine@harrisonpensa.com>; Paula Amaral <pamaral@spergel.ca>; Philip Gennis - Spergel (pgennis@spergel.ca) <pgennis@spergel.ca>

Subject: RE: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

Thanks Manjit, receipt acknowledged.

The Receiver will review and we will revert with questions, specifically as to chattels, equipment, owned and leased tractors and trailers, and details of client lists and accounts receivable and payable.

Tim Hogan | [HARRISON PENZA LLP](#) | [130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2](#) | *tel* 519-661-6743
| *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel* 519-850-5568 |
anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Manjit Singh <MSingh@msinghlaw.ca>

Sent: Friday, October 20, 2023 3:27 PM

To: Tim Hogan <thogan@harrisonpensa.com>

Cc: Manchanda Mukul - msi Spergel (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>; Melinda Vine <mvine@harrisonpensa.com>; Paula Amaral <pamaral@spergel.ca>; Philip Gennis - Spergel (pgennis@spergel.ca) <pgennis@spergel.ca>

Subject: RE: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

[EXTERNAL EMAIL]

Hi Tim,

I have the following information/documentation to provide to you:

The Director (and thus the primary contact) for all three respondents is Nasir Mohmood: nasirmahmood@ten4system.com; 6474083817. Mr. Mahmood has requested that all communication related to this matter be conducted through my office – I suggest that is probably the best course of action as it will more likely ensure this process moves forward smoothly.

The lease agreement requested is attached.

Assets:

Ten 4 System:

- 1) USD:- 03252- 4001020 (RBC account)
- 2) CAD:- 03252- 1010388 (RBC account)
- 3) 36292-8866-548 (BMO saving account)
- 4) 3629-1976-517 (BMO chequing account)

1000122550 Ontario Inc:

- 1) Cedar Creek Property
- 2) 03252-1004159 (RBC account)

1000043321 Ontario Inc:

- 1) Cedar Creek Property
- 2) 03252-1003920 (RBC account)

We are continuing to look into this matter and will provide you with further updates.

Sincerely,

Manjit Singh, JD

M. SINGH LAW PROFESSIONAL CORPORATION

TH05 - 2220 Lake Shore Blvd. W.
Toronto, ON, M8V 0C1
Phone: (647) 722-8400
Email: msingh@msinghlaw.ca
Website: www.msinghlaw.ca

This e-mail may contain legally privileged and confidential information intended only for the individual or entity named in the message. If you are not the intended recipient or the agent thereof or responsible to deliver it to the intended recipient, and this communication was received in error, please notify me by reply e-mail and delete the original message.

From: Tim Hogan <thogan@harrisonpensa.com>

Sent: October 19, 2023 3:27 PM

To: Manjit Singh <MSingh@msinghlaw.ca>

Cc: Manchanda Mukul - msi Spergel (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>; Melinda Vine <mvine@harrisonpensa.com>; Paula Amaral <pamaral@spergel.ca>; Philip Gennis - Spergel (pgennis@spergel.ca) <pgennis@spergel.ca>

Subject: RE: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

Thanks for the response Manjit and the anticipated cooperation of your clients.

Tim Hogan | [HARRISON PENZA LLP](#) | [130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2](#) | *tel*/ 519-661-6743
| *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel*/ 519-850-5568 |
anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Manjit Singh <MSingh@msinghlaw.ca>

Sent: Thursday, October 19, 2023 3:19 PM

To: Tim Hogan <thogan@harrisonpensa.com>

Cc: Manchanda Mukul - msi Spergel (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>; Melinda Vine <mvine@harrisonpensa.com>; Paula Amaral <pamaral@spergel.ca>; Philip Gennis - Spergel (pgennis@spergel.ca) <pgennis@spergel.ca>

Subject: RE: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

[EXTERNAL EMAIL]

Hi Tim,

I confirm that I am in receipt of your original email (sent less than 24 hours ago) and your follow-up. I also confirm that I am in contact with the Respondents vis-à-vis the Appointment Order.

Regarding the information and documentation you have requested in your most recent email, sent earlier today, I will be in touch with the Respondents to provide said requested information/documentation.

I trust the foregoing is satisfactory.

Sincerely,

Manjit Singh, JD

M. SINGH LAW PROFESSIONAL CORPORATION

TH05 - 2220 Lake Shore Blvd. W.
Toronto, ON, M8V 0C1
Phone: (647) 722-8400
Email: msingh@msinghlaw.ca
Website: www.msinghlaw.ca

This e-mail may contain legally privileged and confidential information intended only for the individual or entity named in the message. If you are not the intended recipient or the agent thereof or responsible to deliver it to the intended recipient, and this communication was received in error, please notify me by reply e-mail and delete the original message.

From: Tim Hogan <thogan@harrisonpensa.com>

Sent: October 19, 2023 11:35 AM

To: Manjit Singh <MSingh@msinghlaw.ca>

Cc: Manchanda Mukul - msi Spergel (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>; Melinda Vine <mvine@harrisonpensa.com>; Paula Amaral <pamaral@spergel.ca>; Philip Gennis - Spergel (pgennis@spergel.ca) <pgennis@spergel.ca>

Subject: RE: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

Importance: High

Manjit

We record no response to the below e-mail.

Can you please confirm receipt of the below e-mail and this e-mail and confirm that your clients have been provided a copy of the below e-mail and understands its obligations under the Appointment Order.

We can advise that the Receiver has attended to the real property subject to the Appointment Order located on Cedar Creek Rd. in Ayr Ontario. On this attendance, the Receiver was contacted by an individual who claims to be a representative of a party leasing the building on Cedar Creek Rd. in Ayr Ontario that appears to be the entity known as "Northwest Carrier". The Receiver needs to determine if there is any tenancy arrangement with respect to this building as soon as possible. Please advise on this and provide a copy of any leases in place.

The Receiver has also attended 73 Eastern Ave. in Brampton which is recorded as the Respondents' principal place of business/head office. On this attendance the Receiver was advised that the Respondents are not operating or in possession of 73 Eastern Ave. in Brampton and have not been for some time. Can you please advise where the Respondents operated from, the address for their head office and the location of all the Respondents' books and records.

Further, and as is an obligation under Paragraphs 4 and 5 of the Appointment Order, the Receiver requires that it immediately be provided a list of all assets of the Respondents, including all owned equipment channels inventory tractors trailers and motor vehicles and all assets subject to leases.

Further, as requested above the Receiver does require all Records of the Respondents, the provision of which is the Respondents and its principals' responsibility to provide pursuant to paragraph 5 of the Appointment Order.

Finally, the Receiver requires the names and contact information including e-mail and phone number for all principals of each of the Respondents.

We would ask that you please confirm receipt of this e-mail and contact the Receiver (Mukul Manchanda 416 498-4314 and copied on this e-mail) to discuss.

Your immediate attention to this matter is requested.

Thank-you.

Tim Hogan | [HARRISON PENZA LLP](https://www.harrisonpensa.com) | [130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2](https://www.harrisonpensa.com/130-Dufferin-Avenue-Suite-1101-London-ON-N6A-5R2) | *tel* 519-661-6743 | *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel* 519-850-5568 | anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Tim Hogan
Sent: Wednesday, October 18, 2023 5:04 PM
To: msingh@msinghlaw.ca
Cc: Manchanda Mukul - msi Spergel (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>; Melinda Vine <mvine@harrisonpensa.com>; Paula Amaral <pamaral@spergel.ca>
Subject: FW: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al
Importance: High

Manjit

Mukul Manchanda (a representative of msi Spergel inc. and copied on this e-mail) and I have just left you a voice mail at 674 722 8400.

As indicated, we are counsel to msi Spergel inc., Receiver appointed pursuant to the attached Order of Osborne J. dated October 18, 2023 (the “**Appointment Order**”).

The Receiver is now taking steps to take possession of the assets of the entities in receivership, and we would ask that you or your client immediately contact Mukul (416 498-4314) to arrange for the orderly control by the Receiver of all Property subject to the Appointment Order.

We refer you to paragraph 4 of the Appointment Order obligating all Persons to forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, and to deliver such Property to the Receiver upon the Receiver’s request. Please allow this to serve as the Receiver’s request to your clients to deliver all such Property, including all tractors and trailers, as will be directed by the Receiver.

Please acknowledge receipt of this e-mail and confirm that contact will be made with the Receiver.

We look forward to hearing from you.

Thank-you.

Tim Hogan | [HARRISON PENZA LLP](#) | [130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2](#) | *tel* 519-661-6743 | *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel* 519-850-5568 | anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Tareken, Seye (MAG) <Seye.Tareken@ontario.ca>
Sent: October 18, 2023 3:40 PM
To: Smith, Douglas O. <DSmith@blg.com>; Jaipargas, Roger <RJaipargas@blg.com>; MSingh@MSinghLaw.ca
Cc: JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>; Sibenik, Mary (MAG) <Mary.Sibenik@ontario.ca>; Clarke, Sancha (MAG) <Sancha.Clarke@ontario.ca>; Fraser, June (MAG) <June.Fraser@ontario.ca>
Subject: Endorsement and order - RBC V.TEN 4 SYSTEM LTD et. al

[External / Externe]

Hello,

Please see attached endorsement and order - RBC V.TEN 4 SYSTEM LTD et. Al.

Regards,
Seye

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize and can verify the sender and know the content is safe.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize and can verify the sender and know the content is safe.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize and can verify the sender and know the content is safe.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize and can verify the sender and know the content is safe.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize and can verify the sender and know the content is safe.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize and can verify the sender and know the content is safe.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize and can verify the sender and know the content is safe.

Ten 4 System Ltd.
Balance Sheet
As of December 31, 2021

Dec 31, 21

| | <u>Dec 31, 21</u> |
|---------------------------------------|-------------------------|
| ASSETS | |
| Current Assets | |
| Chequing/Savings | |
| Bank | |
| BMO Business Current Account | -4,011.32 |
| Total Bank | <u>-4,011.32</u> |
| Total Chequing/Savings | -4,011.32 |
| Other Current Assets | |
| Accounts Receivable | 70,925.40 |
| Prepaid Expenses | 7,783.17 |
| Total Other Current Assets | <u>78,708.57</u> |
| Total Current Assets | <u>74,697.25</u> |
| TOTAL ASSETS | <u><u>74,697.25</u></u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Trade Payables | 45,430.43 |
| Short Term Debt | 30,000.00 |
| Total Current Liabilities | 75,430.43 |
| Total Liabilities | 75,430.43 |
| Equity | |
| Capital Stock | 100.00 |
| Retained Earnings | -833.18 |
| Total Equity | <u>-733.18</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>74,697.25</u></u> |

Ten 4 System Ltd.
Profit & Loss
January through December 2021

| | Jan - Dec 21 |
|--|---------------------|
| Ordinary Income/Expense | |
| Income | |
| Trade Sales of Goods & Services | 1,061,217.44 |
| Total Income | 1,061,217.44 |
| Cost of Goods Sold | |
| Subcontracted Services | 698,842.31 |
| Total COGS | 698,842.31 |
| Gross Profit | 362,375.13 |
| Operating Expenses | |
| Accounting Fees | 4,800.00 |
| Repairs and Maintenance | 27,784.12 |
| Bank Charges | 5,443.23 |
| Business taxes, licences & memberships | 5,208.01 |
| Insurance Expense | 79,921.36 |
| Fuel Costs | 90,418.21 |
| Occupancy Costs | 20,500.00 |
| Office Supplies | 8,766.84 |
| Travel Expense | 21,620.15 |
| Telephone & telecommunications | 12,494.16 |
| Computer-Related Expense | 11,832.37 |
| Utilities | 9,745.12 |
| Advertising & Promotion | 12,043.47 |
| Donations | 9,150.00 |
| Meals & Entertainment | 8,335.00 |
| Amortization of Tangible Assets | 2,268.00 |
| Bad Debt Expense | 17,224.49 |
| Equipment Rental | 14,529.11 |
| Total Operating Expense | 362,083.64 |
| Net Ordinary Income | 291.49 |
| Other Income/Expense | |
| Other Expense | |
| Current Income Taxes | 545.00 |
| Total Other Expense | 545.00 |
| Net Other Income | -545.00 |
| Net Income | -253.51 |

Ten 4 System Ltd.
Balance Sheet
As of December 31, 2022

Dec 31, 22

| | <u>Dec 31, 22</u> |
|---------------------------------------|-------------------------|
| ASSETS | |
| Current Assets | |
| Chequing/Savings | |
| Bank | |
| BMO Business Current Account | -6,895.47 |
| Total Bank | <u>-6,895.47</u> |
| Total Chequing/Savings | -6,895.47 |
| Other Current Assets | |
| Accounts Receivable | 91,771.00 |
| Prepaid Expenses | 8,928.00 |
| Total Other Current Assets | <u>100,699.00</u> |
| Total Current Assets | <u>93,803.53</u> |
| TOTAL ASSETS | <u><u>93,803.53</u></u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Trade Payables | 61,421.47 |
| Short Term Debt | 30,000.00 |
| Total Current Liabilities | 91,421.47 |
| Total Liabilities | 91,421.47 |
| Equity | |
| Capital Stock | 100.00 |
| Retained Earnings | 2,282.06 |
| Total Equity | <u>2,382.06</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>93,803.53</u></u> |

Ten 4 System Ltd.
Profit & Loss
January through December 2022

| | <u>Jan - Dec 22</u> |
|--|------------------------|
| Ordinary Income/Expense | |
| Income | |
| Trade Sales of Goods & Services | 1,143,986.05 |
| Total Income | 1,143,986.05 |
| Cost of Goods Sold | |
| Subcontracted Services | 736,577.12 |
| Total COGS | <u>736,577.12</u> |
| Gross Profit | 407,408.93 |
| Operating Expenses | |
| Accounting Fees | 5,450.00 |
| Repairs and Maintenance | 35,951.12 |
| Bank Charges | 6,129.07 |
| Business taxes, licences & memberships | 5,735.66 |
| Insurance Expense | 91,259.22 |
| Fuel Costs | 103,246.15 |
| Occupancy Costs | 23,200.00 |
| Office Supplies | 9,438.20 |
| Travel Expense | 24,569.01 |
| Telephone & telecommunications | 14,490.08 |
| Computer-Related Expense | 6,768.21 |
| Utilities | 11,834.14 |
| Advertising & Promotion | 10,650.18 |
| Donations | 7,985.00 |
| Meals & Entertainment | 9,679.11 |
| Amortization of Tangible Assets | 1,814.00 |
| Bad Debt Expense | 13,279.47 |
| Equipment Rental | 22,815.17 |
| Total Operating Expense | <u>404,293.79</u> |
| Net Income | <u><u>3,115.14</u></u> |

Ten 4 System Ltd.
Balance Sheet
As of November 30, 2023

Nov 30, 23

| | |
|---------------------------------------|--------------------------|
| ASSETS | |
| Current Assets | |
| Chequing/Savings | |
| Bank | |
| BMO Business Current Account | -14.35 |
| Total Bank | <u>-14.35</u> |
| Total Chequing/Savings | <u>-14.35</u> |
| Other Current Assets | |
| Accounts Receivable | 110,753.80 |
| Prepaid Expenses | 9,074.39 |
| Total Other Current Assets | <u>119,828.19</u> |
| Total Current Assets | <u>119,813.84</u> |
| TOTAL ASSETS | <u><u>119,813.84</u></u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Trade Payables | 73,267.36 |
| Short Term Debt | 44,164.42 |
| Total Current Liabilities | 117,431.78 |
| Total Liabilities | 117,431.78 |
| Equity | |
| Capital Stock | 100.00 |
| Retained Earnings | 2,282.06 |
| Total Equity | <u>2,382.06</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>119,813.84</u></u> |

Ten 4 System Ltd.
Profit & Loss
January through November 2023

| | <u>Jan - Nov 23</u> |
|--|---------------------|
| Ordinary Income/Expense | |
| Income | |
| Trade Sales of Goods & Services | 1,226,754.66 |
| Total Income | 1,226,754.66 |
| Cost of Goods Sold | |
| Subcontracted Services | 774,311.93 |
| Total COGS | <u>774,311.93</u> |
| Gross Profit | 452,442.73 |
| Operating Expenses | |
| Accounting Fees | 6,100.00 |
| Repairs and Maintenance | 44,118.12 |
| Bank Charges | 6,814.91 |
| Business taxes, licences & memberships | 6,263.31 |
| Insurance Expense | 102,597.08 |
| Fuel Costs | 122,012.88 |
| Occupancy Costs | 25,900.00 |
| Office Supplies | 10,109.56 |
| Travel Expense | 27,517.87 |
| Telephone & telecommunications | 16,486.00 |
| Computer-Related Expense | 1,704.05 |
| Utilities | 13,923.16 |
| Advertising & Promotion | 9,256.89 |
| Donations | 6,820.00 |
| Meals & Entertainment | 11,023.22 |
| Amortization of Tangible Assets | 1,360.00 |
| Bad Debt Expense | 9,334.45 |
| Equipment Rental | 31,101.23 |
| Total Operating Expense | <u>452,442.73</u> |
| Net Ordinary Income | 0.00 |
| Net Income | <u><u>0.00</u></u> |

Appendix 10

Agreement to Lease
Commercial – Long Form

This Agreement to Lease (Agreement) dated this 26th day of June, 2023

TENANT: Northwest Carrier Ltd
(Full legal names of all Tenants)

LANDLORD: 1000122550 Ontario Inc and 1000043321 Ontario Inc/ Ten 4 System Ltd
(Full legal names of all Landlords)

The Tenant hereby offers to lease from the Landlord the premises as described herein on the terms and subject to the conditions as set out in this Agreement. For the purposes of this Agreement to Lease "Tenant" includes lessee and "Landlord" includes lessor.

1. PREMISES: The "Premises" consisting of approximately 8.15 Acre square Yard more or less on the Main floor of the "Building" known municipally as 2396 Cedar Creek (Pin:- 038480355, 038480068) in the City of Ayr of Region of North Dumfries, Province of Ontario, as shown outlined on the plan attached as Schedule ".....".

2. USE: The Premises shall be used only for Truck Trailer Parking up to 30 trucks and trailers

3. TERM OF LEASE:
 (a) The Lease shall be for a term of 1 year (.....) months commencing on the 1 day of July, 2023, and terminating on the 30 day of June, 2024

(b) Provided the Tenant is not at any time in default of any covenants within the Lease, the Tenant shall be entitled to renew this Lease for additional term(s) of 12 months (each) on written notice to the Landlord given not less than 3 months prior to the expiry of the current term at a rental rate to be negotiated. In the event the Landlord and Tenant can not agree on the fixed minimum rent at least two months prior to expiry of the current lease, the fixed minimum rent for the renewal period shall be determined by arbitration in accordance with the Arbitration Act or any successor or replacement act.

4. RENTAL: Fixed minimum rent: The fixed minimum rent payable by the Tenant for each complete twelve-month period during the lease term shall be:
 From July, 2023 to June 2024 inclusive, \$ 180,000.00 per annum being \$ 15,000.00 per month, based upon \$..... per sq. (foot/metre)
 From..... to..... inclusive, \$..... per annum being \$..... per month, based upon \$..... per sq. (foot/metre)
 From..... to..... inclusive, \$..... per annum being \$..... per month, based upon \$..... per sq. (foot/metre)
 From..... to..... inclusive, \$..... per annum being \$..... per month, based upon \$..... per sq. (foot/metre)
 From..... to..... inclusive, \$..... per annum being \$..... per month, based upon \$..... per sq. (foot/metre)

plus HST, and other tax (other than income tax) imposed on the Landlord or the Tenant with respect to rent payable by the Tenant, payable on:
(Check one box only)

- the 1st day of each month commencing July 1, 2023
- the..... day of the first month immediately following completion of the Landlord's Work.

The fixed minimum rent shall be adjusted if the actual measurements of the Leased Premises differ from the approximate area. The actual measurement shall be agreed upon and failing agreement, calculated by an Ontario Land Surveyor/Architect using the current Building Owners And Managers Association standard form of measurement and shall be binding on both parties.

INITIALS OF TENANT(S): AS

INITIALS OF LANDLORD(S): NIM

The trademarks REALTOR®, REALTORS®, MLS®, Multiple Listing Services® and associated logos are owned or controlled by The Canadian Real Estate Association (CREA) and identify the real estate professionals who are members of CREA and the quality of services they provide. Used under license.
 © 2019, Ontario Real Estate Association ("OREA"). All rights reserved. This form was developed by OREA for the use and reproduction by its members and licensees only. Any other use or reproduction is prohibited except with prior written consent of OREA. Do not alter when printing or reproducing the standard pre-set portion. OREA bears no liability for your use of this form.

5. **DEPOSIT AND PREPAID RENT:** The Tenant delivers Upon Acceptance First and Last Payment
(Herewith/Upon acceptance/as otherwise described in this Agreement)

by negotiable cheque payable to Ten 4 System Ltd "Deposit Holder"

in the amount of Thirty three thousand nine hundred dollars

Canadian dollars (Can\$ 33,900.00) to be deposited and held in trust as security for the faithful performance by the Tenant of all terms, covenants and conditions of the Agreement and after the earlier of occupancy by the tenant or execution of the Lease to be applied by the Landlord

against the n/a and full 12 month's rent and HST. If the Agreement is not accepted, the deposit is to be returned to the Tenant without interest or deduction. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Tenant is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

6. **SERVICES: (Check one box only)**

The Tenant shall pay the cost of hydro, gas, water, heating, air-conditioning and for all other services and utilities as may be provided to the premises. The tenant shall arrange with the local authority for connection of gas, electricity and water in the name of the Tenant.

The Landlord shall pay the cost of hydro, gas, water, heating, air-conditioning and for all other services and utilities as may be provided to the premises.

7. **ADDITIONAL RENT AND CHARGES:**

Check this box if Additional Rent as described below to be paid by Tenant

The Tenant shall additionally pay a proportionate share of all costs and expenses incurred by the Landlord in maintaining, operating, cleaning, insuring and repairing the property and, without limiting the generality of the foregoing, such costs and expenses shall include the costs of:

- (i) snow, garbage, and trash removal;
- (ii) landscaping and planters;
- (iii) heating, ventilating and air-conditioning, and providing hot and cold water and other utilities and services to, and operating the common areas of the property, and maintaining and repairing the machinery and equipment for such utilities and services;
- (iv) the realty taxes, assessments, rates, charges and duties levied or assessed against the property (save any tax on the personal income of the Landlord);
- (v) insuring the property and such other insurance as the Landlord will effect against public liability, property damage, loss of rental income and other casualties and risks.
- (vi)

8. **SCHEDULES:** The Schedules attached hereto shall form an integral part of this Agreement to Lease and consist of: Schedule(s).....

9. **IRREVOCABILITY:** This offer shall be irrevocable by Tenant until 11:59 p.m. on the 27th day of June, 2023, after which time if not accepted, this offer shall be null and void and all monies paid thereon shall be returned to the Tenant without interest or deduction.


10. **NOTICES:** The Landlord hereby appoints the Listing Brokerage as agent for the Landlord for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Tenant's Brokerage) has entered into a representation agreement with the Tenant, the Tenant hereby appoints the Tenant's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Landlord and the Tenant (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Tenant or the Landlord for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: (For delivery of Documents to Landlord) FAX No.: (For delivery of Documents to Tenant)

Email Address: nmchaudhery@hotmail.com (For delivery of Documents to Landlord) Email Address: anoop@northwestcarrier.ca (For delivery of Documents to Tenant)

INITIALS OF TENANT(S): AS

INITIALS OF LANDLORD(S): NM

 The trademarks REALTOR®, REALTORS®, MLS®, Multiple Listing Services® and associated logos are owned or controlled by The Canadian Real Estate Association (CREA) and identify the real estate professionals who are members of CREA and the quality of services they provide. Used under license.
© 2019, Ontario Real Estate Association ("OREA"). All rights reserved. This form was developed by OREA for the use and reproduction by its members and licensees only. Any other use or reproduction is prohibited except with prior written consent of OREA. Do not alter when printing or reproducing the standard pre-set portion. OREA bears no liability for your use of this form.

11. LANDLORD'S AND TENANT'S WORK: The Landlord agrees to complete the work described as the "Landlord's Work" in Schedule "....." attached hereto. The Tenant agrees to complete any additional work necessary to prepare the Premises for the Tenant's use, described as "Tenant's Work" in Schedule "....." attached hereto. The Tenant shall not proceed with any work within or affecting the Premises without the Landlord's prior written approval, which approval shall not be unreasonably withheld.

12. SIGNAGE: The Tenant may, at its own expense, erect signage in a good and workmanlike manner, subject to municipal by-laws and government regulations and subject to the Landlord's written approval as to the design, colour, and content of any such signs, which approval shall not be unreasonably withheld, and to be located as follows:
All Truck and Trailers should be parked in the yard only.
All Driver cars should be parked in the yard only.
Shop to be used and kept environmental clean

13. INSURANCE: The Tenant agrees to insure the property and operations of the Tenant, including insurance for fire and such additional perils as are normally insured against, liability insurance and any other insurance as may be reasonably required by the Landlord.

14. EXECUTION OF LEASE: The Lease shall be prepared by the Landlord at the Landlord's expense, in accordance with the terms and conditions of this Agreement. The Lease will be signed and executed by both parties hereto prior to the commencement of work on the premises by either party and prior to occupancy by the Tenant.

15. OCCUPANCY OR RENT TO ABATE: In the event the premises are not completed by the Landlord for occupancy by the Tenant on the date set out herein for commencement of the Term of the Lease, the rent under this agreement shall abate to the extent of such delay, and the Tenant hereby agrees to accept such abatement of rent in full settlement of all claims which the Tenant might otherwise make because the Premises were not ready for occupancy by the said date.

16. ASSIGNMENT: This Agreement to Lease shall not be assignable or otherwise transferable by the Tenant. The Tenant may not sublet or assign or transfer its interest in the Lease contemplated herein without securing the written consent from the Landlord, which consent shall not be unreasonably withheld, provided however, if the consent is granted, the Tenant shall remain liable for all obligations under the Lease. If the Tenant is a corporation, the transfer of the majority of the issued shares in the capital stock, or any transfer, issuance or division of shares of the corporation sufficient to transfer control of the corporation shall be deemed for all purposes to be an assignment within the meaning of this Agreement and any Lease. This provision shall not apply to a corporation whose shares are listed and traded on any recognized public stock exchange in Canada or the United States.

17. PARKING: Unless otherwise stipulated, parking, if applicable, shall be in common and unreserved.
Cars for the drivers should be parked at the designated locations only.


18. AGREEMENT IN WRITING: If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Agreement between Landlord and Tenant. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. This Agreement shall be read with all changes of gender or number required by the context.

19. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE: The parties acknowledge that any information provided by the broker is not legal, accounting, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.

20. BINDING AGREEMENT: This Agreement and the acceptance thereof shall constitute a binding agreement by the parties to enter into the Lease of the Premises and to abide by the terms and conditions herein contained.

INITIALS OF TENANT(S): 

INITIALS OF LANDLORD(S): 

 The trademarks REALTOR®, REALTORS®, MLS®, Multiple Listing Services® and associated logos are owned or controlled by The Canadian Real Estate Association (CREA) and identify the real estate professionals who are members of CREA and the quality of services they provide. Used under license.
© 2019, Ontario Real Estate Association ("OREA"). All rights reserved. This form was developed by OREA for the use and reproduction by its members and licensees only. Any other use or reproduction is prohibited except with prior written consent of OREA. Do not alter when printing or reproducing the standard pre-set portion. OREA bears no liability for your use of this form.

21. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.
 SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

.....
 Northwest Carrier Ltd
 Anoop Singh
 Unit 10 7895 Tranmere Dr Mississauga ON L5S 1V9
 (Tenant/Authorized Signing Officer) June/27/2023
 (Seal) (Date)
 (Witness)
 (Tenant/Authorized Signing Officer) (Seal) (Date)
 (Witness)
 (Guarantor) (Seal) (Date)

We/I the Landlord hereby accept the above offer, and agree that the commission together with applicable Harmonized Sales Tax (and any other tax as may hereafter be applicable) may be deducted from the deposit and further agree to pay any remaining balance of commission forthwith.

.....
 Nasir Mahmood
 2396 Cedar Creek Rd Ayr ON N0B 1E0
 (Landlord/Authorized Signing Officer) June/26/2023
 (Seal) (Date)
 (Witness)
 (Landlord/Authorized Signing Officer) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at this day of, 20.....
 (a.m./p.m.)

| INFORMATION ON BROKERAGE(S) | |
|---|---------------------------|
| Listing Brokerage Homelife/ Miracle Realty Ltd | 416-561-3346 (Tel.No.) |
| Aman Gandhi (Salesperson/Broker/Broker of Record Name) | |
| Co-op/Tenant Brokerage | (Tel.No.) |
| (Salesperson/Broker/Broker of Record Name) | |

ACKNOWLEDGEMENT

| | |
|---|---|
| I acknowledge receipt of my signed copy of this accepted Agreement to Lease and I authorize the Brokerage to forward a copy to my lawyer. | I acknowledge receipt of my signed copy of this accepted Agreement to Lease and I authorize the Brokerage to forward a copy to my lawyer. |
| Nasir Mahmood (Landlord) 2396 Cedar Creek Rd Ayr ON N0B 1E0 (Landlord) Address for Service..... (Tel. No.) | Anoop Singh (Tenant) Unit 10 7895 Tranmere Dr Mississauga ON L5S 1V9 (Tenant) Address for Service..... (Tel. No.) |
| June/26/2023 (Date) | June/27/2023 (Date) |
| Landlord's Lawyer..... Address..... Email..... (Tel. No.) (Fax. No.) | Tenant's Lawyer..... Address..... Email..... (Tel. No.) (Fax. No.) |

| FOR OFFICE USE ONLY | COMMISSION TRUST AGREEMENT |
|---|--|
| To: Co-operating Brokerage shown on the foregoing Agreement to Lease: In consideration for the Co-operating Brokerage procuring the foregoing Agreement to Lease, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust. | |
| DATED as of the date and time of the acceptance of the foregoing Agreement to Lease. | Acknowledged by: |
| (Authorized to bind the Listing Brokerage) | (Authorized to bind the Co-operating Brokerage) |

**Schedule _____
Agreement to Lease – Commercial**

Form 512
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement to Lease between:

TENANT: Northwest Carrier Ltd, and

LANDLORD: 1000122550 Ontario Inc and 1000043321 Ontario Inc / Ten 4 System Ltd.

for the lease of 2396 Cedar Creek Ayr ON

..... dated the 26 day of June, 20 23


Truck and Trailer parking.
Shop price is included in the amount.
15,000 \$ + HST
July 1, 2023 to July 1, 2024

TRUCK TRAILER WASHING IN THE PREMISES IS NOT ALLOWED.
NO OTHER COMPANY TRUCKS ARE ALLOWED TO PARKED AT THE LOCATION.
NOTE:- This is a private Deal .

This form must be initialed by all parties to the Agreement to Lease.

INITIALS OF TENANT(S): 

INITIALS OF LANDLORDS(S): 

 The trademarks REALTOR®, REALTORS®, MLS®, Multiple Listing Services® and associated logos are owned or controlled by The Canadian Real Estate Association (CREA) and identify the real estate professionals who are members of CREA and the quality of services they provide. Used under license.
© 2019, Ontario Real Estate Association ("OREA"). All rights reserved. This form was developed by OREA for the use and reproduction by its members and licensees only. Any other use or reproduction is prohibited except with prior written consent of OREA. Do not alter when printing or reproducing the standard pre-set portion. OREA bears no liability for your use of this form.

Appendix 11

From: Samuel Petersen <spetersen@harrisonpensa.com>

Sent: January-10-24 10:01 AM

To: info@northwestcarrier.ca

Cc: Tim Hogan <thogan@harrisonpensa.com>

Subject: msi Spergel inc. - Receiver for Ten 4 System Ltd. et al. - Disclaimer of Lease w/ Northwest Carrier Ltd. [IWOV-HPMain.FID711321]

Good morning,

Regarding the above-noted matter, please see the attached draft disclaimer of lease and supplementary correspondence and consent for same, as at today's date.

Thank you.

Sincerely,

Sam Petersen | Legal Assistant - Insolvency | HARRISON PENZA LLP | 130 Dufferin Ave, Suite 1101, London, Ontario N6A 5R2 | *tel* 519-850-5594 | *fax* 519-667-3362 | spetersen@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize and can verify the sender and know the content is safe.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize and can verify the sender and know the content is safe.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize and can verify the sender and know the content is safe.

Harrison Pensa

LAWYERS

Timothy C. Hogan
Direct Line: (519) 661-6743
thogan@harrisonpensa.com

Assistant: Aimee Newman
Direct Line: (519) 850-5568
anewman@harrisonpensa.com

January 10, 2024

VIA E-Mail – anoop@northwestcarrier.ca

Northwest Carrier Ltd.
2396 Cedar Creek Road
Ayr, Ontario
N0B 1E0

Unit 10, 7895 Tranmere Drive
Mississauga, ON L5S 1V9

Attention: Anoop Singh

Dear Sir,

**RE: MSI Spergel inc. – Court-Appointed Receiver (the “Receiver”)
of the Property of 1000122550 Ontario Inc. (“550 Ontario”), 1000043321 Ontario
Inc. (“321 Ontario”) and Ten 4 System Ltd. (“Ten 4”) (collectively the “Debtors”)
Our File No.: 198242**

We are counsel to the Receiver over the property of the Debtors appointed pursuant to the Order of the Honorable Justice Osbourne of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated October 19, 2023 (the “**Appointing Order**”).

Please be advised that the Receiver intends to seek an Order from the Court approving a sale process with respect to the real property of the Debtor located at 2396 Cedar Creek Road, Ayr, Ontario, N0B 1E0 (the “**Real Property**”).

The Receiver has determined that it is in the best interest of the receivership estate to disclaim the lease dated June 26, 2023, entered into between 550 Ontario, 321 Ontario, and Ten 4, as Landlord, and Northwest Carrier Ltd., as tenant, (“**Northwest**”) for the premises located at the Real Property (the “**Northwest Lease**”).

We hereby provide you with notice of the Receiver’s intention to seek a Court Order approving its disclaiming of the Northwest Lease.

Harrison Pensa LLP

130 Dufferin Avenue, Suite 1101, P.O. Box 3237, London, Ontario N6A 4K3 Phone: 519.679.9660 Fax: 519.667.3362
harrisonpensa.com

The Receiver will be seeking a date to appear before the Court to seek relief approving the recommended sale process. The Receiver will also be seeking further relief, including the disclaiming of the Northwest Lease.

In this regard, please see attached the Receiver's Notice of Disclaimer of Lease that will be issued following the Receiver's appearance before the Court, subject to Court approval.

The Receiver is empowered to disclaim the Northwest Lease pursuant to the Appointing Order and at law. The Receiver's disclaiming of the Northwest Lease is necessary to and is appropriate and it is the Receiver's position that the disclaimer is equitable and results in the best return to the estate.

Please advise if Northwest will consent to the Receiver's disclaiming of the Northwest Lease and will provide vacant possession.

May we please hear from you by January 17, 2024.

We would ask that you contact the writer to discuss.

Yours very truly,

HARRISON PENSA LLP

A handwritten signature in black ink, appearing to be 'TH' or similar initials, written in a cursive style.

Timothy C. Hogan
TCH/aim

Encl.

COURT FILE NO. CV-23-00705869-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

CONSENT

We, Northwest Carrier Ltd. (the "**Tenant**"), hereby consent to the Disclaimer of Lease of MSI Spergel inc., being the receiver without security of all of the assets, undertakings and properties of Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc. (the "**Debtors**"), dated [], pertaining to the lease entered into between the Debtors, as the Landlord, and the Tenant, dated June 26th, 2023.

Dated this day of , 2024.

NORTHWEST CARRIER LTD.

Per: _____

Name:

Title:

I have the authority to bind the Corporation.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

DISCLAIMER OF LEASE

TO: Northwest Carrier Ltd.
c/o Anoop Singh
2396 Cedar Creek Road
Ayr, Ontario N0B 1E0
(the "**Tenant**")

TAKE NOTICE THAT, as Court appointed receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties of Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc. (collectively, the "**Debtors**"), as ordered by the Honourable Justice Osborne in his order dated October 19, 2023, the Receiver hereby disclaims the lease dated June 26th, 2023, entered into between the Debtor, as tenant, and the Landlord, for the premises municipally known as 2396 Cedar Creek, Ayr, ON N0B 1E0 (the "**Premises**") and any and all other leases, occupancy agreements, and letter agreements, all as may have been amended or substituted from time to time, and entered into as between the Debtor as tenant and the Landlord, with respect to the Premises.

This disclaimer is to be effective as of _____, 2024.

SIGNED AND DELIVERED THIS _____ day of January, 2024.

MSI SPERGEL INC.

Solely in its capacity as Court appointed receiver without security, of all of the assets, undertakings and properties of TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC., and 1000122550 ONTARIO INC.

By: _____
Name:
Title:

Appendix 12

From: info@northwestcarrier.ca <info@northwestcarrier.ca>

Sent: Tuesday, January 16, 2024 2:51 PM

To: Samuel Petersen <spetersen@harrisonpensa.com>

Cc: Tim Hogan <thogan@harrisonpensa.com>; anoop@northwestcarrier.ca

Subject: RE: msi Spergel inc. - Receiver for Ten 4 System Ltd. et al. - Disclaimer of Lease w/ Northwest Carrier Ltd.
[IWOV-HPMain.FID711321]

You don't often get email from info@northwestcarrier.ca. [Learn why this is important](#)

[EXTERNAL EMAIL]

Good afternoon ,

We received your letter , I have 40 truck & trailer I can, t vacant the yard in such a short period of time . I need time to look another yard also we have the lease agreement till July and its winter time its very hard to find another yard. I hope you understand this if you have any concern please call me -6476222396.

Appendix 13

Philip Gennis

From: Tim Hogan <thogan@harrisonpensa.com>
Sent: Wednesday, January 17, 2024 10:44 AM
To: info@northwestcarrier.ca
Cc: Mukul Manchanda; Philip Gennis
Subject: FW: msi Spergel inc. - Receiver for Ten 4 System Ltd. et al. - Disclaimer of Lease w/ Northwest Carrier Ltd. [IWOV-HPMain.FID711321]
Attachments: Lease Agreement.pdf
Importance: High

Mr. Singh

For the Receiver to review your request, can you please:

1. Advise if the security deposit (first and last month rents plus HST) of \$33,900 was paid to the was the landlord? If it was paid, please provide evidence of payment
2. Provide evidence that Northwest Carrier Ltd. has insurance on the leased premise

Please provides the above as soon as possible.

Note that a condition to Northwest Carrier Ltd.'s continued possession is the payment of the monthly rental sum of \$15,000 plus HST (\$1,695.00) from July 1, 2023 to January 1, 2024 and monthly thereafter.

Please arrange to pay the Receiver the sum of \$11,865.00 this week.

This sum can be wired or paid by bank draft/certified cheque. Please advise your preferred payment method.

We look forward to hearing from you.

Tim Hogan | [HARRISON PENZA LLP](#) | [130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2](#) | *tel* 519-661-6743
| *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel* 519-850-5568 |
anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: info@northwestcarrier.ca <info@northwestcarrier.ca>
Sent: Tuesday, January 16, 2024 2:51 PM
To: Samuel Petersen <spetersen@harrisonpensa.com>
Cc: Tim Hogan <thogan@harrisonpensa.com>; anoop@northwestcarrier.ca
Subject: RE: msi Spergel inc. - Receiver for Ten 4 System Ltd. et al. - Disclaimer of Lease w/ Northwest Carrier Ltd. [IWOV-HPMain.FID711321]

You don't often get email from info@northwestcarrier.ca. [Learn why this is important](#)

[EXTERNAL EMAIL]

Good afternoon ,

Appendix 14

Philip Gennis

From: Tim Hogan <thogan@harrisonpensa.com>
Sent: Friday, January 26, 2024 7:29 AM
To: info@northwestcarrier.ca
Cc: Mukul Manchanda; Philip Gennis; nasirmahmood@ten4system.com
Subject: RE: msi Spergel inc. - Receiver for Ten 4 System Ltd. et al. - Disclaimer of Lease w/ Northwest Carrier Ltd. [IWOV-HPMain.FID711321]

Mr. Singh

We record no response from you on the below requests.

We can confirm that, as was advised in our letter of January 10, 2024, the Receiver will be seeking a Court Order approving its disclaiming of the Northwest Lease.

I am copying Mr. Mahmood as the representative 1000122550 Ontario Inc., 1000043321 Ontario Inc., and Ten 4 System Ltd.

Thank-you.

Tim Hogan | HARRISON PENZA LLP | 130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2 | tel/ 519-661-6743 | fax 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | tel/ 519-850-5568 | anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Tim Hogan <thogan@harrisonpensa.com>
Sent: Wednesday, January 24, 2024 7:52 AM
To: info@northwestcarrier.ca
Cc: Manchanda Mukul - msi Spergel (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>; Philip Gennis - Spergel (pgennis@spergel.ca) <pgennis@spergel.ca>
Subject: RE: msi Spergel inc. - Receiver for Ten 4 System Ltd. et al. - Disclaimer of Lease w/ Northwest Carrier Ltd. [IWOV-HPMain.FID711321]
Importance: High

Mr. Singh

Please confirm receipt of the below e-mail.

Also please advise:

1. Advise if the security deposit (first and last month rents plus HST) of \$33,900 was paid to the was the landlord? If it was paid, please provide evidence of payment
2. Provide evidence that Northwest Carrier Ltd. has insurance on the leased premise
3. Will Northwest be paying the rent due?

Appendix 15

Harrison Pensa

LAWYERS

Timothy C. Hogan

Direct Line: (519) 661-6743

thogan@harrisonpensa.com

Assistant: Aimee Newman

Direct Line: (519) 850-5568

anewman@harrisonpensa.com

March 14, 2024

VIA E-Mail – info@northwestcarrier.ca and anoop@northwestcarrier.ca and Hand Delivered

Northwest Carrier Ltd.
2396 Cedar Creek Road
Ayr, Ontario
N0B 1E0

Unit 10, 7895 Tranmere Drive
Mississauga, ON L5S 1V9

Attention: Anoop Singh

Dear Sir,

**RE: MSI Spergel inc. – Court-Appointed Receiver (the “Receiver”)
of the Property of 1000122550 Ontario Inc. (“550 Ontario”), 1000043321 Ontario
Inc. (“321 Ontario”) and Ten 4 System Ltd. (“Ten 4”) (collectively the “Debtors”)
Our File No.: 198242**

We are counsel to the Receiver over the property of the Debtors appointed pursuant to the Order of the Honorable Justice Osbourne of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated October 19, 2023 (the “**Appointing Order**”).

This follows the following correspondence in this matter:

1. Our letter of January 10, 2024, with respect to the real property of the Debtor located at 2396 Cedar Creek Road, Ayr, Ontario, N0B 1E0 (the “**Real Property**”), the lease dated June 26, 2023, entered into between 550 Ontario, 321 Ontario, and Ten 4, as Landlord, and Northwest Carrier Ltd., as tenant, (“**Northwest**”) for the premises located at the Real Property (the “**Northwest Lease**”), and the Receiver’s intention to disclaim the Northwest Lease;
2. The e-mail exchanges of January 16, January 17, 2024 with respect to Northwest vacating the Real Property and the Receiver’s request for information and seeking the payment of rent due;
3. Our e-mail of January 24, 2024 and January 26, 2024 requesting information and inquiring on rent payments.

Harrison Pensa LLP

130 Dufferin Avenue, Suite 1101, P.O. Box 3237, London, Ontario N6A 4K3 Phone: 519.679.9660 Fax: 519.667.3362
harrisonpensa.com

Northwest has not responded to our e-mails of January 17, January 24 and January 26, 2024.

Northwest has not paid the monthly rent (\$15,000 plus HST) to the Receiver.

Northwest has not provided evidence that Northwest has insurance on the Real Property and the leased premises.

As a result, the Northwest Lease is in default, and the Receiver now terminates same, while reserving all rights to seek damages suffered as a result of Northwest's default.

Please allow this to serve as notice that the Receiver requires vacant possession of the Real Property and will be sending its agent to take possession of same on **March 29, 2024**.

Please ensure that all vehicles, tractors and trailers are removed from the Real Property and the premises on the Real Property is left in a broom swept condition **by March 29, 2024**.

Please contact the writer if you wish to discuss.

Yours very truly,

HARRISON PENSA LLP

A handwritten signature in black ink, appearing to be 'TH' or similar initials, written in a stylized, cursive-like font.

Timothy C. Hogan
TCH

Appendix 16

From: Tim Hogan <thogan@harrisonpensa.com>

Sent: Thursday, March 28, 2024 3:25 PM

To: Northwest Carrier <info@northwestcarrier.ca>; Emma Benaway <ebenaway@harrisonpensa.com>;
anoop@northwestcarrier.ca <anoop@northwestcarrier.ca>

Cc: Mukul Manchanda <mmanchanda@spergel.ca>; Isabelle Stacey <istacey@harrisonpensa.com>

Subject: RE: msi Spergel inc. - Court-Appointed Receiver of the Property of 1000122550 "Ontario Inc,
1000043321 Ontario Inc., and Ten 4 System Ltd. [IWOV-HPMain.FID711321]

Noted and thank-you.

The Receiver will provide until Thursday April 4, 2024 for Northwest to provide possession.

The Receiver's agent will attend that day to obtain the keys to the yard.

If you move the last truck earlier, please advise.

The lease is terminated with the Receiver reserving all rights to recover unpaid rent and any damages.

Thank-you

Tim Hogan | [HARRISON PENSA LLP](#) | [130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2](#) | *tel* 519-661-6743
| *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel* 519-850-5568 |
anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Northwest Carrier <info@northwestcarrier.ca>

Sent: Thursday, March 28, 2024 3:17 PM

To: Tim Hogan <thogan@harrisonpensa.com>; Emma Benaway <ebenaway@harrisonpensa.com>;
anoop@northwestcarrier.ca

Cc: 'Mukul Manchanda' <mmanchanda@spergel.ca>; Isabelle Stacey <istacey@harrisonpensa.com>

Subject: RE: msi Spergel inc. - Court-Appointed Receiver of the Property of 1000122550 "Ontario Inc, 1000043321 Ontario Inc., and Ten 4 System Ltd. [IWOV-HPMain.FID711321]

[EXTERNAL EMAIL]

Hi Tim,

We don't have ownerships but the trailers in the yard are parked by Ten 4.

We don't know who belongs these trailers, but Ten 4 said they owned these trailers.

We have one truck left in the yard, which has some starting problem.

We have already sent one mechanic there to get it fixed.

We will immediately move the truck after it gets fixed.

We have the keys of the yard with us and we have already informed this to the lesser.

We will hand over the keys to him on Thursday.

From: Tim Hogan <thogan@harrisonpensa.com>

Sent: March-28-24 2:25 PM

To: Northwest Carrier <info@northwestcarrier.ca>; Emma Benaway <ebenaway@harrisonpensa.com>;
anoop@northwestcarrier.ca

Cc: 'Mukul Manchanda' <mmanchanda@spergel.ca>; Isabelle Stacey <istacey@harrisonpensa.com>

Subject: RE: msi Spergel inc. - Court-Appointed Receiver of the Property of 1000122550 "Ontario Inc, 1000043321 Ontario Inc., and Ten 4 System Ltd. [IWOV-HPMain.FID711321]

Importance: High

Good afternoon

Please advise if Northwest has the keys and/or ownerships to the Ten4 equipment on site? We require that these be delivered to the Receiver?

Tim Hogan | HARRISON PENZA LLP | 130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2 | tel 519-661-6743
| fax 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | tel 519-850-5568 |
anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Northwest Carrier <info@northwestcarrier.ca>

Sent: Thursday, March 28, 2024 12:16 PM

To: Emma Benaway <ebenaway@harrisonpensa.com>; anoop@northwestcarrier.ca

Cc: Tim Hogan <thogan@harrisonpensa.com>; 'Mukul Manchanda' <mmanchanda@spergel.ca>; Isabelle Stacey <istacey@harrisonpensa.com>

Subject: RE: msi Spergel inc. - Court-Appointed Receiver of the Property of 1000122550 "Ontario Inc, 1000043321 Ontario Inc., and Ten 4 System Ltd. [IWOV-HPMain.FID711321]

[EXTERNAL EMAIL]

Good Afternoon,

We have received your letter, and we have already started moving our equipment.

But, still there are some equipment left in the property.

We need some extra time to move all our equipment to the other place.

So, We request you to please give us time till next Thursday, April 04, 2024.

If you need any signature on the document for the extra time, we are agreed to sign that document.

Please reply to this email and confirm.

From: Emma Benaway <ebenaway@harrisonpensa.com>

Sent: March-14-24 1:42 PM

To: info@northwestcarrier.ca; anoop@northwestcarrier.ca

Cc: Tim Hogan <thogan@harrisonpensa.com>; Mukul Manchanda <mmanchanda@spergel.ca>; Isabelle Stacey <istacey@harrisonpensa.com>

Subject: msi Spergel inc. - Court-Appointed Receiver of the Property of 1000122550 "Ontario Inc, 1000043321 Ontario Inc., and Ten 4 System Ltd. [IWOV-HPMain.FID711321]

Good afternoon,

Please find attached our correspondence of today's date.

Regards,

Emma

Emma Benaway | Law Clerk | HARRISON PENZA LLP | 130 Dufferin Avenue, Suite 1101, London, ON, N6A 5R2
| *tel* 226-797-4842 | *fax* 519-667-3362 | ebenaway@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize and can verify the sender and know the content is safe.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize and can verify the sender and know the content is safe.

Appendix 17

PROPERTY DESCRIPTION: PT LT 28, CON 11, PT 1, 58R15460; NORTH DUMFRIES.

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
DIVISION FROM 03848-0067

PIN CREATION DATE:
2006/08/22

OWNERS' NAMES
1000043321 ONTARIO INC.

CAPACITY SHARE
ROWN

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|---|------------|---------------------|-------------|--|--|-----------|
| <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2006/08/22 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 2003/09/15 **</p> | | | | | | |
| 58R15460 | 2006/07/14 | PLAN REFERENCE | | | | C |
| WR236708 | 2006/08/11 | TRANSFER | | *** DELETED AGAINST THIS PROPERTY *** LEE, MARGARET HELEN | LEE, MARGARET HELEN | |
| REMARKS: CONSENT RE: PLANNING ACT PLANNING ACT STATEMENTS | | | | | | |
| WR1402599 | 2021/12/30 | TRANSFER | \$2 | LEE, MARGARET HELEN | 1000043321 ONTARIO INC. | C |
| REMARKS: PLANNING ACT STATEMENTS. | | | | | | |
| WR1402600 | 2021/12/30 | CHARGE | | *** COMPLETELY DELETED *** 1000043321 ONTARIO INC. | LEE, MARGARET HELEN | |
| WR1479656 | 2022/11/15 | TRANSMISSION CHARGE | | *** COMPLETELY DELETED *** LEE, MARGARET HELEN | LEE, DAVID SCOTT LEE, MARGARET HELEN - ESTATE | |
| REMARKS: WR1402600. | | | | | | |
| WR1488042 | 2022/12/23 | CHARGE | \$5,771,200 | 1000043321 ONTARIO INC. | ROYAL BANK OF CANADA | C |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|-----------|------------|---|-------------|--|--|-----------|
| WR1488045 | 2022/12/23 | NO ASSGN RENT GEN REMARKS: WR1488042. | | 1000043321 ONTARIO INC. | ROYAL BANK OF CANADA | C |
| WR1488047 | 2022/12/23 | DISCH OF CHARGE REMARKS: WR1402600. | | *** COMPLETELY DELETED *** LEE, DAVID SCOTT | | |
| WR1504843 | 2023/04/21 | CHARGE | | *** COMPLETELY DELETED *** 1000043321 ONTARIO INC. | RANDHAWA, RANJIT RANDHAWA, NUPINDER SAPPAL, GURPREET | |
| WR1504844 | 2023/04/21 | NO ASSGN RENT GEN REMARKS: WR1504843 | | *** COMPLETELY DELETED *** 1000043321 ONTARIO INC. | RANDHAWA, RANJIT RANDHAWA, NUPINDER SAPPAL, GURPREET | |
| WR1508874 | 2023/05/17 | CHARGE | \$3,000,000 | 1000043321 ONTARIO INC. | PRIDE TRUCK SALES LTD. | C |
| WR1509569 | 2023/05/23 | DISCH OF CHARGE REMARKS: WR1504843. | | *** COMPLETELY DELETED *** RANDHAWA, RANJIT RANDHAWA, NUPINDER SAPPAL, GURPREET | | |
| WR1509582 | 2023/05/23 | NOTICE | | GURVGURS PROPERTY HOLDINGS INC. 13164454 CANADA INC. | | C |
| WR1509702 | 2023/05/24 | CHARGE | \$1,600,000 | 1000043321 ONTARIO INC. | GURVGURS PROPERTY HOLDINGS INC. 13164454 CANADA INC. | C |
| WR1540317 | 2023/10/20 | APL COURT ORDER REMARKS: APPOINTING A RECEIVER | | ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) | MSI SPERGEL INC. | C |
| WR1540329 | 2023/10/20 | CHARGE | \$410,000 | 1000043321 ONTARIO INC. | FLUENT CAPITAL LENDING | C |
| WR1540330 | 2023/10/20 | NO ASSGN RENT GEN REMARKS: WR1540329 | | 1000043321 ONTARIO INC. | FLUENT CAPITAL LENDING | C |

LAND
REGISTRY
OFFICE #58

03848-0068 (LT)

PAGE 1 OF 2
PREPARED FOR dipierdomenico
ON 2024/04/03 AT 10:58:50

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PT LT 28 CON 11 NORTH DUMFRIES AS IN WS546774; NORTH DUMFRIES

PROPERTY REMARKS: PLANNING ACT CONSENT AS IN WS546774.

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
RE-ENTRY FROM 03848-0244

PIN CREATION DATE:
2003/09/15

OWNERS' NAMES
1000122550 ONTARIO INC.

CAPACITY SHARE
ROWN

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|---|------------|-----------------------------------|-------------|---|-------------------------|-----------|
| <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2003/09/12 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 2003/09/15 **</p> | | | | | | |
| WS546774 | 1976/01/19 | TRANSFER | | *** DELETED AGAINST THIS PROPERTY *** | LEE, CLIFFORD | |
| WR236400 | 2006/08/10 | APL (GENERAL) | | *** COMPLETELY DELETED *** LEE, MARGARET HELEN | | |
| | | REMARKS: DELETE S/T WS500313 | | | | |
| WR514371 | 2010/01/11 | TRANSMISSION-LAND | | *** COMPLETELY DELETED *** LEE, CLIFFORD | LEE, MARGARET HELEN | |
| WR514373 | 2010/01/11 | TRANS PERSONAL REP | | *** COMPLETELY DELETED *** LEE, MARGARET HELEN | LEE, DAVID SCOTT | |
| WR1419364 | 2022/03/08 | TRANSFER | \$2 | LEE, DAVID SCOTT | 1000122550 ONTARIO INC. | C |
| | | REMARKS: PLANNING ACT STATEMENTS. | | | | |
| WR1488038 | 2022/12/23 | CHARGE | \$7,281,600 | 1000122550 ONTARIO INC. | ROYAL BANK OF CANADA | C |
| WR1488039 | 2022/12/23 | NO ASSGN RENT GEN | | 1000122550 ONTARIO INC. | ROYAL BANK OF CANADA | C |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD | |
|-----------|------------|--------------------------------|-------------|--|--|-----------|--|
| | | REMARKS: WR1488038. | | | | | |
| WR1504842 | 2023/04/21 | CHARGE | | *** COMPLETELY DELETED *** 1000122550 ONTARIO INC. | RANDHAWA, RANJIT RANDHAWA, NUPINDER SAPPAL, GURPREET | | |
| WR1504845 | 2023/04/21 | NO ASSGN RENT GEN | | *** COMPLETELY DELETED *** 1000122550 ONTARIO INC. | RANDHAWA, RANJIT RANDHAWA, NUPINDER SAPPAL, GURPREET | | |
| | | REMARKS: WR1504842 | | | | | |
| WR1508875 | 2023/05/17 | CHARGE | \$3,000,000 | 1000122550 ONTARIO INC. | PRIDE TRUCK SALES LTD. | C | |
| WR1509568 | 2023/05/23 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** RANDHAWA, RANJIT RANDHAWA, NUPINDER SAPPAL, GURPREET | | | |
| | | REMARKS: WR1504842. | | | | | |
| WR1509586 | 2023/05/23 | NOTICE | | GURVGURS PROPERTY HOLDINGS INC 13164454 CANADA INC. | | C | |
| WR1509704 | 2023/05/24 | CHARGE | \$1,600,000 | 1000122550 ONTARIO INC. | GURVGURS PROPERTY HOLDINGS INC. 13164454 CANADA INC. | C | |
| WR1540317 | 2023/10/20 | APL COURT ORDER | | ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) | MSI SPERGEL INC. | C | |
| | | REMARKS: APPOINTING A RECEIVER | | | | | |

Appendix 18

Philip Gennis

From: Rob Danter <rdanter@harrisonpensa.com>
Sent: Friday, December 15, 2023 1:15 PM
To: msingh@msinghlaw.ca
Cc: Tim Hogan; Mukul Manchanda; Philip Gennis; Emma Benaway; Isabelle Stacey
Subject: Receivership of 1000043321 Ontario Inc. - Charge/Mortgage of Fluent Capital Lending [IWOV-HPMain.FID711321]
Attachments: Receivership of 1000043321 Ontario Inc. - Letter to Fluent Capital Lending (12.15.2023).pdf; WR1540317_Instrument_Statement_3721.PDF; WR1540317 - Registered Appointment Order.PDF; 03848-0355.pdf
Importance: High

Good afternoon Counsel,

Please see attached our letter of today's date to Fluent Capital Lending and cc'd to you as counsel for 1000043321 Ontario Inc., as well as related enclosures.

Please confirm receipt of this email. This letter is being sent by registered and regular mail to Fluent Capital; if you have an email address to which we could send it as well, we would greatly appreciate if you could provide us with same.

Thank you,

Rob Danter | Partner | HARRISON PENZA LLP | 130 Dufferin Ave., Suite 1101, London, Ontario N6A 5R2 | *tel* 519-661-6770 | *fax* 519-667-3362 | rdanter@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately.

Harrison Pensa

LAWYERS

Timothy C. Hogan
Direct Line: (519) 661-6743
thogan@harrionspensa.com

Law Clerk: Isabelle Stacey
Direct Line: (519) 850-5573
istacey@harrisonpensa.ca

December 15, 2023

Via Registered and Regular Mail

Fluent Capital Lending
101-180 Bass Pro Mills Drive
Vaughan, Ontario L4K 0G9

To Whom it May Concern,

**RE: Receivership of 1000043321 Ontario Inc. and charge/mortgage of Fluent Capital Lending ("Fluent")
Estate File No. 35-3014902
Our File No. 197360**

We act as the lawyers for msi Spergel inc. (the "**Receiver**") as Court-appointed Receiver of several companies, including 1000043321 Ontario Inc. (the "**Company**"). Enclosed with this letter is a copy of the Appointment Order of Justice Osborne dated October 18, 2023, appointing the Receiver (the "**Appointment Order**").

The Company is the owner of real property legally described as PT LT 28, CON 11, PT 1, 58R15460; NORTH DUMFRIES (PIN (03848-0355 LT) (the "**Real Property**"). On October 20, 2023, the Receiver caused the Appointment Order to be registered on title to the Real Property.

On that same day, but subsequent to the registration of the Appointment Order, Fluent registered a charge/mortgage in the principal sum of \$410,000 and a related assignment of rents (the "**Fluent Assignment of Rents**") on title to the Real Property (collectively, the "**Fluent Mortgage**"). The Additional Mortgage Provisions attached to the Fluent Mortgage and the Fluent Assignment of Rents indicate that this loan was entered into on October 19, 2023, after the date of the Appointment Order. Also enclosed with this letter is a copy of the parcel register for the Real Property, as well as a copy of the registered Appointment Order.

Pursuant to the provisions of the Appointment Order, it is the Receiver, not the Company, which is authorized and empowered to deal with the property of the Company, including the Real Property. The Company did not possess the authority to enter into the Fluent Mortgage or to permit the registration of same on title to the Real Property absent the consent of the Receiver, which was not obtained.

Harrison Pensa LLP

130 Dufferin Avenue, Suite 1101, P.O. Box 3237, London, Ontario N6A 4K3 Phone: 519.679.9660 Fax: 519.667.3362
harrisonpensa.com

We note that the Fluent Mortgage has a term which expired on November 10, 2023. Pursuant to the terms of the Appointment Order, Fluent is barred from exercising any rights or remedies under the Fluent Mortgage or commencing any Proceedings (as defined in the Appointment Order) for the enforcement of the Fluent Mortgage absent consent of the Receiver or an order of the Ontario Superior Court of Justice (Commercial List).

On behalf of the Receiver we write to request the following information and documentation from Fluent:

1. A copy of any loan agreement or agreements relating to the Fluent Mortgage;
2. Evidence regarding any funds advanced to the Company which were intended to be secured by the Fluent Mortgage, including the date of any such advances;
3. Evidence regarding any payments made by, or on behalf of, the Company in relation to the Fluent Mortgage, including the date and quantum of any such payments; and,
4. Confirmation regarding whether Fluent was aware of the Appointment Order, the related Court proceedings, and/or the registration of the Appointment Order on title to the Real Property at the time that the Fluent Mortgage was registered.

Your prompt attention and response to this letter is greatly appreciated.

Yours truly,

HARRISON PENSA ^{LLP}



Timothy C. Hogan
TCH/ist

Enclosure

Cc: Manjit Singh – counsel to 1000043321 Ontario Inc.

Appendix 19

Philip Gennis

From: Monique Redhead <MRedhead@msinghlaw.ca>
Sent: Wednesday, January 24, 2024 3:03 PM
To: Rob Danter; Tim Hogan; Mukul Manchanda
Cc: NASIR MAHMOOD
Subject: End of Representation

Importance: High

Some people who received this message don't often get email from mredhead@msinghlaw.ca. [Learn why this is important](#)

[EXTERNAL EMAIL]

Good afternoon.

Please be advised that M. Singh Law no longer represents the following entities in any capacity:

TEN 4 SYSTEM LTD.
1000043321 ONTARIO INC.
1000122550 ONTARIO INC.

I am cc'ing Nasir Mahmood, whom we understand is the Director of the aforementioned corporations, on this email.

We trust the foregoing is satisfactory.

Monique Redhead

Office Manager

M. SINGH LAW PROFESSIONAL CORPORATION

100 King Street West - Suite 5700
First Canadian Place
Toronto, Ontario
M5X 1C7
Phone: (647) 722-8400

This e-mail may contain legally privileged and confidential information intended only for the individual or entity named in the message. If you are not the intended recipient or the agent thereof or responsible to deliver it to the intended recipient, and this communication was received in error, please notify me by reply e-mail and delete the original message.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize and can verify the sender and know the content is safe.

Appendix 20



**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

ENDORSEMENT

COURT FILE NO.: CV-23-00705869-00CL DATE: 25-MAR-2024

NO. ON LIST: 1

TITLE OF PROCEEDING: ROYAL BANK OF CANADA v. TEN 4 SYSTEM LTD. et al.

BEFORE: OSBORNE, J.

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|----------------------|--|
| Roger Jaipargas | ROYAL BANK OF CANADA | rjaipargas@blg.com |
| | | |
| | | |

For Defendant, Respondent, Responding Party:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|---------------------------|--|
| Tim Hogan | The Receiver, MSI SPERGEL | thogan@harrisonpensa.com |
| | | |
| | | |

For Other, Self-Represented:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|---------------|--------------|
| | | |
| | | |
| | | |

ENDORSEMENT OF JUSTICE OSBORNE:

[1] The Receiver seeks to schedule a motion for an order:

- a. directing the Principals of the Debtors, Nasir Mahmood and Rupinder Taggar, to produce and deliver to the Receiver the Records as defined in the receivership order made in this proceeding;
- b. authorizing the Receiver to disclaim the Lease between the Debtor and Northwest Carrier Ltd., Relating to the property located in Ayr, Ontario; and
- c. authorizing the sale process for the sale of the Real Property.

[2] Both the Receiver and RBC, the Applicant, are represented in Court today. No one has appeared by or on behalf of the Respondents, each of which is a corporation. They are represented in this proceeding by Mr. Singh.

[3] The motion will proceed on **Wednesday, April 24, 2024 commencing at 10 AM via Zoom**. Moving party motion materials will be served no later than April 5, 2024. Responding motion materials, if any, will be served no later than April 17, 2024.

[4] Counsel for the Receiver advises that he received email correspondence from Mr. Singh, counsel for the Respondents apparently advising that he was no longer acting for the Respondents in this matter. No Notice of Change of Solicitor appears to have been served or filed. Mr. Singh has not brought a motion to be removed as solicitor of record and the Respondents are corporations. No leave has been sought for those corporations to be unrepresented.

[5] Accordingly, Mr. Singh remains counsel for the Respondents and I have directed that the Receiver serve him as well as the Respondents directly via email with the motion materials, this Endorsement and advise him of the return date for these motions. Counsel will also serve the respondents personally via email to the email address on file with RBC as part of the loan documentation used for Mr. Mahmood as well.

[6] Finally, counsel advised that Mr. Ullmann is representing the principals of the Respondents, including Mr. Mahmood and Ms Taggar, in an action commenced by RBC on the personal guarantees by those principals of the corporations whose indebtedness is the subject of this receivership. As an additional courtesy, and while acknowledging and recognizing that Mr. Ullmann is not counsel in this matter, I have requested counsel for the Receiver to provide him with a courtesy copy of the above-noted materials as well.

[7] The Respondents should understand that the motion will proceed as scheduled on April 24, 2024.



Date: March 25, 2024

Appendix 21

Philip Gennis

From: Tim Hogan <thogan@harrisonpensa.com>
Sent: Monday, March 25, 2024 10:37 AM
To: David T. Ullmann - Blaney McMurtry LLP (dullmann@blaney.com)
Cc: Mukul Manchanda; Philip Gennis; Thomas Masterson; nasirmahmood@ten4system.com
Subject: FW: Endorsement | ROYAL BANK OF CANADA v. TEN 4 SYSTEM LTD. et al. | CV-23-00705869-00CL
Attachments: Endorsement - ROYAL BANK OF CANADA v. TEN 4 SYSTEM LTD. et al. - Osborne, J. - Mar. 25, 2024.pdf; Aide Memoire - Receiver - msi Spergel inc. - 20-MAR-2024.PDF

David

We are counsel for the Receiver in this matter.

This matter was before the Court today for scheduling with the attached Aide Memoire served and filed.

Attached please find the endorsement of Justice Osborne of today's date, with your attention directed to paragraph 6.

The motion in this matter is set for April 24, 2024.

Thank-you.

Tim Hogan | HARRISON PENSA LLP | 130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2 | *tel*/ 519-661-6743 | *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel*/ 519-850-5568 | anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Kazim, Ashaad (MAG) <Ashaad.Kazim@ontario.ca>
Sent: Monday, March 25, 2024 10:05 AM
To: rjaipargas@blg.com; Tim Hogan <thogan@harrisonpensa.com>
Cc: Clarke, Sancha (MAG) <Sancha.Clarke@ontario.ca>; Fraser, June (MAG) <June.Fraser@ontario.ca>; Sibenik, Mary (MAG) <Mary.Sibenik@ontario.ca>; JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>
Subject: Endorsement | ROYAL BANK OF CANADA v. TEN 4 SYSTEM LTD. et al. | CV-23-00705869-00CL

You don't often get email from ashaad.kazim@ontario.ca. [Learn why this is important](#)

[EXTERNAL EMAIL]

Good morning,

Please find attached the Endorsement of Justice Osborne.

Regards,
Ashaad

Philip Gennis

From: Tim Hogan <thogan@harrisonpensa.com>
Sent: Monday, March 25, 2024 10:34 AM
To: MRedhead@msinghlaw.ca; Manjit Singh
Cc: nasirmahmood@ten4system.com; Thomas Masterson; Mukul Manchanda; Philip Gennis
Subject: FW: Endorsement | ROYAL BANK OF CANADA v. TEN 4 SYSTEM LTD. et al. | CV-23-00705869-00CL
Attachments: Endorsement - ROYAL BANK OF CANADA v. TEN 4 SYSTEM LTD. et al. - Osborne, J. - Mar. 25, 2024.pdf; Aide Memoire - Receiver - msi Spergel inc. - 20-MAR-2024.PDF

Mr. Singh

This matter was before the Court today for scheduling with the attached Aide Memoire served and filed.

Attached please find the endorsement of Justice Osborne of today's date, with your attention directed to paragraphs 4 and 5.

The motion in this matter is set for April 24, 2024.

Thank-you.

Tim Hogan | HARRISON PENZA LLP | 130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2 | *tel*/ 519-661-6743 | *fax* 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | *tel*/ 519-850-5568 | anewman@harrisonpensa.com

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

From: Kazim, Ashaad (MAG) <Ashaad.Kazim@ontario.ca>
Sent: Monday, March 25, 2024 10:05 AM
To: rjaipargas@blg.com; Tim Hogan <thogan@harrisonpensa.com>
Cc: Clarke, Sancha (MAG) <Sancha.Clarke@ontario.ca>; Fraser, June (MAG) <June.Fraser@ontario.ca>; Sibenik, Mary (MAG) <Mary.Sibenik@ontario.ca>; JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>
Subject: Endorsement | ROYAL BANK OF CANADA v. TEN 4 SYSTEM LTD. et al. | CV-23-00705869-00CL

PERSONAL
You don't often get email from ashaad.kazim@ontario.ca. [Learn why this is important](#)

[EXTERNAL EMAIL]

Good morning,

Please find attached the Endorsement of Justice Osborne.

Regards,
Ashaad

Please Note: All future correspondence should be directed to the appropriate Trial Office, Intake Office, and/or Judicial Assistant.

Appendix 22

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

**AFFIDAVIT OF PHILIP H. GENNIS
(Sworn April 3, 2024)**

I, **PHILIP GENNIS**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Licensed Insolvency Trustee with msi Spergel inc. ("**MSI**"), the court-appointed Receiver (the "**Receiver**") of all the assets, undertakings, and properties of the Respondents and as such I have knowledge of the matters hereinafter deposed to.

2. MSI was appointed Receiver pursuant to the Order made by the Honourable Justice Osborne of the Ontario Superior Court of Justice (Commercial List) on October 18, 2023.
3. Attached hereto as **Exhibit "1"** are true copies of the Receiver's time dockets with respect to professional fees incurred in respect of the receivership of Ten4 System Ltd. for the period from September 1, 2023, to and including February 29, 2024, the amount of \$80,009.41 inclusive of disbursements and HST. The professional fees represent a total of 167.37 hours at an average rate of \$422.92 per hour (excluding HST).
4. Attached hereto as **Exhibit "2"** are true copies of the Receiver's time dockets with respect to professional fees incurred in respect of the receivership of 1000122550 Ontario Inc. for the period from September 1, 2023, to and including February 29, 2024, the amount of \$1,918.18 inclusive of disbursements and HST. The professional fees represent a total of 4.7 hours at an average rate of \$361.17 per hour (excluding HST).
5. Attached hereto as **Exhibit "3"** are true copies of the Receiver's time dockets with respect to professional fees incurred in respect of the receivership of 1000043321 Ontario Inc. for the period from September 1, 2023, to and including February 29, 2024, the amount of \$1,765.63 inclusive of disbursements and HST. The professional fees represent a total of 4.5 hours at an average rate of \$347.22 per hour (excluding HST).
6. To the best of my knowledge the rates charged by MSI in connection with acting as Receiver are comparable to the rates charged by other firms in the Toronto market for the provision of similar services.

**This is Exhibit “1” to the Affidavit of
Philip Gennis
Sworn before me this
3rd day of April 2024**



A Commissioner, Etc.

Barbara Eileen Sturge,
a Commissioner, etc. for rnsi Spergel inc.
and Spergel & Associates Inc.
Expires September 21, 2025



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

RE: TEN 4 SYSTEM LTD.

| Professional Services | Hours | Hourly Rate | Total |
|---------------------------------------|---------------|--------------------|--------------------|
| Mukul Manchanda, CPA, CIRP, LIT | 59.90 | \$500.00 | \$29,950.00 |
| Gillian Goldblatt, CPA, CA, CIRP, LIT | 0.50 | \$400.00 | \$200.00 |
| Philip H. Gennis, LL.B., CIRP, LIT | 51.30 | \$500.00 | \$25,650.00 |
| Eileen Sturge | 0.20 | \$250.00 | \$50.00 |
| Evan McCullagh | 2.00 | \$225.00 | \$450.00 |
| Manocher Sarabi | 0.50 | \$110.00 | \$55.00 |
| Azeem Shah | 23.57 | \$215.00 | \$5,067.55 |
| Paula Amaral | 27.60 | \$325.00 | \$8,970.00 |
| Others | 1.80 | \$217.22 | \$391.00 |
| Total Professional Services | 167.37 | \$422.92 | \$70,783.55 |
| HST | | | \$9,201.86 |

| Reimbursable Expenses | Total |
|------------------------------------|----------------|
| PPSA Search | \$24.00 |
| Total Reimbursable Expenses | \$24.00 |

Total **\$80,009.41**
HST Registration #R103478103
(AATEN4-R)



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

INVOICE RECONCILIATION PAGE

| Date | Staff | Description / Memo | Hours | Amount |
|------------------------------|-------|--|-------|----------|
| Professional Services | | | | |
| 2023-09-13 | MMA | General <i>Receipt and review of the application record, factum and book of authorities of RBC.</i> | 0.50 | \$250.00 |
| 2023-10-02 | MMA | General <i>Receipt and review of the application record of RBC. Receipt and review of the responding record, factum and book of authorities of the respondents. Participated in various calls with counsel.</i> | 1.80 | \$900.00 |
| 2023-10-03 | MMA | General <i>Review of email exchanges between T. Hogan and R. Jaipargas.</i> | 0.20 | \$100.00 |
| 2023-10-04 | MMA | General <i>Receipt and review of the reply affidavit of T. DerBedrossian and the endorsement of Justice Osborne. Discussion with counsel regarding the file.</i> | 0.70 | \$350.00 |
| 2023-10-10 | MMA | General <i>Receipt and review of the reply factum and supplemental book of authorities of RBC. Receipt and review of the book of authorities, factum and responding record of the respondents. Receipt and review of an email from P. Gennis providing a summary of his attendance on site. Discussion with R. Jaipargas and P. Gennis regarding same. Receipt and review of the supplemental affidavit of Nasir Mahmood. Receipt and review of the appraisal report from T. DerBedrossian.</i> | 1.20 | \$600.00 |
| 2023-10-11 | MMA | General <i>Email exchanges with R. Jaipargas and T. Hogan regarding sensitive information disclosed in the supplemental affidavit by the debtor. Receipt and review of an email from K. Dimitrakoudis providing an update on the hearing. Attended a conference call with D. Kaliopi, H. Webster, P. Gennis, T. Hogan and T. DerBedrossian.</i> | 0.70 | \$350.00 |
| 2023-10-12 | MMA | General <i>Receipt and review of email from P, Gennis regarding the file.</i> | 0.10 | \$50.00 |
| 2023-10-16 | MMA | General <i>Receipt and review of an email from R. Jaipargas providing copies of the letters sent to TD and BMO.</i> | 0.20 | \$100.00 |
| 2023-10-18 | EST | General <i>Set up file in BQ.</i> | 0.20 | \$50.00 |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | | |
|------------|-----|---------|------|------------|--|
| 2023-10-18 | MMA | General | 3.80 | \$1,900.00 | <i>Receipt and review of an email from R. Jaipargas providing the endorsement and the receivership order of Justice Osorne. Conference call with T. Hogan discussing the file. Multiple email exchange with T. Hogan, R. Jaipargas regarding taking possession. Receipt and review of email communication from P. Amaral to banks with requests regards the bank accounts. Receipt and review of email from P. Gennis and E. McCullagh regarding taking possession of the premises. Receipt and review of multiple email communication regarding the vehicles and premises. Travel to and attended at the premises for inspection. Travel back. Prepared the case website and uploaded the relevant materials on the website. Left a voicemail with M. Sigh counsel for the debtors regarding furtherance of the receivership. Approved letters to BMO and TD for freezing accounts of the debtors. Review of email exchanges with Rocco regarding taking possession. Email exchanges with E. Smoluch in anticipation of taking possession of trucks and trailers. Receipt and review of an email from R. Jaiprgas outlining issues to be addressed in a case conference with respect to the certain items in the Endorsement.</i> |
| 2023-10-18 | PGE | General | 7.50 | \$3,750.00 | <i>Email from Counsel for RBC; email from RBC; Receipt and review of Endorsement and Receivership Order; email from Receiver's Counsel confirming service of Order on Counsel for Debtors corporations and advising of Receiver's intentions to attend sites; email to locksmith requesting attendance by Agent at Ayr location; receipt and review of emails to BMO and TD Bank requesting freezing of accounts; email from locksmith confirming his attendance on site in Ayr, ON; internal email to Evan McCullagh requesting assistance at Ayr site; email from Bank's Counsel with request for registration of Order on Title; email from Receiver's Counsel confirming that he will attend to registration of Order;</i> |
| 2023-10-18 | PAM | General | 1.30 | \$422.50 | <i>Prepare letter to banks to place any related accounts on deposit only and release funds to the receiver. Receive receivership order and forward letters to banks. Coordination of locksmith and team to attend each site to take possession. Preparation of documents required to take possession. Contact Ritchie Brothers to be on stand by for possession of trucks.</i> |
| 2023-10-19 | PAM | General | 3.70 | \$1,202.50 | <i>Attend Brampton location to serve receivership order and meet with locksmith. Company no longer operating from the Brampton location. Receive accounts receivable listing and coordinate entry of data in preparation of demand letters. Prepare excel spreadsheet for input by others. Request trust bank account to be opened.</i> |
| 2023-10-19 | EMC | General | 2.00 | \$450.00 | <i>Review tractor's and trailers onsite, photos, review ownerships, VIN and plate searches; various discussions and correspondence with PG;</i> |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | |
|---|---------|------|------------|
| 2023-10-19 MMA | General | 4.60 | \$2,300.00 |
| <p><i>Travel to the premises of the company with P. Amaral. Inspected the premises and discussion with neighbouring businesses and discovered that Ten 4 moved premises at least 4 months before. Telephone calls with T. Hogan regarding same. Travel back. Email exchange with TD bank and BMO to freeze the accounts. Receipt and review of multiple email communication from P. Gennis, F. Shlaefi and T. Hogan regarding the file. Receipt and review of email from P. Gennis regarding the vehicles. Review of email exchanges between T. Hogan and R. Jaipargas regarding requesting certain redactions in the endorsement from His Honour. Multiple email exchanges and discussions regarding same. Review of the PPSA and corporate profile. Discussion regarding registering against VINs of the vehicles. Review of email exchanges between M. Singh and T. Hogan. Receipt and review of VIN and plate searches from T. Hogan. Review of the accounts receivable listing. INstructed staff to extract addresses of the customers from the internet and send demand letters for payment of the receivables. Receipt and review of the draft letter from R. Jaipargas proopsed to be sent to His Honour.</i></p> | | | |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| Date | Client | Description | Hours | Amount |
|------------|--------|--|-------|------------|
| 2023-10-19 | PGE | <p>General</p> <p><i>Email to Receiver's Counsel enclosing Parcel Registers and aerial photo of subject property; receipt and review of emails from TD and BMO regarding accounts held by Debtor Corporations; review of vehicle inventory list and transmittal to Receiver's Counsel with instructions to search ownership through MOT records; email from Receiver's Counsel regarding PINs for real estate; further email from Receiver's Counsel to Counsel for Debtor regarding site attendances at Ayr and Brampton locations as well as repeating demand for books and records and creditor information; responding email from Receiver's Counsel enclosing VIN searches which confirmed ownership of all vehicles on site at Ayr to be owned by Northwest Carriers; email from Receiver's Counsel to Counsel for RBC regarding VIN specific PPSA registrations; receipt of email from Northwest Carriers enclosing copies of registrations for vehicles on site at Ayr and transmittal of same to Evan McCullagh for comparative review against list prepared on site; email from Northwest Carriers enclosing lease agreement for Ayr property; review of lease agreement; transmittal of lease agreement to Receiver's Counsel for review and opinion; email from Evan McCullagh confirming that vehicles on site are identical to the ownerships provided; email to Receiver's Counsel confirming ownership of vehicles; receipt of email from Counsel for RBC with draft letter to Justice Osborne attached for review; received copy of email from Counsel for Debtor regarding provision of requested information; internal email confirming freeze on all bank accounts; telephone discussion with Receiver's Counsel regarding Northwest Carriers lease; email exchange with Kelly Avison regarding rental rates for Kitchener and environs; receipt of email from Receiver's Counsel enclosing Title registration documents; review and approve documents for registration; email exchange with Receiver's Counsel regarding ppty description; telephone discussion and follow-up email with Counsel regarding the commissioning of Phase 2 Environmental Assessment; email to Pinchin requesting quote for Phase 2; email from BMO; copy of email from Receiver's Counsel to Counsel for RBC enclosing lease;</i></p> | 4.00 | \$2,000.00 |
| 2023-10-20 | PAM | <p>General</p> <p><i>Prepare demand letters and prepare for distribution. Prepare and send letter to CIBC to place bank accounts on deposit only and transfer any funds to the receiver..</i></p> | 3.70 | \$1,202.50 |
| 2023-10-20 | ASA | <p>General</p> <p><i>Mail merge AR</i></p> | 3.00 | \$645.00 |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | | |
|------------|-----|---------|------|------------|---|
| 2023-10-20 | MMA | General | 2.30 | \$1,150.00 | <i>Email exchanges with R. Jaipargas regarding delaying posting the Endorsement and the supplemental affidavit until a case conference with His Honour. Review of the a/r listing and contact information extracted by staff from the internet. Instructions regarding sending demand letters without delay. Review of the demand letter sent to CIBC. Review of the bank statements available in the materials. Receipt and review of an email from M. Singh providing very limited information regarding bank accounts held by the company. Email exchanges with R. Jaipargas, T. Hogan and D. Smith regarding the case conference.</i> |
| 2023-10-20 | PGE | General | 0.50 | \$250.00 | <i>Email exchange with Pinchin regarding Phase 2 Assessment; copies of emails from Counsel for RBC; receipt of registered title documents and updated parcel registers; email exchange between Counsel for Receiver and Counsel for Debtors providing list of assets;</i> |
| 2023-10-21 | MMA | General | 0.10 | \$50.00 | <i>Receipt and review of email communication from P. Gennis regarding the insurance.</i> |
| 2023-10-21 | PGE | General | 0.10 | \$50.00 | <i>Email to Counsel for Debtors requesting copy of any insurance on the property located in Ayr.</i> |
| 2023-10-23 | ASA | General | 0.70 | \$150.50 | <i>Calls and email regarding the AR vendors updated the AR list.</i> |
| 2023-10-23 | PAM | General | 0.60 | \$195.00 | <i>Review emails related to demand letters sent to customers and assist with responses. .</i> |
| 2023-10-23 | MMA | General | 3.20 | \$1,600.00 | <i>Attended a conference call with J. Earl, T. Hogan, T. DerBedrossian, R. Jaipargas regarding the file. Participated in a Microsoft Teams Conference call with T. Hogan, M. Vine and P. Gennis. Email Exchange with M. Kypri regarding the balance in account. Email exchanges with R. Jaipargas and T. Hogan regarding registration of RBC's GSA against the trucks and trailers owned and leased by the debtor. Updated the case website with additional documents. Receipt and review of the notice to appeal from the respondents. Receipt and review of the security documents from H. Silverman. Review of email exchanges between counsels regarding the appeal. Receipt and review of updated accounts receivable listing.</i> |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| Date | Client | Description | Hours | Amount |
|------------|--------|--|-------|------------|
| 2023-10-23 | PGE | <p>General</p> <p><i>Call with Counsel for Receiver and RBC; email exchange between Counsel for the Receiver and Counsel for RBC regarding the security held by RBC and the lease to which the AYR ppty is subject; receipt and review of Notice of Appeal filed by Counsel for Debtors; conference call with Counsel in this regard; email from Receiver's Counsel to Counsel for RBC regarding Notice of Appeal and the issues with respect thereto; email from Counsel for RBC to Receiver's Counsel enclosing security documents; further email from Douglas Smith at BLG regarding defects in Notice of Appeal and the necessity for an Order granting leave; brief review of law related to the appeal of receivership orders; telephone discussion with Receiver's Counsel regarding lease agreement in favour of Northwest Carriers; further emails between Counsel regarding issues in security;</i></p> | 4.25 | \$2,125.00 |
| 2023-10-24 | ASA | <p>General</p> <p><i>Responded to emails/Phone Calls and asking further information for the confirmation of their AR with Ten 4 Systems</i></p> | 2.00 | \$430.00 |
| 2023-10-24 | PGE | <p>General</p> <p><i>Email from Receiver's Counsel enclosing case law applicable to appeal of receivership order; conference call with all Counsel; receipt and review of draft letter from Counsel for RBC to Counsel for the Debtor regarding the need for leave to appeal;</i></p> | 0.75 | \$375.00 |
| 2023-10-24 | MMA | <p>General</p> <p><i>Participated in a conference call with J. Joanna, R. Jaipargas, P. Gennis, S. Douglas and T. Hogan. Multiple email exchanges regarding the appeal. Email exchanges and telephone calls from purported customers who received the demand letter from the Receiver. Receipt and review of the draft letter to M. Singh regarding the appeal.</i></p> | 1.20 | \$600.00 |
| 2023-10-25 | ASA | <p>General</p> <p><i>Responded to emails/Phone Calls and asking further information for the confirmation of their AR with Ten 4 Systems</i></p> | 2.00 | \$430.00 |
| 2023-10-25 | MMA | <p>General</p> <p><i>Receipt and review of email communication from J. Currie regarding the amount due to the company. Review of the accounts receivable listing. Telephone call with J. Currie. Receipt and review of an email from M. Singh regarding the appeal.</i></p> | 0.50 | \$250.00 |
| 2023-10-25 | PAM | <p>General</p> <p><i>Assist with responses to calls regarding outstanding receivables.</i></p> | 0.70 | \$227.50 |
| 2023-10-26 | ASA | <p>General</p> <p><i>Responded to emails/Phone Calls and asking further information for the confirmation of their AR with Ten 4 Systems</i></p> | 2.50 | \$537.50 |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | |
|------------|-----|--|------|----------|
| 2023-10-26 | PGE | General <i>Email from Counsel for RBC enclosing copy of revised endorsement regarding non-disclosure of AR and appraisal obtained by Debtor; email exchange with all Counsel regarding update to Case Web Site to reflect revised Endorsement;</i> | 0.50 | \$250.00 |
| 2023-10-26 | MMA | General <i>Attended the case conference call with J. Earl R. Jaipargas, S. Douglas, T. Hogan and M. Singh. Receipt and review of the endorsement of Justice Osborne. Uploaded same to the case website.</i> | 0.70 | \$350.00 |
| 2023-10-27 | ASA | General <i>Had a phone call with Nick from Tempest logistics explaining the AR outstanding Updated the AR template Had a call with East & West regarding the AR</i> | 1.00 | \$215.00 |
| 2023-10-27 | MMA | General <i>Receipt and review of multiple email communication from P. Gennis and F. Schlaefli regarding the assessment. Calls from customers looking for information in support of the accounts receivable. Receipt and review of the draft partial sealing order from D. Smith. Review of email exchanges with M. Singh regarding the draft order.</i> | 0.80 | \$400.00 |
| 2023-10-27 | PGE | General <i>Email exchange with Frank Schlaefli from Pinchin;</i> | 0.10 | \$50.00 |
| 2023-10-28 | MMA | General <i>Review of email exchanges between T. Hogan, M. Singh and D. Smith regarding the partial sealing order.</i> | 0.20 | \$100.00 |
| 2023-10-29 | PGE | General <i>Email to Wagner Kovacs requesting proposal for appraisal; email to Colliers Appraisals requesting proposal for appraisal; email exchange with Rob Purdy of Colliers;</i> | 0.25 | \$125.00 |
| 2023-10-30 | PAM | General <i>Review applicant record and assist with preparation of Notice and Statement of Receiver including confirming amounts to creditors. Assist with creation of mail merge document.</i> | 1.10 | \$357.50 |
| 2023-10-30 | ASA | General <i>Prepared Notice and Statement of Receiver and Faxed it to OSB and emailed to CRA</i> | 2.50 | \$537.50 |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | |
|--|-----|---------|------|----------|
| 2023-10-30 | MMA | General | 1.20 | \$600.00 |
| <i>Email exchange with R. Jaipargas regarding customer's inquiry. Receipt, review and approval of Notice and Statement of Receiver. Calls from customers regarding the demand letter. Email exchanges with T. DerBedrossian regarding same. Email exchanges with R. Jaipargas regarding the responses from the customers. Review of email exchanges between M. Singh, T. Hogan and R. Jaipargas regarding the draft sealing order.</i> | | | | |
| 2023-10-30 | PGE | General | 0.50 | \$250.00 |
| <i>Receipt and review of appraisal quote from Colliers Valuations; email enquiry from Caitlin Wagner of Wagner Kovacs appraisers;</i> | | | | |
| 2023-10-31 | PAM | General | 0.90 | \$292.50 |
| <i>Review projected expenses and prepare 6 month proposed budget for Receiver Borrowing. Assemble Notice and Statement of Receiver and prepare for distribution to creditors.</i> | | | | |
| 2023-10-31 | MMA | General | 0.70 | \$350.00 |
| <i>Receipt and review of multiple email communication from C. Wagner and P. Gennis regarding the file. Multiple email exchanges with R. Jaipargas, D. Smith and T. Hogan regarding scheduling a case conference to settle the dispute of the language of the sealing order.</i> | | | | |
| 2023-10-31 | PGE | General | 0.50 | \$250.00 |
| <i>Receipt and review of Letter of Engagement from Wagner Kovacs Appraisers;</i> | | | | |
| 2023-11-01 | MSR | General | 0.50 | \$55.00 |
| <i>received, reviewed and submitted returned demand letters to the team.</i> | | | | |
| 2023-11-01 | ASA | General | 0.70 | \$150.50 |
| <i>Attended phone calls regarding receivables</i> | | | | |
| 2023-11-01 | GGO | General | 0.10 | \$40.00 |
| <i>Receipt and review of bank reconciliation.</i> | | | | |
| 2023-11-01 | MMA | General | 0.80 | \$400.00 |
| <i>Receipt and review of the notice of motion for leave to appeal of the respondents. Discussions with T. Hogan and P. Gennis regarding same. Email exchanges with D. Smith and T. Hogan regarding the appeal and the issues related to same with respect to the receivership.</i> | | | | |
| 2023-11-02 | ASA | General | 1.50 | \$322.50 |
| <i>Updated the AR list and attended calls + voice mails</i> | | | | |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | |
|--|-----|---------|------|----------|
| 2023-11-02 | MMA | General | 1.70 | \$850.00 |
| <i>Email exchanges with R. Jaipargas regarding the appeal. Receipt and review of the amended notice of appeal, amended certificate respecting evidence and amended notice of motion for leave to appeal. Discussion regarding same with P. Gennis. Review of emails from customers regarding the ar demand letter. Attended calls from various customers.</i> | | | | |
| 2023-11-06 | PGE | General | 0.25 | \$125.00 |
| <i>Email to Tim Hogan requesting call to discuss Notice seeking leave to appeal and Receiver's course of action in the face thereof;</i> | | | | |
| 2023-11-06 | PAM | General | 0.30 | \$97.50 |
| <i>Receive certificates and save to R-drive. Receive emails regarding appraisals and Phase II Environmental Assessment.</i> | | | | |
| 2023-11-06 | MMA | General | 0.20 | \$100.00 |
| <i>Receipt and review of email from P. Gennis to T. Hogan regarding the real state holdings of the numbered company.</i> | | | | |
| 2023-11-07 | PGE | General | 0.50 | \$250.00 |
| <i>Email exchange with Colliers appraisers; receipt and review of budget to be discussed with the Bank; execution and transmittal of Wagner Kovacs appraisal LOE; execution and transmittal of Colliers Appraisal LOE; execution and transmittal of Pinchin LOE;</i> | | | | |
| 2023-11-07 | MMA | General | 1.90 | \$950.00 |
| <i>Attended a Microsoft Teams call along with T. Hogan and P. Gennis regarding the file. Email exchange with P. Gennis and P. Amaral regarding the comparative analysis and budget for the quotation received . Receipt and review of email communication from R. Purdy regarding the site inspection. Lengthy call with customers regarding AR collections.</i> | | | | |
| 2023-11-07 | PAM | General | 0.60 | \$195.00 |
| <i>Prepare invoice and forward Receiver's Certificate of Borrowing, Projected Budget and Invoice for payment.</i> | | | | |
| 2023-11-08 | PGE | General | 0.25 | \$125.00 |
| <i>Email from Colliers RE regarding sale proposal for Ayr ppty; email to Lawrie Insurance requesting insurance proposal for Ayr ppty; email exchange in this regard;</i> | | | | |
| 2023-11-08 | MMA | General | 1.20 | \$600.00 |
| <i>Receipt and review of multiple email communication from P. Gennis and C. Brownlee regarding the site . Discussion with C. Brownlee regarding issues surrounding obtaining new insurance. Calls with customers regarding AR collections.</i> | | | | |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | |
|------------|-----|--|------|------------|
| 2023-11-08 | PAM | General <i>Contact Toyota to</i> | 0.30 | \$97.50 |
| 2023-11-09 | PGE | General <i>Email exchange with Caitlin Wagner regarding access to premises for purposes of her appraisal; email requests for Listing Proposals with respect to Ayr ppty; email to Colliers appraiser with respect to non-disclosure of appraisal to real estate colleague pending execution of a signed NDA;</i> | 0.75 | \$375.00 |
| 2023-11-09 | MMA | General <i>Receipt and review of email communication from P. Gennis and C. Wagner regarding the truck repair facility. Email exchanges with R. Jaipargas.</i> | 0.20 | \$100.00 |
| 2023-11-10 | PAM | General <i>Receive and review quotes for insurance. Make changes as required to information and save to drive. Discuss opening of RT0002 accounts and Ascend and status of receivables. Receive various emails related to appraisals to be conducted.</i> | 1.00 | \$325.00 |
| 2023-11-10 | ASA | General <i>saved email for Ten 4 AR proof</i> | 0.50 | \$107.50 |
| 2023-11-10 | MMA | General <i>Multiple email exchange with R. Jaipargas, A. Shah, regarding the statement of claim and receivable list. Receipt and review of email from P. Gennis and C. Brownlee containing the CGL quote . Receipt and review of email from Y. Debowski regarding the site works. Review of the receivable listing and emailed same to R. Jaipargas and T. DerBedrossian. Email exchanges with T> Hogan regarding information request from Manjit. Receipt and review of an email from R. Jaipargas containing the Endorsement of Justice Trotter.</i> | 2.30 | \$1,150.00 |
| 2023-11-10 | PGE | General <i>Receipt and review of revised quote from Lawrie Insurance; telephone discussion with Chad Brownlee regarding certain of the endorsements; email exchange with Pinchin Environmental regarding proposed site visit; Receipt and review of insurance quote from Lawrie Insurance; receipt and review of email from Receiver's Counsel to Counsel for Debtor regarding documents previously requested by Receiver; internal email confirming instructions to proceed with Lawrie Insurance quote;</i> | 1.50 | \$750.00 |
| 2023-11-11 | MMA | General <i>email exchange with R. Jaipargas, A. Shah containing the email communications.</i> | 0.20 | \$100.00 |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | | |
|------------|-----|---------|------|------------|--|
| 2023-11-13 | MMA | General | 1.30 | \$650.00 | <i>Participated in a conference call with J. Earl, R. Jaipargas, D. Smith and T. Hogan regarding the file. Email Exchange with P. Gennis regarding the insurance. Receipt and review of email from P. Gennis and Y. Debowski</i> |
| 2023-11-13 | PGE | General | 0.50 | \$250.00 | <i>Receipt and review of email from Pinchin confirming drilling schedule; telephone discussion with Yusra Debowski, Pinchin Project Manager; internal email exchange regarding placement of insurance; email exchange with realtor from Colliers in Kitchener; email exchange with Chad Brownlee regarding recently placed insurance coverage;</i> |
| 2023-11-14 | MMA | General | 2.10 | \$1,050.00 | <i>Attended court hearing. Email exchange with T. Hogan , D. Powrie and P. Amaral regarding the insurance on file. Updated the case website with all court materials. Review of email from T. Hogan to Manjit regarding the information request. Email exchanges with T. Hogan regardind TFG Financial.</i> |
| 2023-11-14 | PGE | General | 0.30 | \$150.00 | <i>Email from Tim Hogan to Counsel for Debtors making further request for documents and financial records; finalizing insurance on Ayr property;</i> |
| 2023-11-15 | MMA | General | 1.60 | \$800.00 | <i>Receipt and review of multiple email communication regarding insurance from C.Brwnlee and P. Amaral. Receipt and review of an email from the Court containing the Endorsement and Order of Justice Osborne. Updated the case website. Calls from customers with respect to the demand letters and any outstanding accounts.</i> |
| 2023-11-15 | PGE | General | 0.25 | \$125.00 | <i>Email from Lawrie Insurance;</i> |
| 2023-11-15 | PAM | General | 0.10 | \$32.50 | <i>Receive email exchange related to coordination of environmental assessment.</i> |
| 2023-11-16 | PGE | General | 0.50 | \$250.00 | <i>Telephone discussion with proposed listing broker; telephone discussion with Pinchin;</i> |
| 2023-11-16 | MMA | General | 0.20 | \$100.00 | <i>Receipt and review of email communication from T. Gentle contain the invoice and related documents. Reveiw of email exchanges between T. Hogan and Manjit regarding any stay during the appeal period. Review of email exchanges between S. Mitra and M. Mann.</i> |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | |
|------------|-----|---|------|----------|
| 2023-11-16 | PGE | General <i>Email exchange and telephone discussion with Eva Smoluch at Ritchie Bros.,</i> | 0.30 | \$150.00 |
| 2023-11-17 | PGE | General <i>Telephone discussion with Pinchin with results of its site visit; email to Ritchie Bros., providing instructions authorizing sale of vehicles; review and approve insurance payable;</i> | 0.50 | \$250.00 |
| 2023-11-17 | PAM | General <i>Receive various emails related to insurance including insurance documents and invoice.</i> | 0.20 | \$65.00 |
| 2023-11-17 | MMA | General <i>Email exchanges with R. Jaipargas, T. Hogan and D. Smith regarding registering the PPSA on vehicles.</i> | 0.60 | \$300.00 |
| 2023-11-20 | MMA | General <i>Email exchanges with T. Hogan regarding the stay issue raised by Manjit.</i> | 0.20 | \$100.00 |
| 2023-11-21 | PGE | General <i>Email exchange with Pinchin regarding Environmental Assessment;</i> | 0.25 | \$125.00 |
| 2023-11-21 | MMA | General <i>Receipt and review of email communication From Y. Debowski regarding the drilling job on site.</i> | 0.20 | \$100.00 |
| 2023-11-23 | PGE | General <i>Email exchange and telephone discussion with listing broker candidate;</i> | 0.50 | \$250.00 |
| 2023-11-23 | PAM | General <i>Receive several emails regarding coordination of environmental assessment with Pinchin Ltd.</i> | 0.10 | \$32.50 |
| 2023-11-24 | MMA | General <i>Email exchanges with counsels and various matters.</i> | 0.30 | \$150.00 |
| 2023-11-27 | PGE | General <i>Receipt and review of draft appraisals from Colliers; telephone discussion with Colliers appraiser; forwarding appraisals to MM for review and discussion; brief discussion with MM in this regard;</i> | 1.25 | \$625.00 |
| 2023-11-28 | MMA | General <i>Receipt and review of email communication from p. Gennis containing the Colliers appraisal draft.</i> | 0.20 | \$100.00 |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | | |
|------------|-----|---------|------|----------|--|
| 2023-11-29 | MMA | General | 0.20 | \$100.00 | <i>Email exchange with T. Derbedrossian containing advance invoice request, projected budget and wire transfer information.</i> |
| 2023-12-01 | PGE | General | 0.50 | \$250.00 | <i>Email exchange and lengthy telephone discussion with Rob Purdy of Colliers Appraisals regarding draft appraisal; receipt and review of draft appraisal;</i> |
| 2023-12-01 | MMA | General | 0.30 | \$150.00 | <i>Email exchanges with T. Hogan regarding the hearing of the appeal by the Court of Appeal.</i> |
| 2023-12-03 | MMA | General | 0.20 | \$100.00 | <i>Receipt and review of email from P. Gennis containing an invoice for further process.</i> |
| 2023-12-03 | PGE | General | 0.50 | \$250.00 | <i>Receipt and review of Listing Proposal from Colliers;</i> |
| 2023-12-04 | MMA | General | 0.50 | \$250.00 | <i>Telephone call with T. Hogan regarding production of records by the debtor.</i> |
| 2023-12-04 | PAM | General | 0.10 | \$32.50 | <i>Receive email with invoice form Colliers for appraisal and forward to A. Shah for processing.</i> |
| 2023-12-05 | GGO | General | 0.10 | \$40.00 | <i>Receipt and review of bank reconciliation.</i> |
| 2023-12-05 | PGE | General | 1.50 | \$750.00 | <i>Receipt and review of draft appraisals from Colliers and forwarding same to MM for purposes of discussion with the Bank; email exchange with Kelly Avison and follow up telephone discussion with him regarding impact of lease on saleability of property; forwarding email to MM and to Counsel regarding lease to which property is subject and proposed course of action relative to a court ordered disclaimer; multiple emails to and from Colliers appraiser regarding impact of lease on value;</i> |
| 2023-12-05 | MMA | General | 1.10 | \$550.00 | <i>Receipt and review of an email from T. DerBedrossian containing the A/R listing provided at the origination of the loan. Compare same with the current listing filed with the court. Sent an email to T. DerBedrossian providing an update on the file and the steps taken by the Receiver since the appointment.</i> |
| 2023-12-06 | PAM | General | 0.10 | \$32.50 | <i>Receive and respond to emails regarding insurance.</i> |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | |
|------------|-----|--|------|----------|
| 2023-12-06 | MMA | General <i>Receipt and review of email from P. Gennis containing the Land appraisals report. Email exchanges with T. Gentle regarding insurance.</i> | 0.20 | \$100.00 |
| 2023-12-06 | PGE | General <i>Email exchange with Counsel regarding lease and steps to be taken for disclaimer of same; communication with Colliers regarding sales proposal and impact on their proposal in light of the lease;</i> | 0.25 | \$125.00 |
| 2023-12-07 | PGE | General <i>Email from Tim Hogan regarding motion to disclaim lease;</i> | 0.10 | \$50.00 |
| 2023-12-07 | PAM | General <i>Prepare requisition for payment of insurance and submit for processing.</i> | 0.30 | \$97.50 |
| 2023-12-08 | PGE | General <i>Email exchange and telephone follow-up with Colliers broker one of the proposed listing brokers; email from Pinchin regarding findings on Phase 1 Environmental;</i> | 0.25 | \$125.00 |
| 2023-12-11 | PGE | General <i>Receipt and review of revised Listing Proposal from Colliers; telephone discussion with Broker.</i> | 0.75 | \$375.00 |
| 2023-12-12 | PGE | General <i>Receipt and response to email from Laala Jahanshahloo purportedly acting for principal of Ten 4 Systems et al. including review of attached letter of authorization; email exchange in this regard with Receiver's Counsel; receipt and review of VM from Ms. Jahanshahloo regarding purported letter of authorization; further email from Tim Hogan in this regard;</i> | 0.75 | \$375.00 |
| 2023-12-12 | PAM | General <i>Receive email from company authorizing a representative.</i> | 0.10 | \$32.50 |
| 2023-12-12 | MMA | General <i>Receipt and review of an email from L. Jahan requesting for call. Forwarded same to T. Hogan to forward to M. Singh. Review of email exchanges between R> Jaipargas and T. Hogan. Receipt and review of an email from D. Smith.</i> | 0.40 | \$200.00 |
| 2023-12-13 | MMA | General <i>Receipt and review of email communication from P. Gennis regarding the hearing.</i> | 0.10 | \$50.00 |
| 2023-12-13 | PGE | General <i>Receipt of insurance policies from broker; review of coverage;</i> | 0.50 | \$250.00 |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | | |
|------------|-----|---------|------|------------|---|
| 2023-12-14 | MMA | General | 0.20 | \$100.00 | <i>Receipt and review of email from Y. Debowski regarding the site Reconnaissance report. Receipt and review of email from P. Gennis regarding the real estate.</i> |
| 2023-12-14 | PGE | General | 2.75 | \$1,375.00 | <i>Email from Receiver's Counsel enclosing updated parcel register which discloses a mortgage registered following registration of the Appointment Order; email response from Counsel for RBC; email from Receiver's Counsel confirming letter to be sent to Counsel for Debtor in this regard; email from Colliers appraiser regarding status of lease on the property and response thereto; telephone discussion with Colliers appraiser; receipt and review of clean Phase 2 Environmental Report; email from Counsel for RBC regarding email from Manjit Singh advising that Ms. Jahanshahloo is not authorized to deal with this matter;</i> |
| 2023-12-14 | ASA | General | 1.20 | \$258.00 | <i>Prepared deposit requisition for money that was received via transfer. Got the proof of payment from haran to attach it to the deposit requisition Created Cheque requisition for the payments of the bill. Email was sent to Trustee's for their approval. Replied to M&H Transport regarding notice and statement of receiver.</i> |
| 2023-12-15 | MMA | General | 0.50 | \$250.00 | <i>Email exchange with P. Gennis regarding the appraisers. Receipt and review of multiple email communication regarding the endorsement and sales process.</i> |
| 2023-12-15 | PGE | General | 2.25 | \$1,125.00 | <i>Receipt and review of proposed correspondence to mortgagee and debtor with respect to mortgage registered in contravention of Receivership Order; email to Counsel approving proposed correspondence; receipt of decision of Court of Appeal denying leave to appeal Receivership Order on Motion for leave; email from Counsel for RBC recommending course of action going forward; approve travel claim for Evan M., email exchange and telephone discussion with MM regarding the need for a formal disclaimer of the lease with Northwest Carriers; email exchange with Receiver's Counsel regarding demand for financial records; email to Receiver's Counsel regarding proposed motion to Court seeking approval of conduct, sale process and disclaimer of Northwest Carrier lease; email from Tim Hogan to Counsel for RBC confirming Receiver's intention to seek certain approvals from the Court; email exchanges with both Counsel in this regard;</i> |
| 2023-12-17 | PGE | General | 0.30 | \$150.00 | <i>Follow-up email to Kelly Avison regarding his Listing Proposal; follow-up email to Rob Purdy at Colliers Appraisals requesting ETA for report; follow-up email to Caitlin Wagner requesting ETA for her appraisal report;</i> |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | | |
|------------|-----|---------|------|----------|--|
| 2023-12-18 | ASA | General | 0.10 | \$21.50 | <i>Emailed Sunil from M&H Transport Ltd. regarding accounts receivable for the receiver ship of the Ten 4 System Ltd.</i> |
| 2023-12-18 | PGE | General | 1.40 | \$700.00 | <i>Email from Kelly Avison regarding Listing Proposal; receipt and review of Listing Proposal from Avison Young; email exchange with Counsel regarding content of report to Court; receipt of revised draft appraisal report from Colliers opining on the impact of the lease with Northwest Carriers;</i> |
| 2023-12-19 | PGE | General | 0.75 | \$375.00 | <i>Email exchange between Receiver's Counsel and Manjit Singh, Counsel for Debtors regarding mortgage registered after receivership appointment; email exchange with Receiver's Counsel and Counsel for RBC regarding disclaimer of lease and security opinion; receipt and review of documents related to motion for leave to appeal; email exchange with Tim Hogan confirming proposed content of first report to Court;</i> |
| 2023-12-19 | MMA | General | 0.90 | \$450.00 | <i>Review of email exchanges between T> Hogan and R. Jaipargas regarding approval of sales process and appeal documents. Receipt and review of an email from D. Smith containing the appeal documents. Arranged to have same uploaded to the case website.</i> |
| 2023-12-20 | ASA | General | 0.30 | \$64.50 | <i>Scanned the well record received in mail and emailed the record of information to Phil for further review of the record.</i> |
| 2023-12-20 | MMA | General | 0.30 | \$150.00 | <i>Receipt and review of email communication from R. Jaipargas and T. Hogan regarding the discharge order.</i> |
| 2023-12-20 | PGE | General | 0.10 | \$50.00 | <i>Email exchange with Pinchin Environmental regarding invoice for Phase 2;</i> |
| 2023-12-21 | PGE | General | 0.75 | \$375.00 | <i>Email exchange with Receiver's Counsel regarding date for sale approval motion; email from Receiver's Counsel to Counsel for Debtors regarding failure to produce financial records; email exchanges with Mukul Manchanda and Receiver's Counsel regarding sale process parameters; review of Listing Proposals;</i> |
| 2023-12-21 | MMA | General | 0.60 | \$300.00 | <i>Email exchanges with T. Hogan. Receipt and review of an email from T. Hogan to M. Singh regarding production of books and records. Receipt and review of listing proposals.</i> |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | |
|--|-----|---------|------|------------|
| 2023-12-22 | PGE | General | 0.50 | \$250.00 |
| <i>Receipt and review of financial information sent by Counsel for debtors; email exchange with Counsel in this regard; receipt and review of draft appraisal from Wagner Kovacs;</i> | | | | |
| 2023-12-22 | MMA | General | 0.40 | \$200.00 |
| <i>Receipt and review of financial information provided by M. Singh. Email exchanges with T. Hogan regarding same.</i> | | | | |
| 2023-12-29 | PGE | General | 0.25 | \$125.00 |
| <i>Receipt and review of insurance policies negotiated for property; email to Counsel regarding a response to correspondence regarding mortgage registered after receivership order issued;</i> | | | | |
| 2024-01-01 | PGE | General | 1.20 | \$600.00 |
| <i>Email exchange Rob Purdy at Colliers Appraisers regarding appraisals and impact of lease on value; telephone discussion with Rob Purdy in this regard;; email to Caitlin Wagner of Wagner Kovacs requesting ETA for appraisal; receipt and review of Collier appraisals. email response from Rob Danter at Harrison Pensa regarding the letter sent to the mortgagee registered after the Receivership Order.</i> | | | | |
| 2024-01-02 | PGE | General | 3.75 | \$1,875.00 |
| <i>Email exchanges with Counsel and internally regarding finalizing First report to Court; completion of drafting of First Report and transmittal of same to Counsel for review; assembly of appendices, receipt and review of final appraisal report from Wagner Kovacs and transmittal of all appraisals to Mukul Manchanda for review;</i> | | | | |
| 2024-01-02 | MMA | General | 1.30 | \$650.00 |
| <i>Receipt and review of an email containing copies of final appraisals from Colliers and Wagner. Discussion with P. Gennis regarding the variance in appraised values. Lengthy telephone call with R. Moran regarding appraisals. Email exchange with R. Moran containing the Final appraisals.</i> | | | | |
| 2024-01-03 | PGE | General | 2.75 | \$1,375.00 |
| <i>Finalize initial draft of First Report to Court and transmittal to Counsel for comments;</i> | | | | |
| 2024-01-03 | ASA | General | 0.40 | \$86.00 |
| <i>Prepared cheque requisitions for the payables</i> | | | | |
| 2024-01-03 | PAM | General | 0.30 | \$97.50 |
| <i>Review payables prepared by A. Shah prior to submitting for approval.</i> | | | | |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | | |
|------------|-----|---------|------|----------|--|
| 2024-01-04 | MMA | General | 0.40 | \$200.00 | <i>Telephone call with T. Hogan regarding the outstanding books and records request from the debtor. Receipt and review of an email from R. Danter to M. Singh regarding same.</i> |
| 2024-01-05 | MMA | General | 0.70 | \$350.00 | <i>Receipt and review of email from P. Gennis regarding the first report of receiver. Receipt, review and approval of cheque requisitions shared by A. Shah.</i> |
| 2024-01-05 | PGE | General | 0.10 | \$50.00 | <i>Email transmitting First report to Mukul Manchanda for review;</i> |
| 2024-01-08 | PGE | General | 0.30 | \$150.00 | <i>Email from Receiver's Counsel enclosing Disclaimer of Northwest lease and draft letter to Northwest Carrier in this regard; email from Mukul Manchanda suggesting addition to letter giving Northwest an opportunity to consent to the disclaimer; responding email from Receiver's Counsel in this regard;</i> |
| 2024-01-08 | MMA | General | 0.50 | \$250.00 | <i>Receipt and review of an email from T. Hogan containing draft disclaimer of lease, copy of the lease and letter to Northwest. Provided comments regarding same.</i> |
| 2024-01-09 | GGO | General | 0.10 | \$40.00 | <i>Receipt and review of bank reconciliation.</i> |
| 2024-01-09 | MMA | General | 0.80 | \$400.00 | <i>Receipt and review of an email from T. Derbedrossian asking for certain information. Sent an email to T. Derbedrossian providing the requested information. Receipt and review of an email from T. Hogan containing revised letter to Northwest and revised lease disclaimer. Provided comments regarding same.</i> |
| 2024-01-10 | PGE | General | 0.75 | \$375.00 | <i>Receipt of Amended Letter to tenant from Receiver's Counsel; emails confirming acceptance of draft and providing alternative email address for tenant; receipt and review of draft appraisal report from Wagner Kovacs; telephone discussion with Caitlin Wagner requesting revisions to content format;; receipt and review of revised draft appraisal from Wagner Kovacs and email confirming acceptance with a request to proceed to final; receipt of final appraisal from Wagner Kovacs and transmittal to Mukul Manchanda with commentary for discussion with Bank;</i> |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | | |
|------------|-----|---------|------|----------|---|
| 2024-01-10 | MMA | General | 1.30 | \$650.00 | <i>Receipt and review of email from P. Gennis containing the appraisals. Lengthy call with a former employee of the company regarding WEPP and availability of other statutory documents. Receipt and review of the Phase II ESA report from Pinchin. Provided a copy of same to T. Derbedrossian.</i> |
| 2024-01-11 | MMA | General | 0.80 | \$400.00 | <i>Email exchanges with R. DerBedrossian regarding the file. Receipt and review of email from E. Smoluch regarding the vehicles. Receipt and review of the original appraisal obtained by RBC from Cushman. Email exchanges with E. Smoluch regarding certain equipment sold prior to the receivership.</i> |
| 2024-01-14 | PGE | General | 0.25 | \$125.00 | <i>Receipt and review of Listing Proposal from Avison Young;</i> |
| 2024-01-15 | MMA | General | 0.30 | \$150.00 | <i>Receipt and review of listing proposals from Colliers and Avison.</i> |
| 2024-01-16 | PGE | General | 0.75 | \$375.00 | <i>Email exchange with Receiver's Counsel forwarding email correspondence from Northwest Carriers; further email exchanges with Counsel regarding proposed course of action and terms relative to negotiating consent from Northwest to disclaimer; internal discussion regarding need for inspections; email to Counsel regarding provision of evidence of insurance from Northwest; email to Paula Amaral confirming need for site inspections;</i> |
| 2024-01-16 | MMA | General | 0.10 | \$50.00 | <i>Receipt and review of email from P. Gennis regarding the lease agreement. Email exchanges with T. Hogan regarding collection of rent.</i> |
| 2024-01-17 | PGE | General | 0.10 | \$50.00 | <i>Receipt of email from Tim Hogan to Northwest Carriers regarding terms of delay in disclaimer;</i> |
| 2024-01-17 | MMA | General | 1.10 | \$550.00 | <i>Receipt and review of an email from T. Hogan to Northwest Carrier regarding outstanding amounts and disclaimer of the lease. Receipt, review and approval of HST/GST rebate forms shared by A. Shah. Email exchanges with T. DerBedrossian regarding discharging liens on certain trucks and trailers.</i> |
| 2024-01-17 | PAM | General | 0.20 | \$65.00 | <i>Coordinate site visits with Lock it Security.</i> |
| 2024-01-24 | ASA | General | 0.30 | \$64.50 | <i>Prepared cheque requisitions for Ten 4. Compiled the invoices with the invoices.</i> |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | |
|------------|-----|--|------|----------|
| 2024-01-24 | PGE | General <i>Email from Tim Hogan to Northwest Carriers;</i> | 0.10 | \$50.00 |
| 2024-01-24 | MMA | General <i>Review of email exchanges between T. Hogan and M. Singh regarding outstanding information. Email exchanges with T. Hogan, R. Jaipargas and D. Smith.</i> | 0.30 | \$150.00 |
| 2024-01-25 | MMA | General <i>Email exchange with T. Hogan regarding the waiver forms.</i> | 0.20 | \$100.00 |
| 2024-01-25 | ASA | General <i>Prepared cheque requisitions for TEN 4. Compiled the invoice with the requisition.</i> | 0.20 | \$43.00 |
| 2024-01-26 | PGE | General <i>Receipt and review of email from Tim Hogan to tenant under lease to be disclaimed;</i> | 0.10 | \$50.00 |
| 2024-01-29 | PAM | General <i>Review cheque requisitions and submit for approval and processing.</i> | 0.10 | \$32.50 |
| 2024-01-29 | ASA | General <i>Prepared second AR demand letter. Updated the AR listing to reflect emails received from customers.</i> | 0.58 | \$124.70 |
| 2024-01-29 | MMA | General <i>Receipt, review and approval of cheque requisition shared by P. Amaral. Receipt, review and approval of Demand letters shared by A. Shah. Receipt and review of an email from R. Jaipargas containing emails regarding requests for lien discharges.</i> | 0.60 | \$300.00 |
| 2024-01-30 | MMA | General <i>Participated in a Microsoft Teams call with T. Hogan, R. Jaipargas and H. Silverman regarding PPSA and Ritchie bros.</i> | 0.50 | \$250.00 |
| 2024-01-30 | ASA | General <i>HST Authorization forms prepared</i> | 0.20 | \$43.00 |
| 2024-01-31 | MMA | General <i>Email exchange with T. Hogan regarding requesting information.</i> | 0.10 | \$50.00 |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | | |
|------------|-----|---------|------|----------|---|
| 2024-02-01 | MMA | General | 0.60 | \$300.00 | <i>Receipt and review of an email from M. Redhead advising that M. Singh Law no longer represents the borrowers. Multiple email exchange with T. Hogan regarding the file and demand for production of books and records from the principals of the borrowers. Email exchanges with T. Hogan regarding potential bankruptcy of the borrowers.</i> |
| 2024-02-01 | PAM | General | 0.30 | \$97.50 | <i>Source outstanding payables and submit outstanding invoices for processing.</i> |
| 2024-02-02 | GGO | General | 0.10 | \$40.00 | <i>Review and approve disbursement.</i> |
| 2024-02-05 | ASA | General | 0.05 | \$10.75 | <i>Email reminder sent to Mukul for demand letters approval</i> |
| 2024-02-05 | GGO | General | 0.10 | \$40.00 | <i>Receipt and review of bank reconciliation.</i> |
| 2024-02-05 | MMA | General | 0.40 | \$200.00 | <i>Receipt and review of email from T. Hogan and P. Gennis regarding the security deposit. Review of the lease with Northwest and strategy regarding disclaiming same. Receipt, review and sign the GST opening request</i> |
| 2024-02-05 | PGE | General | 0.25 | \$125.00 | <i>Email exchange with Receiver's Counsel regarding communication with Northwest Carriers</i> |
| 2024-02-05 | IFR | General | 0.10 | \$17.00 | <i>Issue chq</i> |
| 2024-02-06 | PAM | General | 0.10 | \$32.50 | <i>Receive email from Lockit Security with status of site visit and save to drive.</i> |
| 2024-02-06 | MMA | General | 0.20 | \$100.00 | <i>Email exchanges with Ritchie Brothers regarding certain assets.</i> |
| 2024-02-07 | PGE | General | 0.10 | \$50.00 | <i>Email exchange with Frank Schlaefli regarding well water certificate received;</i> |
| 2024-02-12 | MMA | General | 0.40 | \$200.00 | <i>Telephone call with T. Hogan regarding the file.</i> |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | | |
|------------|-----|---------|------|----------|--|
| 2024-02-13 | ASA | General | 2.60 | \$559.00 | <i>Prepared mailed merge for second demand letters. Printed the letters and labels. Sent out the mail.</i> |
| 2024-02-13 | HSI | General | 0.90 | \$198.00 | <i>Wire/EFT and Deposits and Cheque requestions review the file processing.</i> |
| 2024-02-15 | PAM | General | 0.80 | \$260.00 | <i>Receive calls from customers on accounts receivable listing stating they do not have an amount outstanding to company. Request email and update accounts receivable listing.</i> |
| 2024-02-15 | MMA | General | 0.10 | \$50.00 | <i>Email exchange with R.Jaipargas regarding lease</i> |
| 2024-02-16 | PAM | General | 2.50 | \$812.50 | <i>Receive call from customer claiming they did not do business with Company. Receive follow up email with details of call. Update status of customer in accounts receivable listing. Received multiple calls from customers following second demand letter. All customers claimed to not to have done business with Ten 4 Systems. Save emails to drive and update accounts receivable listing.</i> |
| 2024-02-16 | HSI | General | 0.80 | \$176.00 | <i>Wire/EFT and Deposits and Cheque requestions review the file processing.</i> |
| 2024-02-16 | MMA | General | 0.20 | \$100.00 | <i>Review Daimler Truck release</i> |
| 2024-02-19 | PAM | General | 0.50 | \$162.50 | <i>Receive various calls from customers regarding accounts receivable and update the accounts receivable listing with information provided.</i> |
| 2024-02-20 | MMA | General | 0.10 | \$50.00 | <i>Email exchange with 18 Wheels Logistics Ltd. regarding outstanding invoices</i> |
| 2024-02-20 | PAM | General | 2.40 | \$780.00 | <i>Receive emails form customers following second demand letter and update spreadsheet.</i> |
| 2024-02-21 | ASA | General | 0.23 | \$49.45 | <i>Went through the email and updated the AR list</i> |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | |
|------------|-----|--|------|------------|
| 2024-02-21 | MMA | General <i>Email exchange with T.DerBedrossian regarding GRIDS response from Desjardins Provided documents to D.Sun with Seven Horses Email exchange with J.O'Toole and T.Hogan regarding DTFS release Reviewed and approved cheque requisition</i> | 0.70 | \$350.00 |
| 2024-02-21 | ASA | General <i>Prepared chq requisitions. Compiled the invoice and requisitions together and uploaded on Q:Drive. Emailed mukul for his approval.</i> | 0.85 | \$182.75 |
| 2024-02-21 | PAM | General <i>Receive email with update on site inspection and save to drive. Receive emails form customers following second demand letter and update spreadsheet. Review cheque requisitions prepared by A.Shah.</i> | 3.10 | \$1,007.50 |
| 2024-02-22 | MMA | General <i>Receive and review DTFS release Email exchange with P.Amaral regarding National Freight</i> | 0.30 | \$150.00 |
| 2024-02-22 | PGE | General <i>Email from National Freight regarding correspondence received;</i> | 0.10 | \$50.00 |
| 2024-02-23 | MMA | General <i>Email exchange with T.Hogan and R.Jaipargas regarding Email exchange with National Freight regarding outstanding receivables Email exchange with Navid at RLG regarding outstanding invoices</i> | 0.40 | \$200.00 |
| 2024-02-26 | ASA | General <i>Went through the email and updated the AR list</i> | 0.16 | \$34.40 |
| 2024-02-26 | MMA | General <i>Email exchange with R.Braich and T.Hogan regarding lien discharge</i> | 0.40 | \$200.00 |
| 2024-02-27 | PAM | General <i>Receive emails from customers regarding the demand letter and update spreadsheet with comments.</i> | 0.90 | \$292.50 |
| 2024-02-27 | MMA | General <i>Approved cheque request Emailed J.Wayne regarding outstanding payables</i> | 0.20 | \$100.00 |



March 28, 2024

DRAFT

Invoice #: 1022

TEN 4 SYSTEM LTD.

INVOICE

| | | | | |
|--|-----|---------------------------------|---------------|--------------------|
| 2024-02-28 | PAM | General | 0.50 | \$162.50 |
| <i>Receive calls from customers regarding the second demand letter and discuss amounts outstanding. Receive emails from customers documenting discussion and update accounts receivable listing.</i> | | | | |
| 2024-02-28 | MMA | General | 0.50 | \$250.00 |
| <i>Email exchange with R.Jaipargas and T.Hogan regarding vehicle release</i> | | | | |
| 2024-02-29 | MMA | General | 0.60 | \$300.00 |
| <i>Received and reviewed appeal Received and reviewed partial discharge on VIN C5352</i> | | | | |
| 2024-02-29 | PAM | General | 0.70 | \$227.50 |
| <i>Receive emails from customers regarding the demand letter and update spreadsheet with comments.</i> | | | | |
| Professional Services Total: | | | 167.37 | \$70,783.55 |
| Reimbursable Expenses | | | | |
| 2024-02-07 | NTA | TREASU Inv. 2023 OCT ACCT #1161 | | \$24.00 |
| Reimbursable Expenses Total: | | | 3.00 | \$24.00 |

**This is Exhibit “2” to the Affidavit of
Philip Gennis
Sworn before me this
3rd day of April 2024**



A Commissioner, Etc.

Barbara Eileen Sturge,
a Commissioner, etc. for rnsi Spergol inc
and Spergel & Associates Inc.
Expires September 21, 2025



SPERGEL

msi Spergel inc., Licensed Insolvency Trustees
Head Office: 200 Yorkland Blvd., Suite 1100
Toronto, ON., M2J 5C1
T: 416 497 1660 ● F: 416 494 7199
www.spergel.ca

April 2, 2024

DRAFT

Invoice #: 1024

1000122550 ONTARIO INC.

INVOICE

RE: 1000122550 ONTARIO INC.

| Professional Services | Hours | Hourly Rate | Total |
|------------------------------------|--------------|--------------------|-------------------|
| Mukul Manchanda, CPA, CIRP, LIT | 2.20 | \$500.00 | \$1,100.00 |
| Eileen Sturge | 0.20 | \$250.00 | \$50.00 |
| Evan McCullagh | 2.00 | \$225.00 | \$450.00 |
| Paula Amaral | 0.30 | \$325.00 | \$97.50 |
| Total Professional Services | 4.70 | \$361.17 | \$1,697.50 |
| HST | | | \$220.68 |
| Total | | | \$1,918.18 |

HST Registration #R103478103
(AA1225-R)



April 2, 2024

DRAFT

Invoice #: 1024

10000122550 ONTARIO INC.

INVOICE

INVOICE RECONCILIATION PAGE

| Date | Staff | Description / Memo | Hours | Amount |
|-------------------------------------|-------|---|-------------|-------------------|
| Professional Services | | | | |
| 2023-09-13 | MMA | General <i>Receipt and review of the application record, factum and book of authorities of RBC.</i> | 0.50 | \$250.00 |
| 2023-10-18 | EST | General <i>Set up file in BQ.</i> | 0.20 | \$50.00 |
| 2023-10-19 | EMC | General <i>Attend at site re photos, attempt taking possession; discussions with PG and locksmith;</i> | 2.00 | \$450.00 |
| 2023-10-19 | MMA | General <i>Multiple calls regarding taking possession and issues surrounding the land. Discussion with the tenant regarding obtaining lease and other information. Email exchanges with T. Hogan and P. Gennis regarding the house on the property. Multiple calls regarding same.</i> | 0.60 | \$300.00 |
| 2023-10-20 | MMA | General <i>Email exchanges regarding commissioning Phase I and II ESA. Receipt, review and sign the registration documents. Review of confirmation of registration.</i> | 0.60 | \$300.00 |
| 2023-10-31 | PAM | General <i>Assist with preparation Notice and Statement of Receiver for distribution to creditors.</i> | 0.30 | \$97.50 |
| 2023-12-05 | MMA | General <i>Receipt and review of the draft appraisals. Receipt and review of the lease agreement and the impact of same on the real property.</i> | 0.30 | \$150.00 |
| 2023-12-08 | MMA | General <i>Email exchanges with Pinchin.</i> | 0.20 | \$100.00 |
| Professional Services Total: | | | 4.70 | \$1,697.50 |

**This is Exhibit “3” to the Affidavit of
Philip Gennis
Sworn before me this
3rd day of April 2024**



A Commissioner, Etc.

Barbara Eileen Sturge,
a Commissioner, etc. for msi Spergol inc
and Spergel & Associates Inc.
Expires September 21, 2025



SPERGEL

msi Spergel inc., Licensed Insolvency Trustees
Head Office: 200 Yorkland Blvd., Suite 1100
Toronto, ON., M2J 5C1
T: 416 497 1660 ● F: 416 494 7199
www.spergel.ca

April 2, 2024

DRAFT

Invoice #: 1025

1000043321 ONTARIO INC.

INVOICE

RE: 1000043321 ONTARIO INC.

| Professional Services | Hours | Hourly Rate | Total |
|------------------------------------|--------------|--------------------|-------------------|
| Mukul Manchanda, CPA, CIRP, LIT | 1.80 | \$500.00 | \$900.00 |
| Eileen Sturge | 0.20 | \$250.00 | \$50.00 |
| Evan McCullagh | 2.00 | \$225.00 | \$450.00 |
| Paula Amaral | 0.50 | \$325.00 | \$162.50 |
| Total Professional Services | 4.50 | \$347.22 | \$1,562.50 |
| HST | | | \$203.13 |
| Total | | | \$1,765.63 |

HST Registration #R103478103
(AA4332-R)



April 2, 2024

DRAFT

Invoice #: 1025

1000043321 ONTARIO INC.

INVOICE

INVOICE RECONCILIATION PAGE

| Date | Staff | Description / Memo | Hours | Amount |
|-------------------------------------|-------|---|-------------|-------------------|
| Professional Services | | | | |
| 2023-09-13 | MMA | Time <i>Receipt and review of the application record, factum and book of authorities of RBC.</i> | 0.50 | \$250.00 |
| 2023-10-18 | EST | General <i>Set up file in BQ.</i> | 0.20 | \$50.00 |
| 2023-10-19 | EMC | General <i>Attend at site re photos, attempt taking possession; discussions with PG and locksmith;</i> | 2.00 | \$450.00 |
| 2023-10-19 | MMA | General <i>Multiple calls regarding taking possession and issues surrounding the land. Discussion with the tenant regarding obtaining lease and other information.</i> | 0.60 | \$300.00 |
| 2023-10-20 | MMA | General <i>Receipt and review of multiple email communication from P. Gennis and F. Shlaefi regarding the phase II ESA.</i> | 0.20 | \$100.00 |
| 2023-10-30 | PAM | General <i>Assist with preparation Notice and Statement of Receiver for distribution to creditors.</i> | 0.30 | \$97.50 |
| 2023-10-31 | PAM | General <i>Prepare Notice and Statement of Receiver for distribution to creditors.</i> | 0.20 | \$65.00 |
| 2023-12-05 | MMA | General <i>Receipt and review of the draft appraisals. Receipt and review of the lease agreement and the impact of same on the real property.</i> | 0.30 | \$150.00 |
| 2023-12-19 | MMA | General <i>Review of email exchanges between R. Danter and M. Singh regarding the Fluent Capital charge.</i> | 0.20 | \$100.00 |
| Professional Services Total: | | | 4.50 | \$1,562.50 |

Appendix 23

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

**AFFIDAVIT OF THOMAS MASTERSON
(Sworn April 2, 2024)**

I, **THOMAS MASTERSON**, of the City of London, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a solicitor qualified to practice law in the Province of Ontario and I am a lawyer with Harrison Pensa ^{LLP}, who acts as counsel for msi Spergel inc., in its capacity as Court-Appointed Receiver of the Respondent, of Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc., in the within proceeding, and as such I have knowledge of the matters to which I hereinafter depose except for those matters based expressly upon information and belief.
2. Attached hereto and marked as **Exhibit "A"** is a summary of the time incurred by professionals at Harrison Pensa ^{LLP}, the hourly rate and fees associated with such and disbursements in relation with this matter for the period of September 11, 2023 to April 1, 2024.
3. Attached hereto and marked as **Exhibit "B"** are particulars of time spent by professionals at Harrison Pensa ^{LLP} in connection with this matter for the period of

September 11, 2023 to April 1, 2024 and an account statement detailing the services provided dated April 2, 2024.

4. The hourly billing rates set out in the Exhibits are comparable to the hourly rates charged by Harrison Pensa ^{LLP} for services rendered in relation to similar proceedings.
5. The fees and disbursements of Harrison Pensa ^{LLP} in this matter to April 2, 2024 are as follows:
 - a. Total Billed Fees and Disbursements from September 11, 2023 to April 1, 2024 - \$36,489.37.
6. The weighted average hourly rate charged by professionals at Harrison Pensa ^{LLP} is \$462.90.
7. I make this Affidavit in support of among other things, approval of fees and disbursements of the counsel for the Receiver.

Sworn before me: in person OR by video conference

by Thomas Masterson at the City of London, in the County of Middlesex, before me on April 2, 2024.



Commissioner for Taking Affidavits



THOMAS MASTERSON

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

EXHIBITS

TABS "A" TO "B" ARE THE
EXHIBITS TO THE AFFIDAVIT OF
THOMAS MASTERSON
SWORN THIS 2ND DAY OF APRIL, 2024

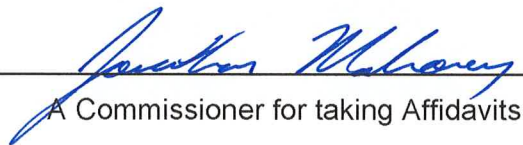

A Commissioner for taking Affidavits

EXHIBIT A

(From September 11, 2023 to April 1, 2024)

| | NAME | YEAR OF CALL | ACTUAL HOURS | HOURLY RATE | TOTAL |
|--|------------------|--------------|--------------|-------------|--------------------|
| Partners | Timothy C. Hogan | 1995 | 45.30 | \$550.00 | \$24,915.00 |
| | Melinda Vine | 2007 | 2.70 | \$450.00 | \$1,215.00 |
| | Rob Danter | 2016 | 3.00 | \$400.00 | \$1,200.00 |
| Associates | Thomas Masterson | 2019 | 6.50 | \$350.00 | \$2,275.00 |
| Clerks | Isabelle Stacey | | 7.30 | \$145.00 | \$1,058.50 |
| | Emma Benaway | | 1.60 | \$145.00 | \$232.00 |
| | Olivia Rajsp | | 0.10 | \$205.00 | \$20.50 |
| | Linda Gutjahr | | 0.40 | \$130.00 | \$52.00 |
| TOTAL FEES | | | | | \$30,968.00 |
| | | | | | |
| HST ON FEES | | | | | \$4,025.84 |
| TOTAL TAXABLE DISBURSEMENTS | | | | | \$1,255.34 |
| TOTAL NON – TAXABLE DISBURSEMENTS | | | | | \$77.00 |
| HST DISBURSEMENTS | | | | | \$163.19 |
| TOTAL FEES, DISBURSEMENTS AND HST | | | | | \$36,489.37 |

EXHIBIT B

Harrison Pensa

LAWYERS

130 Dufferin Avenue, Suite 1101
P.O. Box 3237
London, ON N6A 4K3

Telephone: (519) 679 9660
Facsimile: (519) 667 3362

msi Spergel inc.

April 2, 2024
Invoice #: 2230236
Account #: 2230236-198242

File #: 198242/Timothy C. Hogan
RE: Ten 4 System Ltd.

TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

| DATE | DESCRIPTION | HOURS | AMOUNT | LAWYER |
|-----------|--|-------|----------|--------|
| 11-Sep-23 | E-mail with counsel and client | .40 | \$220.00 | TCH |
| 11-Sep-23 | Review/revise amended Order and e-mail to RBC counsel | .40 | \$220.00 | TCH |
| 12-Sep-23 | Review order, e-mail to counsel | .20 | \$110.00 | TCH |
| 13-Sep-23 | E-mail with RBC counsel | .20 | \$110.00 | TCH |
| 20-Sep-23 | E-mail with counsel; | .20 | \$110.00 | TCH |
| 20-Sep-23 | To correspondence with client; | .20 | \$90.00 | MVI |
| 7-Oct-23 | E-mail with Spergel | .20 | \$110.00 | TCH |
| 11-Oct-23 | E-mails with counsel, review record, call with counsel | 1.00 | \$550.00 | TCH |
| 11-Oct-23 | Call with Bank counsel | .20 | \$110.00 | TCH |
| 12-Oct-23 | Call with RBC/Spergel | .60 | \$330.00 | TCH |
| 14-Oct-23 | Correspondence with counsel | .40 | \$220.00 | TCH |
| 16-Oct-23 | Letter from Bank counsel | .20 | \$110.00 | TCH |
| 16-Oct-23 | E-mails with Bank counsel, calls with client | .40 | \$220.00 | TCH |
| 18-Oct-23 | Call/e-mails with client/RBC counsel | .50 | \$275.00 | TCH |
| 18-Oct-23 | E-mail to debtor counsel | .20 | \$110.00 | TCH |
| 18-Oct-23 | To review endorsement; to correspondence with client; | .20 | \$90.00 | MVI |
| 19-Oct-23 | To various correspondence; | .20 | \$90.00 | MVI |
| 19-Oct-23 | To review National Lease; to telephone conference with client; | .30 | \$135.00 | MVI |
| 19-Oct-23 | Review endorsement/record and Order | .40 | \$220.00 | TCH |

| DATE | DESCRIPTION | HOURS | AMOUNT | LAWYER |
|-----------|--|-------|----------|--------|
| 19-Oct-23 | E-mails to counsel and client | .60 | \$330.00 | TCH |
| 19-Oct-23 | Call/e-mails with client | .60 | \$330.00 | TCH |
| 19-Oct-23 | Review block map and parcels, e-mails with client | .60 | \$330.00 | TCH |
| 19-Oct-23 | To obtain searches; | .90 | \$130.50 | IST |
| 19-Oct-23 | Email to client | .20 | \$80.00 | RDA |
| 19-Oct-23 | E-mail to debtor counsel | .40 | \$220.00 | TCH |
| 19-Oct-23 | Review PPSA searches and e-mail to RBC counsel | .40 | \$220.00 | TCH |
| 19-Oct-23 | Call with Bank counsel | .20 | \$110.00 | TCH |
| 19-Oct-23 | E-mail with Bank counsel, amend letter to Court | .40 | \$220.00 | TCH |
| 19-Oct-23 | E-mails with debtor counsel | .20 | \$110.00 | TCH |
| 19-Oct-23 | E-mail to Bank counsel re lease and environmental issue | .20 | \$110.00 | TCH |
| 19-Oct-23 | To perform 27 MTO VIN and plate searches; | .40 | \$52.00 | LGU |
| 20-Oct-23 | E-mails with counsel re endorsement | .40 | \$220.00 | TCH |
| 20-Oct-23 | E-mails with client re Order and records, review record | .40 | \$220.00 | TCH |
| 20-Oct-23 | E-mails with counsel on chambers appointment and endorsement | .40 | \$220.00 | TCH |
| 20-Oct-23 | Register order | .20 | \$80.00 | RDA |
| 20-Oct-23 | Email to client | .40 | \$160.00 | RDA |
| 23-Oct-23 | E-mails with counsel and Court | .20 | \$110.00 | TCH |
| 23-Oct-23 | Call with RBC and client | .50 | \$275.00 | TCH |
| 23-Oct-23 | Call with Spergel | .50 | \$275.00 | TCH |
| 23-Oct-23 | Review notice of appeal, e-mail to RBC counsel | .40 | \$220.00 | TCH |
| 23-Oct-23 | To review Notice of Appeal; | .20 | \$90.00 | MVI |
| 23-Oct-23 | To conference client; | .20 | \$90.00 | MVI |
| 23-Oct-23 | To various correspondence; | .20 | \$90.00 | MVI |
| 23-Oct-23 | To various correspondence and review appeal law; | .60 | \$270.00 | MVI |
| 24-Oct-23 | Call with RBC counsel | .50 | \$275.00 | TCH |
| 24-Oct-23 | Review Order to debtor counsel, e-mail to Bank counsel | .40 | \$220.00 | TCH |
| 26-Oct-23 | Prepare for and attend to hearing re endorsement | .50 | \$275.00 | TCH |
| 26-Oct-23 | E-mails with counsel and client | .20 | \$110.00 | TCH |
| 27-Oct-23 | Review revise sealing order, e-mails with counsel | .60 | \$330.00 | TCH |
| 27-Oct-23 | E-mails with counsel on sealing order | .40 | \$220.00 | TCH |
| 28-Oct-23 | E-mails with counsel | .20 | \$110.00 | TCH |
| 30-Oct-23 | E-mails with counsel | .40 | \$220.00 | TCH |

| DATE | DESCRIPTION | HOURS | AMOUNT | LAWYER |
|-----------|--|-------|----------|--------|
| 1-Nov-23 | Call/e-mail with RBC counsel | .20 | \$110.00 | TCH |
| 1-Nov-23 | E-mails with counsel | .40 | \$220.00 | TCH |
| 3-Nov-23 | E-mails with counsel | .20 | \$110.00 | TCH |
| 7-Nov-23 | Call with receiver | .20 | \$110.00 | TCH |
| 10-Nov-23 | E-mails with RBC counsel, call with client | .40 | \$220.00 | TCH |
| 10-Nov-23 | E-mail to debtor counsel, e-mails/call with client | .40 | \$220.00 | TCH |
| 11-Nov-23 | Review Appeal decision, e-mail to counsel | .40 | \$220.00 | TCH |
| 13-Nov-23 | Call with Bank counsel | .50 | \$275.00 | TCH |
| 14-Nov-23 | Prepare for and attend Court | .50 | \$275.00 | TCH |
| 14-Nov-23 | E-mails/calls with client and counsel | .40 | \$220.00 | TCH |
| 14-Nov-23 | E-mail to counsel | .20 | \$110.00 | TCH |
| 14-Nov-23 | Call with client | .20 | \$110.00 | TCH |
| 15-Nov-23 | E-mail with client and TGF counsel | .40 | \$220.00 | TCH |
| 16-Nov-23 | Review appeal issue, e-mail to counsel | .40 | \$220.00 | TCH |
| 19-Nov-23 | E-mail with counsel | .20 | \$110.00 | TCH |
| 22-Nov-23 | E-mail with counsel | .20 | \$110.00 | TCH |
| 24-Nov-23 | E-mails with counsel | .40 | \$220.00 | TCH |
| 30-Nov-23 | E-mail from counsel for RBC; | .20 | \$110.00 | TCH |
| 30-Nov-23 | E-mails from counsel and Court re: appeal; | .20 | \$110.00 | TCH |
| 4-Dec-23 | Call with client | .20 | \$110.00 | TCH |
| 6-Dec-23 | To correspondence with client; | .20 | \$90.00 | MVI |
| 6-Dec-23 | To review lease; | .20 | \$90.00 | MVI |
| 6-Dec-23 | To report to client; | .20 | \$90.00 | MVI |
| 7-Dec-23 | Review lease, e-mail to client | .40 | \$220.00 | TCH |
| 12-Dec-23 | E-mail from borrower and e-mail to Bank counsel | .40 | \$220.00 | TCH |
| 12-Dec-23 | E-mail with client | .20 | \$110.00 | TCH |
| 13-Dec-23 | E-mails from borrower and to borrower counsel | .40 | \$220.00 | TCH |
| 14-Dec-23 | E-mails with counsel | .40 | \$220.00 | TCH |
| 14-Dec-23 | E-mails with counsel | .40 | \$220.00 | TCH |
| 15-Dec-23 | Letter to counsel | .20 | \$110.00 | TCH |
| 15-Dec-23 | Review appeal decision, e-mail with client and counsel | .60 | \$330.00 | TCH |
| 15-Dec-23 | Draft letter to fluent capital | 1.00 | \$400.00 | RDA |
| 15-Dec-23 | Email to client | .40 | \$160.00 | RDA |

| DATE | DESCRIPTION | HOURS | AMOUNT | LAWYER |
|-----------|--|-------|----------|--------|
| 15-Dec-23 | Email to debtor counsel | .20 | \$80.00 | RDA |
| 16-Dec-23 | E-mails with counsel | .20 | \$110.00 | TCH |
| 19-Dec-23 | Call with counsel, e-mail to client | .40 | \$220.00 | TCH |
| 19-Dec-23 | Email to counsel | .20 | \$80.00 | RDA |
| 20-Dec-23 | E-mail with counsel | .20 | \$110.00 | TCH |
| 21-Dec-23 | E-mail with counsel and client | .40 | \$220.00 | TCH |
| 22-Dec-23 | E-mails with counsel and client | .40 | \$220.00 | TCH |
| 1-Jan-24 | Email to client | .20 | \$80.00 | RDA |
| 4-Jan-24 | Email to m. singh | .20 | \$80.00 | RDA |
| 5-Jan-24 | Call with client | .20 | \$110.00 | TCH |
| 7-Jan-24 | To disclaimer re: Northwest lease | .40 | \$220.00 | TCH |
| 8-Jan-24 | Review disclaimer and letter to Northwest/tenant | .60 | \$330.00 | TCH |
| 8-Jan-24 | E-mail to receiver | .20 | \$110.00 | TCH |
| 8-Jan-24 | E-mails with client | .20 | \$110.00 | TCH |
| 10-Jan-24 | Amend correspondence, e-mail to client | .40 | \$220.00 | TCH |
| 16-Jan-24 | E-mail from tenant, e-mails with receiver | .40 | \$220.00 | TCH |
| 16-Jan-24 | E-mails with client re Northwest | .40 | \$220.00 | TCH |
| 17-Jan-24 | E-mail to Northwest | .40 | \$220.00 | TCH |
| 24-Jan-24 | E-mail to Northwest | .20 | \$110.00 | TCH |
| 26-Jan-24 | Review Ritchie Bros e-mails | .20 | \$110.00 | TCH |
| 26-Jan-24 | E-mails with Bank counsel | .40 | \$220.00 | TCH |
| 26-Jan-24 | E-mails to Ritchie | .40 | \$220.00 | TCH |
| 29-Jan-24 | To obtain PPSA report; | .10 | \$20.50 | ORA |
| 29-Jan-24 | To review file; | .40 | \$58.00 | IST |
| 29-Jan-24 | To pull search; | .10 | \$14.50 | IST |
| 30-Jan-24 | To review PPSA; | .30 | \$43.50 | IST |
| 30-Jan-24 | Call with Bank counsel | .40 | \$220.00 | TCH |
| 31-Jan-24 | Letter to Daimler | .20 | \$110.00 | TCH |
| 31-Jan-24 | To draft letter; | .50 | \$72.50 | IST |
| 31-Jan-24 | To issue letter; | .30 | \$43.50 | IST |
| 5-Feb-24 | E-mails/calls with client | .20 | \$110.00 | TCH |
| 6-Feb-24 | E-mail from Ritchie and e-mail from Mercedes | .20 | \$110.00 | TCH |
| 6-Feb-24 | To email correspondence; | .10 | \$14.50 | IST |

| DATE | DESCRIPTION | HOURS | AMOUNT | LAWYER |
|-----------|--|-------|----------|--------|
| 7-Feb-24 | To draft PMSI opinion re: Daimler | .80 | \$280.00 | THM |
| 10-Feb-24 | Review Mercedes PMSI | .40 | \$220.00 | TCH |
| 12-Feb-24 | Call with client | .20 | \$110.00 | TCH |
| 12-Feb-24 | Review Daimler PMSI, e-mail to RBC counsel | .40 | \$220.00 | TCH |
| 12-Feb-24 | To revise PMSI review | .30 | \$105.00 | THM |
| 13-Feb-24 | E-mail with RBC counsel | .20 | \$110.00 | TCH |
| 14-Feb-24 | Telephone correspondence with Bennington Financial | .10 | \$35.00 | THM |
| 14-Feb-24 | To draft PMSI opinion and release re: Bennington | .60 | \$210.00 | THM |
| 15-Feb-24 | To send email correspondence to Bennington | .10 | \$35.00 | THM |
| 15-Feb-24 | To send email correspondence to Bennington | .10 | \$35.00 | THM |
| 15-Feb-24 | To draft Daimler RBC Release | .80 | \$280.00 | THM |
| 15-Feb-24 | Review Bennington PMSI and e-mail to RBC counsel. | .40 | \$220.00 | TCH |
| 15-Feb-24 | Call/e-mail with counsel for RBC | .40 | \$220.00 | TCH |
| 16-Feb-24 | To send email correspondence to Daimler | .20 | \$70.00 | THM |
| 21-Feb-24 | E-mail with Daimler counsel and review of release | .40 | \$220.00 | TCH |
| 22-Feb-24 | E-mails with Daimler and client | .40 | \$220.00 | TCH |
| 22-Feb-24 | To email correspondence; | .10 | \$14.50 | IST |
| 23-Feb-24 | To email correspondence; | .10 | \$14.50 | IST |
| 27-Feb-24 | To send email correspondence to counsel for Bennington | .20 | \$70.00 | THM |
| 28-Feb-24 | Call with RBC counsel | .20 | \$110.00 | TCH |
| 29-Feb-24 | E-mails with Bank and PMSI counsel | .40 | \$220.00 | TCH |
| 29-Feb-24 | To send email correspondence to Ritchie Bros | .10 | \$35.00 | THM |
| 29-Feb-24 | To send email correspondence to Bennington | .10 | \$35.00 | THM |
| 29-Feb-24 | To send email correspondence to Daimler | .10 | \$35.00 | THM |
| 29-Feb-24 | To update file; | .10 | \$14.50 | EMB |
| 1-Mar-24 | E-mail with RBC counsel | .40 | \$220.00 | TCH |
| 2-Mar-24 | E-mails with Bank counsel | .40 | \$220.00 | TCH |
| 12-Mar-24 | Call with client | .20 | \$110.00 | TCH |
| 13-Mar-24 | E-mail to Court, call with client | .40 | \$220.00 | TCH |
| 13-Mar-24 | To draft request; | .50 | \$72.50 | IST |
| 13-Mar-24 | To email correspondence; | .20 | \$29.00 | IST |
| 14-Mar-24 | To email correspondence; | .20 | \$29.00 | IST |
| 14-Mar-24 | To email correspondence; | .10 | \$14.50 | EMB |

| DATE | DESCRIPTION | HOURS | AMOUNT | LAWYER |
|-----------|---|-------|----------|--------|
| 14-Mar-24 | To email process server; | .10 | \$14.50 | EMB |
| 14-Mar-24 | E-mail to Court | .20 | \$110.00 | TCH |
| 14-Mar-24 | Draft Northwest termination letter, e-mail to client | .70 | \$385.00 | TCH |
| 15-Mar-24 | Call with client, e-mail to Bank counsel | .50 | \$275.00 | TCH |
| 15-Mar-24 | E-mail from Bank counsel | .20 | \$110.00 | TCH |
| 15-Mar-24 | To update file; | .10 | \$14.50 | IST |
| 15-Mar-24 | To draft Aide Memoire | 1.00 | \$350.00 | THM |
| 19-Mar-24 | To email correspondence; | .10 | \$14.50 | EMB |
| 19-Mar-24 | To communicate with process server over the phone; | .10 | \$14.50 | EMB |
| 19-Mar-24 | E-mail with client | .20 | \$110.00 | TCH |
| 20-Mar-24 | Review revise Aide Memoire | .40 | \$220.00 | TCH |
| 20-Mar-24 | To draft service list; | .60 | \$87.00 | IST |
| 20-Mar-24 | To update service list; | .20 | \$29.00 | IST |
| 20-Mar-24 | To file; | .20 | \$29.00 | IST |
| 20-Mar-24 | To draft AOS; | .40 | \$58.00 | IST |
| 20-Mar-24 | To serve; | .50 | \$72.50 | IST |
| 22-Mar-24 | To email correspondence; | .20 | \$29.00 | IST |
| 22-Mar-24 | To update CaseLines; | .20 | \$29.00 | IST |
| 22-Mar-24 | To email correspondence; | .20 | \$29.00 | IST |
| 25-Mar-24 | To email correspondence; | .30 | \$43.50 | IST |
| 25-Mar-24 | To send record to service list; | .80 | \$116.00 | EMB |
| 25-Mar-24 | To update file; | .10 | \$14.50 | EMB |
| 25-Mar-24 | Attend scheduling hearing | .50 | \$275.00 | TCH |
| 25-Mar-24 | E-mail to debtor counsel, e-mail to guarantor counsel, e-mail to client, review endorsement, e-mail to Bank counsel | .80 | \$440.00 | TCH |
| 25-Mar-24 | Call from client | .20 | \$110.00 | TCH |
| 26-Mar-24 | To request payment of invoice; | .10 | \$14.50 | EMB |
| 26-Mar-24 | To update affidavit of service; | .10 | \$14.50 | EMB |
| 26-Mar-24 | To email correspondence; | .20 | \$29.00 | IST |
| 27-Mar-24 | Call with client | .20 | \$110.00 | TCH |
| 28-Mar-24 | E-mail with client | .20 | \$110.00 | TCH |
| 28-Mar-24 | E-mails with client | .40 | \$220.00 | TCH |
| 28-Mar-24 | E-mails with Northwest | .40 | \$220.00 | TCH |

| DATE | DESCRIPTION | HOURS | AMOUNT | LAWYER |
|------------------------------|---------------------------------------|-------|--------------|---------------------|
| 28-Mar-24 | To pull searches; | .20 | \$29.00 | IST |
| 28-Mar-24 | To draft Motion | 1.20 | \$420.00 | THM |
| 30-Mar-24 | Review/revise First Report | 1.50 | \$825.00 | TCH |
| 31-Mar-24 | Call e-mail from client | .20 | \$110.00 | TCH |
| 1-Apr-24 | Review/revise report/notice of motion | 2.00 | \$1,100.00 | TCH |
| 1-Apr-24 | Review VIN searches, e-mail to client | .20 | \$110.00 | TCH |
| 1-Apr-24 | Revise report/e-mail with client | .40 | \$220.00 | TCH |
| 1-Apr-24 | Telephone correspondence with client | .30 | \$105.00 | THM |
| 1-Apr-24 | To revise Notice of Motion | .50 | \$175.00 | THM |
| 1-Apr-24 | To update file; | .10 | \$14.50 | IST |
| 1-Apr-24 | To email correspondence; | .20 | \$29.00 | IST |
| Total Fees: | | | \$ 30,968.00 | |
| Plus GST: | | | 0.00 | |
| Plus HST: | | | 4,025.84 | |
| Total Fees (INCL TAX) | | | | \$ 34,993.84 |

FEE SUMMARY:

| LAWYER | HOURS | RATE | AMOUNT |
|------------------|-------|----------|-------------|
| Timothy C. Hogan | 45.30 | \$550.00 | \$24,915.00 |
| Melinda Vine | 2.70 | \$450.00 | \$1,215.00 |
| Thomas Masterson | 6.50 | \$350.00 | \$2,275.00 |
| Danter Rob | 3.00 | \$400.00 | \$1,200.00 |
| Olivia Rajsp | .10 | \$205.00 | \$20.50 |
| Emma Benaway | 1.60 | \$145.00 | \$232.00 |
| Linda Gutjahr | .40 | \$130.00 | \$52.00 |
| Isabelle Stacey | 7.30 | \$145.00 | \$1,058.50 |

NON-TAXABLE DISBURSEMENTS

| | |
|----------------------------------|---------|
| Government Filing Fees | \$8.00 |
| Register Application | \$69.00 |
| Total Non-Taxable Disbursements: | 77.00 |

TAXABLE DISBURSEMENTS


| | |
|------------------------|--------|
| PPSA | 30.55 |
| Drivers Licence Search | 364.50 |
| Teranet Search | 213.15 |
| Register Mail | 21.34 |
| Courier | 165.55 |
| Photocopies/Printing | 9.75 |

| | | |
|---------------------------------------|---------------|---------------------------|
| Service of Documents | 289.00 | |
| Subsearch Fee | 70.00 | |
| Teranet Registration Fee | 11.50 | |
| Document Preparation | 80.00 | |
| Total Taxable Disbursements: | \$ 1,255.34 | |
| Plus GST: | 0.00 | |
| Plus HST: | <u>163.19</u> | |
| Total Disbursements (INCL TAX) | | \$ <u>1,495.53</u> |

TOTAL DUE & OWING **\$ 36,489.37**

THIS IS OUR ACCOUNT HEREIN

HARRISON PENSA LLP

Per: 

Timothy C. Hogan

E. & O.E.

**Harrison Pensa LLP is a registered payee with most Canadian banks.
Payment can be made online through your bank's website or mobile app.**

GST / HST REGISTRATION NO: R867630543

Interest of 5.3% is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days

**TERMS: DUE UPON RECEIPT
Cheque, Mastercard and VISA also accepted.**

Please make cheque payable to:
HARRISON PENSA LLP, 130 Dufferin Ave., Suite 1101, P.O. Box 3237, London ON N6A 4K3

ROYAL BANK OF CANADA

Applicant

-and-

TEN 4 SYSTEM LTD., et al.

Respondents

Court File No. CV-23-00705869-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at
Toronto, Ontario

AFFIDAVIT OF THOMAS MASTERSON

Harrison Pensa ^{LLP}
Barristers and Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Timothy C. Hogan (LSO #36553S)
Tel: (519) 679-9660
Fax: (519) 667-3362

Solicitors for the Receiver,
msi Spergel inc.

Appendix 24

District of
Division No. 09 - Toronto
Estate No. 32-159365

**In the Matter of the Receivership of
Ten4 System Ltd., 1000043321 Ontario Inc., and 1000122550 Ontario Inc.**

Receiver's Statement of Receipts and Disbursements
As at April 1, 2024

RECEIPTS

| | | | |
|-----------------------|----------------------|-----------|-------------------------|
| 1 | Miscellaneous | | |
| | Receiver Borrowing | 55,000.00 | |
| TOTAL RECEIPTS | | | <u>55,000.00</u> |

DISBURSEMENTS

| | | | |
|----|---|----------|------------------------|
| 2. | Federal and Provincial taxes | | |
| | HST paid on disbursements Exclusive of Fees | 3,894.80 | |
| | HST paid on Ascend License Fee | 42.25 | |
| | | | <u>3,937.05</u> |

| | | | |
|----|-------------------------------|-------------------------|--|
| 3. | Miscellaneous | | |
| | Ascend License Fee | 325.00 | |
| | Filing Fees Paid to O/R | 75.30 | |
| | Bank Charges | 49.75 | |
| | Appraisal Fees | 27,367.84 | |
| | Environmental Consultant Fees | 14,380.00 | |
| | Security | 580.00 | |
| | Travel | 71.26 | |
| | | <u>42,849.15</u> | |

| | | | |
|----------------------------|--|--|-------------------------|
| TOTAL DISBURSEMENTS | | | <u>46,786.20</u> |
|----------------------------|--|--|-------------------------|

| | | | |
|---------------------------------|--|--|------------------------|
| Net Receipts over Disbursements | | | <u>8,213.80</u> |
| | | | E&OE |

ROYAL BANK OF CANADA

and

TEN 4 SYSTEM LTD., et al.

Applicant

Respondents

Court File No. CV-24-00705869-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

FIRST REPORT OF THE RECEIVER

HARRISON PENZA LLP

Barristers and Solicitors
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2

Timothy Hogan (LSO # 36553S)

Tel: (519) 679 9660
Fax: (519) 667 3362
Email: thogan@harrisonpensa.com

Solicitors for the Receiver,
msi Spergel inc.

ROYAL BANK OF CANADA

and

TEN 4 SYSTEM LTD., et al.

Applicant

Respondents

Court File No. CV-24-00705869-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

MOTION RECORD

HARRISON PENZA LLP

Barristers and Solicitors
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2

Timothy Hogan (LSO # 36553S)

Tel: (519) 679 9660
Fax: (519) 667 3362
Email: thogan@harrisonpensa.com

Solicitors the Receiver,
msi Spergel inc.