Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

CARE LENDING GROUP INC.

Applicant

and

1000209217 ONTARIO LTD.

Respondent

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended

MOTION RECORD OF THE RECEIVER, MSI SPERGEL INC. (Returnable 17 November, 2026)

November 10, 2026

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Lawyers for msi Spergel Inc., Receiver of 1000209217 Ontario Ltd.

TO ATTACHED SERVICE LIST:

Court File No.: CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

CARE LENDING GROUP INC.

Applicant

-and-

1000209217 ONTARIO LTD.

Respondent

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

SERVICE LIST
(AS AT NOVEMBER 10, 2026)

TO:	**MILLER THOMSON LLP** Scotia Plaza 40 King Street West, Suite 5800 P.O. Box 1011 Toronto, ON M5H 3S1 **Patrick Corney** Email: pcorney@millerthomson.com Tel: 416.595.8555 **Matthew Cressatti** Email: mcressatti@millerthomson.com Tel: 416.597.4311 **Shahrzad Hamraz** Email: shamraz@millerthomson.com Tel: 416-595-8533 Lawyers for msi Spergel Inc.

AND TO:	**MSI SPERGEL INC.** 120 Adelaide St W Toronto, ON M5H 1T1 **Philip Gennis** Email: PGennis@spergel.ca Tel: 416.457.4773 Receiver
AND TO:	**WILSON VUKELICH LLP** 60 Columbia Way 7th Floor Markham, ON L3R 0C9 **Christopher A.L Caruana** Email: ccaruana@wvllp.ca Tel: 905.940.8785 Counsel to the Landlord
AND TO:	**ONTARIO COLLEGE OF PHARMACISTS** 483 Huron St, Toronto, ON M5R 2R4
AND TO:	**WEIRFOULDS LLP** 4100 – 66 Wellington St. W. PO Box 35, TD Bank Tower Toronto, ON Canada **Philip Cho** Email: pcho@weirfoulds.com Tel: 416.619.6296 Counsel to the Ontario College of Pharmacists
SECURED CREDITORS	
AND TO:	**COTTON MILL PHARMACY INC.** 34 Malachigan Crois. Ottawa, ON K4A 1 G6
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AND TO:	**CWB NATIONAL LEASING INC.** 1525 Buffalo Place (3165811) Winnipeg, MB R3T 1L9
AND TO:	**MCKESSON CANADA** 8290, boulevard Pie-IX Montreal, QC H1Z 4E8 **Bernard Lefebvre CPA, CCP** Email: bernard.lefebvre@mckesson.ca Tel : 514.593.2242
AND TO:	**CANADA REVENUE AGENCY** Ontario Regional Office Department of Justice Canada 120 Adelaide Street West, Suite 400 Toronto, ON M5H 1T1 Tel: 416-973-0942 Alt: 647-256-1663 Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca
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Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

CARE LENDING GROUP INC.

Applicant

and

1000209217 ONTARIO LTD.

Respondent

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended

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TAB 1

Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
EAST REGION COMMERCIAL LIST

B E T W E E N:

CARE LENDING GROUP INC

Applicant

and

1000209217 ONTARIO LTD.

APPLICATION UNDER SECTION 243(1) OF THE *Bankruptcy and Insolvency Act,* R.S.C. 1985, c. B-3, as amended, and SECTION 101 OF THE *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended

NOTICE OF MOTION
(RETURNABLE NOVEMBER 17, 2026)

msi Spergel Inc. in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") over the property, assets and undertakings of 1000209217 Ontario Ltd. (the "**Debtor**"), will make a Motion before the Ontario Superior Court of Justice (the "**Court**") on November 17, 2026, at 9:00 a.m., or as soon after that time as the Motion can be heard, by videoconference via Zoom.

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

[ ] In writing under subrule 37.12.1(1)

[ ] In writing as an opposed motion under subrule 37.12.1(4);

[ ] In person;

[ ] By telephone conference;

[X] By video conference.

at the following location

Zoom details to be provided.

THE MOTION IS FOR

1. An order (the "**Discharge Order**") substantially in the form attached at Tab 3 of the Motion Record, inter alia,

   (a) approving the second report of the Receiver dated November 3, 2026 (the "**Second Report**") and the activities and conduct described therein;

   (b) discharging msi Spergel Inc. ("**Spergel**") as Court-appointed receiver of the Debtor; and

   (c) releasing and discharging Spergel from any and all liability arising out of its acts or omissions while acting as Receiver, save and except for any gross negligence or wilful misconduct.

2. such further and other relief as counsel may advise, and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE

A. BACKGROUND

3. On application by Care Lending Group Inc. ("**Care Lending**"), the Receiver was appointed by Order of the Court on June 21, 2024 (the "**Receivership 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**").

4. The Debtor is an Ontario limited liability corporation incorporated on May 19, 2022, which operated the Cotton Mill Pharmacy (the "**Pharmacy**"), an independent pharmacy in Cornwall, Ontario. The Debtor's registered address is at 150 York Street, Suite 1008, Toronto, Ontario M5H 3S5.

5. The full circumstances leading to the appointment of the Receiver are set out in the affidavit of Dan Gilchrist sworn on June 12, 2024, and filed in support of the Receivership Order.

6. The Receiver took possession of the Pharmacy on or about June 24, 2024.

7. Pursuant to the Receivership Order, the Receiver was empowered to market any or all of the Debtor's assets. The Receiver undertook a sale process as outlined in more detail in the first report of the Receiver dated August 15, 2025.

8. At the close of the sale process, the Receiver selected the bid from 1001188952 Ontario Inc. (the "**Purchaser**") as the best available in the circumstances. The Receiver and Purchaser executed a sale agreement (the "**Sale Agreement**") on August 13, 2025, for the sale of substantially all of the Debtor's property.

B. THE APPROVAL AND VESTING ORDER

9. On August 22, 2025, the Court approved a Sale Approval and Vesting Order (the "**AVO**") in respect of the Sale Agreement and related transaction (the "**Transaction**").

10. The Sale Agreement was conditional upon obtaining the AVO, and obtaining the consent of the Ontario College of Pharmacists (the "**OCP**"), without which the Purchaser would be unable to continue the business.

C. UNSUCCESSFUL TRANSACTION

11. OCP consent was not obtained prior to the outside date set out in the Sale Agreement. Nonetheless, the Receiver continued communications with the OCP and the Purchaser in order to advance the closing.

12. As time went on, the Receiver determined that the Purchaser would not be able to obtain the requisite consent and the Transaction therefore could not close. On March 24, 2026, over seven months after the signing of the Sale Agreement, the Receiver gave notice to the Purchaser that it would be terminating the Sale Agreement if OCP consent was not obtained by March 31, 2026. The Purchaser accepted the termination shortly thereafter.

13. On account of the failed Transaction, the Receiver determined that continuing to pay monthly rent for the Pharmacy's premises was no longer economically viable, and took steps to shut down the Pharmacy.

14. The Receiver oversaw the closing of the Pharmacy with the assistance of the designated manager (the "**Designated Manager**"), pursuant to OCP's requirements. The Designated Manager took the necessary steps to close the Pharmacy, including the return of medication to suppliers holding purchase-money security interests and turning over other medication to other pharmacists in accordance with OCP protocols.

D. PATIENT RECORDS

15. After the closing of the Pharmacy, a disagreement arose with the landlord surrounding certain patient records purportedly left on the premises. The Receiver sought intervention of the OCP, and reached an agreement whereby the OCP would take possession of the patient records.

16. The remaining ancillary issues relating to the closure of the Pharmacy were completed on September 23, 2026.

E. DISCHARGE OF THE RECEIVER

17. The Ancillary Order granted August 22, 2025 provided for the Receiver's discharge upon closing of the Transaction. As the Transaction never closed, the Receiver cannot rely on the same for its discharge.

18. There is no longer a need for the receivership to continue on account of the inability to close the Transaction and the subsequent closing of the Pharmacy. The Receiver is unaware of any remaining realizable assets, nor any outstanding matters requiring further administration.

19. The Receiver seeks the Discharge Order to approve its activities and conduct, and confirm that it has completed the administration of these receivership proceedings, along with the customary releases.

20. Care Lending consents to the discharge of the Receiver on the terms set out in the Discharge Order.

21. Rules 1.04, 2.03, 3.02, 16, 37 and 41.06 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194.

22. Section 243(1) of the BIA.

23. Section 101 of the CJA.

24. Such further and other grounds as the lawyers may advise.

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

(a) the Second Report;

(b) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

November 10, 2026

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Receiver of 1000209217 Ontario Ltd.

CARE LENDING GROUP INC. Applicant	AND	1000209217 ONTARIO LTD. Respondent	Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding Commenced at
Cornwall

NOTICE OF MOTION

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Lawyers for msi Spergel Inc., Receiver of 1000209217 Ontario Ltd.

TAB 2

Court File No. CV-24-00000103-0000

ONTARIO

SUPERIOR COURT OF JUSTICE

CARE LENDING GROUP INC.

Applicant

- and -

1000209217 ONTARIO LTD.

Respondent

SECOND REPORT OF MSI SPERGEL INC. IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF 1000209217 ONTARIO LTD.

NOVEMBER 3, 2026

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2. Receivership Order dated June 21, 2024
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4. Endorsement of Justice Bergeron dated August 22, 2025
5. Sale Approval and Vesting Order dated August 22, 2025
6. Ancillary Order dated August 22, 2025
7. Letter from the Receiver's counsel to the Purchaser dated March 24, 2026
8. Receiver's Interim Statement of Receipts and Disbursements

I. APPOINTMENT AND BACKGROUND

1. This report (the "**Second Report**") is filed by msi Spergel inc. ("**Spergel**") in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") of 1000209217 Ontario Ltd. (the "**Debtor**").

2. The Debtor was a Canadian owned private corporation carrying on business as Cotton Mill Pharmacy (the "**Cotton Mill Pharmacy**") from leased premises located at 703 Cotton Mill Street, Cornwall, Ontario (the "**Business Premises**").

3. On June 21, 2024, Care Lending Group Inc. ("**Care**"), a secured creditor of the Debtor, brought an application in the Ontario Superior Court of Justice (the "**Court**") for an order appointing Spergel as the Receiver of all of the assets, undertakings and properties (collectively, the "**Assets**") of the Debtor.

4. At the hearing of Care's application, the Honourable Madam Justice Champagne issued an endorsement (the "**June 21st Endorsement**") outlining the circumstances that warranted the appointment of a receiver and noting that the Debtor had consented to the relief being sought by Care. The Court granted an Order appointing Spergel as Receiver of the Assets of the Debtor (the "**Receivership Order**"). Attached to this Second Report as **Appendices "1"** and **"2"**, respectively, are copies of the June 21st Endorsement and the Receivership Order.

5. Following its appointment, the Receiver took steps to market the Cotton Mill Pharmacy and the Assets as a going-concern transaction. These steps are set out in more detail at paragraphs 30 through 37 of the report of the Receiver (the "**First Report**") dated August 15, 2025. Attached to this Second Report as **Appendix "3"** is a copy of the First Report without appendices.

6. The Receiver also took possession of the Business Premises on or about June 24, 2024 and began paying rent to Elizabeth & Co. Holdings Inc. (the "**Landlord**") on or about that date. The Receiver did not take possession of any patient medical records as those were carved out of the Receivership Order.

7. As set out in the First Report, the Receiver eventually executed a sale agreement (the "**Sale Agreement**") with 1001188952 Ontario Inc. (the "**Purchaser**") dated August 13, 2025 for the sale of the Assets to the Purchaser. The Sale Agreement was conditional upon the consent of the Ontario College of Pharmacists (the "**OCP**").

8. The Receiver brought a motion, returnable on August 22, 2025, seeking a Sale Approval and Vesting Order in respect of the Sale Agreement and the related transaction (the "**Transaction**") as well as other ancillary relief.

9. The Honourable Justice Bergeron issued an endorsement (the "**August 22nd Endorsement**"), together with a Sale Approval and Vesting Order (the "**AVO**") approving the Sale Agreement and the Transaction, and vesting the Assets in the Purchaser upon closing of the Transaction and an Ancillary Order (the "**Ancillary Order**") approving the First Report, the conduct and fees of the Receiver, the distribution proposed by the Receiver and the discharge of the Receiver. Attached to this Second Report as **Appendices "4", "5" and "6"**, respectively, are copies of the August 22nd Endorsement, the AVO and the Ancillary Order.

II. PURPOSE OF THIS REPORT AND DISCLAIMER

10. The purpose of this Second Report is to advise the Court as to the steps taken by the Receiver since the date of its First Report to date in these proceedings and to seek Orders from the Court, including:

a) approving this Second Report and the conduct, actions and activities of the Receiver described herein and that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the Second Report;

b) approving the Receiver's Interim Statement of Receipts and Disbursements as at November 3, 2026;

c) effective upon the filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver, discharging Spergel as Receiver and

releasing Spergel from any and all liability that Spergel has or may have hereafter by reason of or in any way arising out of the acts or omissions of Spergel while acting in its capacity as Receiver, save and except for any gross negligence or wilful misconduct on the Receiver's part; and

d) such further and other relief as Counsel may request and this Honourable Court may permit.

Disclaimer

11. This Second Report has been prepared for the use of the Court and the Debtor's stakeholders to assist them in assessing the relief sought herein. The Receiver will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Second Report for any other purpose.

12. In preparing this Second Report, the Receiver has relied upon certain information provided to it by the Debtor and/or its principals. The Receiver has not performed an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises or International Financial Reporting Standards. Accordingly, the Receiver expresses no opinion or other form of assurance with respect to such information.

13. Unless otherwise stated, all monetary amounts contained in this Second Report are expressed in Canadian dollars.

III. ACTIONS OF THE RECEIVER

The Unsuccessful Sale Transaction

14. Despite the best efforts of the Receiver and Care, the Transaction approved at the hearing held August 22, 2025, did not close as the Purchaser was not able to satisfy the condition requiring the consent of the OCP prior to the outside date set in the Sale Agreement. The Receiver continued its communications with the OCP to advance the closing.

15. However, by March 2026 the Receiver determined that the Purchaser would not be able to close the Transaction and that continuing to pay monthly rent was no longer economical.

16. As a result, on March 24, 2026 the Receiver gave notice to the Purchaser that it would be deeming the Sale Agreement to be terminated if the Purchaser failed to obtain OCP approval by March 31, 2026, and that the Receiver would not make the April 1, 2026 rent payment to the Landlord in respect of the Business Premises if OCP approval were not received by March 31, 2026. A copy of the Receiver's counsel's letter to the Purchaser is attached as **Appendix "7"**.

17. The Purchaser accepted this termination shortly thereafter.

18. The principal of the Purchaser was also acting as the "**Designated Manager**" of the Cotton Mill Pharmacy pursuant to OCP requirements. The Designated Manager took the necessary steps to deal with the closure of the pharmacy, including the return of medication to the supplier holding a purchase-money security interest. Medications including narcotics that could not be returned to the supplier were turned over to another pharmacist in Cornwall in accordance with a protocol mandated by the OCP.

19. While the Ancillary Order provided for the Receiver's discharge, such discharge was conditional upon the Transaction closing. Since the Transaction did not close, the Receiver cannot rely upon the Ancillary Order for a discharge.

Patient Records, Sharps and Expired Medication

20. Shortly after the closure of the pharmacy, issues arose with the Landlord regarding patient records purportedly left on the Business Premises in addition to used needles and expired

medications. There was a disagreement with the Landlord regarding the obligations of the Receiver in this regard, which disagreement persisted for several months after the pharmacy was closed.

21. The Receiver sought the intervention of the OCP with respect to the dispute with the Landlord. Following communications with the OCP, an agreement was reached whereby the OCP would take possession of the patient records, and the Receiver would deal with the disposal of the medications and needles. With the approval of the OCP, the Receiver engaged the services of another local pharmacist to take possession of the medications and needles and to arrange for their destruction by a licensed provider. Both of these remaining issues were completed on September 23, 2026.

22. All costs relating to the pharmacy, including rent and utilities as well as the closure, were paid directly by Care. In addition, Care has been paying all professional fees and disbursements.

IV. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

23. Attached to this Second Report as **Appendix "8"** is a copy of the Interim Statement of Receipts and Disbursements of the Receiver as at November 3, 2026 (the "**Interim SRD**").

V. RECEIVER'S FEES AND DISBURSEMENTS

24. Attached to this Second Report as Appendix "9" is the Affidavit of Philip H. Gennis, sworn November 6, 2026 which incorporates, by reference, a copy of the time dockets pertaining to the receivership of the Debtor for the period from July 1, 2025, to and including October 31, 2026. For the period specified, the fees and disbursements of the Receiver were $78,216.05 inclusive of disbursements and HST. This represents 133.4 hours at an effective rate of $501.29 per hour before HST.

VI. DISCHARGE OF THE RECEIVER

25. Considering the foregoing, there is no longer a need for the receivership to continue.

26. Accordingly, the Receiver seeks an Order from the Court approving its activities and conduct described in this Second Report and upon the Receiver filing a Certificate with the

Court confirming that it has completed the administration of these receivership proceedings, that Spergel be discharged and released from any and all liability that it has now or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Spergel while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part.

27. A release is necessary in this situation as the Receiver requires finality in this matter. The Receiver has worked prudently to attempt to realize upon relatively limited Assets. If the Receiver is discharged without a release, the Receiver may be required to spend time and money defending an unmeritorious action. The Receiver would not be able to recover any costs from the Assets in this situation as they have been shown to be unmarketable.

VII. RECOMMENDATIONS

28. The Receiver respectfully requests that this Honourable Court grant the relief sought in this Second Report.

Dated at Toronto, this 3rd day of November 2026

msi Spergel inc.
in its capacity as the Court-appointed Receiver
of the Debtor and not in its personal or
corporate capacity

Per: Philip H. Gennis

Philip H. Gennis, J.D., CIRP, LIT
Licensed Insolvency Trustee

Appendix 1

ONTARIO

Superior Court of Justice – East Region
29 Second Street West
Cornwall, Ontario K6J 1G3

ENDORSEMENT SHEET FOR CIVIL MOTION/APPLICATION

SHORT TITLE OF PROCEEDINGS: CARE LENDING GROUP INC. v. 1000209217 ONTARIO LTD.

COURT FILE NO.: CV24-103

BEFORE: The Honourable Justice N. Champagne

COUNSEL:
Plaintiff – P. Cornicy and M. Cressatti

Dr. Hannah

☐ **ORDER SIGNED** ☐ **ON CONSENT**

☐ **UNOPPOSED** ☐ **NO ONE APPEARED**

☐ **ADJOURNED TO**

ENDORSEMENT:

The applicant, Care Lending Group Inc (Lender). Brings an application for the appointment of msi Spergel Inc. as receiver and manager of the assets of 1000209217 Ontario Ltd. which operated the Cotton Mill Pharmacy (debtor).

On October 3, 2022 the lender advanced a five-year term loan of $600,450.00 to the debtor. Interest on the loan was compounded monthly at a rate of 7.75% per annum. The interest on any overdue amounts accrued at a rate of 18% per annum. The loan was registered under the *Personal Property Security Act* R.S.O. 1990 c. P 10 (*PPSA*)

The debtor defaulted on the loan in the spring of 2024 and effectively closed the pharmacy's doors, abandoning the business. As of June 12, 2024 the amount owing to the lender was $669,214.79.

The lender issued a notice of intention to enforce security on May 29, 2024.

The lender attended at the pharmacy June 5, 2024 and learned that the pharmacy had not had any employees including pharmacists in the store since early May 2024. The lender noted non-prescription drugs were left on the pharmacy's shelves creating a risk of theft. While narcotics are in a locked room, some prescription drugs have been left behind the counter. Prescriptions that had been filled remained behind the counter, ready for pick-up by patients who are obviously unable to access them or make payment.

The debtor's CEO has advised the lender that the debtor lacks the ability or willingness to reinvest the working capital necessary to reopen the pharmacy and it has no intention of doing so.

The lender's evidence is that msi Spergel would reopen and operate the pharmacy, using the necessarily qualified personnel in accordance with the applicable regulations, while the pharmacy is marketed for sale. This would mitigate concerns about theft and loss of goodwill and preserve the value of the property.

The debtor consents to the appointment of a receiver.

Analysis

Ordinarily where a notice of intention to enforce security is sent pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* R.S.C. 1985 c. B-3A, the court cannot appoint a receiver until 10 days after the notice is sent unless the insolvent person consents to earlier enforcement. Such is the case here. In any event the lender issued notice of intention to enforce security on May 29, 2024. As a result, more than 10 days have passed since the issuing of that notice.

Pursuant to section 243(1) of the *BIA* a court may appoint a receiver on an application of a secured creditor if it is "just or convenient to do". The appointment of a receiver would allow it to take possession of all or substantially all of the inventory, accounts receivable or other property and exercise any control the court considers advisable over that property.

In considering whether the appointment of a receiver is just inconvenient, the court is required to have regard to all of the circumstances in the situation. Factors to be considered by the court are the nature of the property, the likelihood of preserving and maximizing the return on the subject property, the relationship between the debtor and its creditors, the conduct of the parties, the risk of the lender's security deteriorating, loss of confidence in the debtor's management, the potential costs of the receiver and whether a court appointment is required to enable the receiver to carry out its duties efficiently.

On the facts before me, taking the above factors into consideration, I conclude that the appointment of a receiver is appropriate and is just and convencient. At present the pharmacy is closed and is not operating. The debtor's CEO expresses absolutely no intention of reopening the business. Apart from the risk of theft, it is losing money each and every day its doors are closed. Clients will no doubt go to other pharmacies and inventory will expire over time. In my view a receivership would provide the stability, structure and supervision required to preserve the value of the pharmacy.

In all of the circumstances there shall be in order to go appointing msi Spergel as receiver of the debtor's property, in the form provided to the court by the applicant.

Justice Nathalie Champagne

ONTARIO

Superior Court of Justice – East Region
29 Second Street West
Cornwall, Ontario K6J 1G3

Date: June 21, 2024

The Honourable Justice N. Champagne

Appendix 2

Court File No. CV-24-00000103-0000

ONTARIO

SUPERIOR COURT OF JUSTICE

THE HONOURABLE	)	FRIDAY, THE 21ST
	)	
JUSTICE NATHALIE CHAMPAGNE	)	DAY OF JUNE, 2024

CARE LENDING GROUP INC.

Applicant

- and -

1000209217 ONTARIO LTD.

Respondent

ORDER
(appointing Receiver)

THIS APPLICATION made by the applicant Care Lending Group Inc. ("**Care Lending**") 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 and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of 1000209217 Ontario Ltd. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day via Zoom videoconference.

ON READING the affidavit of Dan Gilchrist sworn June 12, 2024 and the exhibits thereto and on hearing the submissions of counsel for Care Lending and of Andrew Hanna, and on reading the consent of the Debtor, filed, and no other person appearing although duly served as appears from the affidavit of service of Kim Sellers sworn June 18, 2024 and on reading the consent of Spergel to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Spergel is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

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

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the Debtor, 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 Debtor;

(d) to engage pharmacists, 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 Debtor or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor, and, if necessary, to deposit such monies in a separate bank account controlled by the Receiver and pay such disbursements that are necessary for the continued operation of the business of the Debtors;

(g) to settle, extend or compromise any indebtedness owing to the Debtor;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, 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 Debtor, 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 summarily dispose of Property that is perishable or likely to depreciate rapidly in value;

(l) 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*, shall not be required.

(m) 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;

(n) 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;

(o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

(r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor 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 Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order, including, but not limited to the Ontario College of Pharmacists, the Ministry of Health and Long-Term Care, the Ontario Drug Benefit Program and any insurance company (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 client/patient records and prescription information ("**Patient Records**") billing privileges, 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 Debtor, 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, subject to Paragraph 6A herein, 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.

5A. **THIS COURT ORDERS** that, should the Receiver deem it necessary to seek from any insurance company or its pharmacy benefits manager personal information regarding persons covered pursuant to benefit plans which might have had claims under such plans relating to the Debtor, such information shall be sought pursuant to a motion on notice to the insurance company and its pharmacy benefits manager. Such information shall only be released by the insurance company or its pharmacy benefits manager on the agreement of such insurance company or as provided in the order so obtained.

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.

6A. **THIS COURT ORDERS** that with respect to the Patient Records, the Receiver shall: (i) take all steps reasonably necessary to maintain the integrity of the confidential aspects of the Patient Records; (ii) if necessary, appoint a pharmacist licensed and qualified to practice in the Province of Ontario to act as custodian (the "**Custodian**") for the Patient Records; (iii) not allow anyone other than the Receiver or the Custodian to have access to the Patient Records; and (iv) allow the Debtor supervised access to the Patient Records for any purposes required pursuant to the *Regulated Health Professions Act, 1991*, the *Pharmacy Act, 1991*, or any other governing

Ontario or Canadian statute that requires the Debtor, from time to time, to perform certain obligations.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor 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 Debtor 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 Debtor, 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 Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor 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 Debtor, 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 Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all claims processing services, computer software, communication and other data services, centralized banking services, payment processing services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor 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 Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

16. **THIS COURT ORDERS** that, pursuant to section 42 of the Ontario *Personal Health Information Protection Act* ("**PHIPA**"), the Receiver shall only disclose personal health information to prospective purchasers or bidders who are potential successor(s) to the pharmacy business of the Debtor (the "**Pharmacy**") as Health Information Custodian(s) (as defined in the PHIPA) for the purposes of allowing the potential successor to assess and evaluate the operations of the Pharmacy. Each potential successor to whom such personal health information is disclosed is required in advance of such disclosure to review and sign an acknowledgement of this Order

indicating that it agrees to keep the information confidential and secure and not to retain any of the information longer than is necessary for the purposes of the assessment or evaluation, and if such potential successor does not complete a Sale, such potential successor shall return all such information to the Receiver, or in the alternative shall destroy all such information Such acknowledgement shall be deemed to be an agreement between the Receiver and the potential successor for the purposes of section 42 of PHIPA.

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 its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

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 http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL https://www.spergelcorporate.ca/engagements.

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 Debtor's creditors or other interested parties at their respective addresses as

last shown on the records of the Debtor 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.

RETENTION OF LAWYERS

28. **THIS COURT ORDERS** that the Receiver may retain solicitors to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order. The Receiver is specifically authorized and permitted to use Miller Thomson LLP, solicitors for the Applicant herein, as its own counsel in respect of any matter where there is no conflict of interest. In respect of any legal advice or issue where a conflict may exist or arise in respect of the Applicant and the Receiver or a third party, the Receiver shall utilize independent counsel.

GENERAL

29. **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.

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

31. **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.

32. **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.

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

34. **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.

35. **THIS COURT ORDERS** that this Order and is effective as of June 24, 2024, at 10:00AM prevailing Eastern Time and is enforceable without the need to entry and filing.

36. **THIS COURT ORDERS** that Elizabeth & Co. Holdings Inc. shall make best efforts, until the date and time specified in paragraph 35 of this Order, to bar the public from accessing the Pharmacy (as defined in paragraph 16 hereof), including by, among other things, locking any doors used to access the Pharmacy and posting signage advising the public to access any other tenants located in the same building as the Pharmacy via other entrances.

37. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, paragraph 36 of this Order shall be effective as of the date hereof and is enforceable without the need to entry and filing.



SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that msi Spergel Inc., the receiver (the "**Receiver**") of the assets, undertakings and properties 1000209217 Ontario Ltd. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (the "**Court**") dated the ___ day of _____, 2024 (the "**Order**") made in an action 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 $_____ 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 Newmarket, 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 _____, 2024.

Msi Spergel Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

CARE LENDING GROUP INC. Applicant	AND	1000209217 ONTARIO LTD. Respondent	Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding Commenced at
Cornwall

RECEIVERSHIP ORDER

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Appendix 3

Court File No. CV-24-00000103-0000

ONTARIO

SUPERIOR COURT OF JUSTICE

CARE LENDING GROUP INC.

Applicant

- and -

1000209217 ONTARIO LTD.

Respondent

FIRST REPORT OF MSI SPERGEL INC IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF 1000209217 ONTARIO LTD.

AUGUST 15, 2025

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7. Teaser Document
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10. Insolvency Insider Advertisement
11. Redacted Sale Agreement
12. Receiver's Fee Affidavit
13. Receiver's Interim Statement of Receipts and Disbursements
14. HST Notice of Assessment as at April 30, 2024
15. CRA Statement regarding Source Deductions
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CONFIDENTIAL APPENDICES

1. List of Parties who received Email blast

2. Unredacted Sale Agreement

I. APPOINTMENT AND BACKGROUND

1. This first report (this "**First Report**") is filed by msi Spergel inc. ("**Spergel**") in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") of 1000209217 Ontario Ltd., (the "**Debtor**")

2. The Debtor was a Canadian owned private corporation carrying on business as Cotton Mill Pharmacy (the "**Cotton Mill Pharmacy**") from leased premises located at 703 Cotton Mill Street, Cornwall, Ontario (the "**Business Premises**").

3. On June 21, 2024, Care Lending Group Inc. ("**Care**"), a secured creditor of the Debtor, moved by way of an application in the Ontario Superior Court of Justice (the "**Court**") for an order appointing Spergel as the Receiver of all of the assets, undertakings and properties (collectively, the "**Assets**") of the Debtor.

4. At the hearing of Care Lending's application, the Honourable Madam Justice Champagne issued an endorsement (the "**June 21st Endorsement**") outlining the circumstances that warranted the appointment of a receiver and noting that the Debtor had consented to the relief being sought by Care Lending. The Court granted an Order appointing Spergel as Receiver of the Property of the Debtor (the "**Receivership Order**"). Attached to this First Report as **Appendices 1** and **2**, respectively, are copies of the June 21st Endorsement .and the Receivership Order.

5. As noted in the Receivership Order, the Receiver retained Miller Thomson, LLP (the "**Receiver's Counsel**") as its independent legal Counsel. The Receivership Order explicitly authorized the Receiver to retain the Receiver's Counsel, notwithstanding that the same firm also acts for Care Lending in this proceeding. To avoid any conflict of interest, the Receiver has also retained Stewart Esten LLP to act in situations, such as security reviews, where it would be improper for the Receiver's Counsel to act.

II. PURPOSE OF THIS FIRST REPORT AND DISCLAIMER

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

   a) approving this First Report and the conduct, actions and activities of the Receiver described herein and that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the First Report;

   b) approving the Receiver's interim Statement of Receipts and Disbursements as at August 15, 2025;

   c) approving an agreement of purchase and sale between the Receiver, as Vendor and 1001188952 Ontario Inc., as Purchaser (the **"Purchaser**") dated August 13, 2025, (the "**Sale Agreement**") for substantially all of the Assets and authorizing the Receiver to complete the transaction contemplated therein (the "**Transaction**").

   d) vesting in the Purchaser all of the Debtor's right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement) free and clear of any claims and encumbrances (other than permitted encumbrances identified in the Sale Agreement;

   e) sealing the Confidential Appendices (as defined herein) to this First Report until the closing of the Transaction or further order of this Court;

   f) approving the fees and disbursements of the Receiver for the period from June 21, 2024, to and including June 30, 2025;

   g) approving the Fee Accrual as defined herein;

h) approving the proposed distribution of any Harmonized Sales Tax ("HST") refunds to Care Lending net of disbursements paid from that refund;

i) effective upon the filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver, discharging Spergel as Receiver and releasing Spergel from any and all liability that Spergel has or may have hereafter by reason of or in any way arising out of the acts or omissions of Spergel while acting in its capacity as Receiver; and

j) such further and other relief as Counsel may request and this Honourable Court may permit.

Disclaimer

7. The Receiver will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this First Report for any other purpose.

8. In preparing this First Report, the Receiver has relied upon certain information provided to it by the Debtors and or its principals. The Receiver has not performed an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises or International Financial Reporting Standards. Accordingly, the Receiver expresses no opinion or other form of assurance with respect to such information.

9. Unless otherwise stated, all monetary amounts contained in this First Report are expressed in Canadian dollars.

III. ACTIONS OF THE RECEIVER

10. A copy of the Receivership Order was provided to the Debtor by the Receiver. In addition, the Receiver prepared its statutory Notice and Statement of the Receiver in accordance with subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act* ("**BIA**") and mailed same to all creditors known to the Receiver.

11. Since the date of its appointment the Receiver directly or through the Receiver's Counsel attended to the following:

a) attended the Business Premises and took possession of same, changed the locks and engaged an inventory counting service to do a count of the inventory on hand both current expired and soon to be expired;

b) ensured that narcotics inventory was properly secured as required by law;

c) communicated with the Debtor in relation to amongst other things obtaining books and records and other information regarding the pharmacy business;

d) froze the bank accounts maintained by the Debtor that were known to the Receiver and arranged to transfer funds from those accounts to the Receiver;

e) arranged for the continuation of alarm service and all utilities servicing the Business Premises;

f) communicated with the off-site secure storage facility where historical patient were kept and arranged for the continuation of the rental of such facility;

g) arranged for funding of the receivership through borrowing from Care Lending supported by Receiver's Certificates;

h) arranged for insurance on the Assets and the Business Premises;

i) communicated with the Landlord regarding the lease of the Business Premises and arranged for the payment of rent in accordance with said lease;

j) communicated with the Ontario College of Pharmacists regarding the pharmacy;

k) communicated with all insurance providers servicing the pharmacy;

l) communicated with equipment lessors;

m) communicated with McKesson Canada as the provider of pharmaceutical and front counter products to the pharmacy and the holder of a Purchase Money Security Interest over the pharmacy inventory ("**PMSI**") and a registrant under the *Personal Property Security Act* ("**PPSA**")

n) communicated with the Canada Revenue Agency ("**CRA**") in an effort to ascertain the existence of priority claims;

o) arranged for a previous owner to act as Designated Manager of the pharmacy working one day per week and commuting from Ottawa, while full-time or part-staff could be found;

p) communicated with the Ontario Pharmacists Association regarding full-time staffing for the pharmacy;

q) communicated with the School of Pharmacy at the University of Toronto in an effort to secure staff from amongst recent graduates of the School;

r) obtained a security opinion relative to the security held by Care Lending from Stewart Esten LLP, an independent law firm located in Barrie, Ontario;

s) marketed the Assets; and

t) negotiated the Sale Agreement.

The Pharmacy Business

12. Immediately upon its appointment the Receiver attended at the Business Premises to secure possession thereof; change locks and arranged for an inventory to be taken of all pharmaceuticals. The pharmacy was not operating.

13. The Receiver communicated with the Ontario College of Pharmacists and learned that the pharmacy was subject to Notice of Temporary Closure effective May 21, 2024. Attached to this First Report as **Appendix "3"** is a copy of the email from the OCP to the CEO of the Debtor confirming the temporary closure of the pharmacy for a period of three months ending August 21, 2024, after which date unless re-opened, the pharmacy would have to permanently close.

14. Despite efforts by the Receiver to source full-time pharmacy staff, through its contacts from previous pharmacy receiverships, and through the contacts of Care Lending as a lender to the health care industry and pharmacy staffing agencies, full-time staff could not be found. The former owner/pharmacist of the Pharmacy, Andrew Hanna was recruited as Designated Manager ("**DM**") to work one day per week as an independent contractor so as to enable the pharmacy to avoid closure by the OCP.

15. In addition to the above, the Receiver reached out to the School of Pharmacy at the University of Toronto in an effort to gauge the interest of recent graduates to relocate to Cornwall, Ontario with accommodation included. No responses were received in this regard..

16. The former owner/pharmacist remained the DM of the Pharmacy and kept the pharmacy open one day per week from on or about June 28, 2024, to March 20, 2025, on which date, a new DM who is a related party to the proposed Purchaser was hired as an independent contractor. From March 25, 2025, to and including June 15, 2025, the pharmacy remained open two days per week with the support of the OCP. Given the lack of revenue being generated by the Pharmacy, the Receiver requested that the OCP support a temporary closure of the Pharmacy for the period from Juine 15, 2025 to and including September 15, 2025, while the Transaction (as defined herein) was finalized. In the event that the Transaction does not close by September 15, 2025, the Receiver, with the full support of the OCP will re-open two days per week until the closing of the Transaction.

17. From the date of the Receiver taking possession no business has been conducted at the Pharmacy due to the inability to find full-time or full-time part-time staff. It is the intention of the proposed Purchaser to re-establish the pharmacy in the community and build it up to its former profitability as a compounding pharmacy in partnership with Care Lending.

18. It is the Receiver's belief that the location of the pharmacy, in Cornwall, Ontario was the principal impediment to staffing absent direct ownership.

Equipment Lessors

19. According to lease documents provided to the Receiver, there were two pieces of leased compounding equipment utilized at the pharmacy. The first, described as a Planetary Mixer was leased from CWB National Leasing ("**CWB**") The second, described as a C-Cabinet was leased from Meridien One-Cap Credit Corp ("**Meridien**").

20. The Planetary Mixer, leased from CWB, although believed to be located at the pharmacy was never on-site and could not be located. The C-Cabinet, leased from Meridien was purchased by Care Lending directly from Meridien and remains at the pharmacy to be used by the Purchaser.

McKesson Canada Corporation ("McKesson")

21. McKesson is one of two major suppliers of inventory to the retail pharmacy space and was to the best of the Receiver's knowledge, the sole provider to the pharmacy and as previously advised was PMSI registrant

22. The Receiver, given the initial intention of the Receiver to operate the pharmacy, reached out to McKesson to establish a supply facility for the pharmacy, which facility became operational in a timely manner. The Receiver also arranged for an count to be taken of all pharmaceutical and front counter inventory.

23. Once it became apparent that the pharmacy could not operate, the Receiver arranged with McKesson to return the pharmaceutical and front counter inventory

save and except a small quantity of narcotics most of which have expired or are soon to expire. These remain in a safe on-site and once the Transaction is completed, the Purchaser will be arranging for the lawful destruction of these drugs in accordance with the protocol established by the OCP and Health Canada.

24. On the basis of the foregoing, the Receiver has confirmed with McKesson that no money is owing on account of its PMSI.

The Leased Premises

25. The pharmacy business operates out of leased premises located at 703 Cotton Mill Street, Cornwall, Ontario under a lease entered into between the Debtor as Tenant and Elizabeth & Co. Holdings Inc., as Landlord dated October 3, 2022. (the "**Premises Lease**"). The initial term of the Premises Lease ends on September 30, 2027. The Premises Lease provides for three renewal terms of five years each at rent to be mutually agreed upon. Attached to this First Report as **Appendix "4"** is a copy of the Premises Lease.

26. The Premises Lease provides for a security deposit in the Amount of $20,264.61, which the Receiver assumes will be transferred to the credit of the Purchaser.

27. The Receiver and/or Care Lending have been paying rent under the terms of the Premises Lease since the date of the Receivership Order and the taking of possession.

28. The Landlord has been provided with a draft Lease Assignment Agreement and Consent, and it is anticipated that both will be finalized shortly. Attached to this First Report as **Appendices "5"** and **"6"**, respectively are copies of the draft Assignment Agreement and Consent of the Landlord.

29. The Receiver understands that the Landlord intends to consent to the assignment of the Premises lease to the Purchaser.

IV. THE SALE PROCESS

30. Pursuant to the terms of the Receivership Order, the Receiver was empowered and authorized to, among other things, market any or all of the Debtor's assets, including advertising and soliciting offers in respect of the assets and negotiating such terms and conditions of sale as the Receiver, in its discretion, deemed appropriate.

31. As part of the Receiver's sale process, the Receiver prepared a Teaser document outlining the opportunity and the process by which a prospective purchaser could gain access to the Data Room set up by the Receiver which contained historical financial information and information as to patient records and prescription counts. Attached to the Teaser was a Non-Disclosure Agreement ("**NDA**"), the execution and delivery of which was precondition to accessing the Data Room. Attached to this First Report as **Appendix "7"** is a copy of the Teaser and the NDA.

32. The Teaser was emailed by the Receiver to approximately 80 pharmacists known to the Receiver from previous pharmacy receiverships. Attached to this First Report as **Confidential Appendix "1"** is a list of the parties who received the Teaser and NDA as part of the initial email blast.

33. In addition to the email blast described above, the Receiver reached out to a real estate broker specializing in pharmacy purchases and sales who was previously engaged by the Receiver to see he could assist. The broker expressed concern over the location of the pharmacy and declined to accept the engagement but advised the Receiver that he would reach out to pharmacists known to him to see if he could garner any interest in this acquisition. The Receiver did not hear back from this broker.

34. In addition, the Receiver informally engaged Evcor, a firm specializing in business advisory services for pharmacists. Evcor did an email blast on two occasions to approximately 600 recipients; a fax blast in Ontario only to approximately 5000 recipients; and a Canada-wide fax blast to approximately 10,000 recipients informing them of the opportunity in Cornwall, Attached to this First Report as **Appendix "8"** is a copy of the email blast sent by Evcor. This effort led to 19 referrals, 5 of whom signed NDAs and accessed the Receiver's Data Room.

35. As well, the Receiver placed advertisements in both the Globe and Mail Newspaper and in the Insolvency Insider Newsletter. Attached to this First Report as **Appendices "9"** and **"10"**, respectively are copies of the advertisements placed in The Globe and Mail and the Insolvency Insider Newsletter.

36. As a result of the marketing efforts described above, 20 parties executed NDAs and accessed the Receiver's Data Room. The Receiver was presented with one offer in the amount of $40,000 and a Letter of Intent in the amount of $100,000, neither of which were acceptable to the Receiver nor Care Lending.

37. The Receiver has negotiated a Sale Agreement for the pharmacy business under terms and conditions that the Receiver believes is appropriate having regard to the extensive marketing of the assets to the pharmacy community and the costs incurred by Care Lending in funding the receivership. The Receiver is of the opinion that the Sale Agreement is the most economical way possible to dispose of the pharmacy and put an end to the excessive burn rate incurred to date.

V. THE TRANSACTION

38. As set out above, the Receiver has entered into an agreement with the Purchaser for the sale of substantially all of the Debtor's assets (defined above as "Transaction").

39. The Transaction provides for the sale of substantially all of the Debtor's assets in exchange for the Purchaser agreeing to assume $375,000 of the Debtor's debt to Care Lending at the closing of the Transaction. As is set out below, the Debtor

does not have any debts or claims against it that are in priority to the debt owing to Care Lending.

40. The Purchaser will also assume the Assumed Liabilities (as defined in the Purchase Agreement).

41. The Purchaser is a newly-formed corporation that is controlled by Eddie Slama. Mr. Slama is a qualified and registered pharmacist in Ontario, such that he can legally operate a pharmacy.

42. In the Receiver's opinion, the Transaction is commercially reasonable as the Transaction will provide Care Lending, the Debtor's senior secured creditor, which is presently owed the sum of $747,339 with the opportunity to recover at least a portion of its debt.

43. The Receiver notes that Care Lending's debt owing from the Debtor is far in excess the amount that it will recover from the Transaction and accordingly, none of the Debtor's other creditors would be prejudiced by the approval by this Court of the Transaction.

44. The Sale Agreement is conditional only upon the approval of the Ontario College of Pharmacists which approval process is underway and of this Honourable Court and accordingly is the subject matter, inter alia, of the motion brought by the Receiver. A copy of the Sale Agreement with redaction of sensitive information is attached to this First Report as **Appendix "11"**. An un-redacted copy of the Sale Agreement is attached to this First Report as **Confidential Appendix "2".**

45. The Receiver is of the view that the sale process with respect to the pharmacy was conducted in a commercially reasonable manner and that the market was extensively canvassed by the Receiver through its marketing efforts detailed above. It is the opinion that the terms and conditions contained in the Sale Agreement are commercially reasonable in all respects and that the completion of the Transaction is the most economical way possible to dispose of the pharmacy and put an end to the costs of the receivership.

VI. REQUEST FOR A SEALING ORDER

46. The Receiver is seeking a sealing order in respect of the Confidential Appendices to the First Report as they each contain commercially sensitive information, the release of which prior to the completion of the Transaction would be prejudicial to the stakeholders in the event that the Transaction does not close.

47. Confidential Appendix "1" consists of a list of names of pharmacists located around Ontario. There is no material public intertest in making their names public.

48. Confidential Appendix "2" consists of an un-redacted copy of the Sale Agreement. The release of the Purchase Price prior to the completion of the Transaction would be prejudicial to the stakeholders in the event that the Transaction does not close.

49. The proposed Ancillary Order would maintain both Confidential Appendices "1" and "2" as sealed appendices until such time as the Transaction is completed and a certificate evidencing the completion is filed with the Court.

VII. FEES AND DISBURSEMENTS OF THE RECEIVER

50. Attached to this First Report as **Appendix "12"** is the Affidavit of Philip H. Gennis, sworn August 18, 2025 (the "**Receiver's Fee Affidavit**") which incorporates, by reference, a copy of the time dockets pertaining to the receivership of the Debtor for the period from June 21, 2024, to and including June 30, 2025. For the period specified, the fees and disbursements of the Receiver were $97,578.55 inclusive of disbursements and HST. This represents 198.7 hours at an effective rate of $433.88 per hour before HST.

VIII. FEE ACCRUAL

51. Provided there is no opposition to the relief sought in this First Report and that such relief is granted, the Receiver estimates that the costs to conclude the Transaction, if approved, and complete all matters related to the administration of the receivership estate should not exceed for the Receiver and its Counsel should not exceed $25,000 plus disbursements and HST and as such the Receiver is seeking approval for this sum and for the payment of same.

IX. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

52. Attached to this First Report as **Appendix "13"** is a copy of the Interim Statement of Receipts and Disbursements of the Receiver as at August 15, 2025 (the "**Interim SRD**").

X. CANADA REVENUE AGENCY ("CRA")

53. As part of its on-going duties, the Receiver made enquiries of CRA to ascertain the status of accounts of the Debtor. The Receiver was provided with a Notice of Assessment for Harmonized Sales Tax ("**HST**") indicating a credit balance in the amount of $18,114.36 as at April 30, 2024 (the "**HST Notice**"). The Receiver proposes to prepare and file those returns that are outstanding by the Debtor so as to enable recovery of this HST credit balance. Attached to this First Report as **Appendix "14"** is a copy of the HST Notice.

54. The Receiver has also been provided with a Statement of Account for Source Deductions dated September 18, 2024, confirming that there is no sum owing on account of employee source deductions for 2024 (the "**ETD Statement**"). Attached to this First Report as **Appendix "15"** is a copy of the ETD Statement.

55. As at the date of this First Report no claims have been filed with the Receiver by CRA for either unsecured or priority claims.

XI. WAGE EARNER PROTECTION PROGRAM ACT ("WEPPA")

56. As of the date of the Receivership Order, there were no employees and no information was provided to the Receiver by the Debtor to indicate otherwise nor as to wage arrears. Accordingly, the Receiver did not have any contact with Service Canada on behalf of WEPPA.

XII. FUNDING OF THE RECEIVERSHIP

57. Pursuant to Paragraph 21 of the Receivership Order, the Receiver is empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may considers 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 periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by the Receivership Order, including interim expenditures.

58. To date, the Receiver has borrowed monies from Care Lending in the principal amount of $250,000 (the "**Current Borrowings**") to fund its activities in these proceedings. Attached to this First Report as **Appendix "16"** are copies of the Receiver's Certificates representing the current borrowings.

59. Pursuant to Paragraph 21 of the Receivership Order, the issuance of the Receiver's Certificate has the effect of creating a charge on the assets of the Debtor, by way of a fixed and specific charge (the "**Receiver's Borrowing Charge**") as security for the repayment of the monies borrowed, together with interest and charges thereon, in priority to security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person (as defined in the Receivership Order), but subordinate to the Receiver's Charge, and the charges set out in subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

60. As at the date of this Second Report, the Receiver has $19,217.35 in the receivership estate's trust account.

XIII. SECURITY INTEREST OF CARE LENDING

61. Attached to this First Report as **Appendix "17"** is a copy of an Ontario Search Report search conducted under the Personal Property Security Act ("**PPSA**") dated May 27, 2024.

62. The PPSA Search evidences the priority registration of Care Lending against the assets of the Debtor.

63. The Receiver obtained an independent legal opinion as to the validity of Care Lending's PPSA security interest in the assets of the Debtor, which opinion provides that, subject to standard assumptions and caveats, Care Lending's security over the assets of the Debtor is valid and enforceable. Attached to this First Report as **Appendix "18"** is a copy of the security opinion provided by Stewart Esten LLP.

XIV. PROPOSED DISTRIBUTION

64. The Receiver proposes to distribute any funds, if any, received in consequence of this receivership to Care Lending pursuant to its valid first security interest after payment of any outstanding Receiver's fees and disbursements..

XV. DISCHARGE OF THE RECEIVER

65. Subsequent to the date of this First Report, and prior to the Receiver's discharge, the Receiver proposes to attend to the following:

a) Preparing and filing of all required returns with CRA;

b) Closing the Transaction;

c) Other residual and/or administrative matters in connection with Spergel's appointment as Receiver;

d) Filing of the final Receiver's Statement under the BIA; and

e) Filing the Receiver's Certificate of Discharge

XVI. RECOMMENDATIONS

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

Dated at Toronto, this 15th day of August, 2025

msi Spergel inc.
in its capacity as the Court-appointed Receiver
of the Debtor and not in its personal or
corporate capacity

Per: Philip H. Gennis

Philip H. Gennis, JD.,, CIRP, LIT
Licensed Insolvency Trustee

Appendix 4

Superior Court of Justice
Cour supérieure de justice

Court File number/
Numéro de dossier : CV 24-103

29 Second Street West, Cornwall, Ontario K6J 1G3

ENDORSEMENT SHEET/
PAGE D'INSCRIPTION

Plaintiff(s)/Demand(eur)(s)(eresse)(s): Carel Leader Group Counsel/Avocat(e):	Present/Comparaît ☐ Present/Comparaît ☐ Both present by teleconference ☐
Defendant(s)/Défend(eur)(s)(eresse)(s): 1000209217 Ontario Ltd Counsel/Avocat(e):	Present/Comparaît ☐ By teleconference Present/Comparaît ☐ Duty Counsel/Avocat de service ☐
Defendant(s)/Défend(eur)(s)(eresse)(s): Counsel/Avocat(e):	Present/Comparaît ☐ By teleconference Present/Comparaît ☐

Date: ☐ Order to go in accordance with minutes of settlement or consent filed./ Ordonnance conformément au procès-verbal de l'audience de transaction ou le consentement déposé.

AUG. 22, 2025

ENDORSEMENT/ INSCRIPTION

For oral reasons provided Orders sought by the receiver in their Notice of Motion dated August 18 2025 are so granted. Orders provided have been signed & are to be issued by the Court

Appendix 5

Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE	)	FRIDAY, THE 22ND
	)	
JUSTICE BERGERON	)	DAY OF AUGUST, 2025



CARE LENDING GROUP INC.

Applicant

- and -

1000209217 ONTARIO LTD.

Respondent

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended

APPROVAL AND VESTING ORDER

THIS MOTION, made by msi Spergel Inc., in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") of all of the assets, undertakings and properties of 1000209217 Ontario Inc. (the "**Debtor**"), pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), for an order, among other things, (i) approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement (the "**Sale Agreement**") between the Receiver, as vendor, and 1001188952 Ontario Inc. (the "**Purchaser**"), as Purchaser, dated August 15, 2025, and (ii) vesting in the Purchaser all of the Debtor's right, title and interest in and to the Purchased Assets, as defined in the Sale Agreement, was heard this day by judicial videoconference via Zoom.

ON READING the Notice of Motion, the Receiver's First Report dated August 18, 2025, and on hearing the submissions of counsel for the Receiver, the Purchaser and those other counsel and parties listed on the Participant Information Form, no one else appearing although properly served as appears from the Certificate of Service of Jaclyn Tarola sworn August 19, 2025, filed,

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Champagne dated June 21, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**") and, for greater certainty, this Court orders that all of the Encumbrances

affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

4. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

5. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

6. **THIS COURT ORDERS** that, notwithstanding:

(a) the pendency of these proceedings;

(b) any applications for a bankruptcy order now or hereafter issued pursuant to the BIA in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. **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.

8. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

Justice Berger

SCHEDULE A

Form of Receiver's Certificate

Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

CARE LENDING GROUP INC.

Applicant

- and -

1000209217 ONTARIO LTD.

Respondent

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Champagne of the Ontario Superior Court of Justice (the "**Court**") dated June 21, 2024, msi Spergel Inc. was appointed as the receiver (the "**Receiver**") of the assets, undertakings and properties of 1000209217 Ontario Ltd. (the "**Debtor**").

B. Pursuant to an Order of the Court dated August 22, 2025, the Court approved the agreement of purchase and sale made as of August 15, 2025 (the "**Sale Agreement**") between the Receiver and 1001188952 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased

Assets; (ii) that the conditions to Closing as set out in Article 7 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;

2. The conditions to Closing as set out in Article 7 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and

3. The Transaction has been completed to the satisfaction of the Receiver.

4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ August ____, 2025.

MSI SPERGEL INC., in its capacity as Court-appointed Receiver of 1000209217 Ontario Ltd., and not in its personal capacity

Per: _____

Name:

Title:

CARE LENDING GROUP INC. Applicant	AND	1000209217 ONTARIO LTD. Respondent	Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding Commenced at
Cornwall

APPROVAL AND VESTING ORDER

MILLER THOMSON LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto ON M5H 3S1

Patrick Corney LSO# 65462N
Tel: 416.595.8555
pcorney@millerthomson.com

Matthew Cressatti LSO# 77944T
Tel: 416.597.4311
mcressatti@millerthomson.com

Lawyers for the Receiver

Appendix 6

Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE	)	FRIDAY, THE 22ND
	)	
JUSTICE BERGERON	)	DAY OF AUGUST, 2025



CARE LENDING GROUP INC.

Applicant

- and -

1000209217 ONTARIO LTD.

Respondent

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended

ORDER
(Re: Approval of Report, Conduct and Fees of the Receiver, Sealing, Distribution and Discharge of the Receiver)

THIS MOTION, made by msi Spergel Inc. ("**Spergel**"), in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") of all of the assets, undertakings and properties of 1000209217 Ontario Inc. (the "**Debtor**"), pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), for an order, *inter alia*, (i) approving the first report of the Receiver dated August 18, 2025 (the "**First Report**") and the conduct and activities of the Receiver described therein; (ii) approving the fees and disbursements of the Receiver, as described in the First Report, and the estimates of the remaining fees and disbursements to be incurred during these proceedings by the Receiver (the "**Fee Estimates**"); (iii) sealing Confidential Appendix 1 and Confidential Appendix 2, as defined in the First Report and annexed thereto; (iv) authorizing the Receiver to make certain Distributions (as defined and specified herein) to Care

Lending Group Inc. ("**Care Lending**"); and (v) discharging and releasing Spergel as Receiver of the assets, undertakings and properties of the Debtor effective upon the filing of a certificate by the Receiver certifying that all matters to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver, in substantially the form attached hereto as Schedule A (the "**Discharge Certificate**"), was heard this day by judicial videoconference via Zoom.

ON READING the Notice of Motion and the First Report, and on hearing the submissions of counsel for the Receiver, the Purchaser and those other counsel and parties listed on the Participant Information Form, no one else appearing although properly served as appears from the Certificate of Jaclyn Tarola sworn August 19, 2025, filed,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record of the Debtor are hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service hereof.

2. **THIS COURT ORDERS** that capitalized terms used herein and not otherwise defined shall have the meaning given to such terms in the Asset Purchase Agreement dated August 15, 2025 (the "**Sale Agreement**") between the Receiver, as vendor, and the Assignee, as Purchaser, or the First Report, as applicable.

FIRST REPORT, CONDUCT AND ACTIVITIES OF RECEIVER

3. **THIS COURT ORDERS** that the First Report and the conduct and activities of the Receiver, as described therein, be and are hereby approved, provided that only the Receiver, in its

personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

FEE APPROVAL AND STATEMENT OF RECEIPTS AND DISBURSEMENTS

4. **THIS COURT ORDERS** that the fees and disbursements of the Receiver, including the Receiver's Fee Accrual (as defined in the First Report), in the total amount of $25,000 including HST, as set out in the Receiver's Fee Affidavit, attached as Appendix "12" to the First Report, are hereby approved.

SEALING

5. **THIS COURT ORDERS** that Confidential Appendix 1 to the First Report is hereby sealed and shall not form part of the public record until further order of the Court.

6. **THIS COURT ORDERS** that Confidential Appendix 2 to the First Report is hereby sealed and shall not form part of the public record until the closing of the Transaction contemplated in the Sale Agreement between the Receiver and 1001188952 Ontario Inc. dated August 15, 2025, and approved by the Court pursuant to the Approval and Vesting Order dated August 22, 2025, and the filing of the Receiver's Certificate with the Court confirming same.

DISTRIBUTIONS

7. **THIS COURT ORDERS** that the Receiver be and is hereby authorized and directed, without further order of the Court, to distribute any Harmonized Sales Tax ("**HST**") refunds to Care Lending, which shall be applied against the indebtedness, liabilities and obligations owing by the Debtor to Care Lending.

8. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

Justice Berger

SCHEDULE A

Form of Receiver's Discharge Certificate

Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

CARE LENDING GROUP INC.

Applicant

- and -

1000209217 ONTARIO LTD.

Respondent

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Champagne of the Ontario Superior Court of Justice (the "**Court**") dated June 21, 2024, msi Spergel Inc. ("**Spergel**") was appointed as receiver (in such capacity, the "**Receiver**") of the assets, undertakings and properties of 1000209217 Ontario Ltd. (the "**Debtor**").

B. Pursuant to an Order of the Court dated August 22, 2025 (the "**Discharge Order**"), Spergel was discharged as Receiver of the Debtor's assets, undertakings and properties, to be effective upon the filing by the Receiver with the Court of a certificate confirming that all matter to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Discharge Order.

THE RECEIVER CERTIFIES the following:

1. All matters to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver.

2. This Certificate was delivered by the Receiver to the Court at _____ [TIME] on _____ August ____, 2025.

MSI SPERGEL INC., in its capacity as Court-appointed Receiver of 1000209217 Ontario Ltd., and not in its personal capacity

Per: _____

Name:

Title:

CARE LENDING GROUP INC. Applicant	AND	1000209217 ONTARIO LTD. Respondent	Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding Commenced at
Cornwall

APPROVAL AND VESTING ORDER

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mcressatti@millerthomson.com

Lawyers for the Receiver

Appendix 7

MILLER THOMSON LLP
SCOTIA PLAZA
40 KING STREET WEST, SUITE 6600
P.O. BOX 1011
TORONTO, ON M5H 3S1
CANADA

T 416.595.8500
F 416.595.8695

MILLERTHOMSON.COM

March 24, 2026

Matthew Cressatti
Direct Line: +1 416.597.4311
mcressatti@millerthomson.com

File No. 0285053.0001

Private and Confidential

Sent via E-mail

Mr. Eddie Slama
eddieslama23@gmail.com

Dear Mr. Slama:

Re: Cotton Mill Pharmacy

As you know, we are counsel to msi Spergel Inc. in its capacity as court-appointed receiver of 1000209217 Ontario Ltd. (in such capacity, the "**Receiver**"). We write with respect to the Pharmacy Purchase Agreement among 1001148056 Ontario Inc. (the "**Purchaser**") and the Receiver dated as of August 15, 2025 (the "**Purchase Agreement**"). All capitalized terms not defined herein take their definitions from the Purchase Agreement.

As you know, a condition of the Purchase Agreement is that the Purchaser receives approval of the Ontario College of Pharmacists to purchase the Purchased Assets (the "**College Approval Condition**"). Per section 8.1 of the Purchase Agreement, the Receiver may, on notice to the Purchaser, treat the Purchase Agreement as having been terminated by the Purchaser if the Transaction is not completed solely as a result of the Purchaser's failure to perform its obligations, including satisfying the College Approval Condition by the Outside Date.

The Receiver understands that you have advised Care Lending Group Inc. ("**CLG**") that you are of the view that the Purchaser will be unable to satisfy the College Approval Condition.

The Outside Date has long since come and gone. The Receiver, with funding from CLG, has been paying rent on the Leased Premises (being 107-703 Cotton Mill St., Cornwall, Ontario) for over a year in the hope of closing the Transaction. Unfortunately, the Purchaser has been unable to satisfy the College Approval Condition. The Receiver has made every commercially reasonable effort to assist the Purchaser to close the Transaction, but the College Approval Condition must be satisfied for the Transaction to close.

The Receiver hereby advises the Purchaser that the Receiver will, pursuant to section 8.1 of the Purchase Agreement, be deeming the Purchase Agreement as having been terminated by the Purchaser if College Approval Condition is not satisfied by 5:00 p.m. (EST) on Tuesday, March 31, 2026 (the "**Approval Deadline**"). In such situation the Receiver is entitled to pursue all of its rights and remedies as against the Purchaser, including but not limited to all rent paid to keep the Leased Premises available on the expectation that the Purchaser would satisfy the College Approval Condition and be able to close the Transaction.

The Receiver will also not be making any further payments towards rent for the Leased Premises, from April 1, 2026 onwards, in the event that the College Approval Condition is not satisfied by the Approval Deadline.

Notwithstanding the Receiver's right to pursue the Purchaser for damages, the Receiver is prepared to execute a simple termination and mutual release agreement terminating the Purchase Agreement and releasing all parties. We will prepare a draft for your review if you are interested.

The Receiver continues to reserve all rights.

Yours truly,

MILLER THOMSON LLP



Matthew Cressatti
MC/ks

CC: Phillip Gennis, msi Spergel Inc.

Appendix 8

District of
Division No. 12 - Ottawa
Court No. 33-165848
Estate No. 33-165848

In the Matter of the Receivership of
1000209217 Ontario Inc.
of the City of Cornwall, in the Province of Ontario

Receiver's Statement of Receipts and Disbursements
As at November 6, 2026

RECEIPTS			
1	**Miscellaneous**		
	Receiver Borrowing from Secured Creditor	345,016.62	
	Cash in bank	4,134.36	
	Accounts Receivable	577.86	
	Sales	22.54	
	Interest allocation	1,896.55	
TOTAL RECEIPTS			**351,647.93**
DISBURSEMENTS			
2.	**Federal and Provincial taxes**		
	HST paid on Disbursements Exclusive of Fees	29,059.20	
	HST paid on Ascend License Fee	42.25	
	HST	10,247.90	
	HST on legal fees	195.00	
			39,544.35
3.	**Miscellaneous**		
	Ascend License Fee	325.00	
	Advertising - Insolvency Insider	250.00	
	Bank Charges	20.34	
	Casual Labour	960.00	
	Change of Locks	665.00	
	Cleaning Service	1,715.63	
	Consulting Fees	102,845.00	
	Courier	73.82	
	Filing Fees Paid to O/R	80.42	
	Insurance	10,291.72	
	Inventory purchases	1,200.00	
	Legal fees/disbursements	1,704.61	
	Newspaper advertising first meeting	1,459.11	
	Occupation rent	76,517.34	
	Office expense	1,035.68	
	Operating expense	1,544.54	
	Security	6,395.00	
	Storage	6,607.82	
	Telephone	2,372.98	
	Receiver's fees and costs	78,830.00	
	Repairs and maintenance	162.00	
	Utilities	14,413.18	
		309,469.19	
TOTAL DISBURSEMENTS			**349,013.54**
Net Receipts over Disbursements			**2,634.39**
			E&OE

Dated at the City of Toronto in the Province of Ontario, this 6th day of November 2026.
msi Spergel inc. - Licensed Insolvency Trustee

Philip H. Gennis

1100-200 Yorkland Blvd.
Toronto ON M2J 5C1
Phone: (416) 497-1660 Fax: (416) 494-7199

Appendix 9

Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

CARE LENDING GROUP INC.

Applicants

- and -

1000209217 ONTARIO LTD.

Respondents

AFFIDAVIT OF PHILIP GENNIS
(sworn November 6, 2026)

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

1. I am a Licensed Insolvency Trustee with msi Spergel inc. ("**Spergel**"), the Court-Appointed Receiver (the "**Receiver**") of 1000209217 Ontario Inc. ("**1000**") and as such have knowledge of the matters to deposed herein, except where such knowledge is stated to be based on information and belief, in which case I state the source of the information and verily believe such information to be true.

2. The Receiver was appointed, without security, of all of the assets, undertakings and properties of the 2668 by Order of the Honourable Madam Justice Nathalie Champagne of the Ontario Superior Court of Justice (Commercial List), on June 21, 2024

3. In connection with the receivership of 1000 for the period from July 1, 2025, up to and including October 31, 2026 fees of $78,216.05 (inclusive of HST,

disbursements) were charged by Spergel as detailed in the billing summary and time dockets attached hereto as **Exhibit "1"** to this my Affidavit. This represents 133.4 hours at an effective rate of $501.29 per hour. Fees prior to June 30, 2025 were previously approved by the Court.

4. The hourly billing rates detailed in this Affidavit are comparable to the hourly rates charged by Spergel for services rendered in relation to similar proceedings.

5. This Affidavit is made in support of a motion to, *inter alia*, approve the receipts and disbursements of the Receiver and its accounts.

6. I make this Affidavit for no improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, this 6th day of November 2026)

B Eileen Sturge

A Commissionner, etc.)

Barbara Eileen Sturge,
a Commissioner, etc. for msi Spergel inc.
and Spergel & Associates Inc.
Expires September 21, 2028

Philip H. Gennis

PHILIP GENNIS

This is Exhibit "1" of the Affidavit of

PHILIP GENNIS

Sworn before me on this 6th day of November 2026



A Commissioner, Etc.

Barbara Eileen Sturge,
a Commissioner, etc. for msi Spergel inc.
and Spergel & Associates Inc.
Expires September 21, 2028

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

August 25, 2026

Invoice #: 13241

1000209217 ONTARIO INC., cob COTTON MILL PHARMACY

INVOICE

RE: 1000209217 ONTARIO INC., cob COTTON MILL PHARMACY

FOR PROFESSIONAL SERVICES RENDERED in the period up to and including July 31, 2026, in connection with the Court-appointed receivership proceedings.

Professional Services	Hours	Hourly Rate	Total
Mukul Manchanda, CPA, CIRP, LIT	0.10	$575.00	$57.50
Philip H. Gennis, LL.B., CIRP, LIT	77.25	$575.00	$44,418.75
Gillian Goldblatt, CPA, CA, CIRP, LIT	1.30	$425.00	$552.50
Paula Amaral	10.90	$425.00	$4,632.50
Dharam Tiwana	0.10	$295.00	$29.50
Eileen Sturge	0.50	$250.00	$125.00
Manocher Sarabi	12.50	$175.00	$2,187.50
Cassandra Glover	3.40	$110.00	$374.00
Total Professional Services	106.05	$493.89	$52,377.25
HST			$6,809.04

Reimbursable Expenses	Total
Courier	$66.87
Miscellaneous	$1,410.62
Total Reimbursable Expenses	$1,477.49
HST on expenses	$150.23

Total **$60,814.01**

HST Registration #R103478103
(AACOTT-R)

CAIRP
GRIP
Doc ID: 0bfb4a38fae6a331f0b6c73068f3e69f6124f41d

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August 25, 2026

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1000209217 ONTARIO INC., cob COTTON MILL PHARMACY

INVOICE

INVOICE RECONCILIATION PAGE

Date	Staff	Memo	Hours	B-Rate	Amount
Professional Services					
2025-07-02	MSR	*printed the mini mall Invoice, preparing the mailing label and mailing out the cheque.*	0.10	$175.00	$17.50
2025-07-07	CGL	*Administrative work including facilitating payables.*	0.20	$110.00	$22.00
2025-07-11	GGO	*Receive and review bank reconciliation.*	0.10	$425.00	$42.50
2025-07-11	PGE	*Email exchanges between Counsel and CLG regarding issues related to lease assignment;*	0.50	$575.00	$287.50
2025-07-14	PGE	*Conference call with Counsel and Dan Gilchrist regarding lease assignment; correspondence from Eddie Slama's lawyer;*	0.75	$575.00	$431.25
2025-07-14	MSR	*Emailed received and reviewed and responded, prepared and reviewed the cheque requisition to process payment for utility, and submitted for approval and coordinating with banking department.*	0.50	$175.00	$87.50
2025-07-17	CGL	*Administrative work including facilitating approval of payables.*	0.20	$110.00	$22.00
2025-07-21	PGE	*Email exchange with Lawrie Insurance regarding insurance renewal;*	0.50	$575.00	$287.50
2025-08-01	PGE	*Email exchange with Dan Gilchrist regarding rent increase; review and approve payables;*	0.20	$575.00	$115.00
2025-08-07	MSR	*Email received and reviewed from the inspector on site, reviewed the images provided.*	0.10	$175.00	$17.50
2025-08-07	PGE	*Email from ppty manager confirming mandated insurance checks required for vacant sites;*	0.10	$575.00	$57.50
2025-08-07	CGL	*Administrative work including facilitating payables.*	0.20	$110.00	$22.00
2025-08-08	GGO	*Receive and review bank reconciliation.*	0.10	$425.00	$42.50
2025-08-11	PGE	*Email exchange with Matt Cressatti confirming consent to assignment of lease to Purchaser;*	0.10	$575.00	$57.50
2025-08-12	PGE	*Revise Report to Court;*	2.50	$575.00	$1,437.50
2025-08-13	PGE	*Email exchange with Matt Cressatti; Further revisions to Court Report; email exchange regarding ILA for Purchaser with respect to APS;*	0.30	$575.00	$172.50
2025-08-14	MSR	*Mails received and reviewed.*	0.10	$175.00	$17.50

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August 25, 2026

Invoice #: 13241

1000209217 ONTARIO INC., cob COTTON MILL PHARMACY

INVOICE

2025-08-15	PGE	*Email exchange with Matt Cressatti and Dan Gilchrist regarding APS and execution thereof by the Purchaser; review of earlier draft of APS; email to Dan Gilchrist requesting updated amount owed to CLG to add to report; internal email regarding HST refund; email exchange between Counsel and Court Office in Cornwall;*	0.75	$575.00	$431.25
2025-08-18	PGE	*Receipt and review of draft Notice of Motion and Orders; revisions to Notice of Motion; email from Dan Gilchrist with current debt owed to CLG; review and execute Fee Affidavit; transmittal of complete report to Counsel; review of Application Record;*	0.50	$575.00	$287.50
2025-08-21	PGE	*Attendance at Superior Court on zoom hearing for AVO and ancillary relief; email exchanges with Counsel; email to Purchaser regarding storage locker and assumption of rental contract;*	1.00	$575.00	$575.00
2025-08-22	PGE	*Attend AVO motion; transmittal of storage locker rental documents to Counsel for assumption by Purchaser;*	0.75	$575.00	$431.25
2025-08-25	PGE	*Telephone discussion with Dan Gilchrist regarding protocol with OCP as a result of purchase; as well as other matters; email from Lawrie Insurance; email to Counsel regarding fully executed ASPS;*	0.25	$575.00	$143.75
2025-08-26	PGE	*Update OCP Application and transmit along with Floor Plan to Purchaser; email from Purchaser;*	0.25	$575.00	$143.75
2025-09-04	PGE	*Review and sign payables.*	0.50	$575.00	$287.50
2025-09-04	CGL	*Administrative work including facilitating payables.*	0.20	$110.00	$22.00
2025-09-06	PGE	*Email exchange with Eddie Slama regarding alarm invoice;*	0.20	$575.00	$115.00
2025-09-08	PGE	*Email to Matt Cressatti requesting ETA for closing;*	0.10	$575.00	$57.50
2025-09-09	PGE	*Email exchange with Dan Gilchrist regarding rent payable under current lease; email from Eddie Slama regarding deficiencies with floor plan;*	0.10	$575.00	$57.50
2025-09-10	PGE	*Email exchange with Andrew Hanna regarding original floor plan document; email to OCP regarding delay in closing and requesting extension of temporary closure to October 1; telephone discussion with OCP in this regard;*	0.75	$575.00	$431.25
2025-09-12	GGO	*Receive and review bank reconciliation.*	0.10	$425.00	$42.50
2025-09-18	PGE	*Email to PA regarding status of HST credit receivable due from CRA;*	0.10	$575.00	$57.50

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August 25, 2026

Invoice #: 13241

1000209217 ONTARIO INC., cob COTTON MILL PHARMACY

INVOICE

2025-09-19	PGE	*Email reports regarding insurance site visits; email exchange with Lawrie Insurance; review and approve payable for insurance coverage;*	0.30	$575.00	$172.50
2025-09-19	CGL	*Upload court documents to case website.*	0.10	$110.00	$11.00
2025-09-24	PGE	*Email exchange with Dan Gilchrist and Counsel; receipt and review of AVO and Ancillary Order;*	0.50	$575.00	$287.50
2025-09-26	PGE	*Email exchange with Counsel; internal email to ES regarding funds on deposit;*	0.20	$575.00	$115.00
2025-09-29	PGE	*Email exchange with Eddie Slama regarding Kroll software; further emails from Eddie Slama regarding drug suppliers and the insurance coverage at the pharmacy; email exchange with Telus;*	0.30	$575.00	$172.50
2025-09-30	DTI	*Review site inspection report by Lockit, upload to shared drive.*	0.10	$295.00	$29.50
2025-10-03	MSR	*Prepared, Reviewed and submitted cheque requisitions for approval, reconciling the previous payments.*	1.00	$175.00	$175.00
2025-10-06	PGE	*Review and approve payables. email from Telus;*	0.40	$575.00	$230.00
2025-10-06	CGL	*Administrative work including facilitating payables.*	0.20	$110.00	$22.00
2025-10-07	PGE	*Email exchange with Cornwall Mini Mall Storage facility;*	0.20	$575.00	$115.00
2025-10-10	PGE	*Receipt and review of insurance policy renewal;*	0.25	$575.00	$143.75
2025-10-11	PGE	*Email exchange with DM regarding opening hours; email exchange with insurance broker regarding need for regular inspections given the impending opening of the pharmacy with the DM on site three days per week; email to Dan Gilchrist with Alliance statement; dealing with Cornwall Mini Storage;*	0.50	$575.00	$287.50
2025-10-14	PGE	*Further email exchange with Cornwall Mini Mall Storage; telephone discussion with facility manager;*	0.30	$575.00	$172.50
2025-10-15	GGO	*Receive and review bank reconciliation.*	0.10	$425.00	$42.50
2025-10-15	PGE	*Internal email exchange regarding payment of mini mall storage invoice; email exchange between DM and Telus; further emails regarding operation of pharmacy in the period from court approval and OCP accreditation; email exchange with DM regarding Filware;*	1.00	$575.00	$575.00
2025-10-16	PGE	*Email exchange with Matt Cressati regarding closing of sale;*	0.10	$575.00	$57.50
2025-10-21	PGE	*Further email exchange with Cornwall Mini Mall Storage regarding payment of invoices;*	0.25	$575.00	$143.75

Doc ID: 0bfb4a38fae6a331f0b6c73068f3e69f6124f41d

msi Spergel inc., Licensed Insolvency Trustees
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Invoice #: 13241

1000209217 ONTARIO INC., cob COTTON MILL PHARMACY

INVOICE

2025-10-22	CGL	*Facilitated payment of final storage costs.*	0.20	$110.00	$22.00
2025-10-22	MMA	*Receipt and review of email exchange regarding storage payables.*	0.10	$575.00	$57.50
2025-10-22	PGE	*On-going issues with Cornwall Mini-Mall Storage; arranging for payment by CC; emil to Counsel with updated storage contract with Cornwall Min-Mall Storage;*	0.60	$575.00	$345.00
2025-10-28	PGE	*Follow-up email exchange with Lawrie Insurance regarding need for regular inspections; email to OCP and follow-up telephone discussion;*	0.40	$575.00	$230.00
2025-11-04	PGE	*Email exchange and telephone discussion with Dan Gilchrist; telephone call to OCP regarding status of accreditation application;*	0.30	$575.00	$172.50
2025-11-07	PGE	*Email exchange with insurance broker regarding need for inspections;*	0.20	$575.00	$115.00
2025-11-13	PGE	*Review and approve payables; responding email to insurance broker regarding issues raised;*	0.30	$575.00	$172.50
2025-11-15	PGE	*Further email exchange with Dan Gilchrist regarding OCP accreditation; call to College;*	0.20	$575.00	$115.00
2025-11-18	PGE	*Email exchange and telephone discussion with Dan Gilchrist relative to OCP application; email exchanges regarding starting up pharmacy; telephone discussion with Lance Miller at OCP and follow-up call with Dan Gilchrist;*	0.75	$575.00	$431.25
2025-11-19	PAM	*Discussions with pharmacist regarding status of providers. Contact ODB to confirm accounts are open. Receive confirmation that account is active. Contat Bell with pharmacist to discuss issues with porting of fax number.*	0.50	$425.00	$212.50
2025-11-19	PGE	*Telephone discussion and email exchange with Bernard Lefebvre of McKesson regarding activation of account; telephone discussion with Dan Gilchrist; telephone discussion with Lance Miller at OCP regarding accreditation status;*	0.50	$575.00	$287.50
2025-11-20	PAM	*Discussions with Bell and Kroll regarding fax line and correcting porting error.*	0.50	$425.00	$212.50
2025-11-20	PGE	*Email exchanges with providers aimed at getting pharmacy up and running;*	0.50	$575.00	$287.50
2025-11-21	PGE	*Email exchange with DM regarding liability insurance;*	0.25	$575.00	$143.75
2025-11-23	PGE	*Review and approve payables; email exchange with DM regarding operational issues;*	0.30	$575.00	$172.50

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2025-11-24	PGE	*Email exchange between Dan Gilchrist and Landlord; email exchange with Landlord regarding leak in bathroom; email regarding Bell fax;*	0.25	$575.00	$143.75
2025-11-25	PAM	*Contact Bell to set up a fax line. Call with pharmacist to review provider list and confirm provider numbers. Prepare requisitions for storage facilities and utilities. Reconcile past payments with bills.*	2.50	$425.00	$1,062.50
2025-11-25	PGE	*Email exchange between Dan Gilchrist and DM regarding Landlord response to issues raised; review and approve payables; email from DM;*	0.25	$575.00	$143.75
2025-11-26	PAM	*Prepare provider forms and forward to P. Gennis for signature. Prepare emails for each provider and forward to each provider in order to activate account and change banking information*	4.00	$425.00	$1,700.00
2025-11-26	PGE	*Email from Dan Gilchrist to Landlord; review and approve payables; emails to providers confirming opening of pharmacy; email exchange with Telus regarding its unwillingness to continue service; email to Telus confirming breach of stay provision in |Order; email from Telus confirming activation of account; telephone discussion with McKesson; receipt and transmittal of PAP from Care Lending Group; email exchange with DM regarding update on Provider accounts;*	0.75	$575.00	$431.25
2025-11-27	PAM	*Receive and respond to providers advising of status of accounts. Complete forms as required by providers and submit for processing.*	0.80	$425.00	$340.00
2025-11-27	PGE	*Email exchange with Dan Gilchrist regarding PAP; review and execute NexGen RX application form; receipt and review of additional provider application documents;*	0.50	$575.00	$287.50
2025-12-01	PGE	*Email from Telus confirming re-activation of provider account; email to Eddie Slama and Dan Gilchrist; email from ppty manager confirming site inspection;*	0.25	$575.00	$143.75
2025-12-01	GGO	*Receive and review September bank reconciliation.*	0.10	$425.00	$42.50
2025-12-02	PGE	*Email exchange between Dan Gilchrist and Landlord regarding building issues;*	0.20	$575.00	$115.00
2025-12-03	PGE	*Email from Insurance Broker regarding inspections going forward; review and approve payables; telephone discussion with Dan Gilchrist; telephone discussion and email exchange with Bernard Lefebvre of McKesson; email regarding LPG credit agreement; multiple emails to providers;*	1.30	$575.00	$747.50

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2025-12-03	PAM	*Prepare provider form and froward for processing.*	0.50	$425.00	$212.50
2025-12-03	MSR	*Prepared and reviewed the cheque requisition to pay utilities and reconciled the previous payments made and phone call with storage company regarding the storage invoices process the cheque requisition as requested.*	2.00	$175.00	$350.00
2025-12-04	PGE	*Emaiil exchange with Dan Gilchrist; telephone call to McKesson; telephone call to LPG; calls with Dan Gilchrist*	0.50	$575.00	$287.50
2025-12-04	CGL	*Facilitated payment to storage centre via phone.*	0.20	$110.00	$22.00
2025-12-04	MSR	*Email, received and reviewed regarding the storage payment confirmation and saved the payment conformation in drive.*	0.20	$175.00	$35.00
2025-12-04	PAM	*Receipt and review email regarding setting up pre authorized payment authorization for drugs.*	0.10	$425.00	$42.50
2025-12-05	PGE	*Email from NexGen confirming activation of account;*	0.10	$575.00	$57.50
2025-12-06	PGE	*Email to insurance broker regarding re-commencement of operations;*	0.10	$575.00	$57.50
2025-12-08	PGE	*Email exchange with Lawrie Insurance; receipt and review of draft P&L from Eddie Slama;*	0.30	$575.00	$172.50
2025-12-09	MSR	*Received the approved cheque requisitions and coordinated with banking department to process them.*	0.20	$175.00	$35.00
2025-12-14	GGO	*Receive and review bank reconciliation.*	0.10	$425.00	$42.50
2025-12-18	EST	*Prepare documentation as requested.*	0.50	$250.00	$125.00
2025-12-18	PGE	*Review and sign BIA report;*	0.25	$575.00	$143.75
2025-12-25	PGE	*Call with OCP regarding accreditation application;*	0.25	$575.00	$143.75
2026-01-08	PGE	*Email from Telus regarding rejected deposits; email to PA regarding corrective action in response;*	0.20	$575.00	$115.00
2026-01-12	GGO	*Receive and review bank reconciliation.*	0.10	$425.00	$42.50
2026-01-12	MSR	*Preparing, reviewing the cheque requisitions getting the necessary back up documents reconciling the previous payments made.*	2.50	$175.00	$437.50
2026-01-14	PGE	*Telephone discussion with Dan Gilchrist; internal email with PA regarding pharmacy operations;*	0.25	$575.00	$143.75
2026-01-16	CGL	*Review documents and send payables for approval.*	0.20	$110.00	$22.00

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2026-01-16	PGE	*Review and approve payables; review receipts in account; email to PA regarding Telus and reporting to Dan Gilchrist at Care Lending Group; email exchange with Lawrie Insurance approving renewal of insurance coverage; review of insurance renewal documents;*	1.20	$575.00	$690.00
2026-01-19	PGE	*Email exchange with Laawrie Insurance regarding renewal of coverage; internal discussion with PA regarding revenues and reporting to CLG; telephone discussion with Pharmacy DM;*	0.75	$575.00	$431.25
2026-01-19	PAM	*Receipt and review email regarding plumbing leak and next steps to repair same. Review lease documents to determine responsibilty for repairs and forward to P. Gennis for review.*	0.60	$425.00	$255.00
2026-01-20	PAM	*Review provider list and contact providers that are not active. Complete forms as requied. Dicussion with pharmacist regarding obtaining Fillware reports and copies of McKeson orders.*	1.20	$425.00	$510.00
2026-01-20	PGE	*Email exchange with Dan Gilchrist regarding plumbing invoice; telephone call with Dan Gilchrist; email from Lawrie Insurance; execution and transmittal of provider application; receipt and review of McKesson invoices and Filware Sales Report;*	1.20	$575.00	$690.00
2026-01-21	CGL	*Administrative work including review and arrange approval of document, return to Spergel team.*	0.20	$110.00	$22.00
2026-01-21	PGE	*Further email exchange with Lawrie Insurance; receipt and review of insurance renewal;*	0.30	$575.00	$172.50
2026-01-26	PGE	*Email from Lawrie Insurance regarding insurance renewal;*	0.10	$575.00	$57.50
2026-01-27	PGE		0.50	$575.00	$287.50
2026-02-04	PGE	*Email exchange and telephone discussion with Dan Gilchrist at CLG regarding McKesson credit for goods returned; email exchange with Eddie Slama; telephone discussion with OCP;*	0.75	$575.00	$431.25
2026-02-06	PGE	*Internal email regarding payment of storage rental fees;*	0.10	$575.00	$57.50
2026-02-11	MSR	*Mails, received, reviewed and scanned to drive.*	0.20	$175.00	$35.00
2026-02-12	MSR	*Phone call with storage company regarding the storage invoices and responding to email.*	0.50	$175.00	$87.50
2026-02-12	GGO	*Receive and review December bank reconciliation.*	0.10	$425.00	$42.50
2026-02-12	PGE	*Email exchange regarding Cornwall Mini Storage;*	0.10	$575.00	$57.50
2026-02-16	PGE	*Receipt and review of Slama invoice;*	0.10	$575.00	$57.50

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2026-02-17	PGE	*Email exchange with Dan Gilchrist; review of bank account for funds on hand; telephone call to OCP;*	0.50	$575.00	$287.50
2026-02-25	CGL	*Review document and facilitate approval of payables.*	0.20	$110.00	$22.00
2026-02-26	PGE	*Review documents, accounts, and approve payables. email exchange with CLG;*	0.60	$575.00	$345.00
2026-02-26	PAM	*Review payments to utilities and submit payables to M.Sarabi for processing. Request supplier invoices from pharmacist and froward to banking team.*	0.20	$425.00	$85.00
2026-02-26	MSR	*Prepared and reviewed the cheques requisitions and submitted for review and approval, received the approved cheque requisition and coordinated with banking department to process them.*	0.30	$175.00	$52.50
2026-03-02	PGE	*Receipt and review of DM invoice; Email from DM enclosing liability insurance coverage; email from DM*	0.20	$575.00	$115.00
2026-03-04	MSR	*Receipts, review and processing.*	0.20	$175.00	$35.00
2026-03-05	PGE	*Email exchange with CGL regarding site attendance; telephone discussion with Dan Gilchrist in this regard;*	0.50	$575.00	$287.50
2026-03-06	PGE	*Email to DT regarding invoice from Cornwall Mini Storage;*	0.10	$575.00	$57.50
2026-03-09	PGE	*Email exchange with DM regarding funds to be transferred to Receiver;*	0.25	$575.00	$143.75
2026-03-13	GGO	*Receive and review January bank reconciliation.*	0.10	$425.00	$42.50
2026-03-13	PGE	*Email from DM with bank statements attached; review of attachments;*	0.25	$575.00	$143.75
2026-03-15	PGE	*Email from ppty manager confirming site checks;*	0.10	$575.00	$57.50
2026-03-17	PGE	*Email from Eddie Slama with receipts for expenses attached; review of contents of email; email from Dan Gilchrist regarding steps to be taken to effect closure of the pharmacy; telephone discussion with Dan Gilchrist in this regard;*	0.50	$575.00	$287.50
2026-03-18	PGE	*Email exchange and telephone discussion with Counsel regarding closure of pharmacy; email from Dan Gilchrist regarding McKesson and closure; email exchange with Counsel regarding lease of premises; email exchange with Dan Gilchrist regarding McKesson; further email exchanges with Counsel and CGL regarding closure of pharmacy; email from Lawrie Insurance regarding reb=newal of coverage;*	1.00	$575.00	$575.00

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2026-03-23	PGE	*Email from Dan Gilchrist regarding protocol for closure; email from McKesson;*	0.20	$575.00	$115.00
2026-03-24	PGE	*Receipt and review of draft correspondence to Eddie Slama regarding his inability to close purchase of pharmacy due to issues with OCP; telephone discussions with Dan Gilchrist; preliminary discussion with OCP regarding impending closure;*	1.00	$575.00	$575.00
2026-03-25	PGE	*Review accounts, documents, and approve payables. telephone discussion with OCP regarding decision to close pharmacy; email to DM outlining his obligations relative to closure; follow-up email to OCP regarding decision to close; email to Counsel regarding decision to notify Landlord of the decision to close pharmacy and turn over possession of the site; receipt and review of draft email from Receiver's Counsel to Counsel for Landlord;*	2.00	$575.00	$1,150.00
2026-03-25	CGL	*Administrative work including the review of accounts and arrange approval of payables.*	0.20	$110.00	$22.00
2026-03-25	MSR	*Discussion with colleague regarding the payment to be processed, getting the required back up documents, phone call with storage company requesting them to provide us copy invoices to process payment to them, preparing, reviewing and submitting the cheque requisitions for review and approval.*	2.00	$175.00	$350.00
2026-03-26	PGE	*Lengthy telephone discussion with Jaswant Sandhu at OCP regarding closing protocol; email from OCP outlining obligations on DM with respect to closure; email exchange between Eddie Slama and OCP confirming inability to close; email from Counsel in this regard; email exchange with CGL with respect to Filware contract; email to Eddie Slama with respect to Receiver's expectations relative to compliance with OCP requirements;*	2.00	$575.00	$1,150.00
2026-03-26	MSR	*Receiving the approved cheque requisitions and coordinating with banking department to process them.*	0.20	$175.00	$35.00
2026-03-27	PGE	*Email exchange with Bernard Lefebvre at McKesson; telephone discussion with McKesson;*	0.30	$575.00	$172.50
2026-03-28	PGE	*Email from Receiver's Counsel with respect to Landlord's response to notice of closure and post-closure obligations relative to clean-up and damage repair; utilities and additional rent as required by lease; email to McKesson regarding product on site, if any;*	0.50	$575.00	$287.50

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2026-03-30	PGE	*Email exchange with McKesson regarding credit in account for product returned; email from McKesson confirming no product on site; telephone discussion with Bernard Lefebvre at McKesson; email to Eddie Slama requesting update on closure; telephone discussion with Eddie Slama; email to Dan Gilchrist regarding Filware claim on termination; multiple emails to and from DM regarding closure of pharmacy; telephone discussions with CLG in this regard; multiple telephone discussions with Dan Gilchrist regarding closing and dealing with meds and dispensing robots; further telephone discussion with Bernard Lefebvre at McKesson; multiple emails to and from DM regarding further issues arising from decision to close pharmacy; receipt and review of photos of Robots and forwarding same to liquidator and other pharmacists in an effort to sell same; email exchange and telephone discussion with Counsel regarding closure; discussions with outside pharmacist regarding drugs and narcotics on site and the need for another pharmacist to take care and control; email exchange with DM regarding storage of Robot in advance of sale; emails to prior operators regarding paper records in storage at local storage facility; email exchange with Counsel regarding transfer of medication; email to CGL and Counsel regarding reaching out to Andrew Hanna; telephone discussion and email exchange with Phil Hauser; email exchanges regarding inventory of medications; email exchanges with liquidator regarding possibility of recovery and sale of lab equipment and robots; email exchange with DM regarding storage of lab equipment;*	2.75	$575.00	$1,581.25

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2026-03-31	PGE	*Email exchange with CLG regarding closure; email from Paul Thomson regarding storage unit; multiple telephone calls with Phil Hauser regarding transfer of meds to another pharmacist; telephone discussion and email to OCP regarding closure; review of medication inventory; telephone discussions with Andrew Hanna regarding ownership of paper records in storage; telephone discussions with Robyn Guidon regarding assuming responsibility for medications in accord with OCP protocol; receipt and review of signed inventory between DM and Robyn Guidon; email to ppty manager regarding termination of site visits; email to Lawrie Insurance regarding cancellation of coverage; email instructing DM regarding storage of Robots and related computer equipment; telephone discussion with Andrew Hanna regarding transfer of keys and alarm codes;*	3.50	$575.00	$2,012.50
2026-04-01	PGE	*Email to DM forwarding email from Andrew Hanna requesting response to issues raised; email from Dan Gilchrist regarding assets available for purchase by Andrew Hanna; email exchange with DM regarding funds transfer; email from DM responding to issues raised by AH and the extent of the goods recovered by pharmacist taking control of meds; email exchanges with Joseph Saad regarding acquiring the pharmacy; further email exchange with Joseph Saad regarding purchase of fixtures and equipment; email exchange with CLG regarding price for equipment; receipt and review of invoice from DM; email exchange with Cornwall Mini Storage; telephone discussion with OCP regarding paper records*	2.00	$575.00	$1,150.00
2026-04-02	PGE	*Further email exchange with Cornwall Mini Storage regarding payment options for rental payments; further email exchange with Joseph Saad regarding equipment for sale;*	0.50	$575.00	$287.50
2026-04-06	CGL	*Administrative work including the review of accounts and arrange approval of payables.*	0.20	$110.00	$22.00
2026-04-06	PGE	*Review accounts and approve payable.*	0.20	$575.00	$115.00
2026-04-06	MSR	*Email, received, reviewed regarding the payments for utilities and storage, prepared and reviewed and submitted the cheque requisition for approval and coordinating with colleague for the courier of cheque.*	0.30	$175.00	$52.50

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2026-04-07	PGE	*Email from Dan Gilchrist regarding equipment sale; email to AH regarding equipment; further email to Joseph Saad regarding purchase of equipment; email exchange with DH; further email from Eddie Slama regarding equipment in storage; further email exchanges with Andrew Hanna; telephone discussion with Andrew Hanna regarding equipment and other incidentals left behind (used Needles and Schedule 1,2,3 meds and codeine preparations);further email exchanges with Eddie Slama; email exchanges with Eddie Slama and Andrew Hanna;*	1.50	$575.00	$862.50
2026-04-08	PGE	*Email to Eddie Slama regarding used needles; email from Cornwall Mini Storage; email exchange with Hanna and Slama regarding site visit to inspect equipment;*	0.75	$575.00	$431.25
2026-04-08	MSR	*Mails received and reviewed.*	0.20	$175.00	$35.00
2026-04-09	PGE	*Email exchange with Eddie Slama regarding Hanna enquiry; email to Dan Gilchrist regarding APS and follow-up telephone discussion related thereto;*	0.30	$575.00	$172.50
2026-04-10	PGE	*Execution and transmittal of insurance cancellation;*	0.20	$575.00	$115.00
2026-04-12	PGE	*Multiple emails to and from Andrew Hanna and Eddie Slama regarding lab equipment;*	0.50	$575.00	$287.50
2026-04-13	GGO	*Receive and review February bank reconciliation.*	0.10	$425.00	$42.50
2026-04-13	PGE	*Email from Andrew Hanna; further email exchange with Andrew Hanna and Eddie Slama;*	0.30	$575.00	$172.50
2026-04-14	PGE	*Email from Andrew Hanna regarding lab equipment; email to Eddie Slama in this regard; email exchange with Cornwall Mini Storage;*	0.30	$575.00	$172.50
2026-04-14	MSR	*Email, received and reviewed regarding the payment to storage company followed up with banking department and provided the necessary information as requested.*	0.30	$175.00	$52.50
2026-04-15	PGE	*Email exchange with Cornwall Mini Storage; lengthy telephone discussion with Jaswant Sandhu at OCP regarding paper records; telephone discussion with Counsel regarding OCP and paper records; review and approve payable; email exchange with Eddie Slama regarding sale of ungulator; email exchange with Andrew Hanna regarding deadline for purchasing equipment; further email exchanges with Hanna and Slama; telephonne discussions with Dan Gilchrist; telephone discussion with Jaswant Sandhu at OCP;*	1.50	$575.00	$862.50

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2026-04-16	PGE	*Lengthy telephone discussion with OCP regarding paper records; brief telephone discussion with Counsel in this regard;*	0.50	$575.00	$287.50
2026-04-20	PGE	*Email exchange with Andrew Hanna regarding code to narcotics safe; lengthy email from OCP regarding paper records and retention policies; telephone discussions with OCP practice group and with Jaswant Sandhu; telephone discussions with Dan Gilchrist and Matt Cressatti; emails to both forwarding OCP email;*	0.50	$575.00	$287.50
2026-05-02	CGL	*Time previously spent but not yet recorded: Facilitated payment of storage costs and Mini Mall storage via phone call.*	0.20	$110.00	$22.00
2026-05-05	PGE	*Telephone discussion with OCP regarding pharmacy closure and paper records; telephone discussion with Dan Gilchrist in this regard; email to Matt Cressatti regarding Paul Thompson and his obligation as a pharmacist relative to the records;*	1.00	$575.00	$575.00
2026-05-06	GGO	*Receive and review March reconciliation.*	0.10	$425.00	$42.50
2026-05-07	PGE	*Review and approve payable;*	0.20	$575.00	$115.00
2026-05-11	PGE	*Email exchange with Eddie Slama; email exchange with Andrew Hanna; telephone discussion with Eddie Slama;*	0.50	$575.00	$287.50
2026-05-12	PGE	*Email exchange and telephone call with Eddie Slama; email exchange with Andrew Hanna; telephone call with Andrew Hanna; email from Lawrie Insurance confirming cancellation of coverage and return of premium;*	0.75	$575.00	$431.25
2026-05-16	PGE	*Email exchange with Eddie Slama regarding patient records and other closing matters;*	0.25	$575.00	$143.75
2026-05-19	PGE	*email and text exchanges with former DM regarding patient records currently onsite at pharmacy; telephone calls with Landlord regarding assets onsite at pharmacy; telephone discussion with OCP; telephone discussion with Robyn Guidon regarding pharmaceuticals; telephone discussion with Hunter McCaig regarding picking up of patient records; internal discussions with PA regarding issues of the day; telephone discussion with Dan Gilchrist; telephone discussion and email exchange with Counsel regarding patient records; email exchange regarding rental of storage unit; email exchange with Andrew Hanna;*	2.25	$575.00	$1,293.75
2026-05-19	CGL	*Call with Mini Mall Storage for receipt of storage costs.*	0.20	$110.00	$22.00

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2026-05-21	PGE	*Internal email to PA requesting engagement of Hunter McCaig to attend at storage locker and report back on contents;*	0.10	$575.00	$57.50
2026-05-25	CGL	*Facilitate payment of storage costs with Mini Mall Storage via phone call.*	0.20	$110.00	$22.00
2026-05-25	MSR	*Emailed colleague regarding the processing of storage invoice by credit card and getting it approved.*	0.10	$175.00	$17.50
2026-05-26	PGE	*Email exchanges with Dan Gilchrist; further discussion with OCP;*	0.50	$575.00	$287.50
2026-05-27	CGL	*Call with Mini Mall Storage for payment of storage costs and resolve incorrect billings.*	0.20	$110.00	$22.00
2026-05-27	PGE	*Email exchange with Cornwall Mini Storage;*	0.20	$575.00	$115.00
2026-06-01	PGE	*Email exchange with Dan Gilchrist regarding sale of robots to Phil Hauser; email from CLG to Phil Hauser enclosing invoice for purchase of robots; email exchange and telephone discussion with Hunter McCaig regarding attendance at storage locker in Cornwall;*	1.00	$575.00	$575.00
2026-06-02	PGE	*Email to local agent regarding attendance at storage locker;*	0.10	$575.00	$57.50
2026-06-03	PGE	*Email from Andrew Hanna; email to Matt Cressatti.*	0.20	$575.00	$115.00
2026-06-05	PGE	*Email exchange with Andrew Hanna; email exchange with Dan Gilchrist and Matthew Cressatti; internal email to PA regarding site visit to storage locker; further email from Andrew Hanna;*	0.50	$575.00	$287.50
2026-06-06	PGE	*Email to Andrew Hanna; email to Eddie Slama regarding allegations made by Andrew Hanna; email exchange with Dan Gilchrist; further email to Andrew Hanna; email to Robyn Guindon regarding pick-up and destruction of narcotics and needles; email exchange with Lock-it Security; email to Andrew Hanna requesting photographs of boxes etc. left in storefront; email exchange with Eddie Slama requesting post-closing photos taken by him; email from Matthew Cressatti; email to Counsel and CLG regarding destruction of meds and needles;*	1.50	$575.00	$862.50
2026-06-07	PGE	*Email exchange with Eddie Slama regarding photographs;*	0.20	$575.00	$115.00

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www.spergel.ca

August 25, 2026

Invoice #: 13241

1000209217 ONTARIO INC., cob COTTON MILL PHARMACY

INVOICE

2026-06-08	PGE	*Email from Andrew Hanna; email to Dan Gilchrist and Matt Cressatti; email to Robyn Guindon; email from Eddie Slama enclosing photos; forwarding photos to CLG and Counsel; further email from Andrew Hanna regarding movement of stuff from pharmacy; email exchange with Eddie Slama regarding Hanna allegations;*	1.00	$575.00	$575.00
2026-06-09	PGE	*Email to Dan Gilchrist regarding \Andrew Hanna no show;*	0.10	$575.00	$57.50
2026-06-11	GGO	*Receive and review April bank reconciliation.*	0.10	$425.00	$42.50
2026-06-11	PGE	*Email from Andrew Hanna with storage invoices attached; forwarding same to CLG and Counsel for response; telephone discussion with CGL;*	0.30	$575.00	$172.50
2026-06-12	PGE	*Email exchange with Dan Gilchrist regarding demands made by Andrew Hanna; email from Hunter McCaig reporting on attendance at storage locker; email exchange with Hunter McCaig; email to CLG forwarding McCaig report;*	0.75	$575.00	$431.25
2026-06-15	PGE	*Email exchange with Dan Gilchrist regarding sale of robots by CLG; email from Eddie Slama with contact information for party in Cornwall with key to second storage locker; email from Andrew Hanna; telephone discussion with OCP;*	0.75	$575.00	$431.25
2026-06-17	PGE	*Email from Andrew Hanna regarding unpaid invoices; and expired medications; telephone discussion with Robyn Guindon; forwarding emails to Dan Gilchrist; email exchange with Dan Gilchrist;*	0.75	$575.00	$431.25
2026-06-22	PGE	*Email exchange with Dan Gilchrist regarding disposition of robots;*	0.20	$575.00	$115.00
2026-06-23	PGE	*Call with Jaswant Sandhu at OCP regarding issues raised by landlord;*	0.50	$575.00	$287.50
2026-06-24	PGE	*Email to Counsel regarding OCP complaint and requesting correspondence to be sent to the College; internal email regarding payment of storage rental; email exchange with Eddie Slama; telephone discussion with OCP;*	0.50	$575.00	$287.50
2026-06-26	PGE	*Email from Andrew Hanna;*	0.10	$575.00	$57.50
2026-06-30	PGE	*Lengthy call with OCP regarding complaints fied;*	0.30	$575.00	$172.50

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2026-07-03	PGE	*Email from Andrew Hanna; receipt and review of Order and Motion Materials from MNP file regarding Receiver's responsibility for patient records and forwarding same to Receiver's Counsel; email exchange between Counsel and CLG;*	0.75	$575.00	$431.25
2026-07-07	PGE	*Email from Andrew Hanna; forwarding email to Counsel; email from and telephone call with Cornwall Mini Storage;*	0.50	$575.00	$287.50
2026-07-08	PGE	*Internal email regarding payment of outstanding rent owed to Cornwall Mini Storage;*	0.10	$575.00	$57.50
2026-07-09	CGL	*Arrange payment of storage bill.*	0.10	$110.00	$11.00
2026-07-09	MSR	*Multiple emails and phone calls received and responded to from colleague regarding the storage invoice and previous month receipts and reconciled previous months payments.*	0.50	$175.00	$87.50
2026-07-09	PGE	*Review and approve CC payment to Cornwall Mini Storage; email from Cornwall Mini Storage; email from Landlord; email exchange with Counsel;*	0.50	$575.00	$287.50
2026-07-10	PGE	*email from Andrew Hanna; email exchange with Dan Gilchrist; call with Counsel; receipt and review of draft letter to OCP; email exchanges regarding revisions to letter to OCP; telephone discussions with Counsel;*	1.50	$575.00	$862.50
2026-07-13	PGE	*Receipt and review of further revised draft of Counsel's letter to OCP; telephone discussion with Counsel; receipt and review of final draft of letter to OCP;*	0.50	$575.00	$287.50
2026-07-14	GGO	*Receive and review May bank reconciliation.*	0.10	$425.00	$42.50
2026-07-14	PGE	*Telephone discussion with Counsel conveying approval of final draft of letter to OCP; receipt of email from Counsel enclosing signed correspondence to OCP; telephone discussion with OCP;*	0.50	$575.00	$287.50
2026-07-18	PGE	*Email exchange regarding storage locker;*	0.20	$575.00	$115.00
2026-07-21	PGE	*Email exchange with Counsel regarding further letter to OCP; telephone discussion with Counsel in this regard; receipt and review of draft correspondence;*	0.75	$575.00	$431.25
2026-07-22	PGE	*Forward revisions to letter to Counsel;*	0.25	$575.00	$143.75
2026-07-23	PGE	*Email exchange with Counsel;*	0.30	$575.00	$172.50

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INVOICE

2026-07-28	MSR	*Multiple emails and phone call with colleagues and storage company regarding the storage invoice and reconciliation of previous payments made.*	1.00	$175.00	$175.00
2026-07-28	PGE	*Email exchange with Counsel regarding correspondence to OCP; receipt of executed copy of letter;*	0.40	$575.00	$230.00
2026-07-30	PGE	*Email response from Lance Miller at OCP to Counsel acknowledging receipt of most recent correspondence; telephone discussion with Counsel regarding proposed response; review proposed response from Counsel; drafting Receiver's response to factual questions raised by OCP; finalize response after review with Counsel;*	1.60	$575.00	$920.00
2026-07-31	PGE	*Telephone discussion and email exchange with Robyn Guindon;*	0.25	$575.00	$143.75
		Professional Services Total:	**106.05**		**$52,377.25**

Reimbursable Expenses

2025-07-15	NTA		$31.93
2025-11-13	NTA		$34.50
2025-11-18	NTA		$386.43
2026-01-09	NTA		$321.95
2026-05-22	NTA		$385.30
2026-06-23	NTA		$34.94
2026-07-29	NTA		$282.44
		Reimbursable Expenses Total: **7.00**	**$1,477.49**

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November 6, 2026

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Invoice #: 1480

1000209217 ONTARIO INC., cob COTTON MILL PHARMACY

INVOICE

RE: 1000209217 ONTARIO INC., cob COTTON MILL PHARMACY

FOR PROFESSIONAL FEES to October 31 2026

Professional Services	Hours	Hourly Rate	Total
Philip H. Gennis, LL.B., CIRP, LIT	24.15	$575.00	$13,886.25
Gillian Goldblatt, CPA, CA, CIRP, LIT	0.30	$425.00	$127.50
Manocher Sarabi	2.50	$175.00	$437.50
Cassandra Glover	0.40	$110.00	$44.00
Total Professional Services	27.35	$529.99	$14,495.25
HST			$1,884.38

Reimbursable Expenses	Total
Miscellaneous	$945.45
Total Reimbursable Expenses	$945.45
HST on expenses	$76.96

Total **$17,402.04**

HST Registration #R103478103
(AACOTT-R)

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November 6, 2026

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1000209217 ONTARIO INC., cob COTTON MILL PHARMACY

INVOICE

INVOICE RECONCILIATION PAGE

Date	Staff	Memo	Hours	B-Rate	Amount
Professional Services					
2026-08-02	PGE	*Email exchange with Counsel providing revisions to our response to the factual questions raised by the OCP; further revisions to the response;*	0.25	$575.00	$143.75
2026-08-03	PGE	*Email exchange regarding Cornwall Mini Storage;*	0.20	$575.00	$115.00
2026-08-04	PGE	*Email exchange with Cornwall Mini Storage; email from Counsel to OCP;*	0.50	$575.00	$287.50
2026-08-05	PGE	*Email to Lance Miller at OCP;*	0.30	$575.00	$172.50
2026-08-06	PGE	*Email exchange with OCP;*	0.25	$575.00	$143.75
2026-08-06	MSR	*Received and reviewed storage invoice requested processing of storage by corporate credit card. received the approval and coordinated with colleague to process payment.*	0.50	$175.00	$87.50
2026-08-07	GGO	*Receive and review June bank reconciliation.*	0.10	$425.00	$42.50
2026-08-18	PGE	*Review and approve payable;*	0.20	$575.00	$115.00
2026-08-18	MSR	*Preparing and reviewing and submitting the cheque requisitions for review and approval.*	1.00	$175.00	$175.00
2026-08-20	PGE	*Email to Lance Miller at OCP regarding patient records;*	0.25	$575.00	$143.75
2026-08-24	PGE	*Email from Lance Miller at OCP; email to Counsel in this regard; email from Andrew Hanna and forwarding same to Counsel with comments;*	0.50	$575.00	$287.50
2026-08-25	PGE	*Email from Counsel with respect to the Andrew Hanna email; Telephone call with Lance Miller from the OCP; email exchange with Counsel; email to Hunter McCaig;*	1.10	$575.00	$632.50
2026-08-26	PGE	*Email exchange with Hunter McCaig regarding clearing out pharmacy; telephone discussion with Lance Miller at OCP; email from Lance Miller regarding pick up of meds and needles; email to Robyn Guindon requesting dates/times for a meeting with Andrew Hanna to recover expired meds and used needles;*	1.20	$575.00	$690.00
2026-08-28	PGE	*Email from Counsel regarding OCP and its retaining of Counsel; further conversation with Lance Miller at OCP;*	0.50	$575.00	$287.50

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2026-08-31	PGE	*Receipt and review of email from Paul Thomson regarding correspondence from OCP; receipt and review of lengthy email from Eddie Slama regarding correspondence from OCP; transmittal of both emails to Counsel for review and comment; telephone discussion with Counsel; email exchange with CLG regarding emails from Paul Thomson and Eddie Slama;*	0.80	$575.00	$460.00
2026-09-01	PGE	*Lengthy telephone calls with Lance Miller from the OCP; follow up email to Robyn Guindon regarding pick up and destruction of expired meds and needles;*	1.25	$575.00	$718.75
2026-09-02	PGE	*Further telephone call with OCP; mail exchange with Eddie Slama; email exchange with Counsel and CLG;*	1.25	$575.00	$718.75
2026-09-03	PGE	*Telephone discussion with Lance Miller at OCP; dealings with Cornwall mini storage; receive call from alarm company and referring call to Andrew Hanna;*	0.75	$575.00	$431.25
2026-09-04	PGE	*Email exchanges regarding Bell Canada and alarm service;*	0.50	$575.00	$287.50
2026-09-08	PGE	*Email exchange and telephone discussion with Robyn Guindon regarding meds and needles; ongoing discussions with OCP;*	0.75	$575.00	$431.25
2026-09-08	GGO	*Receive and review July bank reconciliation.*	0.10	$425.00	$42.50
2026-09-08	MSR	*Discussion with colleague regarding the outstanding invoices for Bell and Mini mall storage, Phone call with bell representative to get copies outstanding invoice, further discussion with regards to Bell contract and cancellation policy updating the team and email received reviewed from Bell Canada.*	1.00	$175.00	$175.00
2026-09-11	PGE	*Email from Lance Miler at OCP; forwarding message to stakeholders and Counsel; email exchange with Hunter McCaig regarding September 23rd attendance; telephone discussion with Robyn Guindon; email to Robyn Guindon; email response from Robyn Guindon; email exchange with CLG and Counsel; email to Lance Miller at OCP;*	1.50	$575.00	$862.50

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INVOICE

2026-09-14	PGE	*Email exchange between OCP and Andrew Hanna regarding September 23rd; email exchange with OCP regarding pick up patient records; email to Robyyn Guindon regarding recovery of meds and needles; email exchanges with Daniels Health regarding September 23rd; email to Andrew Hanna regarding time for pick up of meds and needles; further email to Robyn Guindon confirming that she is just a facilitator; email to OCP regarding Robyn Guindon' s status as facilitator; telephone discussions with OCP regarding September 23rd attendance; multiple emails to and from Hunter McCaig, the OCP and Robyn Guindon and Daniels Health; Email exchange with Lawrie Insurance regarding outstanding invoice for unpaid premiums;*	2.00	$575.00	$1,150.00
2026-09-15	PGE	*Email from Lance Miler at OCP; email exchange with Robyn Guindon; email from Daniels Health; confirming that we are paid on the storage locker to September 30th; email to Andrew Hanna and Lance Miller;*	0.75	$575.00	$431.25
2026-09-16	PGE	*Email exchange and telephone discussion with Lance Miller at OCP; email exchange and telephone discussion with PA regarding Chase and Bell Canada; email exchange with Hunter McCaig; email to Andrew Hanna; email to Bell Canada;*	1.20	$575.00	$690.00
2026-09-17	PGE	*Email from Daniels Health re September 23rd; call with Robyyn Guindon; call with Lance Miller at OCP and follow up email to him regarding meds and needles;*	0.50	$575.00	$287.50
2026-09-18	PGE	*Telephone discussion with Lance Miller at OCP; email exchange with OCP; email exchange with Robyn Guindon regarding September 23rd attendance;*	0.30	$575.00	$172.50
2026-09-21	PGE	*Email exchange with Robyn Guindon regarding September 23rd; email exchange with Hunter McCaig confirming September 23rd; email to Andrew Hanna regarding location of meds and sharps; email exchange with OCP; telephone discussion with Lance Miller at OCP; telephone discussion with Robyn Guindon;*	1.00	$575.00	$575.00

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INVOICE

2026-09-23	PGE	*Email exchange with Hunter McCaig confirming emptying of storage locker; telephone discussion with Hunter McCaig; telephone discussion with Robyn Guindon confirming removal of expired meds and sharps under the supervision of the OCP; email exchange with OCP confirming removal of patient records; email exchange with Cornwall Mini Storage; review and approve payable to Cornwall mini Storage; email to Dan Gilchrist and Counsel confirming removal of records, meds and sharps; email exchange with Counsel;*	1.30	$575.00	$747.50
2026-09-24	PGE	*Email from OCP confirming that the College was in possession of the patient records; email exchange and telephone discussion with Lawrie Insurance; email to CLG regarding payment of insurance premium;*	0.50	$575.00	$287.50
2026-09-30	PGE	*Email exchange with insurance broker; internal email regarding unpaid Bell Canada Bills;*	0.30	$575.00	$172.50
2026-10-01	CGL	*Time previously spent but not yet recorded: Review payable and arrange for approval.*	0.20	$110.00	$22.00
2026-10-06	CGL	*Arrange payment of storage invoice by VISA.*	0.20	$110.00	$22.00
2026-10-07	PGE	*Email from Counsel;*	0.10	$575.00	$57.50
2026-10-07	GGO	*Receive and review August bank reconciliation.*	0.10	$425.00	$42.50
2026-10-16	PGE	*Email exchange with Cornwall Mini-Storage;*	0.20	$575.00	$115.00
2026-10-19	PGE	*Email exchange with Robyn Guindon regarding costs incurred for movement of expired meds and destruction of meds and needles; email exchange with Cornwall Mini Storage; preliminary file review in advance of drafting of report to Court seeking discharge;*	1.50	$575.00	$862.50
2026-10-21	PGE	*Email exchange with Lawrie Insurance regarding unpaid invoice; email exchange with CLG in this regard; email exchange with Robyn Guindon; email to Hunter McCaig regarding invoice for recent services; responding email from Hunter McCaig enclosing invoice;*	0.50	$575.00	$287.50
2026-10-23	PGE	*Internal email exchange with MS regarding outstanding payables; forwarding invoices to CLG for payment;*	0.25	$575.00	$143.75
2026-10-26	PGE	*Email to Dan Gilchrist enclosing invoices for payment; file review in advance of drafting court report;*	1.50	$575.00	$862.50
2026-10-31	PGE	*Email exchange with Counsel regarding ETA for court report;*	0.20	$575.00	$115.00
		Professional Services Total:	**27.35**		**$14,495.25**

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1000209217 ONTARIO INC., cob COTTON MILL PHARMACY

INVOICE

Reimbursable Expenses

2026-08-19	NTA		$353.47
2026-09-11	NTA		$295.99
2026-10-14	NTA		$295.99
	Reimbursable Expenses Total:	**3.00**	**$945.45**

Dropbox Sign

Audit trail

Title	AACOTT-R Affidavit of Fees to October 31 2026
File name	AACOTT-R_Affidavi...ober_31_2026..pdf
Document ID	0bfb4a38fae6a331f0b6c73068f3ec9f6124f41d
Audit trail date format	MM / DD / YYYY
Status	Signed

Document history

SENT	**11 / 09 / 2026** 11:38:21 UTC-5	Sent for signature to Phil Gennis (pgennis@spergel.ca) from msispergelinc@gmail.com IP: 173.239.20.220
VIEWED	**11 / 09 / 2026** 11:41:49 UTC-5	Viewed by Phil Gennis (pgennis@spergel.ca) IP: 154.36.75.196
SIGNED	**11 / 09 / 2026** 11:42:17 UTC-5	Signed by Phil Gennis (pgennis@spergel.ca) IP: 173.239.20.220
COMPLETED	**11 / 09 / 2026** 11:42:17 UTC-5	The document has been completed.

TAB 3

Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
EAST REGION COMMERCIAL LIST

THE HONOURABLE	)	TUESDAY, THE 17TH
	)	
JUSTICE	)	DAY OF NOVEMBER, 2026

B E T W E E N :

CARE LENDING GROUP INC

Applicant

and

1000209217 ONTARIO LTD.

Respondent

DISCHARGE ORDER

THIS MOTION, made by msi Spergel Inc. ("**Spergel**") in its capacity as Court-appointed receiver and manager (in such capacity, the "**Receiver**"), without security, of all the assets, undertakings, and properties of 1000209217 Ontario Ltd. (the "**Debtor**") 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, for an order, among other things: (i) approving the Second Report (as defined below) and activities of the Receiver as set out therein; (ii) discharging Spergel as Receiver; and (iii) releasing Spergel from any and all liability, as set out in paragraph 4 of this Order, was heard this day via Zoom video conference.

ON READING the Notice of Motion of the Receiver dated November 10, 2026, the Second Report of the Receiver dated November 9, 2026 (the "**Second Report**") and the appendices thereto, and on hearing the submissions of counsel for the Receiver, and such other counsel as were identified on the Participant Information Form, no one else appearing although duly served as appears from the affidavit of service of [X], dated [●], 2026, filed,

DEFINED TERMS

1. **THIS COURT ORDERS** that, unless otherwise indicated or defined herein, capitalized terms have the meaning given to them in the Second Report or the Order of this Court in the within proceedings dated June 21, 2024 (the "**Receivership Order**"), as applicable.

APPROVAL OF THE RECEIVER'S REPORT AND ACTIVITIES

2. **THIS COURT ORDERS** that the Second Report and the actions, conduct and activities of the Receiver as described therein are hereby approved; provided, however, that only Spergel, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver as set out in the Second Report and the Fee Affidavit are hereby approved.

DISCHARGE OF RECEIVER

4. **THIS COURT ORDERS** that upon the Receiver filing a certificate in the form attached hereto as **Schedule "A"** certifying that it has completed all matters to be attended to in connection with these receivership proceedings to the satisfaction of the Receiver, the Receiver shall be discharged as Receiver of the assets, undertakings and properties of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein (the "**Receiver Incidental Matters**"), and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Spergel, in its capacity as Receiver.

RELEASE OF RECEIVER

5. **THIS COURT ORDERS** that upon the Receiver filing a certificate in the form attached hereto as **Schedule "A"** certifying that it has completed all matters to be attended to in connection with these receivership proceedings to the satisfaction of the Receiver, the Receiver and Spergel and their respective directors, officers, employees, affiliates, shareholders, agents, legal counsel and other advisors (collectively, the "**Released Persons**") shall be and hereby are forever

discharged and released from any and all liability that the Released Persons now or may hereafter have by reason of, or in any way arising out of, the acts or omissions of the Receiver while acting in its capacity as Receiver (including, without limitation, as relates to any Receiver Incidental Matters) or the within receivership proceedings, whether known or unknown, matured or unmatured, foreseen or unforeseen, save and except for any gross negligence or wilful misconduct on a Released Person's part with respect to that Released Person alone, as determined pursuant to a final order of this Court that is not subject to appeal or other review and all rights to seek any such appeal or other review shall have expired.

6. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or any other foreign jurisdiction, 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.

7. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date hereof and are enforceable without further need for entry or filing.

SCHEDULE "A"

RECEIVER'S DISCHARGE CERTIFICATE

Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
EAST REGION COMMERCIAL LIST

B E T W E E N :

CARE LENDING GROUP INC

Applicant

and

1000209217 ONTARIO LTD.

Respondent

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

A. Pursuant to an Order of the Ontario Superior Court of Justice (the "**Court**") dated June 21, 2024 (the "**Receivership Order"**), msi Spergel Inc. ("**Spergel**") was appointed as receiver and manager (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings, and properties of 1000209217 Ontario Ltd. (the "**Debtor**") 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.

B. Pursuant to an Order of the Court dated November 17, 2026 (the "**Discharge Order**"), Spergel was discharged as Receiver of the Debtor, to be effective upon the Receiver filing with the Court a certificate confirming that the Receiver has completed all matters to be attended to in connection with these receivership proceedings to the satisfaction of the Receiver.

THE RECEIVER CERTIFIES the following:

1. All matters to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at [Time] on [Date].

msi Spergel Inc.
in its capacity as the Court-appointed Receiver
of the Debtor and not in its personal or
corporate capacity

Per: _____
Name: Philip H. Gennis
Title: Licensed Insolvency Trustee

CARE LENDING GROUP INC. Applicant	AND	1000209217 ONTARIO LTD. Respondent	Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding Commenced at
Cornwall

DISCHARGE ORDER

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CARE LENDING GROUP INC., Applicant	and	1000209217 ONTARIO LTD., Respondent

Court File No.: CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Cornwall

MOTION RECORD

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