

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

2399295 ONTARIO INC. o/a FAST TRACK ALLIANCE

Respondent

**SUPPLEMENTAL REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER OF
2399295 ONTARIO INC. o/a FAST TRACK ALLIANCE**

February 22, 2018

APPENDICES

1. Email exchanges between the Receiver's Counsel and DTF's Counsel from February 16, 2018 to and including February 21, 2018
2. Email and attachment from DTF's Counsel dated February 22, 2018
3. Statement of Affairs referenced in Appendix 2

- 1.0.1 This supplemental report (this “**Supplement**”) is filed by msi Spergel inc. (“**Spergel**”), in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) of 2399295 Ontario Inc. o/a Fast Track Alliance (“**Fast Track**” or the “**Company**”), as a supplement to the Receiver’s Report to the Court dated February 13, 2018 (the “**Report**”). Unless otherwise stated, all capitalized terms are defined as in the Report.
- 1.0.2 Paragraph 3.0.16 of the Report notes that, as of the date of the Report, the Receiver had not received a response from CIBC regarding the CIBC Letter. On February 20, 2018, the Receiver received \$56,971.06 from CIBC, which CIBC has advised represents the totality of funds in the Debtor’s account with CIBC.
- 1.0.3 As set out at paragraph 3.0.15 of the Report:
- the Receiver, in consultation with the Receiver’s Counsel, was not satisfied with the perfection of a lessor’s security interest in the three trucks listed in Schedule “A” of the Auction Agreement (the “**Equipment**”) for the reasons set out in Appendix 3 to the Report;
 - on December 22, 2017, the Receiver’s Counsel advised this lessor’s counsel accordingly, and further advised that the Receiver would take possession of the Equipment and arrange to realize on same, all of which is also set out in Appendix 3 to the Report; and
 - neither the lessor, Mercedes-Benz Financial Services Canada Corporation operating as Daimler Truck Financial (“**DTF**”), nor DTF’s counsel, McLean & Kerr LLP (“**DTF’s Counsel**”), challenged the Receiver’s position but they did acknowledge receipt of the Receiver’s communication.
- 1.0.4 After service of the Report on February 13, 2018, DTF’s Counsel initiated a series of emails with the Receiver’s Counsel, wherein DTF now, for the first time, purported to challenge the Receiver’s position of December 22, 2017 and also purported to assert deficiencies with the Report itself. Attached as **Appendix “1”** to this Supplement is a copy of the email chain, which is comprised of five different emails from DTF’s Counsel and six responding emails from the

Receiver's Counsel (the "**Email Chain**"). Despite repeated requests in the Email Chain for DTF's Counsel to provide a rationale for its purported challenge of the Receiver's position of December 22, 2017, none was provided. Despite repeated requests in the Email Chain for DTF's Counsel to serve a responding motion record if it intended to oppose the relief being sought at the February 23 hearing, none was provided.

- 1.0.5 The Receiver views the deficiencies alleged about the Report by DTF's Counsel as baseless. Nonetheless, the Receiver's Counsel attempted to address the issues raised by DTF's Counsel, as reflected by the responses of the Receiver's Counsel in the Email Chain.
- 1.0.6 On February 22, 2018 at 4:37 p.m., DTF's Counsel sent a further email, attaching a draft letter to the service list and noting "*If we have traction quickly, I can avoid sending it out to the service list. But I'll have to send it out this evening if we aren't in agreement and we can speak to the issues tomorrow morning.*" The letter continues to allege deficiencies with the Report and advises that DTF will seek an adjournment of the February 23 hearing.
- 1.0.7 The Receiver's Counsel advised DTF's Counsel by telephone that it should send the letter to the service list if DTF's Counsel believes it is appropriate to do so. Attached as **Appendix "2"** to this Supplement is a copy of the email and draft letter from DTF's Counsel. Attached as **Appendix "3"** to this Supplement is a copy of the Statement of Affairs referenced in the letter from DTF's Counsel.
- 1.0.8 The Receiver views the repeated allegations of deficient reporting by the Receiver as serious, and continues to view them as baseless.
- 1.0.9 The Receiver requests that DTF's suggested adjournment be denied. The Receiver continues to request that this Court grant the relief sought in the Report, together with: (i) approving this Supplement and the actions of the Receiver described herein; and (ii) increasing the Fee Accrual.

msi Spergel inc.,
solely in its capacity as Receiver of
2399295 Ontario Inc. o/a Fast Track Alliance
and not in its personal or corporate capacity

Per:



Mukul Manchanda, CIRP, LIT
Principal

31713635.5

31834282.1

APPENDIX 1

Jeremy Nemers

From: Ian Aversa
Sent: February-21-18 10:58 PM
To: 'Gray, Elaine'
Cc: john.f.otoole@daimler.com; Nunes, Mildred; Jeremy Nemers; 'Mukul Manchanda'
Subject: RE: Royal Bank of Canada v. 2399295 Ontario Inc. o/a Fast Track (the "Debtor")

Hi Elaine,

Thank you for your below email and for our discussion of earlier today.

The Receiver stands by its report in its current form, and does not intend to file a supplementary report. As you know, we have been diligent and prompt in responding to any questions or concerns that you or your client have expressed since the Receiver's appointment. Furthermore, we have addressed the questions that you raised to us on the call today and that you have set out below. No other stakeholder has expressed any questions or concerns since the Receiver served its report. In these circumstances, and given that the expected recoveries to the estate are minimal, we believe that taking steps to prepare and file a supplementary report will not add any value to the estate and is not appropriate.

The Receiver will bring the questions that you raised with us over the past week (and the answers that we provided to you) to the Court's attention during our submissions at Friday's hearing. The Receiver will also advise the Court that, in the very unlikely event that RBC is made whole, any remaining surplus (if any) in the three vehicles in question should then be paid to your client as a second secured creditor in respect of those vehicles.

Thank you,

Ian Aversa

T 416.865.3082
F 416.863.1515
E iaversa@airdberlis.com

Aird & Berlis LLP | Lawyers
Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Canada M5J 2T9 | airdberlis.com

AIRD BERLIS

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From: Gray, Elaine [<mailto:egray@mcleankerr.com>]
Sent: February-21-18 2:39 PM
To: Ian Aversa <iaversa@airdberlis.com>; Jeremy Nemers <jnemers@airdberlis.com>
Cc: john.f.otoole@daimler.com; Nunes, Mildred <mnunes@mcleankerr.com>
Subject: Re: Royal Bank of Canada v. 2399295 Ontario Inc. o/a Fast Track (the "Debtor")

Ian and Jeremy:

Thank you for discussing this matter with John and I this morning. We believe that a Supplementary Receiver's Report should be filed with the Court to provide full disclosure to the Court and to all of the stakeholders, including DTF, with respect to this Court Appointed Receivership.

In particular, we believe that the Receiver's Report should include an explanation as to how the debt jumped by a million dollars between the date the Receiver was appointed on December 1, 2017 and February 13, 2018, which is the date of the Receiver's Report. It should also specifically include the explanation contained in your email to us yesterday (set out below) and what efforts were made to recover the \$953,798.64 US noted therein together with the Receiver's opinion as to whether any of this money is collectible. To close the loop, the Receiver should include the bank's documentation with respect to the "US deposit account" (the "US Deposit Account") as noted in paragraph 16 of the Affidavit of Kevin Leung sworn November 30, 2017, which we presume is where the claimed \$953,798.64 USD overdraft came from. There is no documentation on the US Deposit Account in the materials filed in support of the urgent appointment of the Receiver or in the Receiver's Report, nor is there any explanation of the transactions that resulted in the substantial increase in the bank's debt.

We also note that the Trustee, in the Statement of Affairs dated December 7, 2017 (sent by me to you earlier today), reports recovering cash in the amount of \$18,596.08. We wonder how these monies came to be in the hands of the Trustee and not the Receiver. We believe that a full report as to the disposition, or otherwise, of the various Vehicle's listed in Schedule "H" of the Statement of Affairs should be included in the Supplementary Report of the Receiver.

Finally, we believe that, in the interests of full disclosure, the Receiver's Supplemental Report should also contain (i) an update as to the status of the collection efforts against the Guarantors (reference to the Demands against these folks was made in the motion materials seeking the urgent appointment of the Receiver) and (ii) a definitive statement as to whether the Bank is likely to recover the full amount of its indebtedness and if so, the Receiver should confirm that any surplus proceeds from the sale of the 3 DTF Units should then be paid to DTF as second secured creditor.

Thanks,

Elaine

Elaine M. Gray
Partner
McLean & Kerr LLP
130 Adelaide St. West | Suite 2800
Toronto | M5H 3P5 | Canada
Tel: 416.369.6627

Fax: 416.366.8571
egray@mcleankerr.com
www.mcleankerr.com

Due to the volume of emails received, please ensure to copy my assistant Mildred Nunes at mnunes@mcleankerr.com on all file related emails. Thank you.

Ranked by Canadian Lawyer magazine as one of Canada's Top Five Commercial Real Estate Boutiques.

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From: Jeremy Nemers <jnemers@airdberlis.com>

Sent: Tuesday, February 20, 2018 2:14 PM

To: Gray, Elaine

Cc: 'Mukul Manchanda'; Ian Aversa; 'john.f.otoole@daimler.com'; Nunes, Mildred

Subject: RE: Royal Bank of Canada v. 2399295 Ontario Inc. o/a Fast Track (the "Debtor")

Elaine,

Further to the below, we have reviewed RBC's indebtedness statement as at November 27, 2017 and confirm that it reflects an indebtedness number of \$552,791.07 (CDN) plus accruing interest and plus legal and other expenses incurred by RBC. An overdraft in the further amount of \$953,798.64 (USD) then accumulated on December 1, 2017 as a result of deposited items that were returned unpaid between November 27, 2017 to and including December 1, 2017.

We trust that this concludes the matter.

Thanks,

Jeremy Nemers
Aird & Berlis LLP

T 416.865.7724
E jnemers@airdberlis.com

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From: Ian Aversa
Sent: February-19-18 7:53 PM
To: Gray, Elaine <egray@mcleankerr.com>
Cc: Jeremy Nemers <jnemers@airdberlis.com>; Mukul Manchanda <mmanchanda@spergel.ca>; john.f.otoole@daimler.com;
Nunes, Mildred <mnunes@mcleankerr.com>
Subject: Re: Royal Bank of Canada v. 2399295 Ontario Inc. o/a Fast Track (the "Debtor")

Elaine,

Thanks for acknowledging that you have no issues with respect to service of the Receiver's motion record.

We've heard your comments regarding service of RBC's application record to appoint our client as Receiver. Again, that occurred almost three months ago and you and I have had several conversations and exchanged several emails since that time. I take it that this is no longer an issue given the length of time you and your client have had to review and digest RBC's materials. We have certainly been diligent with responding to any and all queries from you or your client since the appointment of the Receiver.

In exchange for the credit facilities made available by RBC to the Debtor, the Debtor granted RBC, among other things, a general security agreement, which was duly registered pursuant to the PPSA, and grants RBC security over all of the Debtor's assets, properties and undertakings. The loan and security documents, including the general security agreement, form part of RBC's application record.

As I mentioned, we reached out to RBC's counsel over the weekend to request the statement of indebtedness as at December 1/17. We will relay you this information once we receive it. Again, I don't expect that this will occur until tomorrow given today's holiday.

Thanks.

On Feb 19, 2018, at 2:59 PM, Gray, Elaine <egray@mcleankerr.com> wrote:

Ian:

Thank you for your response. I do not take issue with the service of your motion materials. I did take issue with the service of the motion materials for the appointment of the Receiver.

My client simply wants to know what actual security the Bank took for its loans granted in June of 2017 and how the indebtedness increased more than a million dollars from the December 2017 to February 2018. To be blunt and specific, were the DTF Units part of the collateral the Debtor put forward as security for the Bank's indebtedness?

Thanks,

Elaine

Elaine M. Gray
Partner
McLean & Kerr LLP
130 Adelaide St. West | Suite 2800
Toronto | M5H 3P5 | Canada
Tel: 416.369.6627
Fax: 416.366.8571
egray@mcleankerr.com
www.mcleankerr.com

Due to the volume of emails received, please ensure to copy my assistant Mildred Nunes at mnunes@mcleankerr.com on all file related emails. Thank you.

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Original Message

From: Ian Aversa <iaversa@airdberlis.com>

Sent: Sunday, February 18, 2018 10:05 PM

To: Gray, Elaine

Cc: Jeremy Nemers; Mukul Manchanda

Subject: Re: Royal Bank of Canada v. 2399295 Ontario Inc. o/a Fast Track (the "Debtor")

Elaine,

We have answered all your questions.

With respect to your query about RBC's indebtedness, we have now taken the additional step of requesting a statement of indebtedness from RBC's counsel as at December 1 <x-apple-data-detectors://0>, the information from which will be relayed to you upon receipt. Given the timing of your request and the holiday tomorrow, I expect this will occur on Tuesday.

I'm troubled by your references to short service. Your client may have been short served with the initial application record to appoint the Receiver but that occurred more than two months ago. Certainly your client has had ample time to review and digest the record at this stage, and you and I have also had many conversations and exchanged several emails since the appointment of the Receiver. I do note that the Receiver's motion record, which is the matter presently before the court, was served with full service.

I'm sure you do understand the concept and import of a GSA, so I don't believe that's an issue - although I am puzzled as to why you asked which assets of the Debtor had secured RBC's loans.

Our position with respect to the three vehicles noted below was clearly communicated to you on December 22, 2017 - being just shy of two months ago. We did not hear from you at all on this issue until your email below on Friday. We took that silence to mean that you also understood the concept and import of an intervening PPSA registration and the position and rationale articulated to you in December.

In light of the intervening PPSA registration, the Receiver views the deficiency with respect to your client's security over these vehicles as clear. We have asked you several times now to explain how your client would still maintain priority over RBC notwithstanding its intervening registration, and you have not provided any answer. As we mentioned, you will be provided with RBC's indebtedness as at December 1 <x-apple-data-detectors://4>/17 as soon as we receive it, but this is not going to undo the intervening PPSA registration or change the anticipated minimal recoveries to the estate.

Accordingly, to the extent you are opposing the relief sought by the Receiver, please provide us right away with: (i) the rationale for your opposition; and (ii) your responding materials, which we note are now overdue pursuant to the Rules.

Thanks.

On Feb 17, 2018, at 5:03 PM, Gray, Elaine <egray@mcleankerr.com<mailto:egray@mcleankerr.com>> wrote:

Jeremy:

I fully understand the concept and import of a GSA and need no explanation. I did ask you folks for the Bank's indebtedness in December 2017. My recollection is that you suggested I review the motion materials supporting the appointment of the Receiver. As you know these materials were short served on my client the evening before the motion to appoint the Receiver.

I look forward to your response to the reasonable questions posited.

Thanks,

Elaine

Elaine M. Gray

Partner

McLean & Kerr LLP

130 Adelaide St. West | Suite 2800

Toronto | M5H 3P5 | Canada

Tel: 416.369.6627

Fax: 416.366.8571

egray@mcleankerr.com <<mailto:egray@mcleankerr.com>>

<http://www.mcleankerr.com> <<http://www.mcleankerr.com>>

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Original Message

From: Jeremy Nemers

Sent: Saturday, February 17, 2018 3:58 PM

To: Gray, Elaine

Cc: Ian Aversa; Mukul Manchanda; john.f.otoole@daimler.com <<mailto:john.f.otoole@daimler.com>>; Nunes, Mildred

Subject: Re: Royal Bank of Canada v. 2399295 Ontario Inc. o/a Fast Track (the "Debtor")

Elaine,

RBC is the debtor's general secured creditor, with security over all the assets, properties and undertakings of the debtor. The indebtedness to RBC has not increased by over \$1 million dollars. As you noted in one of your very first emails back in December 2017, RBC's application record was served on an emergency basis - it accurately described RBC's indebtedness as being in excess of a conservative number (and we will ask RBC's counsel to provide an indebtedness statement as of the date of the receivership).

Again, if you plan on opposing any of the relief being sought by the Receiver on February 23, 2018, please provide: (i) the rationale for your opposition; and (ii) your responding materials in accordance with the timelines set out in the Rules.

Thanks,

Jeremy

Sent from my iPhone

On Feb 17, 2018, at 10:21 AM, Gray, Elaine

<egray@mcleankerr.com<<mailto:egray@mcleankerr.com>><<mailto:egray@mcleankerr.com>>> wrote:

Jeremy:

Without addressing all of your comments in your email below, we would appreciate an answer as to how the indebtedness of the debtor increased by over \$1 million dollars since the date the Receiver was appointed in December 2017 to the date of the Receiver's Report dated February 13, 2018. We would also appreciate an answer from you as to what assets of the Debtor secured the Bank's loans in this matter.

Thanks,

Elaine

Elaine M. Gray

Partner

McLean & Kerr LLP

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Toronto | M5H 3P5 | Canada

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<http://www.mcleankerr.com><<http://www.mcleankerr.com>>

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From: Jeremy Nemers

Sent: Friday, February 16, 2018 6:50 PM
To: Gray, Elaine
Cc: Ian Aversa; 'Mukul Manchanda'
Subject: RE: Royal Bank of Canada v. 2399295 Ontario Inc. o/a Fast Track

Elaine,

Thank you for your email.

We are surprised to learn that you believe your client is in a priority dispute with respect of these three vehicles, as the Receiver's position with respect to these vehicles (the "Receiver's Position") was communicated to you via our email of December 22, 2017, and your below email of today, February 16, 2018, is the first time that you have taken issue with the Receiver's Position.

That being said, the Receiver's Position is clearly set out in the December 22, 2017 email, which is reproduced as an appendix to the Receiver's Report that was served on full notice earlier this week and that will be before the Court on February 23, 2018. To the extent you believe that the Receiver's Position does not accurately apply the law to your client's PPSA registrations, we look forward to receiving: (a) the rationale for your disagreement (which you have not yet provided to us); and (ii) your responding materials in accordance with the timelines set out in the Rules.

In regards to the other assets upon which the Receiver may be able to realize, we draw your attention to paragraph 3.0.17 of the Receiver's Report, which states that "[As of the date of this Report, the Receiver has not been able to locate any other Property" than what is elsewhere stated in the Receiver's Report. As you will note from the draft Order that was included with the Receiver's materials, the proposed distribution to Royal Bank of Canada ("RBC") is only up to the amount of the secured indebtedness owing to it. At this time, the Receiver has no reason to believe that it would be in a position to satisfy the secured indebtedness owing to RBC, the amount of which is in excess of \$1.5 million and is set out at paragraph 9.0.12 of the Receiver's Report, and so the Receiver does not see any reasonable basis for segregating the proceeds of the three vehicles in question.

If, notwithstanding the above, and notwithstanding the content of the Receiver's Report, your client intends to oppose any of the relief being sought by the Receiver, we once again look forward to receiving: (a) the rationale for your opposition; and (ii) your responding materials in accordance with the timelines set out in the Rules.

Thanks,

Jeremy Nemers
Aird & Berlis LLP

T 416.865.7724

E jnemers@airdberlis.com<<mailto:jnemers@airdberlis.com>><<mailto:jnemers@airdberlis.com>>

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From: "Gray, Elaine" <egray@mcleankerr.com<<mailto:egray@mcleankerr.com>><<mailto:egray@mcleankerr.com>>>
Date: February 16, 2018 at 10:42:12 AM EST
To: "Ian Aversa" <iaversa@airdberlis.com<<mailto:iaversa@airdberlis.com>><<mailto:iaversa@airdberlis.com>>>
(iaversa@airdberlis.com<<mailto:iaversa@airdberlis.com>><<mailto:iaversa@airdberlis.com>>)"

<iaversa@airdberlis.com<mailto:iaversa@airdberlis.com><mailto:iaversa@airdberlis.com>>
Cc: "john.f.otoole@daimler.com<mailto:john.f.otoole@daimler.com><mailto:john.f.otoole@daimler.com>"
<john.f.otoole@daimler.com<mailto:john.f.otoole@daimler.com><mailto:john.f.otoole@daimler.com>>, "Nunes,
Mildred" <mnunes@mcleankerr.com<mailto:mnunes@mcleankerr.com><mailto:mnunes@mcleankerr.com>>
Subject: Royal Bank of Canada v. 2399295 Ontario Inc. o/a Fast Track

Ian:

I am in receipt of your motion record served late on February 13, 2018. As you know, I act for Daimler Truck Financial, a business unit of Mercedes-Benz Financial Services Canada Corporation ("DTF").

My client and I do not agree that DTF's security is deficient. DTF is, in fact, a secured creditor with respect to the following units financed by DTF (the "DTF Units"):

1. 2017 Freightliner Cascadia, VIN #1FUJGLDR2HLHV7658
2. 2017 Freightliner Cascadia, VIN #1FUJGLDR2HLHR9991
3. 2017 Freightliner Cascadia, VIN #3AKJGLDR5HSJA8966

DTF is in a priority dispute with Royal Bank of Canada (the "Bank") with respect to the DTF Units.

DTF is hopeful that through other recoveries the Bank will either be made whole or will reduce its claim to the DTF Units. Given this priority dispute, we request that the Receiver segregate the proceeds of sale of the DTF Units until such time as this priority dispute has been resolved between DTF and the Bank.

I note that there is a serious discrepancy regarding the amount outstanding to the Bank. Notably, in paragraph 9.0.12 of the Receiver's Report dated February 13, 2018, the Bank's total debt is recorded as \$1,592,172.41. However, as at the date of the appointment of the Receiver in December 2017, the indebtedness owing by the Debtor to the Bank, excluding legal and professional fees, was in "excess of \$552,000." Please clarify the current amount outstanding to the Bank.

I also note that there is little information in the Receiver's Report with respect to the other assets upon which the Bank/Receiver may be able to realize. Would you please provide us with this information.

I look forward to hearing from you as soon as possible given that you have scheduled the motion for February 23, 2018.

Yours truly,
Elaine

Elaine M. Gray

Partner

[cid:image003.png@01CDD942.1CD9D800]

130 Adelaide St. West | Suite 2800

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Fax: 416.366.8571

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APPENDIX 2

Ian Aversa

From: Citak, Michael <mcitak@mcleankerr.com>
Sent: February-22-18 4:37 PM
To: Ian Aversa
Cc: Gray, Elaine
Subject: Fast Track Alliance
Attachments: Aversa (letter to) (2018-02-22) (DRAFT).pdf

Hi Ian:

I'm attaching a DRAFT letter for your review and consideration. Can you call my cell at 416-931-4617 to discuss (heading uptown for a meeting for 5pm'ish)? If we have traction quickly, I can avoid sending it out to the service list. But I'll have to send it out this evening if we aren't in agreement and we can speak to the issues tomorrow morning.

Michael

S. Michael Citak

Partner

**McLean
& Kerr** LLP

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Fax: 416.366.8571
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February 22, 2018

VIA EMAIL – iaversa@airdberlis.com

Ian Aversa
Aird & Berlis LLP
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Dear Mr. Aversa:

Re: 2399295 Ontario Inc. o/a Fast Track Alliance (the “Debtor”)
Court File No.: CV-17-587514

As you are aware, we are lawyers for Mercedes-Benz Financial Services Canada Corporation operating as Daimler Truck Financial (“DTF”).

Further to our correspondence to you yesterday and your response late last night, our client is requesting an adjournment of tomorrow’s motion. My colleague Michael Citak left you a voicemail requesting the same late this morning.

As we advised you yesterday in writing, we believe that a Supplementary Receiver's Report should be filed with the Court to provide full disclosure to the Court and to all of the stakeholders, including DTF, with respect to this Court Appointed Receivership. We believe that the Receiver’s Report dated February 13, 2018 (the “Receiver’s Report”), which is contained in the Receivers Motion Record returnable February 23, 2018 (the “Receiver’s Motion Record”), is deficient in the following respects:

- (1) it contains no explanation as to how Royal Bank of Canada (“RBC”) debt jumped by over a million dollars between the date the Receiver was appointed on December 1, 2017 and February 13, 2018, which is the date of the Receiver's Report;
- (2) it contains no explanation of the late breaking information contained in an email from Jeremy Nemers to me on February 20, 2018 at 2:14 pm that “...*We have reviewed RBC's indebtedness and confirm that it reflects an indebtedness number of \$552,791.07 (CDN) plus accruing interest and plus legal and other expenses incurred by RBC. An overdraft in the further amount of \$953,798.04 (USD) then accumulated on December 1, 2017 as a result of deposited items that were returned unpaid between November 27, 2017 to and including December 1, 2017.*” (emphasis added);

PLEASE REPLY ATTENTION OF

Elaine M. Gray
Direct Dial: 416-369-6627
Email: egray@mcleankerr.com

File No. 17-2203

DRAFT

- (3) it contains no documentation related to RBC's "US deposit account" (the "US Deposit Account") as noted in paragraph 16 of the Affidavit of Kevin Leung sworn November 30, 2017 contained in RBC's urgent application record to appoint the Receiver returnable December 1, 2017 (the "Appointment Application Record"), which we presume is where the claimed \$953,798.64 USD overdraft came from. It is noteworthy that there is also no bank documentation or terms letter with respect to the US Deposit Account in the Appointment Application Record materials nor in the Receiver's Report;
- (4) it contains no explanation of the actual transactions that resulted in the substantial ***\$953,798.64 USD increase*** in RBC's debt from December 1, 2017 when the Receiver was appointed; (emphasis added)
- (5) it contains no explanation as to what efforts were made by the Receiver to recover this \$953,798.64 USD, nor the Receiver's opinion as to whether any of these monies are collectible from other sources or whether the monies ought to be included as part of RBC's indebtedness under the GSA;
- (6) it contains no explanation as to why the Statement of Affairs dated December 7, 2017 (the "Statement of Affairs") reports cash in the amount of \$18,596.08, which cash we believe should be in the hands of the Receiver and not the Trustee;
- (7) it contains no explanation as to the disposition, or otherwise, of various vehicles listed in Schedule "H" to the Statement of Affairs;
- (8) it contains no update as to the status of the collection efforts against the Guarantors despite Demand Letters against the Guarantors forming part of the Appointment Motion Record;
- (9) it contains no evidence as to whether there are monies on deposit with Canadian Imperial Bank of Commerce ("CIBC") despite a letter to CIBC by Receiver's counsel dated January 31, 2018, and set out at TAB H of the Receiver's Motion Record, stating, in part, that *"The Receiver and the Trustee understand that the Debtor has at least one account at Canadian Imperial Bank of Commerce"*; and
- (10) it contains insufficient documentation to support the payment of \$25,622.97 by the Receiver to TTC (defined below) for alleged claims for lien for repairs and storage by 2100331 Ontario Inc. o/a TTC & Mobile Truck Repair ("TTC"). Per the attached Corporation Profile Report, the Registered Head Office of the Debtor is 7505 Kimbel Street, Mississauga Ontario, which is the same address where TTC operates its business per the invoices attached to the Receiver's Motion Record. A Google maps search of the Kimbel Street address (copy attached), depicts both businesses operating at the Kimbel Street address. The first image is of the building depicting TTC's sign. The second image is of the Debtor's trailer to the left of the building. There is no documentation in the Report regarding the relationship, if any, between TTC and the Debtor. It is also noteworthy that none of the TTC invoices contained in the Receiver's Report are in the name of the Debtor, but rather are in the name of 7669925 Canada Ltd. or 8075654 Canada Inc./Fast Track Alliance.

DRAFT

We believe that all stakeholders in this Court Appointed Receivership, as well as the Court itself, are entitled to the additional information noted above. We require that tomorrow's motion be adjourned in order to allow the Receiver to file a Supplementary Receiver's Report which contains such information. Should your consent not be forthcoming, we will ask to speak to the adjournment in Chambers tomorrow morning.

Yours truly,

Elaine M. Gray

EMG/cc

Enclosure

cc: E-Service List

cc: S. Michael Citak

0204

Request ID: 021308393
Transaction ID: 67200874
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2018/02/20
Time Report Produced: 16:46:55
Page: 1

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2399295	2399295 ONTARIO INC.	2013/12/10
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address	Date Amalgamated	Amalgamation Ind.
7505 KIMBEL STREET	NOT APPLICABLE	NOT APPLICABLE
Suite # 2	New Amal. Number	Notice Date
MISSISSAUGA	NOT APPLICABLE	NOT APPLICABLE
ONTARIO		Letter Date
CANADA L5S 1A7		NOT APPLICABLE
Mailing Address	Revival Date	Continuation Date
7505 KIMBEL STREET	NOT APPLICABLE	NOT APPLICABLE
Suite # 2	Transferred Out Date	Cancel/Inactive Date
MISSISSAUGA	NOT APPLICABLE	NOT APPLICABLE
ONTARIO		
CANADA L5S 1A7	EP Licence Eff.Date	EP Licence Term.Date
	NOT APPLICABLE	NOT APPLICABLE
	Number of Directors Minimum Maximum	Date Commenced in Ontario
	00001 00010	Date Ceased in Ontario
Activity Classification		
NOT AVAILABLE		

Request ID: 021308393
Transaction ID: 67200874
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2018/02/20
Time Report Produced: 16:46:55
Page: 2

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2399295

2399295 ONTARIO INC.

Corporate Name History

Effective Date

2399295 ONTARIO INC.

2013/12/10

Current Business Name(s) Exist:

YES

Expired Business Name(s) Exist:

NO

Administrator:
Name (Individual / Corporation)

Address

MOHAMMAD ABID
KHATTAK

79 HOPKINSON CRESCENT

AJAX
ONTARIO
CANADA L1T 4E1

Date Began

First Director

2013/12/10

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Request ID: 021308393
Transaction ID: 67200874
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2018/02/20
Time Report Produced: 16:48:55
Page: 3

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2399295

2399295 ONTARIO INC.

Administrator:
Name (Individual / Corporation)

Address

MOHAMMAD
ABID
KHATTAK

79 HOPKINSON CRES

AJAX
ONTARIO
CANADA L1T 4E1

Date Began

First Director

2013/12/10

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Administrator:
Name (Individual / Corporation)

Address

TAHIR
MAHMOOD

3001 FINCH AVE WEST

Suite # 1007
NORTH YORK
ONTARIO
CANADA M9M 3A9

Date Began

First Director

2013/12/10

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Request ID: 021308393
Transaction ID: 67200874
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2018/02/20
Time Report Produced: 16:46:55
Page: 4

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2399295

2399295 ONTARIO INC.

Administrator:
Name (Individual / Corporation)

Address

MAHMOOD
TAHIR

3001 FINCH AVE W

Suite # 1007
NORTH YORK
ONTARIO
CANADA M9M 3A9

Date Began

First Director

2013/12/10

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Request ID: 021308393
Transaction ID: 67200874
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2018/02/20
Time Report Produced: 16:46:55
Page: 5

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2399295

2399295 ONTARIO INC.

Last Document Recorded

Act/Code Description

Form

Date

CIA ANNUAL RETURN 2016

1C

2017/08/22 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.


The issuance of this report in electronic form is authorized by the Ministry of Government Services.

7500 Kimbel St



Image capture: Apr 2015 © 2018 Google

Mississauga, Ontario

 Google, Inc.

Street View - Apr 2015



Google Maps 7500 Kimbel St

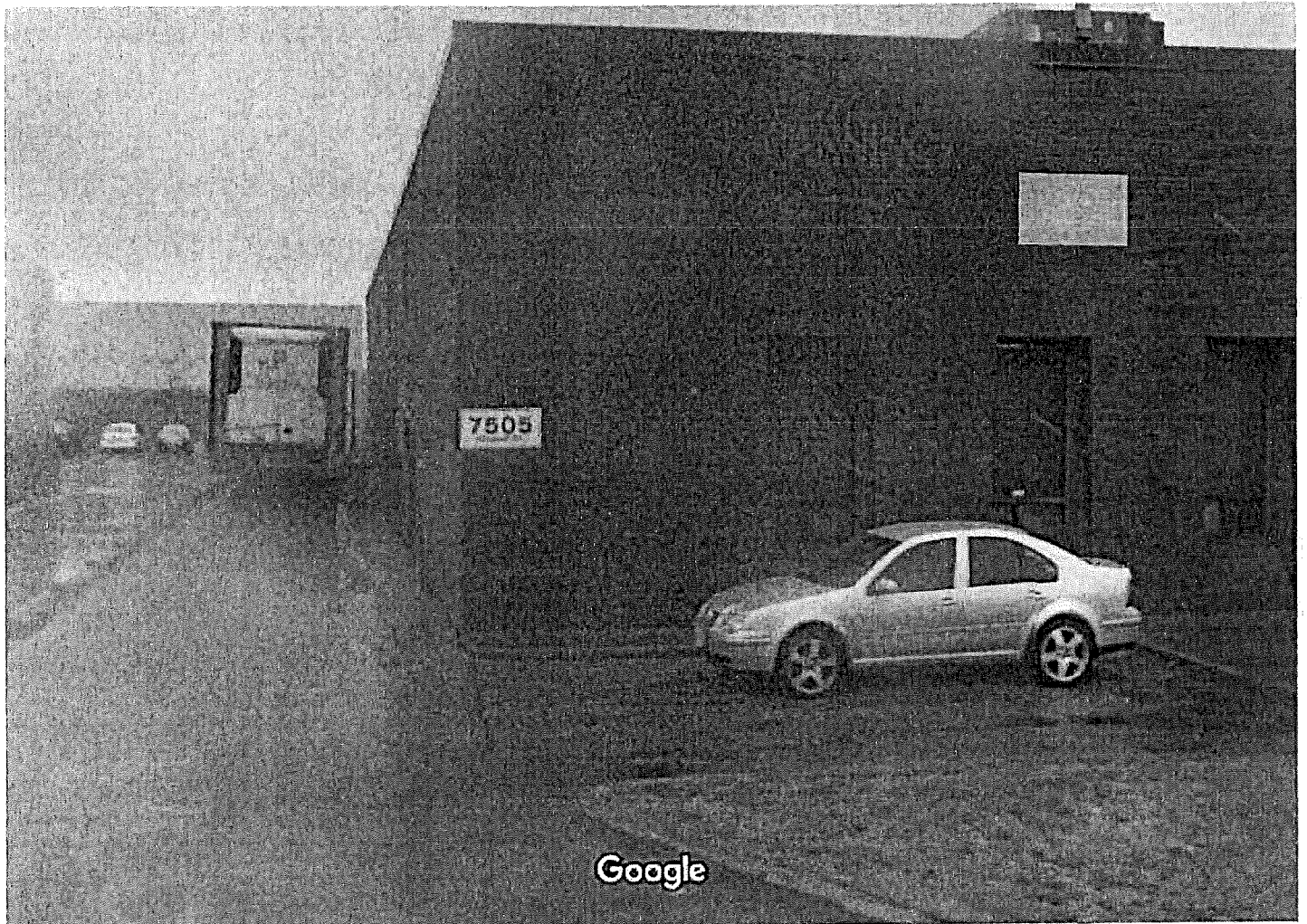


Image capture: Apr 2015 © 2018 Google

Mississauga, Ontario

Google, Inc.

Street View - Apr 2015



APPENDIX 3

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2323201
Estate No. 32-2323201

FORM 68
Notice of Bankruptcy, First Meeting of Creditors
(Subsection 102(1) of the Act)

☒ Original ☐ Amended

In the matter of the bankruptcy of
2399295 ONTARIO INC.
of the City of Mississauga, in the Province of Ontario

Take notice that:

1. 2399295 ONTARIO INC. filed (or was deemed to have filed) an assignment on the 7th day of December 2017, and the undersigned, msi Spergel inc., was appointed as trustee of the estate of the bankrupt by the official receiver (or the Court), subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.

2. The first meeting of creditors of the bankrupt will be held on the 28th day of December 2017, at 10:00 AM, at the office of msi Spergel inc., at 201 - 505 Consumers Rd., Toronto, ON, M2J 4V8.

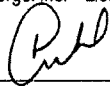
3. To be entitled to vote at the meeting, a creditor must lodge with the trustee, before the meeting, a proof of claim and, where necessary, a proxy.

4. Enclosed with this notice is a proof of claim form, proxy form, and list of creditors with claims amounting to \$25 or more showing the amounts of their claims.

5. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.

Dated at the City of Toronto in the Province of Ontario, this 8th day of December 2017.

msi Spergel inc. - Licensed Insolvency Trustee
Per:



Mukul Manchanda - Licensed Insolvency Trustee
201 - 505 Consumers Rd.
Toronto ON M2J 4V8
Phone: (416) 497-1660 Fax: (416) 494-7199

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

☒ Original ☐ Amended

-- Form 78 --
Statement of Affairs (Business Bankruptcy) made by an entity
(Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the bankruptcy of
2399295 ONTARIO INC.
of the City of Mississauga, in the Province of Ontario

To the bankrupt:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 6th day of December 2017. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.


LIABILITIES (as stated and estimated by the officer)		ASSETS (as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	304,149.25	1. Inventory	0.00
Balance of secured claims as per list "B"	0.00	2. Trade fixtures, etc.	0.00
Total unsecured creditors	304,149.25	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B"	43.00	Good	42,762.00
3. Preferred creditors as per list "C"	0.00	Doubtful	0.00
4. Contingent, trust claims or other liabilities as per list "D"	0.00	Bad	0.00
estimated to be reclaimable for		Estimated to produce	1.00
Total liabilities	304,192.25	4. Bills of exchange, promissory note, etc., as per list "F"	0.00
Surplus	NIL	5. Deposits in financial institutions	0.00
		6. Cash	18,596.08
		7. Livestock	0.00
		8. Machinery, equipment and plant	0.00
		9. Real property or immovable as per list "G"	0.00
		10. Furniture	0.00
		11. RRSPs, RRIAs, life insurance, etc.	0.00
		12. Securities (shares, bonds, debentures, etc.)	0.00
		13. Interests under wills	0.00
		14. Vehicles	42.00
		15. Other property, as per list "H"	0.00
		If bankrupt is a corporation, add:	
		Amount of subscribed capital	0.00
		Amount paid on capital	0.00
		Balance subscribed and unpaid	0.00
		Estimated to produce	0.00
		Total assets	18,639.08
		Deficiency	285,553.17

I, Mukul Manchanda, of the City of Brampton in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 7th day of December 2017 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
before me at the City of Toronto in the Province of Ontario, on this 7th day of December 2017.


Barbara Eileen Sturge, Commissioner of Oaths
For the Province of Ontario
Expires September 21, 2019

Barbara Eileen Sturge, a Commissioner, etc.,
Province of Ontario, for msi Spergel Inc. and
Spergel & Associates Inc.
Expires September 21, 2019.


msi Spergel Inc. solely in its capacity as
Receiver of 2399295 Ontario Inc. o/a Fast
Track Alliance and not in its personal or
corporate capacity

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Continued


List "A"
Unsecured Creditors

2399295 ONTARIO INC.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	Altafina Mortgage Architects	6655 Kilmat Road, #2 Mississauga ON L5N 6J4	13,500.00	0.00	13,500.00
2	CRA - Tax - Ontario Attn: Quebec Insolvency Intake Centre	Shawinigan - Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-sud QC G9P 5H9	1.00	0.00	1.00
3	Eagle Truck Sales Inc.	17 Strathearn Avenue Brampton ON L6T 4P1	19,438.91	0.00	19,438.91
4	Federal Express Canada Ltd. - Revenue Recovery Department Attn: Lynn Tassone	5985 Explorer Drive Mississauga ON L4W 5K6	142.76	0.00	142.76
5	IPRO Truck Repair Centre	3 - 255B Rutherford Road S. Brampton ON L6W 5K6	1,591.27	0.00	1,591.27
6	JHK Truck & Trailer Repair Inc.	3 Alfred Kuehne Blvd., #3 Brampton ON L6T 4N3	2,857.77	0.00	2,857.77
7	Maxpro EFS	6730 Davand Drive Mississauga ON L5T 2K8	247,969.59	0.00	247,969.59
8	Maxpro Esso	6730 Davand Drive Mississauga ON L5T 2K8	17,929.39	0.00	17,929.39
9	Supreme Office Products Inc.	40 West Beaver Creek Road Richmond Hill ON L4B 1G5	45.19	0.00	45.19
10	Thind Truck & Trailor Repair Inc.	19 Franca Cres. Etobicoke ON M9V 4S1	673.37	0.00	673.37
Total:			304,149.25	0.00	304,149.25

07-Dec-2017

Date


msi Spergel Inc. solely in its capacity as Receiver of
2399295 Ontario Inc. o/a Fast Track Alliance and not in
its personal or corporate capacity

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Continued

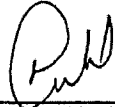
List "B"
Secured Creditors

2399295 ONTARIO INC.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	Bodkin Capital Corporation	102 - 1465 North Service Rd. E. Oakville ON L6H 1A7	5.00	Motor Vehicles - Other - 2014 - Utility - Reefer Motor Vehicles - Other - 2013 - Utility - Reefer Motor Vehicles - Other - 2015 - Utility - Reefer Motor Vehicles - Other - 2011 - Great Motor Vehicles - Other - 2012 - Great		1.00 1.00 1.00 1.00 1.00		
2	Bodkin Leasing Corporation	102 - 1465 North Service Rd E Oakville ON L6H 1A7	1.00	Motor Vehicles - Other - 2014 - Volvo - 780 - 4V4NC9EH2EN15276		1.00		
3	CLE Leasing Attn: Collections Department	104 - 3390 South Service Road Burlington ON L7N 3J5	1.00	Motor Vehicles - Other - 2011 - Volvo - VVN - 4V4NC9EJ2BN53305		1.00		
4	Coast Capital Equipment Finance Ltd.	800 - 9900 King George Blvd. Surrey BC V3T 0K7	2.00	Motor Vehicles - Other - 2014 - Great Dane - Classic Reefer - 1GRAA0620EB70279 Motor Vehicles - Other - 2014 - Great Dane - Classic Reefer - 1GRAA0622EB70279		1.00 1.00		
5	Daimler Truck Financial	2680 Matheson Blvd. Suite 500 Mississauga ON L4W 0A5	2.00	Motor Vehicles - Other - 2018 - Freightliner - Cascadia - 3AKJHHR 8JSJM0475 Motor Vehicles - Other - 2016 - Freightliner - Cascadia - 1FUJGLD5 2GLGY9616		1.00 1.00		

07-Dec-2017

Date


msi Spergel Inc. solely in its capacity as Receiver of
2399295 Ontario Inc. o/a Fast Track Alliance and not in
its personal or corporate capacity

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Continued

List "B"
Secured Creditors

2399295 ONTARIO INC.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
9	Riordan Leasing Inc. Attn: Accounts Receivable	1158 King St E Kitchener ON N2G 2N4	6.00	Motor Vehicles - Other - 2016 - TK C600 - Reefer - 6001180716 Motor Vehicles - Other - 2016 - Utility - 53' " " Motor Vehicles - Other - 2016 - Utility - 53' " " Motor Vehicles - Other - 2016 - TK C600 - Reefer - 6001193199 Motor Vehicles - Other - 2016 - Utility - 53' " " Motor Vehicles - Other - 2016 - TK C600 - Reefer - 6001191899		1.00 1.00 1.00 1.00 1.00 1.00		
10	Royal Bank of Canada	36 York Mills Road, 4th Floor Toronto ON M2P 0A4	1.00	Debts Due - Business - Accounts		1.00		
11	Somerville National Leasing Attn: Manager on Duty	75 Arrow Road Toronto ON M8M 2L4	3.00	Motor Vehicles - Other - 2016 - Freightliner - Cascadia - 1FUJGLD5 XGLHA8229 Motor Vehicles - Other - 2016 - Reefer - 53' Utility Trailer - 1UYVS2535GM795002 Motor Vehicles - Other - 2016 - Reefer - 53; Utility Trailer - AUYSVS2533GM79500		1.00 1.00 1.00		

07-Dec-2017

Date

msl Spengel inc. solely in its capacity as Receiver of
2399295 Ontario Inc. o/a Fast Track Alliance and not in
its personal or corporate capacity

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Continued


List "B"
Secured Creditors

2399295 ONTARIO INC.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
12	TPine Leasing Capital Corporation	6050 Dixie Road Mississauga ON L5T 1A6	5.00	Motor Vehicles - Other - 2013 - Great Motor Vehicles - Other - 2010 - Great Motor Vehicles - Other - 2011 - Utility - VS3 - 1UYVS3530BM99470 Motor Vehicles - Other - 2011 - Utility - VS3 - 1UYVS3530BM99470 Motor Vehicles - Other - 2012 - Great		1.00 1.00 1.00 1.00 1.00		
13	Travelers Financial Corporation Attn: Patrick Jakubowski	500 - 4180 Lougheed Highway Burnaby BC V5C 6A7	4.00	Motor Vehicles - Other - 2015 - Volvo - VNL670 Motor Vehicles - Other - 2016 - Utility - VS2RA Reefer Van - 1UYVS2536GM568319 Motor Vehicles - Other - 2015 - Volvo - VNL64T670 - 4V4NC9EJXF Motor Vehicles - Other - 2015 - Utility - VS2RA Reefer		1.00 1.00 1.00 1.00		
14	VFS Canada Inc. Attn: Murielle Graff	300-238 Wellington St E Aurora ON L4G 1J5	4.00	Motor Vehicles - Other - 2014 - Volvo - VNL64T-670 - 4V4NC9EJ2E Motor Vehicles - Other - 2014 - Volvo - VNL64T-670 - 4V4NC9EJ2E Motor Vehicles - Other - 2014 - Volvo - VNL64T-670 - 4V4NC9EJ6E Motor Vehicles - Other - 2014 - Volvo - VNL64T-670 - 4V4NC9EJ9E		1.00 1.00 1.00 1.00		
Total:			43.00			43.00	0.00	0.00

07-Dec-2017

Date


msi Spergel Inc. solely in its capacity as Receiver of
2399295 Ontario Inc. o/a Fast Track Alliance and not in
its personal or corporate capacity

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Continued

List "C"
Preferred Creditors for Wages, Rent, etc.

2399295 ONTARIO INC.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

07-Dec-2017

Date



msi Spergel inc. solely in its capacity as Receiver of
2399295 Ontario Inc. o/a Fast Track Alliance and not in
its personal or corporate capacity

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Continued

List "D"
Contingent or Other Liabilities

2399295 ONTARIO INC.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:			0.00	0.00		

07-Dec-2017

Date



msi Spergel Inc. solely in its capacity as Receiver of
2399295 Ontario Inc. o/a Fast Track Alliance and not in
its personal or corporate capacity

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Continued

List "E"
Debts Due to the Bankrupt
2399295 ONTARIO INC.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
1	Accounts Receivable	ON	Accounts Receivable	42,762.00 0.00 0.00		01-Dec-2017	1.00	
Total:				42,762.00 0.00 0.00			1.00	

07-Dec-2017

Date

msi Spergel inc. solely in its capacity as Receiver of
2399295 Ontario Inc. o/a Fast Track Alliance and not in
its personal or corporate capacity

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Continued

List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel
Mortgages, etc., Available as Assets

2399295 ONTARIO INC.

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

07-Dec-2017

Date



msi Spergel inc. solely in its capacity as Receiver of
2399295 Ontario Inc. o/a Fast Track Alliance and not in
its personal or corporate capacity

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Continued

List "G"
Real Property or Immovables Owned by Bankrupt

2399295 ONTARIO INC.

Description of property	Nature of bankrupt interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
Total:			0.00		0.00

07-Dec-2017

Date



msl Spergel inc. solely in its capacity as Receiver of
2399295 Ontario Inc. o/a Fast Track Alliance and not in
its personal or corporate capacity

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Continued

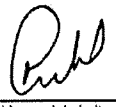
List "H"
Property

2399295 ONTARIO INC.
FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			18,596.08	18,596.08
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles		Other - 2011 - Volvo - VVN - 4V4NC9EJ2B N533058	0.00	1.00
		Other - 2016 - Freightliner - Cascadia - 1F UJGLD5XGLHA8229	0.00	1.00
		Other - 2015 - Volvo - VNL64T - 4V4NC9E HXFN928530	0.00	1.00
		Other - 2015 - Volvo - VNL670 Truck - 4V4NC9EJ1FN915328	0.00	1.00
		Other - 2014 - Volvo - 780 - 4V4NC9EH2E N152764	0.00	1.00
		Other - 2013 - Great Dane - Reefer - 1GRAA0623DW702025	0.00	1.00
		Other - 2015 - Great Dane - Super Seal - 1GRAA0624FW701016	0.00	1.00
		Automobile - 2017 - Honda - Pilot - 5FNYF6 H94HB500148	0.00	1.00
		Other - 2014 - Great Dane - Classic Reefer - 1GRAA0620EB702797	0.00	1.00
		Other - 2018 - Freightliner - Cascadia - 3A KJHHR8JSJM0475	0.00	1.00
		Other - 2014 - Great Dane - Classic Reefer - 1GRAA0622EB702798	0.00	1.00
		Other - 2015 - Great Dane - Super Seal - 1GRAA0622FW701015	0.00	1.00
		Other - 2015 - Great Dane - Super Seal - 1GRAA0626FW701017	0.00	1.00
		Other - 2014 - Volvo - VNL64T-670 - 4V4N C9EJ2EN149897	0.00	1.00
		Other - 2014 - Volvo - VNL64T-670 - 4V4N C9EJ2EN149898	0.00	1.00
		Other - 2014 - Volvo - VNL64T-670 - 4V4N C9EJ6EN149899	0.00	1.00

07-Dec-2017

Date


msi Spergel inc. solely in its capacity as Receiver of
2399295 Ontario Inc. o/a Fast Track Alliance and not in
its personal or corporate capacity

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Continued


List "H"
Property

2399295 ONTARIO INC.
FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(k) Vehicles		Other - 2014 - Volvo - VNL64T-670 - 4V4N C9EJ9EN149900	0.00	1.00
		Other - 2010 - Great Dane - Reefer - 1GRAA0622AW700438	0.00	1.00
		Other - 2011 - Utility - VS3 - 1UYVS3530B M994702	0.00	1.00
		Other - 2011 - Utility - VS3 - 1UYVS3530B M994703	0.00	1.00
		Other - 2012 - Great Dane - Reefer - 1GRAA0620CW700845	0.00	1.00
		Other - 2016 - Freightliner - Cascadia - 1F UJGLD52GLGY9616	0.00	1.00
		Other - 2014 - Utility - Reefer Trailer - 1UYVS2539EM996320	0.00	1.00
		Other - 2013 - Utility - Reefer Trailer - 1UYVS253XDM587712	0.00	1.00
		Other - 2015 - Utility - Reefer Trailer - 1UYVS2538FM190907	0.00	1.00
		Other - 2011 - Great Dane - Reefer - 1GRAA0620BW702982	0.00	1.00
		Other - 2012 - Great Dane - Reefer - 1GRAA0627CW700843	0.00	1.00
		Other - 2016 - Reefer - 53' Utility Trailer - 1UYVS2535GM795002	0.00	1.00
		Other - 2016 - Reefer - 53' Utility Trailer - AUYSVS2533GM795001	0.00	1.00
		Other - 2016 - Utility - 53' Trailer - 1UYVS2537GM624011	0.00	1.00
		Other - 2016 - TK C600 - Reefer - 6001180716	0.00	1.00
		Other - 2016 - Utility - 53' Trailer - 1UYVS2534GM684604	0.00	1.00
		Other - 2016 - TK C600 - Reefer - 6001193199	0.00	1.00
		Other - 2016 - Utility - 53' Trailer - 1UYVS2532GM684603	0.00	1.00
		Other - 2016 - TK C600 - Reefer - 6001191899	0.00	1.00
		Other - 2016 - Utility - VS2RA Reefer Van - 1UYVS2536GM568319	0.00	1.00
		Other - 2016 - Utility - VS2RA - 1UYVS253 2GM568320	0.00	1.00
		Other - 2016 - Freightliner - Cascadia - 1F UJGLD56GLGE4920	0.00	1.00
		Other - 2015 - Volvo - VNL64T670 - 4V4N C9EJXFN923993	0.00	1.00
		Other - 2014 - Volvo - VNN - 4V4NC9EJ7E N169871	0.00	1.00

07-Dec-2017

Date


msi Spengel inc. solely in its capacity as Receiver of
2399295 Ontario Inc. o/a Fast Track Alliance and not in
its personal or corporate capacity

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Concluded

List "H"
Property


2399295 ONTARIO INC.

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(k) Vehicles		Other - 2014 - Volvo - VNL - 4V4NC9EJ7E N169871	0.00	1.00
		Other - 2015 - Utility - VS2RA Reefer Van - 1UYVS2536FM077912	0.00	1.00
(l) Taxes			0.00	0.00
(m) Other			0.00	0.00
			Total:	42.00

07-Dec-2017

Date


msi Spergel inc. solely in its capacity as Receiver of
2399295 Ontario Inc. o/a Fast Track Alliance and not in
its personal or corporate capacity

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2323201
Estate No. 32-2323201

FORM 31
Proof of Claim
(Sections 50.1, 81.5, 81.6, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1),
and Paragraphs 51(1)(e) and 66.14(b) of the Act)

In the matter of the bankruptcy of
2399295 ONTARIO INC.
of the City of Mississauga, in the Province of Ontario

All notices or correspondence regarding this claim must be forwarded to the following address:

In the matter of the bankruptcy of 2399295 ONTARIO INC. of the City of Mississauga in the Province of Ontario and the claim of _____, creditor.
I, _____ (name of creditor or representative of the creditor), of the city of _____ in the province of _____, do hereby certify:

1. That I am a creditor of the above named debtor (or I am _____ (position/title) of _____, creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of bankruptcy, namely the 7th day of December 2017, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

☐ A. UNSECURED CLAIM OF \$ _____
(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and
(Check appropriate description.)

☐ Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.

☐ Regarding the amount of \$ _____, I do not claim a right to a priority.
(Set out on an attached sheet details to support priority claim.)

☐ B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

☐ C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:
(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

☐ D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
(Attach a copy of sales agreement and delivery receipts.)

- ☐ E. CLAIM BY WAGE EARNER OF \$ _____
- ☐ That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____,
- ☐ That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____,
- ☐ F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____
- ☐ That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____,
- ☐ That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____,

- ☐ G. CLAIM AGAINST DIRECTOR \$ _____

(To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

- ☐ H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I _____ (am/am not) (or the above-named creditor _____ (is/is not)) related to the debtor within the meaning of section 4 of the Act, and _____ (have/has/have not/has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: (Provide details of payments, credits and transfers at undervalue.)

7. (Applicable only in the case of the bankruptcy of an individual.)

- ☐ Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.
- ☐ I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at _____, this _____ day of _____, _____.

Witness

Creditor

Phone Number: _____

Fax Number : _____

E-mail Address : _____

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 20(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2323201
Estate No. 32-2323201

FORM 36
Proxy
(Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3)(b) of the Act)

In the matter of the bankruptcy of
2399295 ONTARIO INC.
of the City of Mississauga, in the Province of Ontario

I, _____, of _____, a creditor in the above matter, hereby
appoint _____, of _____, to be
my proxyholder in the above matter, except as to the receipt of dividends, _____ (with or without)
power to appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____, _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

msi Spergel inc. - Licensed Insolvency Trustee
Per:

Mukul Manchanda - Licensed Insolvency Trustee
201 - 505 Consumers Rd.
Toronto ON M2J 4V8
Phone: (416) 497-1660

Court No. 32-2323201

Estate No. 32-2323201

In the matter of the bankruptcy of
2399295 ONTARIO INC.
of the City of Mississauga, in the Province of Ontario

Form 68 (Bill C-12)
Notice of impending automatic discharge of
first-time bankrupt

msi Spergel inc. - Licensed Insolvency Trustee
Per:

Mukul Manchanda - Licensed Insolvency Trustee
201 - 505 Consumers Rd.
Toronto ON M2J 4V8
Phone: (416) 497-1660 Fax: (416) 494-7199

ROYAL BANK OF CANADA

-and-

2399295 ONTARIO INC. o/a FAST TRACK ALLIANCE

Applicant

Respondent

Court File No. CV-17-587514-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

**SUPPLEMENTAL REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS
COURT-APPOINTED RECEIVER OF
2399295 ONTARIO INC. o/a FAST TRACK ALLIANCE**

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Barristers and Solicitors
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Lawyers for the Receiver