

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

8777691 CANADA INC. and 2747826 ONTARIO INC.

Respondents

**MOTION RECORD
(Receiver's Motion for Approval and Vesting Order
and Ancillary Relief Order)**

October 15, 2026

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Barristers and Solicitors

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TO: THE SERVICE LIST

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TAB 1

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

B E T W E E N:

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- and -

8777691 CANADA INC. and 2747826 ONTARIO INC.

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APPLICATION UNDER subsection 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

msi Spergel inc. (“Spergel”), in its capacity as the Court-appointed receiver (the **“Receiver”**) of all of the assets, undertakings and properties (the **“Property”**) of 8777691 Canada Inc. o/a Panjaab Transport (**“8777”**) and 2747826 Ontario Inc. (**“2747”**, and together with 8777, the **“Debtors”**), will make a motion to the Court at the Ontario Superior Court of Justice (Commercial List), 330 University Avenue, Toronto, Ontario M5G 1R7, on December 15, 2026 at 10:00 a.m., or as soon thereafter as the motion can be heard.

PROPOSED METHOD OF HEARING: The Motion is to be heard in person.

THE MOTION IS FOR:

1. An approval and vesting order (the **“AVO”**) granting sale-related relief including:

- a) approving the marketing process for the Real Properties (as defined below) described in the First Report (the “**Proposed Marketing Process**”) and authorizing the Receiver to enter into the Listing Agreements – Commercial with Cushman & Wakefield (“**Cushman**”) (the “**Listing Agreements**”), pursuant to which Cushman will implement the Proposed Marketing Process;
- b) approving the contract to auction between the Receiver and Ritchie Bros. Auctioneers (Canada) Ltd. (“**Ritchie Bros.**”) (the “**Auction Agreement**”) and authorizing Ritchie Bros. to conduct an unreserved public auction (and, if applicable, re-auction) (the “**Auction**”);
- c) vesting in each purchaser at the Auction all of the Debtors’ right, title and interest in and to the Auction Equipment purchased by such purchaser, free and clear of all claims and encumbrances under the *Personal Property Security Act*, R.S.O. 1990, c. P.10 (the “**PPSA**”) and the *Repair and Storage Liens Act*, R.S.O. 1990, c. R.25, as amended (the “**RSLA**”), in respect of such Property; and
- d) authorizing and directing the Ministry of Transportation to record and effect the required ownership transfers of the Transferred Equipment (as defined in the First Report), regardless of whether or not the Debtors are listed as the registered owners thereof, so that the Receiver may complete the sale of the 1724 Equipment and the Jimmy Equipment (each as defined in the First Report), on behalf of the Debtors, under the Auction Agreement;

2. An ancillary order (the “**Ancillary Order**”) granting administration-related relief, including:

- a) compelling Sandeep Singh, also known as Sunny Singh (“**Singh**”), to produce to the Receiver all of the Records (as defined in the Appointment Order), including but not limited to the information, books and records requested by the Receiver either directly or through its counsel, by no later than December 22, 2026, and to advise the Receiver of the whereabouts of any of the Property not currently in the Receiver’s possession;
- b) approving the First Report and the activities of the Receiver;
- c) sealing the confidential appendices to the First Report (the “**Confidential Appendices**”) until the earlier of: (i) the filing of a Receiver’s certificate confirming that the sale of the Real Properties has closed; (ii) the discharge of the Receiver; or (iii) further Order of this Court;
- d) approving the Receiver’s interim statements of receipts and disbursements for each of 8777 and 2747 for the period from October 9, 2025 to September 30, 2026 (the “**Interim SRDs**”); and
- e) approving the fees and disbursements of the Receiver (including in its capacity as Interim Receiver) for the period ended August 31, 2026, and of its counsel, Gowling WLG (Canada) LLP (“**Gowling**”), for the period ended October 13, 2026 (collectively, the “**Professional Fees**”).

3. Such further and other relief as counsel may advise and this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

4. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the First Report.

5. Pursuant to the Appointment Order, granted on the application of Royal Bank of Canada (“**RBC**”) under subsection 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**”), Spergel was appointed as Receiver, without security, of all of the Property of the Debtors.

6. Prior to the Appointment Order, by Order of the Honourable Justice F. L. Myers dated September 18, 2025, Spergel was appointed as interim receiver of the Debtors.

7. 8777 carried on a logistics and transportation business as Panjaab Transport. 2747 is the registered owner of the real properties municipally known as 2101 Ninth Line, Oakville, Ontario and 2213 Ninth Line, Oakville, Ontario (together, the “**Real Properties**”), which were used in 8777’s business.

Secured, Priority and Other Creditors

8. RBC holds general security agreements granted by each of 8777 and 2747 dated April 11, 2022, first-ranking registered mortgages granted by 2747 over the Real

Properties, and related guarantees (collectively, the “**RBC Security**”). Gowling is completing an independent review of the RBC Security;

9. The Canada Revenue Agency (“**CRA**”) is completing a payroll audit of 8777 and the Receiver anticipates that CRA will assert a deemed trust claim for unremitted payroll source deductions for 2025. CRA is also conducting an audit of 8777’s HST account.

10. Service Canada is expected to have a claim for unpaid wages paid under the *Wage Earner Protection Program Act*, which will be secured against 8777’s current assets pursuant to subsection 81.4(1) of the BIA. The amount of that claim is not yet known.

11. Various liens have been registered against rolling stock under the RSLA, a number of which appear to have been registered by corporations related to the Debtors. The liens registered by Jimmy Truckline Inc. (“**Jimmy**”), a company controlled by Singh’s sister-in-law, were filed on or about September 2025, shortly before the appointment of the interim receiver, and no claim for repair or storage has been made. The Receiver is of the view that those liens are likely invalid.

Activities and Accounts of the Receiver and its Counsel

12. The First Report describes the activities undertaken by the Receiver since the Appointment Order, including taking possession of and securing the Real Properties, obtaining appraisals and environmental site assessments of the Real Properties, undertaking remediation work required by Conservation Halton, taking possession of rolling stock, making assignments in bankruptcy of each of the Debtors as authorized by

paragraph 3(p) of the Appointment Order, and obtaining borrowings as authorized by paragraph 22 of the Appointment Order.

13. The actions, activities and conduct of the Receiver have been undertaken in accordance with the Appointment Order and in the best interests of the Debtors' stakeholders. The Receiver is seeking approval of the First Report and its activities described therein, and of the Interim SRDs for the period from October 9, 2025 to September 30, 2026.

14. Since the granting of the Appointment Order, the Receiver, with the assistance of its counsel, has acted in good faith and with due diligence.

15. The Professional Fees comprise: (a) fees and disbursements of the interim receiver and Receiver of 8777 of approximately \$260,000 plus HST of \$33,800, for the period ended August 31, 2026; (b) fees and disbursements of the Receiver of 2747 of approximately \$29,600 plus HST of \$3,200, for the period ended August 31, 2026; and (c) fees and disbursements of Gowling of approximately \$153,000 plus HST of approximately \$19,600, for the period ended October 14, 2026.

16. The Professional Fees have been charged at the standard hourly rates of the Receiver and its counsel, which are comparable to those of other providers of similar services in Toronto, and are supported by the affidavits of Phillip Gennis sworn October 2, 2026 and Carol Liu sworn October 15, 2026.

17. The work required in the receivership has been substantial and was increased by, among other things, the Debtors' failure to provide meaningful books and records or

information regarding the location of rolling stock, the transfer of rolling stock to related parties and the registration of liens by related parties, the CRA HST audit, and the environmental assessments and remediation work required for the Real Properties. The Professional Fees are fair and reasonable and have been properly incurred.

Proposed Marketing Process and Listing Agreements

18. Although the Appointment Order authorizes the Receiver to engage agents and to market and sell the Real Properties, the Receiver seeks the Court's approval of the Proposed Marketing Process and authorization to enter into the Listing Agreements.

19. The Receiver solicited listing proposals from Cushman and Avison Young Commercial Real Estate Services, LP and, after reviewing the proposals and consulting with RBC, negotiated the Listing Agreements with Cushman, which will be executed upon Court approval.

20. Under the Proposed Marketing Process, Cushman will list the Real Properties on the Toronto Regional Real Estate Board Multiple Listing Service and other platforms, conduct a multi-media marketing campaign and targeted outreach, and establish a confidential data room. The Real Properties will be sold on an "as is, where is" basis, the initial listing term is six months, and interested parties may offer to purchase either or both of the Real Properties.

21. The Receiver supports the Proposed Marketing Process and the Listing Agreements because, among other things, Cushman offered the most competitive commission structure and has significant experience marketing similar assets, including

in receivership proceedings; the Proposed Marketing Process is transparent and reasonable and will provide sufficient market exposure to maximize value; no stakeholder appears to be prejudiced; and RBC supports the Proposed Marketing Process.

Sealing of the Confidential Appendices

22. The Confidential Appendices comprise the appraisals of the Real Properties, the listing proposals and a summary thereof, and the Listing Agreements, which contain commercially sensitive information regarding the valuation of the Real Properties, suggested list prices, comparable sales transactions and commission rates.

23. Disclosure of the Confidential Appendices could impair the results of the Proposed Marketing Process. There are no reasonable alternative measures to sealing, the proposed sealing is limited in duration, and no stakeholder will be prejudiced.

Auction Agreement and Transferred Equipment

24. The Receiver is in possession of 40 pieces of equipment held by Ritchie Bros., including 13 pieces registered to 8777 or RBC and 17 pieces transferred by 8777 to related parties (the Transferred Equipment). The Transferred Equipment includes five pieces transferred to 17249713 Canada Corp. in September 2025 (the 1724 Equipment) and ten pieces transferred to Jimmy in 2024 (the Jimmy Equipment). Despite the Receiver's requests, neither transferee has substantiated that the transfers were made for good and valuable consideration.

25. Paragraph 3(k) of the Appointment Order requires Court approval of any sale exceeding \$50,000 or where the aggregate consideration exceeds \$250,000. The

estimated realizable value of the Auction Equipment exceeds these thresholds and, accordingly, the Receiver seeks approval of the Auction Agreement and the Auction.

26. Under the Auction Agreement, Ritchie Bros. will offer the Auction Equipment for sale by unreserved public auction in Amaranth, Ontario on an “as is, where is” basis, for a commission of ten percent on any lot in excess of \$3,000 (subject to a minimum fee of \$195 per lot), plus reimbursement of approved refurbishing costs at cost plus ten percent, fuel and batteries, and typical administrative costs. Net sale proceeds will be remitted to the Receiver within 21 days following the Auction, and the Auction Agreement is conditional only upon Court approval.

27. The Receiver supports the Auction Agreement because Ritchie Bros. is a reputable auctioneer with significant experience selling similar assets, its commission rates are reasonable and consistent with those of similar service providers, and the Auction will expose the Auction Equipment to the market through a competitive bidding process. RBC supports the Auction.

28. To permit title to pass to purchasers, the Receiver seeks the vesting of the Auction Equipment in each purchaser free and clear of registered claims and encumbrances under the PPSA and the RSLA, and authorization to discharge PPSA and RSLA registrations against the Auction Equipment upon its sale, consistent with this Court’s model Approval and Vesting Order. The net proceeds of the Auction will be held by the Receiver pending further Order of this Court.

29. Because the 1724 Equipment and the Jimmy Equipment are not registered in the names of the Debtors, the Receiver requires an Order authorizing and directing the

Ministry of Transportation to record and effect the required ownership transfers of the Transferred Equipment, regardless of whether the Debtors are listed as registered owners, to complete the sale of that equipment under the Auction Agreement.

Order to Compel

30. Despite repeated demands by the Receiver and Gowling, including the Receiver's email of October 10, 2025 and Gowling's letter of October 14, 2025, neither Singh, the sole director of each of the Debtors, nor any other representative of the Debtors has produced the Records or provided information regarding the Property as required by the Appointment Order.

31. The Receiver has further concerns regarding the conduct of the Debtors, including the multiplicity of related parties, the transfers of equipment and the registration of the Jimmy liens, which suggest efforts to frustrate realization, and the penalties assessed by CRA in respect of improper record keeping, fabricated records and claims based on fictional entities. An Order compelling Singh to produce the Records by no later than December 22, 2026 and to advise the Receiver of the whereabouts of any Property not in its possession is necessary for the Receiver to fulfil its mandate.

32. RBC supports the relief sought on this motion.

33. The provisions of the BIA, including section 243 thereof;

34. Sections 101 and 137(2) of the CJA;

35. Rules 1.04 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and

36. Such further and other grounds as the lawyers may advise and this Honourable Court may permit.

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

- (a) The First Report of the Receiver dated October 15, 2026, including the appendices and the Confidential Appendices thereto; and
- (b) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

October 15, 2026

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TO: **THE SERVICE LIST**

ROYAL BANK OF CANADA

-and- 8777691 CANADA INC. AND
2747826 ONTARIO INC.
Respondents

Court File No.: CV-25-00752231-00CL

Applicant

	ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) (PROCEEDINGS COMMENCED AT TORONTO)
	NOTICE OF MOTION
	Gowling WLG (CANADA) LLP Barristers & Solicitors 1 First Canadian Place 100 King Street West, Suite 1600 Toronto ON M5X 1G5 Rachel Moses (LSO# 42081V) Tel: 416-862-3630 Email: rachel.moses@gowlingwlg.com Lawyers for msi Spergel inc., in its capacity as Court-appointed receiver of 8777691 Canada Inc. and 2747826 Ontario Inc.

TAB 2

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE RECEIVERSHIP OF
8777691 CANADA INC. and 2747826 ONTARIO INC.

FIRST REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER

OCTOBER 15, 2026

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2. Order (Appointing Interim Receiver) and Endorsement of Justice Myers, both dated September 18, 2025
3. Interim Receiver's Report (excluding appendices)
4. Correspondence from Canada Revenue Agency dated September 25, 2025
5. Equipment in the Receiver's Possession
6. Email exchange between the Receiver and Kushpreet Kaur
7. Equipment held by Ritchie Bros. Auctioneers (Canada) Ltd. to be included at Auction
8. Contract to Auction (Excluding Schedule A)
9. Search Summary – Personal Property Security Registration System – Province of Ontario
10. Email exchange between Receiver, Sunny Singh and the Debtor's legal counsel
11. Email response from the Debtor's legal counsel
12. Correspondence from Gowlings WLG (Canada) LLP dated October 14, 2025
13. Endorsement of Justice J. Dietrich dated September 28, 2026
14. Receiver's Interim Statement of Receipts and Disbursements for 8777691 Canada Inc.
15. Receiver's Interim Statement of Receipts and Disbursements for 2747826 Ontario Inc.
16. Summary of Professional Fees and Disbursements of the Receiver and the Receiver's Legal Counsel
17. Affidavit of Phillip Gennis, sworn on October 2, 2026
18. Affidavit of Carol Liu, sworn on October 15, 2026

CONFIDENTIAL APPENDICES

1. Appraisal of 2101 Ninth Line, Oakville, Ontario by Antec Appraisals Group
2. Appraisal of 2313 Ninth Line, Oakville, Ontario by Antec Appraisals Group
3. Appraisal of 2101 Ninth, Oakville, Ontario by Colliers International Realty Advisors Inc.
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5. Listing Proposal by Avison Young Commercial Real Estate Services, LP
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7. Summary of Listing Proposals
8. Commercial Listing Agreement with Cushman & Wakefield for the 2101 Real Property
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I. INTRODUCTION

1. Pursuant to an application by Royal Bank of Canada ("**RBC**") under section 243(1) of the *Bankruptcy and Insolvency Act* (the "**BIA**") and section 101 of the *Courts of Justice Act*, msi Spergel inc. ("**Spergel**") was appointed as receiver (the "**Receiver**"), without security over all the assets, undertakings and properties (collectively, the "**Property**") of 8777691 Canada Inc. o/a Panjaab Transport ("**8777**" or "**Panjaab**") and 2747826 Ontario Inc. ("**2747**", together with 8777, the "**Debtors**") by way of an order (the "**Appointment Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"), dated October 9, 2026 ("**Date of Appointment**"). The Appointment Order and Endorsement of Justice F. L. Myers (as he then was) are attached hereto as "**Appendix 1**".
2. This report is the Receiver's first report (the "**First Report**") filed with the Court in connection with these receivership proceedings.
3. 8777 is a privately-owned company incorporated pursuant to the *Canada Business Corporations Act*, with a registered head office in Oakville, Ontario and carrying on business as Panjaab Transport. 8777 was primarily engaged in the business of logistics and transportation (the "**Transportation Business**").
4. 2747 is a privately-owned company incorporated pursuant to the *Ontario Business Corporations Act*, with a registered head office in Mississauga, Ontario. 2747 is primarily engaged in the business of holding real estate. Sandeep also known as Sunny Singh ("**Singh**") is listed as the sole director of each of the Debtors pursuant to their respective corporate profile reports.
5. 8777's assets consisted primarily of various leased/owned rolling stock and accounts receivable related to the Transportation Business, while 2747 was the registered owner of the following two real estate properties in use by the Transportation Business:
 - 5.1. a property located at 2101 Ninth Line, Oakville, Ontario and legally described as in PIN 24902-0156 (LT) (the "**2101 Real Property**"); and
 - 5.2. a property located at 2213 Ninth Line, Oakville, Ontario and legally described as in PIN 24902-0166(LT) (the "**2213 Real Property**") and together with the 2101 Real Property, the "**Real Properties**").
6. The receivership proceedings were initiated by RBC who, as at the Date of Appointment, was owed approximately \$3.3 million CDN and approximately \$17,800 US by 8777 (collectively, the "**8777 Indebtedness**") and approximately \$8.9 million by 2747 (the "**2747 Indebtedness**"), all subject to accruing interest and costs. Both the 8777 Indebtedness and the 2747 Indebtedness arose pursuant to various credit facilities, which were secured by general security agreements on behalf of 8777 and 2747, both dated April 11, 2022, and first-in-time registered mortgages granted by

2747 in respect of both the 2101 Real Property and the 2213 Real Property (the “**Mortgages**”). In addition, the 8777 Indebtedness was guaranteed in the limited principal amount of \$3.0 million by both 2747 and Singh and the 2747 Indebtedness was guaranteed by an unlimited guarantee from 8777 and a guarantee in the limited principal amount of approximately \$4.6 million by Singh (collectively, the “**RBC Security**”).

7. Prior to the Date of Appointment, on September 18, 2025, RBC obtained an order appointing Spergel as interim receiver of the Debtors (the “**Interim Receivership Order**”). Attached hereto as “**Appendix 2**” are copies of the Interim Receivership Order and Endorsement of Justice F. L. Myers (as he then was).
8. In its capacity as Interim Receiver, Spergel filed a first report dated October 8, 2025 (the “**IR First Report**”), which report outlined the Interim Receiver’s efforts to investigate and monitor the Debtors’ affairs and the Property, the security position of RBC and any factors impacting same, the viability of the Debtors’ business and certain relevant observations of the Interim Receiver. A copy of the IR First Report (excluding Appendices) is attached hereto as “**Appendix 3**”. In particular, the IR First Report highlighted a number of actions taken by the Debtors which had an adverse impact on RBC and other secured creditors. These actions included the following:
 - 8.1. diversion of accounts receivable from customers to pay suppliers;
 - 8.2. opening and operating accounts at TD Bank, contrary to the requirements of the Debtors’ credit agreements with RBC;
 - 8.3. permitting the registration of liens on various rolling stock pursuant to the *Repair and Storage Lien Act* (the “**RSLA**”) by Jimmy Truckline Inc. (“**Jimmy**”), a company controlled by Ramandeep Kaur (Singh’s sister-in-law) in order to frustrate lessors/secured interest holders from enforcing their rights;
 - 8.4. paying amounts to owner operators, incorporated drivers and employees that were not engaged in commercial activities with the Debtors, as further identified by Canada Revenue Agency (“**CRA**”) in correspondence from CRA dated September 11, 2025, a copy of which is attached hereto as “**Appendix 4**” (the “**CRA Letter**”); and
 - 8.5. failing to make required remittances for payroll source deductions due to CRA for 2025 (collectively, the “**Conduct Concerns**”).
9. The Interim Receiver further expressed concern in the IR First Report in respect of the Debtor’s ability to continue to operate its business, which was the subject of the RBC Security, based on the following:

- 9.1. the Debtors provided the Interim Receiver with little or no information about their ongoing operations. As a result, the Interim Receiver was unable to comment on the viability of the business carried on by the Debtors;
- 9.2. the Debtors did not appear to be generating sufficient cash flow from operations to satisfy their ongoing financial obligations, many of which appeared to be late and/or in default.
10. In granting the Appointment Order, Justice Myers (as he then was) stated in the Endorsement at paragraph [3], "In appointing the IR to try to obtain transparency into the affairs of the debtors, I noted issues concerning their reduced deposits, greatly reduced receivables, and the sudden appearance of nearly \$700,000 in RSLA priority lien claims."
11. The Appointment Order and other publicly available documents in these proceedings, can be found on the Receiver's website at <https://www.spergelcorporate.ca/engagements/8777691-canada-inc-o-a-panjaab-transport/>.

II. PURPOSE OF THIS FIRST REPORT

12. The purpose of the First Report is to provide the Court with information pertaining to steps taken by the Receiver since the Date of Appointment and in support of the Receiver's motion, returnable on December 15, 2026 (the "**December Hearing**") requesting the following relief.
 - 12.1. approving the First Report and activities of the Receiver described herein; provided that only the Receiver, in its personal capacity and with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approvals;
 - 12.2. approving the implementation of a marketing process for the Real Property (the "**Proposed Marketing Process**") and entering into Listing Agreements - Commercial (the "**Listing Agreements**") with Cushman & Wakefield ("**Cushman**"), whereby Cushman will implement the Proposed Marketing Process;
 - 12.3. sealing the confidential appendices (the "**Confidential Appendices**") to the First Report, pending completion of the marketing process or further Court Order;
 - 12.4. approving a form of Contract to Auction (the "**Auction Agreement**") between the Receiver and Ritchie Bros. Auctioneers (Canada) Ltd. ("**Ritchie Bros.**") and authorizing Ritchie Bros. to conduct an unreserved public auction (the "**Auction**") for the Auction Equipment (as subsequently defined) and vesting in each purchaser at such Auction the Debtors' right, title and interest in and to the Property purchased by each respective purchaser at the Auction, free and clear of all registered claims and encumbrances under the *Personal Property Security Act (Ontario)* (the "**PPSA**") and the *RSLA*;

- 12.5. authorizing and directing the Ministry of Transportation to record and effect the required ownership transfers of the Transferred Equipment (defined herein), regardless of whether or not the Debtors are listed as the registered owners, so that the Receiver may complete the sale of the 1724 Equipment (defined herein) and the Jimmy Equipment (defined herein), on behalf of the Debtors, under the Auction Agreement;
- 12.6. compelling Singh to produce all of the Records, as defined in the Appointment Order and further set out below, including but not limited to the information, books, and records requested by the Receiver either directly or through the Receiver's legal counsel, Gowling WLG (Canada) LLP ("**Gowling**"), by no later than December 22, 2026 (the "**Order to Compel**");
- 12.7. approving the Receiver's Interim Statements of Receipts and Disbursements for the period from October 9, 2025, to September 30, 2026, for each of 8777 and 2747 (respectively, the "**8777 Interim SRD**" and the "**2747 Interim SRD**"); and
- 12.8. approving the fees and disbursements of the Receiver for the period ended August 31, 2026, and for its independent counsel, Gowling through to October 14, 2026, incurred in connection with these receivership proceedings, including the interim receivership proceedings (collectively, the "**Professional Fees**").

III. DISCLAIMER

13. In preparing the First Report, the Receiver has relied upon various unaudited financial information, the books and records of the Debtors and discussions with interested parties and stakeholders. 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. Additionally, none of the Receiver's procedures were intended to disclose defalcations or other irregularities. Accordingly, the Receiver expresses no opinion or other form of assurance with respect to such information. The Receiver may refine or amend its observations should further information be obtained or brought to its attention after the date of this report.
14. 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 the First Report for any purpose.
15. Unless otherwise stated, all monetary amounts contained in the First Report are expressed in Canadian dollars.

IV. RECEIVER'S ACTIVITIES

16. The Receiver's activities since the Date of Appointment are summarized below:

- 16.1. had ongoing communication with Singh, five different legal counsel retained by Singh, and other representatives of the Debtors in relation to, amongst other things, obtaining the books and records of the Debtors, ascertaining the location of rolling stock and obtaining information on the Debtors' dealings with CRA;
- 16.2. attended the Real Properties to take possession of and protect and preserve the Real Properties, including changing the locks, ensuring utility services were in place and arranging for go-forward insurance coverage;
- 16.3. arranged for registration of the Appointment Order against title to the Real Properties;
- 16.4. completed the required Notices and Statements of Receiver pursuant to subsection 245(1) and 246(1) of the BIA and undertook all required creditor notifications;
- 16.5. engaged Antec Appraisals Group ("**Antec**") and Colliers International Realty Advisors Inc. ("**Colliers**") to complete fair market value appraisals for the Real Properties;
- 16.6. engaged A&A Environmental Consultants Inc. to conduct Phase I and Phase II environmental site assessments for the Real Properties (the "**Environmental Assessments**");
- 16.7. communicated with Conservation Halton with respect to claimed violations under the Conservation Authorities Act and Ontario Regulation 41/24 Placement and grading of fill material within 30 meters of a wetland and initiated required remediation work on the 2101 Real Property related to these violations (the "**Remediation Work**");
- 16.8. requested marketing proposals from both Cushman and Avison Young Commercial Real Estate Services, LP ("**Avison**") to list the Real Properties and negotiated the Listing Agreements with Cushman, which will be executed upon Court approval of the Proposed Marketing Process;
- 16.9. notified tenants of the 2101 Real Property (the "**Tenants**") of the receivership and communicated with the Tenants with respect to their ongoing occupation of the 2101 Real Property, the terms of their tenancy and the payment of rent;
- 16.10. wrote to all major Canadian financial institutions to freeze any accounts maintained by the Debtors;
- 16.11. coordinated a freeze of Panjaab's registrant identification number with the Ministry of Transport;

- 16.12. investigated the existence and whereabouts of rolling stock, conducted a review of approximately 138 pieces of equipment and worked with Ritchie Bros. to take possession of 40 pieces of available equipment;
- 16.13. completed the required interim reports pursuant to subsection 246(2) of the BIA;
- 16.14. completed required CRA tax filings and remittances, and communicated with CRA with respect to their audit of 8777's Harmonized Sales Tax ("**HST**") account (the "**HST Audit**");
- 16.15. requested that Gowling complete an independent review of the RBC Security as well as review various purchase money security interests registered in respect of the rolling stock and communicated with Gowling, as required with respect to various matters related to these receivership proceedings;
- 16.16. negotiated the Auction Agreement with Ritchie Bros.;
- 16.17. as authorized by paragraph 3(p) of the Appointment Order, the Receiver, on behalf of the Debtors, made assignments in bankruptcy for both 8777 and 2747 in order to benefit from the Trustee's statutory investigative powers and to preserve the ability to pursue various reviewable transactions;
- 16.18. as authorized by paragraph 22 of the Appointment Order, obtained borrowings (the "**Receiver's Borrowings**") to fund these receivership proceedings;
- 16.19. issued and engaged in numerous communications with the Debtors' customers related to the collection of outstanding accounts receivable;
- 16.20. engaged and responded to numerous creditor/stakeholder inquiries in respect of these receivership proceedings;
- 16.21. conducted required banking activities, including maintaining the Receiver's trust account established for these receivership proceedings; and
- 16.22. maintained the Receiver's website.

V. CREDITORS

- 17. Gowling is in the process of completing an independent review of the RBC Security.
- 18. A search of the Personal Property Security Registration System for the province of Ontario reflects the registration of the RBC Security as well as registrations against specific serial numbered vehicles and equipment by as significant number of other lease/secured interest holders. The Receiver, together with Gowling, have reviewed any claims submitted where creditors claimed to hold perfected purchase money security interests with the corresponding equipment being released as appropriate.

19. The Receiver is continuing to review various lien registrations made against rolling stock under the RLSA (the "Liens"). Based on the Receiver's investigation to date, a number of these registrations appear to have been made by corporations related to the Debtors. While the Receiver is still reviewing many of the Liens, the Receiver has completed its review of Liens registered by Jimmy Truckline Inc. (defined above as "**Jimmy**"), which company is controlled by Ramandeep Kaur, Singh's sister-in-law, and notes that the Liens registered by Jimmy were filed on or about September 2025, shortly before the appointment of the Interim Receiver. The Receiver has requested additional information from Jimmy with respect to the Liens but, to date, no such information has been received. In addition, Jimmy has not made any formal claims for either the repair and/or storage of the equipment that is subject to the Jimmy Liens. Based on the above and the timing of the registration of the Jimmy Liens, the Receiver is of the view that the Jimmy Liens are likely invalid and were registered in an attempt to frustrate the Receiver's efforts to realize on the corresponding equipment.
20. The Receiver notes that CRA is in the process of completing a payroll audit for employee payroll source deductions for Panjaab and anticipates that there will be an outstanding deemed trust claim related to unpaid source deductions for the year 2025.
21. Service Canada will likely have a claim for unpaid wages payable pursuant to the *Wage Earners Protection Program Act* ("**WEPPA**"), which will be secured against Panjaab's current assets pursuant to section 81.4(1) of the BIA (the "**WEPP Priority Claim**"). The Receiver is still determining any claims by former employees that may be subject to WEPPA. As of the date of the First Report, the WEPP Priority Claim is unknown.

VI. THE REAL PROPERTIES

22. The Real Properties are located in the East Oakville area. The 2101 Real Property is comprised of a rectangular lot with a total area of approximately 2.996 acres, which has been improved with an approximately 3,400 square foot residential dwelling and a 1900 square foot shop building. The 2101 Property is currently designated as Business Employment in both the Town of Oakville Official Plan and Zoning By-Law, which would allow for a range of industrial, employment or commercial use.
23. The 2101 Real Property is currently occupied by several residential tenants (the "**Tenants**"). The Tenants have advised the Receiver that they are occupying the 2101 Real Property pursuant to a verbal residential tenancy agreement with the Debtors and that no written agreement is in place. The Receiver is further advised that the Tenants were working for the Debtors and being provided with accommodation in lieu of rent. Gowlings, on behalf of the Receiver, has made numerous requests of the Tenants to pay rent or provide a suitable payment plan. As of the date of the First

Report, the Tenants have not provided a response. The Receiver is considering what, if any, steps it will take against the Tenants.

24. The 2213 Real Property was used as a truck repair and storage facility. It is irregular in shape with a total site area of approximately 2.347 acres. It has also been improved with an approximately 3,916 square foot residential dwelling, which is untenanted. Like the 2101 real Property, it is designated as Business Employment.
25. The Receiver requested that both Antec and Colliers prepare appraisals for the 2101 Real Property and the 2213 Real Property, copies of which are being provided to the Court as “**Confidential Appendices 1 through 4**” respectively (the “**Appraisals**”). The Appraisal by Antec for the 2101 Real Property has an effective date of October 23, 2025, with the remaining Appraisals all having an effective date of November 7, 2025. All of the Appraisals provide fair market values for the Real Properties.

VII. REQUESTS FOR PROPOSALS AND PROPOSED MARKETING PROCESS

26. The Appointment Order empowers and authorizes, but does not obligate the Receiver to, among other things:
 - 26.1. engage various parties, including consultants, appraisers, agents and experts, to assist the Receiver in exercising its powers and duties;
 - 26.2. market any or all of the Real Properties, including advertising and soliciting offers in respect of the Real Properties or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deal appropriate; and
 - 26.3. apply for any vesting order or other orders necessary to convey the Real Properties or any part of parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting the Real Properties.
27. Notwithstanding the Receiver’s general power to engage agents and market and sell the Real Properties, the Receiver is requesting that the Court issue an order approving the Proposed Marketing Process and authorizing the Receiver to enter into the Listing Agreements.
28. The Receiver issued a request for listing proposals (defined above as the “**Listing Proposals**”) to Avison and Cushman. Copies of the Listing Proposals are being provided to the Court as “**Confidential Appendices 5 and 6**” respectively. A Summary of the Listing Proposals is being provided to the Court as “**Confidential Appendix 7**”.
29. After reviewing the Proposals and consulting with RBC, the Receiver engaged in further discussions with Cushman and negotiated the Listing Agreements to market the Real Properties. Should the Listing Agreements and the Proposed Marketing Process be approved by the Court,

the Listing Agreements will be executed by the Receiver and Cushman will then implement the Proposed Marketing Process.

30. The activities contemplated by the Proposed Marketing Process will include but not be limited to the following:
 - 30.1. ensuring extensive market exposure by including the Real Properties on the Multiple Listing Service for the Toronto Regional Real Estate Board as well as on Cushman's website, on Cushman's Industrial Forum and on Realtor.ca;
 - 30.2. implementing an intensive multi-media marketing campaign including signage, social media, and HTML blast to the brokerage community and to Cushman's targeted database; and
 - 30.3. utilizing Cushman's internal occupier/user database to contact prospective buys in Oakville and the surrounding regions.
31. The key terms of the Listing Agreement include the following:
 - 31.1. the Real Properties will be sold on an "as is, where is" basis;
 - 31.2. the initial term of the Listing Agreement is six months with offers expected to be generated between the second and third month;
 - 31.3. the commission rates are disclosed in the Listing Agreements themselves, which are attached hereto as "**Confidential Appendices 8 and 9**";
 - 31.4. the Listing Agreement contemplates regular reporting in the form of verbal updates with detailed activity reports to be provided monthly;
 - 31.5. Cushman will establish a confidential data room with interested parties, who wish to commence due diligence being required to execute a non-disclosure agreement; and
 - 31.6. the Proposed Marketing Process contemplates that interested parties can make an offer to purchase either one or both of the Real Properties.
32. The Receiver is supportive of the Listing Agreements and the Proposed Marketing Process, based on the following:
 - 32.1. Cushman offered the most competitive commission structure, including a graduated flat rate in the case of a sale to a lender or redeemer;
 - 32.2. Cushman is an established real estate broker with significant experience in marketing similar assets as well as in marketing assets that are subject to receivership proceedings;

- 32.3. the Receiver is of the view that the Proposed Marketing Process is transparent and reasonable and will provide for sufficient market exposure within a reasonable period such that the value of the Real Properties will be maximized; and
- 32.4. no stakeholder appears to be prejudiced by the Proposed Marketing Process and RBC has indicated that they are supportive of the Proposed Marketing Process.

VIII. SEALING OF THE CONFIDENTIAL APPENDICES

33. The Confidential Appendices are being provided to the Court in advance of the December Hearing to provide the Court with additional information related to the estimated values presented in the Appraisals and the Listing Proposals, which include information regarding the valuation of the Real Properties, the suggested list prices for the Real Properties and comparable sales transactions (collectively, the “**Confidential Information**”).
34. At the December Hearing, the Receiver is seeking to seal the Confidential Appendices until the earlier of (i) the filing of a Receiver’s Certificate confirming that the sale of the Real Properties has closed, (ii) the discharge of the Receiver; or (iii) further Order of this Honourable Court. There are no reasonable alternative measures to sealing the Confidential Information, which is commercially sensitive. In the Receiver’s view, the disclosure of the Confidential Information could impact the results of the Proposed Marketing Process, and no stakeholders will be prejudiced by the sealing of the Confidential Information.

IX. THE TRANSPORTATION EQUIPMENT

35. On October 14, 2025, the Receiver attended the Real Properties and took possession of 134 trucks and trailers. Following a detailed review, 94 pieces of equipment were released to secured creditors holding perfected purchase money security interests and owner-operators who were able to substantiate ownership of the respective equipment.
36. As part of the Receiver’s review, it identified various equipment that was purported to be owned, financed or leased by Panjaab but was instead, held in the names of various parties related to Panjaab (the “**Related Parties**”).
37. Based on its investigation, the Receiver prepared the following summary outlining the relationship between Panjaab and/ or Singh and the Related Parties (the “**Related Party Summary**”):

Company Name	Director	Relationship
12485427 Canada Inc.	Geeta Madaan	Tenant
17249713 Canada Corp.	Sandeep Singh	Principal
2529933 Ontario Inc o/a Palm Transport	Brinder Kaur	Wife
8937125 Canada Inc previously o/a Stallion Logistics and Palm Logistics Group	Sandeep Singh	Principal
Borasco Staffing	Gurmeet Kumar Madaan	Geeta Madaan (Tenant)
Complete Tire Solutions	Gurmeet Kumar Madaan	Geeta Madaan (Tenant)
Discount Truck & Trailer Repair	Gurmeet Kumar Madaan	Geeta Madaan (Tenant)
Firstline Rentals Inc.	Sandeep Singh	Principal
Gary Fuels	Gurmeet Kumar Madaan	Geeta Madaan
Jimmy Truckline Inc.	Ramandeep Kaur	Sister-in-Law
JR action Inc.	Surjit Singh Sekhon	Unknown
Onions Wholesale Inc.	Paljinder Singh	Cousin
Rembos Lumber Inc.	Ramandeep Kaur, Peter Butler, Sezein Grant	Sister-in-Law
Trans 247 Inc.	Bhalinder Singh	Brother
Up North Logistics Inc.	Bhalinder Singh	Brother

38. As at the date of this report, the Receiver continues to be in possession of 40 pieces of equipment which are being held by Ritchie Bros. A listing of the equipment that is currently in the possession of the Receiver is attached hereto as “**Appendix 5**”. The status of this equipment is summarized below:

38.1. 10 pieces of equipment are registered to leasing companies that have not yet provided sufficient information to the Receiver to substantiate their respective claims;

38.2. 13 pieces of equipment are registered either to Panjaab or to RBC and are being prepared for inclusion in the Auction (the “**Owned Equipment**”); and

38.3. 17 pieces of equipment are registered to Jimmy Truckline Inc., 17249713 Canada Corp., Value Trucks Inc. or 2529933 Ontario Inc. o/s Palm Transport, having been transferred by Panjaab to such Related Parties (the “**Transferred Equipment**”). The Receiver has reviewed available information with respect to the Transferred Equipment and confirmed as follows:

38.3.1. Five pieces of the Transferred Equipment (the “**1724 Equipment**”) were transferred by 8777 to 17249713 Canada Corp. (“**1724**”) in September 2025, in close proximity to the Date of Appointment. The Receiver has requested but has not been provided with information from 1724 to substantiate any claim they may have that the underlying transfers were made for good and valuable consideration;

38.3.2. Ten pieces of the Transferred Equipment (the “**Jimmy Equipment**”) were transferred by 8777 to Jimmy in 2024. Again, the Receiver has requested but has not yet been provided with information from Jimmy to substantiate any claim they may have that the underlying transfers were made for good and valuable consideration; and

38.3.3. One piece of the Transferred Equipment was transferred to Value Trucks Inc. and one piece of equipment was transferred to 2529933 Ontario Inc. o/a Palm Transport, both of which are still being investigated by the Receiver.

39. In particular, with respect to the 1724 Equipment, in March 2026, the Interim Receiver was sent an email from Kushpreet Kaur, the principal of 1724 requesting the return of the 1724 Equipment. The Receiver responded on the same date, requesting information to substantiate 1724's ownership claim including a detailed breakdown of any amounts owed by 8777 to 1724, bills of sale for the 1724 Equipment, independent appraisals or valuations used to determine the market values of the 1724 Equipment, proof of payment/ reduction of the debt related to the transfer of the 1724 Equipment and confirmation of the relationship between 8777 and 1724. The Receiver's email response went unanswered, however, the Receiver subsequently became aware that 1724's registered head office has the same address as Singh's personal residence. Attached hereto as "**Appendix 6**" is a copy of the email exchange between the Interim Receiver and Ms. Kaur.
40. Attached hereto as "**Appendix 7**" is a preliminary list of the equipment planned to be included in the Auction, including the 1724 and Jimmy Equipment (the "**Auction Equipment**"). At the December Hearing, the Receiver is seeking Court Approval of the Auction Agreement, which includes the Owned Equipment as well as the 1724 and Jimmy Equipment and an Order authorizing and directing the Ministry of Transportation to record and effect the required ownership transfers for the Transferred Equipment, regardless of the fact that the Debtors are not listed as the registered owners.
41. The Receiver will continue its investigation of the remaining equipment and will return to this Court should the need arise to seek the Court's assistance to recover additional equipment, which is rightfully the property of Panjaab or its legitimate secured creditors.

X. THE AUCTION AGREEMENT

42. Pursuant to Paragraph 3(k) of the Appointment Order, the Receiver is authorized to sell, convey, transfer, lease or assign the assets or any part or parts thereof out of the ordinary course of business:
- 42.1. without the approval of this Court in respect of any transaction not exceeding \$50,000 provided that the aggregate consideration for all transactions does not exceed \$250,000 (collectively, the "**Sale Threshold**"); and
- 42.2. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the Sale Threshold.
43. The estimated realizable value of the Auction Equipment is anticipated to be in excess of the Sale Threshold. Accordingly, the Receiver is seeking approval of the Auction Agreement and the Auction contemplated thereby.

44. At the December Hearing, the Receiver is seeking approval to enter into an Auction Agreement with Ritchie Bros. in substantially the form attached hereto as “**Appendix 8**”. The key terms of the Auction Agreement are summarized below:
- 44.1. Ritchie Bros will offer the Auction Equipment for sale via unreserved public auction, the date of which remains to be set, to be held in Amaranth, Ontario. The Auction Equipment will be made available for viewing, pending sale;
 - 44.2. Ritchie Bros will be paid a commission of ten percent for any lot in excess of \$3,000 (net of applicable taxes) with a minimum fee of \$195 being charged on each lot (the “**Commission Rates**”). In addition, the Receiver will reimburse Ritchie Bros for the following:
 - 44.2.1. Approved refurbishing of the Auction Equipment at a rate of cost-plus ten percent as well as for the cost of fuel and batteries deemed necessary for the demonstration and sale of the Auction Equipment; and
 - 44.2.2. Typical administrative costs, such as related to required lien searches.
 - 44.3. the net sale proceeds from the Auction will be paid to the Receiver by Ritchie Bros. within 21 days following the auction.
 - 44.4. the Auction Equipment will be offered for sale on an “as is, where is” basis; and
 - 44.5. the Auction Agreement is conditional only upon Court approval.
45. At the December Hearing, the Receiver is seeking approval of the form of Auction Agreement. The Receiver is supportive of the Auction Agreement and the Auction, based on the following:
- 45.1. Ritchie Bros is a reputable auctioneer with significant experience in the sale of similar assets to the Auction Equipment;
 - 45.2. in the Receiver’s experience, the terms of the Auction Agreement, including the Commission Rates, are reasonable and consistent with those offered by similar service providers;
 - 45.3. the Auction will adequately expose the Auction Equipment to the market and provides for a competitive bidding process, which will ensure the best possible realizable values in the circumstances; and
 - 45.4. The Receiver is advised that RBC supports the Auction.
46. The net proceeds of sale from the Auction will be held by the Receiver and distributed pursuant to further order of this Court. In the event any of the Auction Equipment is not sold, the Auction Agreement provides that they will be offered for sale at a subsequent Auction.

47. Attached to this First Report as “**Appendix 9**” is a summary of registrations made under the PPSA and RSLA as against Panjaab.
48. The Receiver is seeking the authorization to discharge any PPSA or RSLA registrations against the Auction Equipment upon its sale at the Auction to allow for title to transfer to the respective purchasers. This specific authority is in line with the terms of the template Sale Approval and Vesting Order and will assist the Receiver in transferring the Auction Equipment after its sale at the auction.

XI. CONDUCT OF THE DEBTORS

49. As at the date of the First Report, the Debtors have not produced any meaningful books and records despite multiple demands by the Receiver for same. The demands made by the Receiver and Gowling with respect to books and records are outlined in greater detail below.
- 49.1. On October 10, 2025, there was an email (the “October 10th Email”) between the Receiver, Singh and the Debtors’ Counsel demanding immediate access to all Records (dispatch, accounting, emails, WhatsApp, etc.) and a full accounting of asset locations (including Brantford, Montreal, Nova Scotia) and noting individuals onsite appeared to be accessing Panjaab communications. In the October 10th Email, the Receiver reiterated prior demands for delivery of the Records and the Property and inquired when the outstanding information would be provided. Attached to this First Report as “**Appendix 10**” is a copy of the October 10th Email.
- 49.2. On the same day, counsel for the Debtors sent an email (the “**Panjaab Counsel Response**”) to the Receiver confirming receipt of the October 10th Email and disputing the claims by the Receiver related to email and WhatsApp access (asserting that they are accounts belonging to another party). The Panjaab Counsel Response did not include any Records, access information or timelines to respond to the Receiver’s demands. Attached to this First Report as “**Appendix 11**” is a copy of the Panjaab Counsel Response.
- 49.3. On October 14, 2025, Gowling sent a letter to Counsel for the Debtors (the “**October 14th Letter**”) demanding full compliance by end of day October 15, 2025, including delivery of Records and access as required under the Appointment Order. Attached to this First Report as “**Appendix 12**” is a copy of the October 14th letter.
50. Despite numerous follow ups by both the Receiver and Gowling, neither Singh nor other representatives of the Debtors have provided any of the Records or any additional information with respect to the Property. As such, at the December Hearing, the Receiver is seeking an Order compelling Singh to produce the Records and to advise the Receiver of the whereabouts of any of the Property not currently in the Receiver’s possession.

51. In addition to not producing the Records, the Receiver notes the Conduct Concerns raised by the Interim Receiver and cites the following additional concerns, certain of which are described elsewhere in this report:
- 51.1. the multiplicity of the Related Parties together with the information collected by the Receiver on the Transferred Assets and the Jimmy Liens suggest efforts by Singh to frustrate realization efforts;
 - 51.2. as noted in the IR First Report, Spergel was provided with a copy of the CRA Letter (attached hereto as “**Appendix 3**”), which outlined the results of an audit conducted under the provisions of the *Excise Tax Act (Canada)* with respect to HST refunds claimed by the Debtors. The CRA Letter outlines significant penalties that were assessed against the Debtors related to, among other concerns improper record keeping, fabricated records and claims based on fictional entities.
 - 51.3. a number of other secured creditors have commenced proceedings against Jimmy seeking to invalidate liens filed under the RSLA by Jimmy on similar grounds to those outlined herein by the Receiver. Attached to this First Report as “**Appendix 13**” is a copy of the Endorsement of the Honourable Justice Jane Dietrich dated September 28, 2026 (the “**September 28th Endorsement**”) resulting from a scheduling hearing held on the same date. The September 28th Endorsement outlines the claims being asserted by these other secured creditors.
52. The Receiver’s investigation is ongoing so additional findings may be further detailed in a subsequent report.

XII. INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

53. Attached hereto as “**Appendix 14**” and “**Appendix 15**” respectively are the 8777 Interim SRD and the 2747 Interim SRD.

XIII. PROFESSIONAL FEES

54. Attached as “**Appendix 16**” hereto is a summary of the Professional Fees, which are summarized below:
- 54.1. The professional fees and disbursements of both the Interim Receiver and Receiver of 8777 of approximately \$260,000 plus HST of \$33,800 for a total of approximately \$293,800 for the period ended August 31, 2026 (the “**8777 Receiver’s Fees**”). Approximately \$35,800 plus HST of the 8777 Receiver’s Fees relate to the interim receivership while the remainder relates to the receivership proceedings;

- 54.2. The professional fees and disbursements of the Receiver of 2747 of approximately \$29,600 plus HST of \$3,200 for a total of approximately \$32,800 for the period ended August 31 (the “**2747 Receiver’s Fees**”). The 2747 Receiver’s Fees are all attributable to the receivership proceedings; and
- 54.3. The professional fees and disbursements of Gowlings in the amount of approximately \$153,000 plus HST of approximately \$19,600 for a total of approximately \$172,600 for the period ended October 14, 2026 (the “**Legal Fees**”). Approximately \$14,300 of the Legal Fees relate to the interim receivership while the remainder relates to the receivership proceedings.
55. The work undertaken by the Receiver in administering the receivership has been substantial. In particular, the Receiver notes the following factors that impacted the Professional Fees:
- 55.1. The Debtors have not provided any meaningful books and records or information with respect to the location of rolling stock. As such, the Receiver has had to undertake additional efforts to compile information and locate rolling stock, which efforts have been further complicated by various transfers of rolling stock to related parties/ the registration of liens against rolling stock by related parties (both as further discussed herein). The lack of information has also complicated efforts to collect on the Debtors’ accounts receivable and assess creditor claims including those related to employee claims under *WEPPA*;
- 55.2. The Receiver has had significant communication with CRA with respect to the HST Audit; and
- 55.3. The realization of the Real Properties has been delayed as a result of the requirement to complete the Environmental Assessments and the Remediation Work and issues related to the Tenants.
56. The Receiver is seeking approval of the Professional Fees. The Professional Fees have been charged by the Receiver and their legal counsel at their standard hourly rates which, in the Receiver’s experience, are comparable to the standard rates of other providers of similar services in Toronto, Ontario. Copies of the affidavits filed by the Receiver and Gowlings, attaching copies of the relevant accounts, are attached hereto as “**Appendix 17**” and “**Appendix 18**” respectively.

XIV. CONCLUSION AND RECOMMENDATION

57. The First Report has been prepared to provide the Court with information on the relief sought by the Receiver at the December Hearing, including approval of the Listing Agreements, the Proposed Marketing Process, the Auction Agreement and the Order to Compel for the reasons outlined above. The Receiver understands that RBC supports the relief being sought.

All of which is respectfully submitted.

Dated at Toronto, this 15 day of October 2026

msi Spergel inc.,
solely in its capacity as Court-appointed
Receiver of 8777691 Canada Inc. and
2747826 Ontario Inc. and not in its personal
or corp
Per:



Mukul Manchanda, CPA, CIRP, LIT
Managing Partner

APPENDICES

APPENDIX 1

Court File No. CV-25-00752231-00CL

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

THE HONOURABLE	)	THURSDAY, THE 9TH
	)	
	)	
JUSTICE MYERS	)	DAY OF OCTOBER, 2025

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

8777691 CANADA INC. and 2747826 ONTARIO INC.

Respondents

**APPLICATION UNDER SUBSECTIONS 47(1) AND 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
(Appointing Receiver)**

THIS APPLICATION made by Royal Bank of Canada (“**RBC**”) 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. (“**Spergel**”) as receiver (in such capacity, the “**Receiver**”) without security, of all of the assets, undertakings and properties of each of 8777691 Canada Inc. o/a Panjaab Transport and 2747826 Ontario Inc. (together, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors and all proceeds thereof was heard this day by judicial videoconference via Zoom.

ON READING the affidavit of Adam Haugh sworn September 18, 2025 and the Exhibits thereto, the affidavit of Sandeep (Sunny) Singh sworn October 7, 2025 and the Exhibits thereto,

the Affidavit of Carissa Mamon sworn October 8, 2025 and the Exhibits thereto, the Report of Spergel in its capacity as Interim Receiver dated October 8, 2025, the consent of Spergel to act as Receiver, and on hearing the submissions of counsel for RBC and such other counsel as were present, no one appearing for any other stakeholder although duly served as appears from the affidavits of service, filed,

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, Spergel is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to any business carried on by the Debtors, and all proceeds thereof (collectively, the “**Property**”) including the Real Property described in Schedule "B" hereto.

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 names 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 \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; 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 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 names of the Debtors;
- (p) to file an assignment into bankruptcy, and to act as trustee in bankruptcy, on behalf of all or any 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 their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their 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 (if any) 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 Debtors' 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, if any, shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' 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 AND ANTI-SPAM LEGISLATION

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.

16. **THIS COURT ORDERS** that any and all interested stakeholders in this proceeding and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in this proceeding, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to such other interested stakeholders in this proceeding and their counsel and advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. **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

18. **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

19. **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.

20. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass their 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 Ontario Superior Court of Justice (Commercial List).

21. **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

22. **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 \$250,000 (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.

23. **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.

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

25. **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

26. **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 <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* (the "**Rules**") this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules 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 and shall be accessible by selecting the Debtors' names from the engagement list at the following URL: <https://www.spergelcorporate.ca/engagements/>

27. **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 Debtors' 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

28. **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.

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

30. **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.

31. **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.

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

33. **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.

34. **THIS COURT ORDERS AND DIRECTS** that, as soon as practicable, the Land Registry Office for the Land Titles Division of Halton (No. 20) accept this Order for registration on title to the Real Property described in Schedule "B" hereto.

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35. **THIS COURT ORDERS** that this Order and all of its provisions are effective as today's date and is enforceable without the need for entry or filing.



SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that msi Spergel Inc., the receiver (the "**Receiver**") of all of the assets, undertakings and properties of 8777691 Canada Inc. o/a Panjaab Transport and 2747826 Ontario Inc. (together, the "**Debtors**") acquired for, or used in relation to any business(es) carried on by 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 <*> day of <*>, 2025 (the "**Order**") made in an application having Court file number <*>, 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 \$250,000 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:

SCHEDULE "B"**DESCRIPTION OF REAL PROPERTY**

2213 Ninth Line, Oakville, ON L6H 7G7
PIN: 24902-0166 (LT)
LT 1, PL 360; Oakville

2101 Ninth Line, Oakville, ON L6H 7G7
PIN: 24902-0156 (LT)
LT 8, PL 360 ; OAKVILLE

ROYAL BANK OF CANADA

- and -

8777691 CANADA INC. and 2747826 ONTARIO INC.

Applicant

Respondents

Court File No. CV-25-00752231-00CL

	ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)
	Proceedings commenced at Toronto
	APPOINTMENT ORDER
	AIRD & BERLIS LLP Barristers and Solicitors Brookfield Place 181 Bay Street, Suite 1800 Toronto, ON M5J 2T9 Sanjeev P. R. Mitra (LSO # 37934U) Tel: (416) 865-3085 Fax: (416) 863-1515 Email: smitra@airdberlis.com Shaun Parsons (LSO # 81240A) Tel: (416) 637-7982 Email: sparsons@airdberlis.com <i>Lawyers for Royal Bank of Canada</i>

65800322.2



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-25- 00752231-00CL DATE: October 9, 2025

NO. ON LIST: 4

TITLE OF PROCEEDING: ROYAL BANK OF CANADA v.

8777691 CANADA INC. and 2747826 ONTARIO
INC.

Before: Justice Myers

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Shaun Parsons	Lawyer for Royal Bank of Canada	sparsons@airdberlis.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Amandeep S. Dhillon	Lawyer for the Respondents 8777691 Canada Inc. and 2747826 Ontario Inc.	adhillon@kramersimaan.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Rachel Moses	Lawyer for the Interim Receiver	Rachel.moses@gowlingwlg.com
Tom Masterson	Lawyer for Stride Capital	tmasterson@harrisonpensa.com

Endorsement of Justice Myers :

- [1] Mr. Dhillon was recently retained. He seeks a week or two adjournment to allow the debtors to respond to the recent report of the IR.
- [2] It is not in the interest of justice to adjourn this proceeding. I say this without the need to consider the IR's report. The debtors have been represented by counsel throughout. They have had a few weeks after the appointment of the IR and have delivered responding material.
- [3] In appointing the IR to try to obtain transparency into the affairs of the debtors, I noted issues concerning their reduced deposits, greatly reduced receivables, and the sudden appearance of nearly \$700,000 in *RSLA* priority lien claims.
- [4] In the debtors' evidence they give almost no evidence to assuage concerns about the substantial erosion of their borrowing base and the bank's collateral. First, they report that they cannot obtain access to their financial reporting software due to a dispute with a former employee. Without assigning any blame for the dispute, the lack of available financial software and reporting increases the degree of risk to creditors. The debtors report that they have opened new bank accounts at a different bank. That may explain where some of the cash receipts may have gone. But a debtor who moves cash in breach of its credit facility obligations is another red flag for increased risk of collateral erosion.
- [5] As I said during the hearing, I completely understand a small business owner doing what he can to try to save his business. But using secured collateral to pay people who do not have first priority and failing to provide transparent accounting to secured creditors are breaches of the borrowing terms that carry consequences.
- [6] The debtors also disclose that they are involved in an HST audit in which CRA has alleged numerous dishonest practices by the debtors. They are trying to respond to obtain significant refunds. Currently however, CRA is levying a \$600,000 penalty against the debtors for negligent reporting.

- [7] Among the allegations made by CRA is that the creditor who imposed the RSLA claims on the debtors' trucks is not an operating entity. It seems apparent that the debtors are trying to show the existence of priority claims to forestall its ranking creditors.
- [8] The debtors do not deny their monetary defaults as alleged by the bank. Rather, they say that they are profitable, with some 80 employees, and 60 contractors. They say that they are deeply engaged in efforts to refinance. They are willing to sell properties owned by affiliates as well. They have given evidence of conditional term sheets and several applications for credit that they have underway.
- [9] The debtors ask for 120 days to allow a refinancing transaction to come to fruition. They agree to maintain the IR in the interim.
- [10] The bank and Stride Capital oppose any delay in the appointment of a receiver and manager. The bank points to the lack of transparency of the debtors with its financial advisor last summer, the unexplained decline in receipts and receivables, and the suspicious RSLA claims, among other things, as reasonable bases to be very concerned about the erosion of its position. Both creditors have lost faith in management to deal with them openly and honestly. Stride Capital is already in litigation with the debtors as a result of defaults under leases. Its counsel makes a very good point that a receiver and manager will be able to deal with the RSLA claims on behalf of the debtors and all creditors rather than leaving each creditor to fend for itself.
- [11] The debtors have been in default of their payment obligations for many months. They have had time to refinance. They have coals in the fire. But they have nothing on offer that can be said to have any degree of likelihood of coming to fruition soon. Meanwhile, absent cogent and transparent explanations, it is more than reasonable for the creditors to be concerned that their positions are being actively prejudiced by the debtors. Without transparent reporting, the creditors have reasonable concerns about how they will find and realize on rolling stock for example. They cannot reasonably be asked to accept and trust hand-written aged receivables reports without actual invoice back-up too.
- [12] The debtors gave no evidence and they presented no plan to protect the creditors and other interested parties from erosion of asset value in the 120 days that they seek. Having regard to all the circumstances but, in particular, the nature of the property and the rights and interests of all parties in relation thereto, in my view, it is important to impose neutral, transparent, and independent stewardship over the business, assets and undertaking of the defendants.
- [13] With no clear refinancing agreement in place and despite Mr. Dhillon's exhortations to his client, no clear plan to assure delivery of credible, verifiable, transparent

financial disclosure, it is just and convenient to appoint a receiver and manager to act in the best interests of all interested parties.

- [14] I note that this does not mean that the debtors' efforts to refinance to pay out its creditors need to cease. In fact, management will soon likely be freed up of most tasks to let them concentrate more on redoubling efforts to stabilize the financial affairs of the business.
- [15] More than ample time has elapse from the making of demand and giving of s. 244 notices for the debtors to refinance if they could. Appointing a receiver and manager (as authorized by the borrowing facilities) does not require proof of irreparable harm. Rather it must be just and convenient in all the circumstances and I find that it is so.
- [16] Order signed as asked.

A handwritten signature in dark ink, appearing to read "H. J. Gray", is centered on the page.

APPENDIX 2

Court File No.

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

THE HONOURABLE

)

FRIDAY, THE 19TH

JUSTICE MYERS

)

DAY OF SEPTEMBER, 2025

)

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

8777691 CANADA INC. and 2747826 ONTARIO INC.

Respondents

**APPLICATION UNDER SUBSECTIONS 47(1) AND 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
(Appointing Interim Receiver)**

THIS APPLICATION, made by the Applicant for an Order pursuant to section 47(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. (“**Spergel**”) as interim receiver (in such capacity, the “**Interim Receiver**”), without security, of all the assets, undertakings and properties of each of 8777691 Canada Inc. o/a Panjaab Transport and 2747826 Ontario Inc. (together, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors and all proceeds thereof was heard this day by judicial videoconference via Zoom.

ON READING the affidavit of Adam Haugh sworn September 18, 2025 and the exhibits thereto, the affidavit of Jordan Handsor sworn September 19, 2025 and the exhibit thereto, the consent of Spergel to act as Interim Receiver, and on hearing the submissions of counsel for the Applicant and the proposed Interim Receiver, but without notice to the Respondents,

APPOINTMENT

1. **THIS COURT ORDERS** that pursuant to subsections 47(1) of the BIA and section 101 of the CJA, Spergel is hereby appointed Interim Receiver, without security, of all the assets, undertakings and properties of each of the Debtors acquired for, or used in relation to, a business carried on by the Debtors, including all proceeds thereof (the “**Property**”) for the purpose of and to the extent authorized by this Order until the earlier of:

- (a) the taking of possession of the Property by a receiver, within the meaning of subsection 243(2) of the BIA;
- (b) the taking of possession of the Property by a trustee in bankruptcy; or
- (c) October 17, 2025.

INTERIM RECEIVER’S POWERS

2. **THIS COURT ORDERS** that the Interim 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 Interim Receiver is hereby expressly empowered and authorized to do any of the following where the Interim Receiver considers it necessary or desirable:

- (a) to monitor and have access to the Debtors’ receipts and disbursements in any accounts at any financial institution (collectively, the “**Accounts**”), including, but not limited to, viewing access to all online banking relating to the Accounts;

- (b) to investigate and monitor the Debtors' affairs and Property, including, but not limited to, the Accounts;
- (c) to review and have access to any and all financial information pertaining to the Debtors and the Property, including bank statements, financial records and accounts at any financial institution, and data available through any accounting system or software;
- (d) to demand access to additional documents as the Interim Receiver sees fit;
- (e) 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 Interim Receiver's powers and duties, including, without limitation, those conferred by this Order;
- (f) to report to, meet with and discuss with such affected Persons (as defined below) as the Interim Receiver deems appropriate on all matters, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable;
- (g) to conduct examinations under oath of any Person concerning the management of known assets of the Debtors and the existence of any other assets; and
- (h) 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 Interim 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.

3. **THIS COURT ORDERS** that the Debtors shall continue to maintain, manage, operate and carry on their business in the ordinary course.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order, and (iv) anyone acting on the instructions of anyone listed in this paragraph (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Interim Receiver of the existence of any Property in such Person’s possession or control.
5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Interim 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 Interim Receiver or permit the Interim Receiver to make, retain and take away copies thereof and grant to the Interim 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 Interim 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 Interim Receiver for the purpose of allowing the Interim 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 Interim Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Interim Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Interim Receiver with all such

assistance in gaining immediate access to the information in the Records as the Interim Receiver may in its discretion require including providing the Interim Receiver with instructions on the use of any computer or other system and providing the Interim Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE INTERIM RECEIVER

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

NO EXERCISE OF RIGHTS OR REMEDIES

8. **THIS COURT ORDERS** that all rights and remedies against the Interim Receiver, or affecting the Accounts, are hereby stayed and suspended except with the written consent of the Interim Receiver or leave of this Court.

EMPLOYEES

9. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the Debtors. The Interim 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 Interim Receiver may specifically agree in writing to pay.

LIMITATION ON THE INTERIM RECEIVER’S LIABILITY

10. **THIS COURT ORDERS** that the Interim 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. Nothing in this Order shall derogate from the protections afforded the Interim Receiver by section 14.06 of the BIA or by any other applicable legislation.

INTERIM RECEIVER'S ACCOUNTS

11. **THIS COURT ORDERS** that the Interim Receiver and counsel to the Interim 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 Interim Receiver and counsel to the Interim Receiver shall be entitled to and are hereby granted a charge (the “**Interim 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 Interim Receiver’s Charge shall form a first charge on the Accounts 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.
12. **THIS COURT ORDERS** that the Interim Receiver and its legal counsel shall pass its accounts from time to time, and, for this purpose, the accounts of the Interim Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

SERVICE AND NOTICE

13. **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 <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the Rules of Civil Procedure (the “**Rules**”), this Order shall constitute an order for substituted service pursuant to Rule 16.04. Subject to Rule 3.01(d) of the Rules 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.
14. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Interim 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 Debtors' 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

15. **THIS COURT ORDERS** that the Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
16. **THIS COURT ORDERS** that nothing in this Order shall prevent the Interim Receiver from acting as a receiver or trustee in bankruptcy of the Debtors.
17. **THIS COURT ORDERS** that the Interim Receiver shall not be, or be deemed to be, a receiver within the meaning of subsection 243(2) of the BIA.
18. **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 Interim 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 Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Interim Receiver and its agents in carrying out the terms of this Order.
19. **THIS COURT ORDERS** that the Interim 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 Interim 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.
20. **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 Interim Receiver from the proceeds from the Accounts with such priority and at such time as this Court may determine.

21. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than three (3) days' notice to the Interim 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.

22. **THIS COURT ORDERS** that this Order is effective as of 12:01 a.m. from the date it is made and is enforceable without the need for entry or filing.

A handwritten signature in blue ink, appearing to read "H. J. Jones", is written over a horizontal line.

Applicant

Respondents

Court File No.

	ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) Proceedings commenced at Toronto
	ORDER (Interim Receiver)
	AIRD & BERLIS LLP Barristers and Solicitors Brookfield Place 181 Bay Street, Suite 1800 Toronto, ON M5J 2T9 Sanjeev P. R. Mitra (LSO # 37934U) Tel: (416) 865-3085 Fax: (416) 863-1515 Email: smitra@airdberlis.com Shaun Parsons (LSO # 81240A) Tel: (416) 637-7982 Email: sparsons@airdberlis.com <i>Lawyers for Royal Bank of Canada</i>



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

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: NO FILE NO.

DATE: SEPTEMBER 19, 2025

NO. ON LIST: 5

TITLE OF PROCEEDING:

ROYAL BANK OF CANADA

v.

8777691 CANADA INC. O/A PANJAAB TRANSPORT / 2747826 ONTARIO INC.

BEFORE: JUSTICE FL MYERS

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Sanjeev Mitra	Royal Bank of Canada	smitra@airdberlis.com
Shaun Parsons, Counsel		sparsons@airdberlis.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Rachel Moses Counsel for The Receiver	msi Spergel inc.	Rachel.moses@gowlingwlg.com

ENDORSEMENT OF JUSTICE FL MYERS:

[1] The bank is a secured creditor of the respondents. The respondents operate a trucking concern. The bank has made demand and sent s. 244 notices under their debt and security facilities. The bank claims more than \$11 million in the aggregate. More than the minimum 10 days has already run. The bank could therefore seek to appoint a receiver and manager were it so inclined.

[2] The bank has recently received a letter from counsel for the respondents. The respondents advise they are seeking to refinance their debt. There is no detail of the proposed refinancing provided. But the letter is also noteworthy in its implicit acceptance of the respondents' indebtedness.

[3] The bank appears today on an urgent basis without notice to the debtors. It has delivered substantial evidence showing that the debtors have not been at all transparent with the bank in their reporting. That is consistent with the general nature of their counsel's reference to a possible refinancing. But none of that creates urgency or a need to move without notice.

[4] The bank has adduced evidence showing that there has been a veery substantial drop in the debtors' outstanding accounts receivable recently. The debtors advise that they have had customers pay their suppliers directly to stay in business rather than paying the bank. There has also been a significant decline in the deposits being made by the debtors. That is consistent with a redirection of receivables but it also suggests a redirection of cash receipts. In the last several days there has been a sudden assertion of liens under the *RSLA* for as much as \$750,000 (approximately). If those claims are real, they would represent a real erosion on the bank's position.

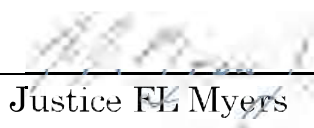
[5] On the whole, the bank needs information. It can no longer accept documents prepared in WORD or Excel rather than access to the debtors' accounting software. The bank is fair in being startled by recent events. They point to a very real risk of dissipation of assets and collateral. Such a risk is itself a reason to proceed to preserve the *status quo* and to try to ensure transparency. *Sibley & Associates LP v. Ross*, 2011 ONSC 2951 (CanLII).

[6] The bank does not want to undermine the debtors' efforts to refinance if they are real. So it proposes to hold off for now seeking a receiver and manager to take over the business. Rather, it asks the court to appoint an Interim Receiver under s. 47 of the *Bankruptcy and Insolvency Act* so that the court and creditors can have access to credible information about the status of the debtors' business, its assets, any dissipation of collateral, and the debtors' efforts to refinance.

[7] I find that the appointment of a licensed insolvency professional to be the eyes and ears of interested creditors and the court is patently in the interests of creditors. There is at least a *prima facie* case of misconduct i deflecting receivables to suppliers and dissipation to support an appointment. Moreover, with the decline in cash and sudden appearance of liens under the *RSLA* I am satisfied that providing notice to the debtors would risk them taking further steps to hinder creditors.

[8] As the relief granted is quite measured and limited for the time being there is no prejudice to the respondents in proceeding this way. Rather, they are being provided with a chance or an opportunity to establish their good faith by cooperating with the Interim Receiver to provide transparency to creditors and all interested parties.

[9] Order signed appointing msi Spergel Inc. as Interim Receiver over the assets, property and undertakings of the respondent debtors.



Justice F.L. Myers

APPENDIX 3

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

8777691 CANADA INC. and 2747826 ONTARIO INC.

Respondents

**REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS INTERIM RECEIVER OF
8777691 CANADA INC. and 2747826 ONTARIO INC.**

October 8, 2025

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I. INTRODUCTION

1. An application was made before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) by Royal Bank of Canada (“**RBC**” or the “**Applicant**”) for an Order, pursuant to sections 47(1) and 243 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, *inter alia*, appointing msi Spergel inc. (“**Spergel**”) as interim receiver (in such capacity the “**Interim Receiver**”), without security, of all of the assets and undertakings and properties (the “**Property**”) of 8777691 Canada Inc. o/a Panjaab Transport (“**Panjaab**”) and 2747826 Ontario Inc. (“**274**” together with Panjaab, the “**Debtors**”).
2. On September 19, 2025, the Court granted the interim relief sought by RBC and issued an Order (the “**Interim Receivership Order**”) appointing Spergel as the Interim Receiver. Copies of the Endorsement and Interim Receivership Order signed by the Honourable Mr. Justice Myers dated September 19, 2025 are attached to this Report as **Appendices “A” and “B”**, respectively.
3. The Debtors are privately-owned entities, operating together as a trucking and logistics company across North America. Sandeep Singh (“**Sunny**”) is the sole director of both of the Debtors. 274 is the registered owner of the real properties at the addresses municipally known as:
 - a) 2101 Ninth Line, Oakville, Ontario (the “**2101 Property**”); and
 - b) 2213 Ninth Line, Oakville, Ontario (the “**2213 Property**”, together with the 2101 Property, the “**Real Properties**”).
4. This report (the “**Report**”) has been prepared by the Interim Receiver to provide information to the Court for its consideration in respect of the Applicant’s receivership application (the “**Application**”).

II. PURPOSE OF THIS REPORT

5. The purpose of this Report is to provide the Court with information pertaining to:
- a) the Interim Receiver's efforts to investigate and monitor the Debtors' affairs and Property;
 - b) the Interim Receiver's efforts to assess the security position of RBC and any factors impacting same;
 - c) the Interim Receiver's efforts to assess the viability of the Debtors' business; and
 - d) certain observations of the Interim Receiver that it views to be relevant for Courts consideration.

III. TERMS OF REFERENCE

6. The Interim Receiver has prepared this Report in connection with its appointment pursuant to the Interim Receivership Order. The Interim 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 Report for any other purpose than intended.
7. In preparing this Report and making comments herein, the Interim Receiver has relied upon certain unaudited, draft, and/or internal financial information provided to it by the Debtors (through counsel or otherwise) and RBC including, without limitation, past financial performance, and other financial information (collectively, the "**Information**").

8. The Interim Receiver reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. The Interim Receiver has not performed an audit or verification of the Information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises or International Financial Reporting Standards or with Canadian Auditing Standards pursuant to the Chartered Professional Accountants Canada Handbook (the “**CPA Handbook**”). Accordingly, the Interim Receiver expresses no opinion or other forms of assurance with respect of the Information.
9. This Report contains references to certain financial forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the CPA Handbook, has not been performed.
10. Future oriented financial information relied upon in this Report is based on assumptions regarding future events, actual results achieved may vary from this information and these variations may be material.
11. Capitalized terms not otherwise defined herein are as defined in the Applicant’s application materials. This Report should be read in conjunction with the Application Record as some information has been omitted in this Report to avoid duplication.
12. All references to dollars in this Report are in Canadian currency unless otherwise noted.

IV. ASSESSMENT OF THE DEBTORS’ AFFAIRS

13. Immediately after the hearing, counsel for the Interim Receiver provided a copy of the Interim Receivership Order to the Debtors’ counsel and advised that the representatives of the Interim Receiver are attending the business premises of the Debtors. On September 19, 2025, representatives of the Interim Receiver attended the business premises and met with Sunny to discuss the Interim Receiver’s mandate and the information required by the Interim Receiver. During the meeting the following was discussed with Sunny:

- a) validity of accounts receivable of Panjaab and reasons for significant reduction in receivables;
 - b) access to QuickBooks, the accounting software utilized by Panjaab and access to Expert, the dispatch software utilized by Panjaab;
 - c) business operations of Panjaab and utilization of any bank accounts other than the RBC accounts;
 - d) dealings of Panjaab with various leasing companies regarding leased equipment; and
 - e) dealings of Panjaab with Canada Revenue Agency (“**CRA**”) regarding the filing and receiving of the *Harmonized Sales Tax* (“**HST**”) refund.
14. Following the meeting, the Interim Receiver sent an email to Sunny (the “**September 20th Email**”) with a preliminary information request list (“**IRL**”). The IRL contained requests for certain financial and other information that, if provided, would allow the Interim Receiver to assess the viability of the Debtors’ business.
15. At a high level, the IRL included a request for information regarding the Debtors’:
- a) cash position, including a list of all bank accounts and copies of corresponding bank statements;
 - b) fixed assets continuity schedule including a detailed list of the Debtors’ assets and vehicle fleet;
 - c) employees and contractors and amounts outstanding to same;
 - d) financial records, including accounts receivable and accounts payable ledgers with supporting documents and access to accounting softwares; and
 - e) priority payables that may have an adverse impact on RBC’s security position (collectively, a) through g) being the “**Requested Information**”).

16. A copy of the September 20th Email is attached hereto as **Appendix “C”**.
17. Following the September 20th Email, further emails were exchanged between Sunny, counsel for the Debtors, the Interim Receiver and counsel for the Interim Receiver regarding the delay in satisfying the Information Requested. The chart below summarizes the email exchanges between Sunny and the Interim Receiver.

Date	Description of Email
20-Sep-25	Email sent to Panjaab requesting information (Appendix C "September 20th email")
23-Sep-25	Factoring Agreement received from Sunny (Appendix D "252 folder email")
23-Sep-25	Email sent to Panaab requesting additional information after review of information obtained on site (Appendix D "252 folder email")
24-Sep-25	Received email from Sunny acknowledging receipt of email and information to be provided (Appendix D "252 folder email")
24-Sep-25	Email sent to Sunny requesting additional information on financing efforts (Appendix D "252 folder email")
24-Sep-25	Received email from Sunny with reponse to CRA proposal. (" Appendix E "Response to CRA" email")
26-Sep-25	Email sent to Sunny advising information requested in emails from September 23rd and 24th not yet received (Appendix D "252 folder email")
26-Sep-25	Received email from Sunny with Term Sheet for mortgage and Factoring Agreement (Appendix D "252 folder email")
29-Sep-25	Received email from Sunny providing some of the information requested on September 23, 2025 (Appendix D "252 folder email")
29-Sep-25	Received email from Sunny containing aged accounts receivable dated August 31, 2025 (Appendix F "Sept 29th August and September 2025 AR email ")
29-Sep-25	Received email from Sunny containing the insurance policy for the properties (Appendix G "Sept 29th Property Insurance" email")
1-Oct-25	Received email from Sunny containing aged accounts receivable dated September 28, 2025 (Appendix F "Sept 29th August and September 2025 AR email ")
2-Oct-25	Follow up email sent to Sunny requesting outstanding information and requesting copies of invoices and supporting documentation (Appendix D "252 folder email")
6-Oct-25	Received email from Sunny asking if documents are required if proof of financing is provided. (Appendix D "252 folder email")
7-Oct-25	Received email from Sunny with Letter of Interest from mortgage company and Term Sheet from factoring company and insurance policy for assets. Email exchanges with Sunny regarding the insurance policy. (Appendix D "252 folder email")

18. The Interim Receiver's analysis of the information provided to date is outlined in greater detail below.

V. **8777691 CANADA INC. o/a PANJAAB TRANSPORT**

Bank Accounts

19. Upon its appointment, the Interim Receiver inquired of Sunny as to the bank accounts utilized by the Debtors. At all times, Sunny advised that i) the Debtors only operate bank accounts at RBC, and ii) given those accounts are on deposit only, arrangements were made with certain customer(s) to pay suppliers directly. The Interim Receiver was never advised as to how much money was and/or is being diverted by suppliers being paid directly by the Debtors' customer(s). Upon further insistence by the Interim Receiver, Sunny advised that he made these arrangements with the Debtors' customer, 2529933 Ontario Inc. o/a Palm Transport ("**Palm Transport**"). A corporate profile report for Palm Transport indicates that its sole director is Birinder Kaur, who the Interim Receiver understands to be Sunny's wife. A copy of the corporate profile report for Palm Transport is attached to this Report as **Appendix "H"**.
20. In addition to the above, Sunny advised funds are being diverted to Sandeep Kumar's bank account, an employee of Panjaab, in order to pay certain payroll obligations. Again, the Interim Receiver was never advised as to how much money was and/or is being diverted to this employee's account.
21. The Interim Receiver also noted in the Application Record filed by RBC, that deposits in the Debtors RBC accounts have reduced significantly in the months of August and September 2025.

22. Given the above information and in accordance with the powers set out in the Interim Receivership Order, the Interim Receiver sent a letter to all financial institutions asking them to identify if the Debtors have bank accounts with them. On September 22, 2025, Toronto-Dominion Bank (“**TD Bank**”) advised the Interim Receiver that Panjaab opened both CAD and USD accounts with TD Bank in or around August 12, 2025. TD Bank further advised that the balance in the CAD account was \$56,608.35 and USD account was \$18,689. A summary of the transactions underlying Panjaab’s CAD account at TD Bank are outlined in the chart below:

SUMMARY TD BANK ACCOUNT ACTIVITY	
August 12, 2025 to September 22, 2025	
Receipts	225,968.83
Disbursements	
Send E-TFR	17,765.92
WIRE TO CUSTOMER	60,137.00
CAD DRAFT	74,681.82
TRANSFER	16,751.47
	169,336.21

The above chart indicates:

- a) that a total of \$225,968.83 was deposited in Panjaab’s CAD account mainly from customers;
- b) \$17,765.92 was sent out via e-transfers to unidentified parties;
- c) \$60,137 was sent to the customer via wire transfer;
- d) \$74,681.82 was drawn by way of drafts; and
- e) \$16,751.47 was transferred internally to other TD accounts.

23. The Interim Receiver is concerned that this information was withheld by the Debtors and noted its concern to the counsel for the Debtors in a telephone conversation. The Interim Receiver has yet to receive an explanation from Sunny as to why he chose to withhold the existence of the TD Bank accounts and if such bank account existed why did he need to make arrangements with customers and an employee to pay the suppliers and the employees directly.

Accounts Receivable

24. In the Application Record, RBC indicates the accounts receivable of Panjaab decreased from approximately \$6.2 million as at June 30, 2025 to \$3.5 million as at July 31, 2025. Sunny advised the Interim Receiver that in his absence his employees submitted an accounts receivable listing as at July 31, 2025 which was inaccurate. Subsequently, the Interim Receiver requested that i) it be provided with access to QuickBooks, and ii) the Debtors' accounting software, to allow the Interim Receiver to verify the variance on its own. Sunny advised that he does not have access to QuickBooks as access to QuickBooks has been blocked by the Debtors' former accountant, Lakhvir Singh ("**Lakhvir**").
25. In an effort to gain access to QuickBooks, the Interim Receiver contacted Lakhvir and asked him to provide access to QuickBooks. The Interim Receiver was advised by Lakhvir that he does not have access to the Debtors' QuickBooks and sent an email which appears to confirm that his access to QuickBooks was revoked on September 10, 2025. Copy of the email received from Lakhvir is attached to this Report as **Appendix "I"**.
26. In or around October 1, 2025, Sunny provided the Interim Receiver with accounts receivable aging as at July 31, 2025, August 31, 2025 and September 26, 2025. Sunny advised that he had to manually input data from Panjaab's dispatch software, Expert, in order to produce the accounts receivable listings. Below is a chart summarizing the accounts receivable on a month-over-month basis:

Panjaab's Accounts Receivable Summaries					
Jul-25	1-30	31-60	61-90	>90	Total
Balance	2,398,688	1,655,905	962,595	887,141	5,904,330
Aging %	41%	28%	16%	15%	
Aug-25	1-30	31-60	61-90	>90	Total
Balance	2,427,239	1,801,814	950,473	782,081	5,961,607
Aging %	41%	30%	16%	13%	
Sep-25	1-30	31-60	61-90	>90	Total
Balance	2,431,123	1,736,316	951,142	689,648	5,808,230
Aging %	42%	30%	16%	12%	

27. A comparison of the accounts receivable summaries as at July 31, 2025 provided to RBC with the summary provided to the Interim Receiver indicates that the major variance between the two summaries is the inclusion of 36 additional customers for a total outstanding amount of approximately \$2.1 million in the accounts receivable summary provided to the Interim Receiver. The customers are as follows:

Customer Name	Total
13995755 Canada Inc o/a Samz Transport	1,498.00
ALL CONNECT LOGISTICAL SERVICES INC	34,500.00
AML INTERNATIONAL TRANSPORT	5,000.00
AUTOPORT LIMITED	68,595.10
BOW CITY MOTORS	12,300.00
CONTROLLED LOGISTICS LTD (USD)	3,081.58
CONTROLLED LOGISTICS LTD	91,127.35
COPPER STATE SWIFT TRANSPORT	9,925.00
CONTRANS	135,240.45
CONTRANS FLATBED GROUP	323,065.95
Controlled Logistics Ltd.	219,937.80
DOVER SERVICES INC	14,850.00
EVERGREEN LOGISTICS INC	4,942.48
F A INTERNATIONAL LOGISTICS INC	12,400.00
FUZE LOGISTICS SERVICES INC	3,300.00
GRAND PORTER LOGISTICS	16,500.00
HIGHLIGHT LOGISTICS	12,200.00
HURONIA TRANSPORTATION	16,800.00
INCAN LOGISTICS LTD	1,360.00
IPEX MANAGEMENT INC	12,000.00
J HAUL LIMITED	2,500.25
LARWAY TRANSPORTATION	2,000.00
LINEAR LOGISTICS LTD	9,360.00
LORENKO DISTRIBUTION INC.	1,000.00
MORENO INTERNATIONAL LOGISTICS INC	7,645.00
MUTUAL TRANSPORTATION SERVICES INC	1,200.00
PRIAM LOGISTICS INC	1,000.00
Rite Way Freight LTD	253,360.00
RY Xpress Transportation & Logistics	363,008.54
ROYAL CANADIAN STEEL INC	900.00
RPM USD	243,641.10
SET LOGISTICS INC	4,800.00
SETHI INTERNATIONAL TRANS INC	2,200.00
TOTAL QUALITY LOGISTICS	53,400.00
TRANSPORT VILMILK 9251-5063 QUEBEC INC.)	194,380.75
VERMANI TRUCKING INC.	35,890.00
TOTAL	\$ 2,174,909.35

28. Sunny further advised that the accounts receivable aging summaries for August and September 2025 were also manually prepared for submission for factoring financing. The Interim Receiver asked to be provided with all documents including invoices, delivery slips etc. so it can verify the validity of these receivables but as at the date of this Report, the Interim Receiver is yet to receive that information.

29. Given the Debtors advised that they are not operating any bank accounts, the Interim Receiver reviewed the accounts receivable summaries as at August 31, 2025 and September 26, 2025 to determine the anticipated collections (assuming all receivables listed on these listings are valid) in the month of September 2025. Based on the aging of the receivables between August 2025 and September 2025, Panjaab should have collected approximately \$2.6 million in September 2025.
30. In the Application Record, RBC indicates that in the month of September 2025, it has only received CAD \$246,596.76 and USD \$58,167.32 as deposits in Panjaab's RBC accounts. A review of Panjaab's TD Bank accounts indicates that a total of CAD \$225,970.34 and USD\$18,689 was deposited in September 2025. Accordingly, there is still approximately \$2.1 million unaccounted for that Panjaab should have received based on the receivable listings. The Interim Receiver notes that such monies are subject to the security interest of RBC and should not be used to pay subordinate creditors thereby giving those creditors a preference over RBC and other priority creditors.

Accounts Payable

31. Given Sunny's statement that the Debtors no longer have access to QuickBooks, the Interim Receiver was not provided with a current accounts payable listing. Instead, Panjaab provided the Interim Receiver with amounts outstanding to subcontractors and employees as follows:
- a) amount outstanding to owner operators / incorporated drivers estimated to be \$318,967;
 - b) amounts outstanding to office employees for payroll estimated to be \$186,710; and
 - c) amounts outstanding to drivers on payroll estimated to be \$89,862.99.

32. In addition to the above, the Interim Receiver understands that there was a payment due to various leasing companies on September 30, 2025 for a total amount of \$338,599.35. The Interim Receiver does not have any information as to whether this payment was made.
33. Based on the above, it appears that Panjaab has been funding its cash needs by stretching or not making payments to, amongst others, trade creditors, RBC and the leasing companies.

Canada Revenue Agency

34. A review of the information provided by Panjaab indicates that Panjaab is anticipating a refund with respect to its HST filing for calendar 2024. The Interim Receiver was provided with a copy of the proposal letter dated September 11, 2025, received by Panjaab from CRA. Copy of the CRA proposal letter is attached to this Report as **Appendix “J”**.
35. Panjaab initially filed HST returns for calendar 2024 indicating a refund of \$4,220,665.38. CRA conducted an audit of the returns filed and has proposed to reject \$2,270,836.33 in input tax credits claimed by Panjaab based on the following findings:

Suppliers that CRA found were not engaged in commercial activity

Below is a chart derived from the CRA's proposal outlining the suppliers that CRA found were not engaged in commercial activity:

SUPPLIERS THAT CRA FOUND WERE NOT ENGAGED IN COMMERCIAL ACTIVITY (ITCs Claimed)												
	February	March	April	May	June	July	August	September	October	November	December	Total
12485427 Canada Inc.					21,450							21,450
4557554 Nova Scotia Limited							1,381					1,381
8937125 Canada Inc.				7,425	28,987	16,756	7,925	357			2,302	63,821
Borasco Staffing									13,661	4,421	9,358	27,441
Complete Tire Solution									2,546	8,287	8,202	19,034
Discount Truck & Trailer Repair									21,970	5,257		27,227
Firstline Rentals Inc.											15,818	15,818
Gary Fuels									3,586	14,178	64,764	82,528
Jimmy Trucklines inc.	226		3,577	348				981				5,133
JR Action Inc			611	149								760
Malton Repairs				11,471	12,663	35,028	42,989		33,406	46,651	48,419	230,627
Prime Mover Transport Ltd		115				795	5,292	115			3,552	9,868
Top Notch Construction		40,577	29,122		17,680			18,322	9,356	37,899		152,956
Up North Logistics Inc.			12,028		693	578		3,303				16,603
Total	226	40,692	45,338	19,393	81,474	53,156	57,587	23,079	84,593	116,693	152,415	651,816

Given the above, the Interim Receiver obtained corporate profile reports **(Appendix K)** on the entities identified by CRA and found they are related to Sunny as per the chart below:

Company Name	Director	Relationship
12485427 Canada Inc.	Geeta Madaan	Tenant
2529933 Ontario Inc o/a Palm Transport	Brinder Kaur	Wife
8937125 Canada Inc previously o/a Stallion Logistics and Palm Logistics Group	Sandeep Singh	Principal
Borasco Staffing	Gurmeet Kumar Madaan	Geeta Madaan
Complete Tire Solutions	Gurmeet Kumar Madaan	Geeta Madaan
Discount Truck & Trailer Repair	Gurmeet Kumar Madaan	Geeta Madaan
Firstline Rentals Inc.	Sandeep Singh	Principal
Gary Fuels	Gurmeet Kumar Madaan	Geeta Madaan
Jimmy Truckline Inc.	Ramandeep Kaur	Sister-in-Law
JR action Inc.	Surjit Singh Sekhon	Unknown
Onions Wholesale Inc.	Paljinder Singh	Cousin
Rembos Lumber Inc.	Ramandeep Kaur, Peter Butler, Sezein Grant	Sister-in-Law
Trans 247 Inc.	Bhalinder Singh	Brother
Up North Logistics Inc.	Bhalinder Singh	Brother

Original invoices that CRA found to be altered or fabricated

Below is a chart derived from CRA's proposal outlining the invoices from suppliers that it found were either altered or fabricated:

ORIGINAL INVOICES THAT CRA FOUND TO BE ALTERED OR FABRICATED (ITCs Claimed)												
	February	March	April	May	June	July	August	September	October	November	December	Total
1000495982 Ontario Inc.										920.35	920.35	1,841
10132494 Manitoba Ltd.								115				115
12238993 Canada Inc				1,553			1,132		1,477	944		5,107
2747826 Ontario Inc.	2,459	10,638	8,153	7,762	9,920	9,158	26,454	9,158	9,158	9,158	33,605	135,622
BVD Petroleum	34,104	134,992	100,966	107,067	83,770	123,659	128,607	143,128	92,019	60,992	39,303	1,048,609
Compliance Mentorx Inc		1,087	1,134	1,351	3,823	970		1,363	3,405	2,627	2,758	18,518
Digify SEO Company Inc		1,609	126	316	370	245			1,460	186		725
Dynamic Rentals											5,751	5,751
Four Brothers Property Management	520	520	520	520	520	520	520	520	520	520	520	5,720
JHS Truck Repair Ltd.				10,290	2,731				1,333		2,409	16,762
Klimax Tire Inc.				19,369	2,439	18,204	1,682	5,879				47,573
Padda Goods Carrier Inc.					520	1,300	520	1,040	1,560	1,040	6,890	12,870
Popular Tire Sales & Service Inc.				10,644		16,983	1,411					29,037
Palm Transport		3,755	15,164					12,493				31,412
Ravjas Auto Collision Inc.				455	316			338			215	1,323
Rembos Inc			230					115				345
SME LLP					975	1,300		2,600	3,718	488		9,081
Tru_efashion Inc.				2,057	1,318	747	460	966	2,062	774		8,384
Trux Solutions	981	325	325	777	861	917	325	1,476	447	325	335	7,093
Vision Truck Group	276	1,255	53	534	705	1,982	1,603	2,110	1,905	683	896	12,002
Total	38,340	154,182	126,672	162,695	108,270	175,985	162,713	181,301	119,062	78,658	94,327	1,400,248

The Receiver notes that CRA has rejected an input tax credit claimed by Panjaab for invoices related to 274 (which is the entity that owns the Real Properties) for a total amount of \$135,622. The Receiver asked Sunny if 274 reported collections of HST from Panjaab in its 2024 HST filings and was advised that 274 has not filed its HST return for 2024.

Sales that CRA determined that did not occur as stated or are falsified based on third party information

Below is a chart derived from CRA's proposal outlining the sales that it found either did not occur as stated or are falsified based on third party information received by CRA.

SALES THAT DID NOT OCCUR AS STATED OR ARE FALSIFIED BASED ON THIRD PARTY INFORMATION				
	Period Ended	Sales Per Lising	Sales Confirmed	Variance
Algoma Steel	10/31/2024	135,830		(135,830)
	11/30/2024	205,415		(205,415)
ATS Logistics Services Inc.				-
	5/31/2024	2,448		(2,448)
	7/31/2024	959		(959)
	8/31/2024	4,623		(4,623)
	10/31/2024	9,208		(9,208)
Rembos Inc.	11/30/2024	3,060		(3,060)
				-
	10/31/2024	573,875	193,150	(380,725)
	11/30/2024	637,625	288,005	(349,620)
Sealink Fleet Inc				-
Welded Tube of Canada Corp.	10/31/2024	88,636	29,450	(59,186)
				-
	10/31/2024	130,975		(130,975)
	11/30/2024	208,853		(208,853)
Total		2,001,507	510,605	(1,490,902)

36. Based on the above findings, CRA has also proposed to levy a gross negligence penalty of \$602,025.78 against Panjaab reducing the refund that maybe available to Panjaab to \$1,347,803.27. Sunny has advised the Interim Receiver that he disagrees with CRA's findings and has engaged an accounting firm to provide additional information to CRA by the deadline of October 14, 2025.
37. The Interim Receiver notes that CRA will not issue any refunds until all appeals are finalized, all outstanding returns including HST returns and corporate taxes have been filed and all filings remain up-to-date. The Interim Receiver understands that Panjaab has not filed its HST returns for calendar 2025 and has also not filed its corporate tax return for year ending January 31, 2025. The Interim Receiver is unsure as to how these returns will be filed without access to QuickBooks and if there are delays in filing returns or providing CRA with information, the release of the refund will be further delayed.

38. Panjaab appears to be up-to-date with source deductions to the end of year 2024. However, the Interim Receiver notes that Panjaab has only made payments of \$17,688.61 as of August 7, 2025 to CRA with respect to source deductions in 2025. In 2024 the total amount of source deductions reported to CRA was \$219,619.03, which translates to an approximate liability of \$18,000 per month. It would appear that for the period from January to August 2025, Panjaab would owe approximately \$180,000 assuming Panjaab employed the same level of staffing as 2024.

Vehicle Listing

39. Panjaab provided the Interim Receiver with a list of vehicles indicating which vehicles it leased or owned. The listing indicates that Panjaab has a fleet of approximately 117 vehicles of which 57 vehicles are reported as paid off and 60 vehicles are reported to be subject to leasing agreements. The Interim Receiver was advised by Sunny, that he has been negotiating with the leasing companies regarding surrendering of vehicles and provided the following chart:

SR	LEASOR	UNITS	STATUS	TOTAL DUE	LEASE DUE
1	CEPL	TRK- FT8051, 826, 831, 823, 822, 821 TRL- 8222, 349401, 8229, 8224, 821-1, 830-1	NOT AGREED	\$19,494.10	\$255,429.14
2	TFG FINANCIAL	TRK- 820 TRL- 819-1	AGREE	\$6,006.26	\$121,215.17
3	DLI	TRK- 746, 749	AGREE	\$14,214.93	\$104,197.88
4	ALUXIOR	TRK- 744, 745, 743	WANT TO NEGOTIATE- DISAGREE	\$54,263.23	\$44,506.33
5	TFG FINANCIAL	TRK- 804, TRL- 804-1	AGREE	\$3,249.31	\$90,004.16
6	MONEDA CAPITAL CORP	TRK - 712, 713, 632, 633	AGREE	\$7,949.28	\$280,795.00
7	COAST CAPITAL	3 KAUFFMAN TRAILER	NOT AGREED ON PARTIAL SURRENDER	\$4,874.38	\$117,217.31
8	CWB/ ACCURATE LEASING	Tr- J&J	NOT AGREED ON PARTIAL SURRENDER	\$7,698.63	\$141,435.21
9	MITSUBISHI	TRK- 803 TRL 803-1	AGREE	\$18,296.74	\$37,327.40
10	STRIDE CAPITAL	PETROLUM TANKER	NOT AGREED ON PARTIAL SURRENDER	\$6,652.16	\$249,979.02
11	SONOMA	TRL- 2 COTT CAR HAUL, KAUFMAN	AGREE	\$7,879.56	\$394,373.38
12	STRIDE CAPITAL	TRK- 812, 816, 811, 807, 814, 815, 810 TRL- 810-1, 812-1, 816-1, 814-1, 811-1, 815-1, 807-1	NOT AGREED ON PARTIAL SURRENDER	\$178,166.80	\$382,504.34
13	Daimler Truck Financial	SUN COUNTRY TRL—Already surrender	ALREADY SURRENDER	\$0.00	\$0.00
14	Daimler Truck Financial	J & J TRL—Already surrender	ALREADY SURRENDER	\$0.00	\$0.00
17	MITSUBISHI- 12 UNITS	TRK- 832 829, 827, 825, 830, 823, 8223, 829-1—CLAIM PAID OFF TRK- 824	AGREE	\$9,853.97	\$229,142.40
				\$338,599.35	\$2,439,126.77

40. It appears that certain creditors are being afforded the right to enforce on their security granted by Panjaab to the detriment of other creditors. The Interim Receiver is aware that 2416924 Alberta Ltd. o/a Stride Capital and Canadian Equipment Finance & Leasing Inc., have commenced an action against Panjaab for recovery of its assets.

41. In conversations with Sunny, he advised that he has been placing *RSLA* liens through a related company on vehicles in order to stop certain creditors/leasing companies from enforcing their rights. As indicated in RBC's Application Record and in reviewing the *PPSA* search related to Panjaab dated September 16, 2025, the Interim Receiver noted that *RSLA* claims were being registered by an entity named Jimmy Truckline Inc. ("**Jimmy**"). A corporate profile report for Jimmy indicates that its sole director is Ramandeep Kaur ("**Ramandeep**"). The Interim Receiver understands that Ramandeep is Sunny's sister-in-law. A copy of the corporate profile report for Jimmy is attached as **Appendix "K"**. Below is a chart outlining the registrations that were made by Jimmy against vehicles as of the date of the *PPSA* search:

VN	Make	Year	Registration Date	PPSA/RSLA Registration Number	PPSA/RSLA Registrant	RSLA Amount
4V4NC9EH7DN140267	Volvo	2013	8-May-25	20250508 1730 1901 1221	RSLA - Jimmy Truckline Inc.	118,000.00
4V4NC9KLJGN945817	Volvo	2016	8-May-25	20250508 1730 1901 1221	RSLA - Jimmy Truckline Inc.	118,000.00
			17-May-22	20220517 1701 1462 5471	PPSA - Vault Credit Corporation	
4V4NC9EH6HN967621	Volvo	2017	8-May-25	20250508 1730 1901 1221	RSLA - Jimmy Truckline Inc.	118,000.00
			5-Jun-23	20230605 1404 1462 4761	PPSA - Mitsubishi HC Capital Canada Leasing, Inc.	
4V4NC9EHX1HN967010	Volvo	2017	8-May-25	20250508 1730 1901 1221	RSLA - Jimmy Truckline Inc.	118,000.00
			3-Jun-22	20220602 1932 1531 3203	PPSA - De Lage Landen Financial Services Canada	
3HSDJAPR9GN012410	International	2016	8-May-25	20250508 1745 1901 1227	RSLA - Jimmy Truckline Inc.	88,000.00
			7-Jun-22	20220607 1404 1462 3918	PPSA - Vault Credit Corporation	
1M1AW07Y4GM054631	Manit	2016	8-May-25	20250508 1745 1901 1227	RSLA - Jimmy Truckline Inc.	88,000.00
			7-Jun-22	20220607 1404 1462 3918	PPSA - Vault Credit Corporation	
3HSDJAPT6FN708684	International	2016	8-May-25	20250508 1745 1901 1227	RSLA - Jimmy Truckline Inc.	88,000.00
			28-Jun-22	20220628 1257 5064 7819	PPSA - Bodkin, A Division of Bennington Financial	
3HSDJAPT4FN708683	International	2016	8-May-25	20250508 1745 1901 1227	RSLA - Jimmy Truckline Inc.	88,000.00
			28-Jun-22	20220628 1257 5064 7819	PPSA - Bodkin, A Division of Bennington Financial	
4V4NC9EH5PN325535	Volvo	2023	8-May-25	20250508 1756 1902 2213	RSLA - Jimmy Truckline Inc.	82,000.00
			6-Sep-22	20220906 1701 1532 1322	PPSA - Credit-Bail RCAP Inc.	
3AKJHHR9NSNE3026	Freightliner	2022	8-May-25	20250508 1756 1902 2213	RSLA - Jimmy Truckline Inc.	82,000.00
			2-Sep-22	20220902 1402 1462 0334	PPSA - Mitsubishi HC Capital Canada Leasing, Inc.	
4V4NC9EH3GN935000	Volvo	2016	8-May-25	20250508 1756 1902 2213	RSLA - Jimmy Truckline Inc.	82,000.00
			14-Dec-22	20221214 1321 5064 7880	PPSA - Vault Credit Corporation	
1FUJGLD57GLGY9661	Freightliner	2016	8-May-25	20250508 1756 1902 2213	RSLA - Jimmy Truckline Inc.	82,000.00
			15-Sep-22	20220915 1626 5064 9459	PPSA - Auxilior Capital Partners Canada, ULC	
1FUJGLD50GLGY9663	Freightliner	2016	8-May-25	20250508 1804 1902 2214	RSLA - Jimmy Truckline Inc.	116,000.00
			15-Sep-22	20220915 1626 5064 9459	PPSA - Auxilior Capital Partners Canada, ULC	
1FUJGLD53GLHA8251	Freightliner	2016	8-May-25	20250508 1804 1902 2214	RSLA - Jimmy Truckline Inc.	116,000.00
			15-Sep-22	20220915 1626 5064 9459	PPSA - Auxilior Capital Partners Canada, ULC	
1FUJGLD59GLGY9662	Freightliner	2016	8-May-25	20250508 1804 1902 2214	RSLA - Jimmy Truckline Inc.	116,000.00
			11-May-23	20230511 1447 1530 9427	PPSA - De Lage Landen Financial Services Canada	
1FUJGLD55GLGY9612	Freightliner	2016	8-May-25	20250508 1804 1902 2214	RSLA - Jimmy Truckline Inc.	116,000.00
			11-Oct-22	20221011 1002 1462 3797	PPSA - Mitsubishi HC Capital Canada Leasing, Inc.	
4V4NC9EH9GN935003	Volvo	2016	8-May-25	20250508 1810 1902 2216	RSLA - Jimmy Truckline Inc.	108,000.00
			3-Oct-22	20221003 1247 5064 8128	PPSA - Vault Credit Corporation	
4V4NC9EH5GN935001	Volvo	2016	8-May-25	20250508 1810 1902 2216	RSLA - Jimmy Truckline Inc.	108,000.00
			11-May-23	20230511 1447 1530 9427	PPSA - De Lage Landen Financial Services Canada	
4V4NC9EH0GN935004	Volvo	2016	8-May-25	20250508 1810 1902 2216	RSLA - Jimmy Truckline Inc.	108,000.00
			11-Oct-22	20221011 1002 1462 3797	PPSA - Mitsubishi HC Capital Canada Leasing, Inc.	
1FUJGGDR4SLVW5978	Freightliner	2025	7-May-25	20250507 1902 1901 0759	RSLA - Jimmy Truckline Inc.	140,000.00
1FUJGGDR0SLVW5976	Freightliner	2025	7-May-25	20250507 1902 1901 0759	RSLA - Jimmy Truckline Inc.	140,000.00
1FUJHHR9SLVW5875	Freightliner	2025	7-May-25	20250507 1902 1901 0759	RSLA - Jimmy Truckline Inc.	140,000.00
1FUJHHR5SLVW5973	Freightliner	2025	7-May-25	20250507 1902 1901 0759	RSLA - Jimmy Truckline Inc.	140,000.00
4V4NC9EHXKN897757	Volvo	2019	1-May-25	20250501 1701 1901 8311	RSLA - Jimmy Truckline Inc.	105,000.00
			26-Oct-23	20231026 1059 7036 1754	PPSA - Value Trucks Inc. C/A Value Trucks Inc.	
			24-Oct-23	20231024 1304 1901 4680	PPSA - LBEL Inc.	
4V4NC9EH5N979829	Volvo	2018	1-May-25	20250501 1701 1901 8311	RSLA - Jimmy Truckline Inc.	105,000.00
4V4NC9EH4N979837	Volvo	2018	1-May-25	20250501 1701 1901 8311	RSLA - Jimmy Truckline Inc.	105,000.00

42. In light of the above, the Interim Receiver reviewed Vehicle Identification Number (“VIN”) searches on at least 33 of the vehicles that Panjaab reported were owned by Panjaab. On all of those 33 vehicles, the VIN searches indicated an RSLA Lien from Jimmy being registered in or around September 25, 2025 after the appointment of the Interim Receiver. Below is a chart outlining the VINs and registration number of the RSLA lien claimant.

VIN	Vehicle type	Year	Lein Debtor	Lein Secured Party	Registration date	Registration number	Lein File Number
4V4NC9EH5DN553238	Volvo Truck VNL	2013	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1649 9623 0032	520490349
4V4NC9EHXDN553199	Volvo Truck VNL	2013	8777691 Canada Inc.	2416924 Alberta Ltd. o/a Stride Capital	5-Dec-24	20241205 1746 1793 0279	511710885
			8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1225 9623 0020	520479927
4V4NC9EH8GN947417	Volvo Truck VNL	2016	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1225 9623 0020	520479927
4V4NC9EH6DN553202	Volvo Truck VNL	2013	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1131 9623 0017	520478757
4V4NC9EH9DN569524	Volvo Truck VNL	2013	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1131 9623 0017	520478757
4V4NC9EH1DN569887	Volvo Truck VNL	2013	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1131 9623 0017	520478757
4V4NC9DJXDN569006	Volvo Truck VNL	2013	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1131 9623 0017	520478757
4V4NC9EH2DN553231	Volvo Truck VNL	2013	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1121 9623 0016	520478244
			8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1121 9623 0016	520478244
1FUJGLDR8CSBJ0003	Freightliner	2012	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1121 9623 0016	520478244
4V4NC9EH3DN569888	Volvo Truck VNL	2013	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1121 9623 0016	520478244
4V4NC9EH5UN569519	Volvo Truck VNL	2013	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1121 9623 0016	520478244
4V4NC9EH8GN947420	Volvo Truck VNL	2016	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1225 9623 0020	520479927
4V4NC9EHFPN188940	Volvo Truck VNL	2015	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1225 9623 0020	520479927
4V4NC9EH4EN141992	Volvo Truck VNL	2014	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1210 9623 0019	520479585
			Desh Punjab Trucking Inc.	LBEL Inc.	30-Oct-20	20201030 1309 1902 8758	767250558
			Upnorth Logistics Inc.				
4V4NC9EH4DN553232	Volvo Truck VNL	2013	8777691 Canada Inc.	2416924 Alberta Ltd. o/a Stride Capital	5-Dec-24	20241205 1746 1793 0279	511710885
			8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1210 9623 0019	520479585
4V4NC9EH6GN943575	Volvo Truck VNL	2016	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1210 9623 0019	520479585
4V4NC9EH5FN188899	Volvo Truck VNL	2015	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1210 9623 0019	520479585
4V4NC9EH3GN943579	Volvo Truck VNL	2016	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1625 9623 0029	520489854
4V4NC9EH2GN947400	Volvo Truck VNL	2016	8777691 Canada Inc.	Jimmy Trucklines Inc.	26-Sep-25	20250926 1207 9623 0036	520518807
4V4NC9EH5FN188059	Volvo Truck VNL	2015	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1625 9623 0029	520489854
			8777691 Canada Inc.	Jimmy Trucklines Inc.	26-Sep-25	20250926 1207 9623 0036	520518807
1FUJGLD55FLGD7360	Freightliner Cascadia	2015	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1225 9623 0020	520479927
1XPBDBX8GD371223	Peterbilt 579	2016	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1234 9623 0021	520480278
1FUJGLD51GLGD7437	Freightliner Cascadia	2016	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1148 9623 0018	520479063
1XPBD49X3FD304735	Peterbilt 579	2015	8777691 Canada Inc.	Concentra Equipment Finance	7-Jun-24	20240607 1406 1462 6925	506183796
			8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1148 9623 0018	520479063
4V4NC9EH1DN134576	Volvo Truck VNL	2013	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1234 9623 0021	520480278
3AKJGNDR7DDFH3519	Freightliner Coronado	2013	8777691 Canada Inc.	Jimmy Trucklines Inc.	26-Sep-25	20250926 1207 9623 0036	520518807
4V4NC9EH7DN140267	Volvo Truck VNL	2013	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1234 9623 0021	520480278
			8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1210 9623 0019	520479585
4V4NC9EH8EN163168	Volvo Truck VNL	2014	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1234 9623 0021	520480278
1FUJGLDV3DLBT9448	Freightliner Cascadia	2013	8777691 Canada Inc.	Jimmy Trucklines Inc.	26-Sep-25	20250926 1207 9623 0036	520518807
4V4NC9EH5EN172913	Volvo Truck VNL	2014	8777691 Canada Inc.	Jimmy Trucklines Inc.	26-Sep-25	20250926 1207 9623 0036	520518807
1FUJGLD51GLGZ6735	Freightliner Cascadia	2016	8777691 Canada Inc.	Jimmy Trucklines Inc.	26-Sep-25	20250926 1207 9623 0036	520518807
			10194492 Canada Inc.	Bodkin, A Division of Bennington Financial	22-Feb-22	20220222 1055 1902 6747	780542829
4V4MC9EHXBN531180	Volvo Truck VNM	2011	8777691 Canada Inc.	Jimmy Trucklines Inc.	25-Sep-25	20250925 1210 9623 0019	520479585
4V4NC9EHXDN553171	Volvo Truck VNL	2013					

43. The registration of RSLA liens against vehicles in order to stop creditors from enforcing their rights is improper. Further, registering RSLA liens on assets that are paid off and free and clear of interest of any leasing company has the effect of eroding RBC's security as those assets would fall within the General Security Agreement of RBC.

VI. REFINANCING EFFORTS

Panjaab

44. The Interim Receiver was provided with a term sheet from Rev Capital dated October 7, 2025. The Interim Receiver notes that the term sheet is merely a preliminary proposal and is subject to, amongst other things, completion of due diligence, credit review and invoice verification. Given Panjaab does not have access to its accounting software and Panjaab was not able to provide the Interim Receiver with information to verify sales invoices, the Interim Receiver is uncertain as to how it will provide the same information to Rev Capital on an expedited basis to secure financing.

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45. The Interim Receiver was provided with a letter of interest from Kingsett Capital signed on September 29, 2025 by Panjaab. The letter of interest is not a binding commitment to fund. The funding amount of \$8.0 million contemplated in the letter of interest is not sufficient to pay out RBC in full. In the Application Record, RBC indicates that it is owed approximately \$8.93 million with respect to the 274 Indebtedness.

VII. OBSERVATIONS AND CONCLUSIONS

46. Based on the information available as at the date of this Report, the Interim Receiver notes that the following actions taken by the Debtors have had an adverse impact on RBC and other creditor's security:
- a) diversion of accounts receivable from customers to pay suppliers;
 - b) opening and operation of TD bank accounts;
 - c) registration of *RSLA* liens on vehicles through Jimmy;
 - d) amounts outstanding to owner operators / incorporated drivers and employees; and

- e) amounts outstanding to CRA for source deductions.
47. The Debtors provided the Interim Receiver with little information about their ongoing operations, accordingly the Interim Receiver is unable to comment on the viability of the business carried on by the Debtors.
48. Based on the financial information available as of the date of this Report, it appears that the Debtors are not generating sufficient cash from the operations of their businesses as payments to many creditors including RBC, leasing companies, CRA (for source deductions), trade creditors (including fuel suppliers, owner operators / incorporated drivers) and employees appear to be delayed and/or are in default.
49. Based on the available information, the Interim Receiver is concerned about the Debtors' ability to continue operating the businesses, which is the subject matter of the security provided to RBC.
50. The findings by CRA with respect to the HST audit are very concerning and further casts an element of doubt on the information being produced by the Debtors.
51. Given the sensitive nature of certain financial information reviewed to date, the Interim Receiver has not included copies of bank statements, AR listings and AP listings as appendices to this Report. Should the Court require these documents and/or the Debtors dispute any of the factual information contained in this Report, the Interim Receiver will take directions from the Court with respect to whether copies of the source documents should be filed and whether same should be done on a confidential basis.

All of which is respectfully submitted.

Dated at Toronto, Ontario, this 8th day of October 2025.

msi Spergel inc.,

solely in its capacity as Interim

Receiver of the Debtors and not

in any corporate or personal capacities.

Per:



Mukul Manchanda, CPA, CIRP, LIT
Managing Partner

APPENDIX 4

Canada Revenue
AgencyAgence du revenu
du Canada

February 4, 2026

8777691 CANADA INC.
ATTENTION: PAULA AMARAL
1100 - 200 YORKLAND BLVD.
NORTH YORK ON M2J 5C1

Dear Paula Amaral, Insolvency Trustee:

**Subject: Examination of the goods and services tax/harmonized sales tax
(GST/HST) returns for the period 2024-02-01 to 2024-12-31
Business Number: 82814 4170 RT0001**

We have completed our examination of 8777691 Canada Inc.'s GST/HST returns for the above period and are making the adjustments as proposed in our letter dated September 11, 2025. Please refer to the enclosed summary of adjustments and corresponding schedules for details of the adjustments. A notice of (re)assessment will be sent out separately.

In addition, a penalty under section 285 of the Excise Tax Act/Act is being applied in relation to the gross negligence. A separate schedule to support the penalty amount is also enclosed. A NOA will be sent under separate cover for the penalty adjustments.

Our records show that the GST/HST returns for 8777691 Canada Inc. are not filed up to date. As per subsection 229(2) of the Act, no tax refunds will be paid or applied to any program accounts until all outstanding returns are filed. This includes all returns under the Excise Tax Act, the Income Tax Act, the Excise Act 2001, and the Air Travellers Security Charge Act.

You have the right to object to (re)assessments of the GST/HST. The time limit for filing an objection is 90 days from the date on the notice of (re)assessment. For more information or to get the notice of objection form, go to canada.ca/cra-complaints-disputes.

The completion of our examination should not be considered as permission to destroy any books and records, including those in electronic format. Please see GST/HST Memorandum 15.1, General Requirements for Books and Records, which can be found at canada.ca/gst-hst-pub.

The examination did not cover the full scope of your operation and it is possible that an audit in the future could cover the above period. However, (re)assessments are generally not made more than four years after the later of the day on which a return was required to be filed and the day the return was filed.