

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

B E T W E E N:

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

**1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.**

Respondent

**RECEIVER'S COMPENDIUM
(Hearing November 6, 2017)**

November 2, 2017

MINDEN GROSS LLP
Barristers and Solicitors
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Lawyers for Grant Thornton Limited, in its
capacity as Receiver of Compuquest and
7472 Ashburn Road and in its capacity as
Trustee in Bankruptcy of Compuquest and
Gary Bodimeade

TO: The Service List

INDEX

TAB	DATE	DOCUMENT	PAGE NOS.
VOLUME I OF II			
1	December 31, 2015	Revolving Line of Credit Agreement ("RLOC") between Dean Salem ("Dean Salem")/Norris Technologies LLC ("Norris") and Gary Bodimeade ("Gary Bodimeade")	1
2	January 5, 2016 – February 3, 2016	Emails Dean Salem to Aimee Bodimeade ("Aimee Bodimeade")	3
3	January 26, 2016	Turner Moore LLP Review Engagement Report for Compuquest's May 31, 2015 financial statements	7
4	January 29, 2016	Email Gary Bodimeade to Aimee Bodimeade	21
5	February 10, 2016 – February 22, 2016	Sample cheque transactions in Compuquest's CIBC account and communications between Dean Salem and Gary Bodimeade re same	25
6	February 11, 2016	Email Dean Salem to Gary Bodimeade	44
7	February 11, 2016	Letter CIBC to Gary Bodimeade	45
8	February 29, 2016	Letter CIBC to Gary Bodimeade	47
9	March 2, 2016	Emails CIBC and Gary Bodimeade	48
10	March 3, 2016	RLOC Agreement signed by Aimee Bodimeade and letters and emails re same	59
11	March 3, 2016	Email Dean Salem to Gary Bodimeade with recommendation on response to CIBC Gary Bodimeade	66
12	March 5, 2016	Email Dean Salem to Gary Bodimeade re confirmation of sale of assets including King Aire	67
13	March 9, 2016	Letter CIBC to Gary Bodimeade	69
14	March 10, 2016	Emails Gary Bodimeade and Dean Salem re sale of King Aire	80

TAB	DATE	DOCUMENT	PAGE NOS.
15	March 11, 2016	Email Gary Bodimeade to CIBC	82
16	March 21, 2016	Emails between Gary Bodimeade and Dean re responding to CIBC	91
17	March 24, 2016	Aird & Berlis LLP demand letters on behalf of CIBC	93
18	April 6, 2016	Email Gary Bodimeade to Aimee Bodimeade	99
19	April 8, 2016	Email Dean Salem to Gary Bodimeade and Greg Azeff	101
20	April 19, 2016	Emails between Gary Bodimeade and Dean Salem	109
21	April 25, 2016	Letter Mason Bennett to Andrea Robertson re mortgage of Ashburn Property	112
22	April 25, 2016	Email Gary Bodimeade to Dean Salem	114
23	April 27, 2016	Affidavit of Douglas MacLaine to appoint Interim Receiver (without exhibits)	116
24	April 28, 2016	Email Dean Salem to Patrick Bennett, cc to Gary Bodimeade re documents for mortgage	135
25	April 29, 2016	Order of Mesbur J. appointing GTL as Interim Receiver of Compuquest	138
26	April 29, 2016	Emails between Gary Bodimeade and Dean Salem	150
27	May 5, 2016	Sales Order Norris to CQ2K Computer Sales Inc.	159
28	May 9, 2016	Email Dean Salem to Gary Bodimeade with documents requiring signature to execute mortgage	160
29	May 11, 2016	Email Gary Bodimeade to Aimee Bodimeade re mortgage	172
30	May 13, 2016	First Report of Interim Receiver	173

TAB	DATE	DOCUMENT	PAGE NOS.
31	May 17, 2016	Order of Newbould J. appointing GTL as Receiver	182
32	May 17, 2016	Email Dean Salem to Robertson re mortgage	198
33	May 18, 2016	Letters Aird & Berlis LLP to Mason Bennett et al.	199
34	May 25, 2016	Bankruptcy Orders against Gary Bodimeade and Compuquest	201
35	June 2, 2016	Gary Bodimeade's sworn statement of affairs	207
36	June 14, 2016	BDC secured proof of claim for \$505,442.88	218
37	June 22, 2016	Dean Salem/Norris Notice of Application	250
38	June 23, 2016	Dean Salem affidavit (without exhibits)	257
39	June 30, 2016	Order of Master Hawkins granting leave to issue CPL against the Ashburn property	261
40	July 29, 2016	Dean Salem/Norris Proofs of Claim	267
41	August 9, 2016	Glustein Order	279
42	August 31, 2016 – September 1, 2016	Emails between Dean Salem and Aimee Bodimeade	282
43	September 16, 2016	First Report of the Receiver (without appendices)	288
44	November 22, 2016	Parcel Register for the Ashburn Property	304
45	November 24, 2016	Second Report of the Receiver (without appendices)	307
46	November 30, 2016	Hainey J. Order transferring Dean Salem/Norris Application to the Commercial List	328
47	January 11, 2017	Third Report of the Receiver (without appendices)	331

TAB	DATE	DOCUMENT	PAGE NOS.
48	January 13, 2017	Excerpts from cross-examination of Aimee Bodimeade	350
49	January 25, 2017	Order of Conway J. appointing GTL as Receiver of the Ashburn Property	359
VOLUME II OF II			
50	February 21, 2017	Order of Hainey J. ordering examination of Gary Bodimeade, production of third party records	371
51	February 22, 2017	Excerpts from examination of Gary Bodimeade	375
52	February 24, 2017 – June 7, 2017	Emails between Minden Gross LLP and Fogler Rubinoff LLP re proposed Receiver's motion to dismiss Application	413
53	June 9, 2017	Fourth Report of the Receiver (without appendices)	433
54	June 19, 2017	Fifth Report of the Receiver (without appendices)	443
55	June 20, 2017	Affidavit of Aimee Bodimeade (without exhibits)	475
56	June 23, 2017	Dean Salem/Norris secured proofs of claim	481
57	July 6, 2017	Sixth Report of the Receiver (without appendices)	487
58	July 14, 2017	Affidavit of Aimee Bodimeade (without exhibits)	496
59	July 14, 2017	Affidavit of Dean Salem (without exhibits)	503
60	July 17, 2017	Seventh Report of the Receiver (without appendices)	550
61	July 17, 2017	Orders of Conway J. approving sale and adjourning balance of motion	569
62	July 18, 2017	Email from Catherine Francis to David Levangie	584
63	July 20, 2017	Notice of Motion brought by Aimee Bodimeade returnable August 10, 2017	586

TAB	DATE	DOCUMENT	PAGE NOS.
64	July 20, 2017	Affidavit of Aimee Bodimeade (without exhibits)	592
65	July 20, 2017	Affidavit of Dean Salem (without exhibits)	602
66	July 24, 2017	Excerpts from cross-examination of Aimee Bodimeade	614
67	July 26, 2017	Excerpts from cross-examination of Dean Salem	653
68	August 10, 2017	Endorsement of Lederman J.	716
69	August 21, 2017	Eighth Report of the Receiver (without appendices)	718
70	August 23, 2017	Order of Hainey J. approving interim distribution of funds	732
71	September 13, 2017	Notices of Disallowance issued by Trustee	735
72	October 4, 2017	Notices of Motion by Dean Salem and Norris re Appeals from Disallowance	743

REVOLVING LINE OF CREDIT

\$1,500,000.00

Caryville, TN

December 31, 2015

FOR VALUE RECEIVED, Dean Salem and Norris Technologies, LLC ("LENDER") agrees to provide a Revolving Line of Credit ("RLOC") to Gary Bodimeade and Compuquest 2000 ("BORROWER") in cash and computer related equipment in an amount up to One Million Five Hundred Thousand Dollars (\$1,500,000.00). BORROWER and LENDER acknowledge that this RLOC was originally established in January 2011. This document serves to formalize the agreement and establish BORROWERS collateral pledged as LENDERS security. BORROWER hereby promises to pay to LENDER all outstanding balances on the RLOC until paid in full (\$0 Balance), payable upon demand no later than December 31, 2016.

BORROWER agrees to secure his obligation to pay this RLOC with any and all of the equity available in the following properties and assets:

<u>Asset / Property</u>	<u>1st Mortgage (C\$)</u>	<u>END DATE (est)</u>	<u>ORIG PRICE</u>	<u>Currency</u>	<u>MONTHLY PMT</u>	<u>PROJECTED SALE VALUE</u>
SPORT CHASSIS	75,775.23	6/1/2017	176,095.00	USD	2,423.44	105,000.00
PEGASUS	31,727.92	10/1/2017	84,737.00	USD	1,623.54	42,000.00
KING AIRE	361,909.52	3/1/2018	913,000.00	USD	9,488.07	550,000.00
GREYHAWK	55,192.91	3/1/2018	85,000.00	USD	1,985.35	103,000.00
1935 Silicone Dr, Pickering, ON L1W3V7	3,200,000.00	1/1/2038	3,200,000.00	CD\$	19,600.00	3,900,000.00
7472 Ashburn Rd, Whitby, ON L1M2E8	1,000,000.00	1/1/2020		CD\$	3,860.00	3,100,000.00

BORROWER certifies that all assets are part of a marital estate and that BORROWER is 50% owner of said properties and assets. The estimated value of the properties and assets as of December 31, 2015 is as stated above. BORROWER further certifies that no additional loans, mortgages, or encumbrances exist or will be leveraged against the equity on the above referenced properties and assets until this RLOC is paid in full. BORROWER agrees to, at BORROWERS expense, legally formalize in Canada LENDER in the 2nd security position on all properties and assets. In addition, BORROWER agrees to pay any and all proceeds from the sale of any of the above assets (minus the first position lender encumbrance) to LENDER until this RLOC is paid in full.

BORROWER guarantees this RLOC both personally and with all business inventory and assets owned by Compuquest 2000. BORROWER shall have the right to pay the principal and any accrued interest, in whole or in part, at any time without penalty. LENDER will provide weekly or upon request an updated accounting showing the outstanding balance of the RLOC. BORROWER will provide to LENDER upon request at any time a full set of financials and tax returns for both Gary Bodimeade and Compuquest 2000. BORROWER will provide to LENDER upon request at any time an updated list of properties and assets. BORROWER agrees and approves any accounting professional responsible for financials, tax returns, and asset lists for both Gary Bodimeade and Compuquest 2000 to release, discuss, and answer any inquiries regarding any and all financial reports, tax returns, and asset lists directly to / with LENDER.

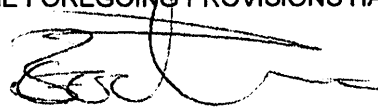
LENDER may, at its sole discretion, renew this RLOC upon expiration. At any time, LENDER may terminate this RLOC. All outstanding balances are due and payable immediately upon termination.

BORROWER agrees to pay the expenses or costs incurred in any attempt to collect the amounts due pursuant to this RLOC. The parties further agree that if any legal action is necessary to enforce this RLOC, any attorney's fees that are accrued in the enforcement of this RLOC shall be recoverable by the prevailing party in any legal proceeding that is initiated to enforce the terms of this RLOC. This provision is applicable to the entire RLOC.

The parties agree that jurisdiction and venue to resolve any disputes arising out of this RLOC shall be in Campbell County, Tennessee.

BORROWER ACKNOWLEDGES AND AGREES THAT THE FOREGOING PROVISIONS HAVE BEEN READ AND ACCEPTED.

Dated: December 31, 2015


GARY BODIMEADE, BORROWER

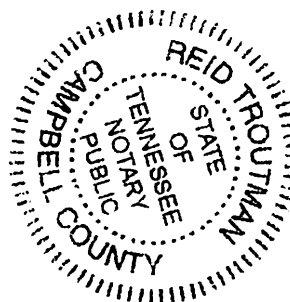
STATE OF TENNESSEE

COUNTY OF Campbell

Sworn to and subscribed before me this 31st day of Dec., 2015. 

[notary's signature & seal]

My commission expires: 3/30/19

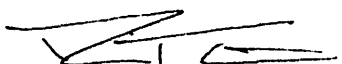


Dated: December 31, 2015


DEAN SALEM, LENDER

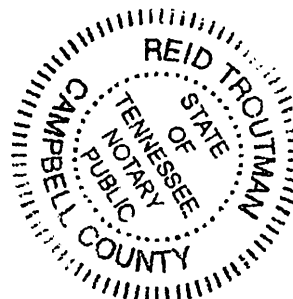
STATE OF TENNESSEE

COUNTY OF Campbell

Sworn to and subscribed before me this 31st day of Dec., 2015. 

[notary's signature & seal]

My commission expires: 3/30/19



Begin forwarded message:

From: Dean Salem <dean@norris1.com>
Date: February 3, 2016 at 11:59:31 AM EST
To: Aimee Bodimeade <sprouts5437@hotmail.com>
Cc: Andrea Robertson <andrearobertson27@yahoo.ca>
Subject: FWD: FWD: FWD: FWD: Introduction / Compuquest Business

Aimee and Andrea,

The thing that makes a creditor most uneasy is failure to respond or missed deadlines. Andrea said she would get back to me Monday 2/1/16. As I know professionals sometimes get busy, I gave the benefit of the doubt. Now we are at Wednesday and I know I have been ignored.

As I have previously stated in diplomatic terms, I require a very reasonable level of security to keep our line of credit and vendor relationship with Compuquest 2000 open. I have carried the company and, quite honestly, the Bodimeade family, for a long time. Gary has already signed the agreement. With a contested divorce in the process, I do not care to be caught in the middle with no security. Since Andrea asked on Friday 1/29/16, I will give you my reasons:

- 1) Andrea stated that neither she nor Aimee have any idea what the company is worth, yet you are asking for \$25,000 per month.
- 2) It is my opinion that \$25,000 per month and 1/2 the marital assets will jeopardize my investment.
- 3) As a principal of Compuquest 2000, Aimee has the authority to examine the books and any information regarding the company. The failure to do so in the more than 4 weeks I have been in contact is a professional and personal dereliction of duty - not something that makes a creditor feel comfortable.
- 4) CRA has performed several audits on Compuquest 2000 (one of which I bailed Compuquest 2000 out of). A contested divorce making high cost of living assertions brings the very high probability of additional CRA attention. I do not want to have my investment stuck in another bailout.

I have performed as a creditor and vendor in ways no other company or institution would have - ask any bank, accountant, lawyer, or colleague. To date, I have done this to help Gary and his family shoulder a difficult time - something I would have appreciated if I were in his position. I have given ample time for my sincerity to be researched with Compuquest's accountants, bankers, etc. I have made myself available for discussion. Today that ends. I have already sold Compuquest's orders for Feb to date (\$630,000 in revenue) to other

EXHIBIT No. 14
ON THE EXAMINATION OF
Gary Bodimeade IN
CIBC V 1299746
HELD ON February 22, 2017
NEESON COURT REPORTING INC.

customers. I will not do business with Compuquest until the line is paid off - currently \$857,927.40. When the line is paid off, Compuquest's account will be on a COD basis for all future transactions.

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(615)250-7937 Fax

----- Forwarded Message -----

From: Dean Salem <dean@norris1.com>
To: Aimee Bodimeade <sprouts5437@hotmail.com>
Cc:
Date: Fri, 29 Jan 2016 16:16:25 -0500
Subject: FWD: FWD: FWD: Introduction / Compuquest Business

Aimee,

Today is the last business day of the month. I have communicated very clearly with you and have not received the courtesy of a response. I have been Compuquest 2000's primary lender and supplier since December 2013 when I bailed the company out of its' tax problems. I have a US\$1,500,000 investment in Compuquest 2000. As I have made clear in my previous messages, I am not willing to keep that investment open through a contentious divorce of the company's principals without securing my position.

You have had 3 weeks to communicate with me, ask questions, and get to know the man and company that has kept Compuquest 2000 (your primary source of income) in business for the last several years. Instead, you have failed to make any attempt at communication - a discomfoting fact given my investment. Neither the promissory note nor the deadline is negotiable. Time is up today - If I do not receive your executed promissory note today (see attached), I will pull the line and begin collection proceedings.

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(615)250-7937 Fax

----- Forwarded Message -----

From: Dean Salem <dean@norris1.com>
To: Aimee Bodimeade <sprouts5437@hotmail.com>
Cc:
Date: Tue, 19 Jan 2016 11:50:08 -0500
Subject: FWD: FWD: Introduction / Compuquest Business

Aimee,

I have sent 2 previous messages and have not received the courtesy of a response. Perhaps you do not understand - I will not be ignored.

More than 80% of Compuquest 2000's business is purchased from and / or financed by Norris Technologies and I personally. I am not willing to continue the relationship unless my investment is secured by you and Gary per the attached documents. Compuquest 2000 will not survive without this relationship. If I do not hear back from you today, I will begin proceedings to terminate the line and collect the balance.

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(615)250-7937 Fax

----- Forwarded Message -----

From: Dean Salem <dean@norris1.com>
To: Aimee Bodimeade <sprouts5437@hotmail.com>
Cc:
Date: Mon, 11 Jan 2016 14:03:36 -0500
Subject: FWD: Introduction / Compuquest Business

Aimee,

I have not heard back from you regarding my email below. Please confirm you have reviewed the document and will be prepared to execute it next week. Without this document executed, I will no longer be able to offer terms to C2K. Please call or reply for questions or discussion.

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(615)250-7937 Fax

----- Forwarded Message -----

From: Dean Salem <dean@norris1.com>
To: Aimee Bodimeade <sprouts5437@hotmail.com>
Cc:
Date: Tue, 5 Jan 2016 13:48:48 -0500
Subject: Introduction / Compuquest Business

Aimee,

I apologize for having to introduce myself in this manner, however, I am forced due to circumstance. I am not sure what you know of my relationship with Gary and Compuquest 2000 (C2K), so, at the risk of redundancy, I will give you some background. I have worked with Gary and C2K for 15+ years. My company, Norris Technologies, LLC, has been a supplier for C2K for most of those years. In 2010, I also began personally financing transactions for C2K at Gary's request. As you may or may not be aware, in December 2013 and January 2014, C2K faced a major tax issue and expulsion from HP which, had I not stepped in, would have bankrupted the company - everything would have been lost. For the last 2 years, I have worked closely and diligently with Gary to rebuild C2K.

Most of what Gary and I have accomplished has been on our relationship and our word. However, with the personal turmoil your family is experiencing, I can no longer rely on Gary's word, particularly in light of the fact that you are half owner in C2K and the marital assets Gary has always offered as security for our financial arrangements. With those personal assurances in jeopardy, it is necessary to formalize our line of credit to secure my investment in C2K. The purpose of Gary's visit to TN was to execute a formal legal agreement to protect my position (see attached).

Due to your position with C2K and your ownership in the marital assets, I will need for you to also execute a formal legal agreement to protect my position and keep the line of credit and the HP product flow open. My goal is to keep C2K's business operating, protect my investment, and not become embroiled in any disagreements in your family. I have also attached a formal legal agreement in your name identical to the agreement Gary executed. Please review the document and reply with any questions or concerns. We will need to execute the agreement before the end of the month. I am looking at visiting the week of the 18th, or you are certainly welcome to visit TN - please confirm this timeline works for you.

I look forward to meeting with you and continuing my work with C2K.

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(615)250-7937 Fax

<PROMISSORY NOTE A BODIMEADE.pdf>

<PROMISSORY NOTE G BODIMEADE-executed.pdf>

1299746 ONTARIO INC.
(O/A Compuquest 2000)

FINANCIAL STATEMENTS
(UNAUDITED)

MAY 31, 2015

**1299746 ONTARIO INC.
(O/A Compuquest 2000)**

TABLE OF CONTENTS

	Page
Review Engagement Report	1
Balance Sheet	2
Statement of Income	3
Statement of Retained Earnings	4
Statement of Cash Flows	5
Notes to Financial Statements	6



REVIEW ENGAGEMENT REPORT

We have reviewed the balance sheet of 1299746 Ontario Inc. (O/A Compuquest 2000) as at May 31, 2015 and the statements of income, retained earnings and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures, and discussion related to information supplied to us by the company.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for private enterprises.

TURNERMOORE LLP

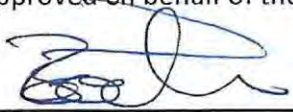
January 26, 2016
Ajax, Ontario

Chartered Professional Accountant
Licensed Public Accountants

1299746 ONTARIO INC.
(O/A Compuquest 2000)
BALANCE SHEET
AS AT MAY 31, 2015
(UNAUDITED)

	2015	2014
ASSETS		
Current assets		
Accounts receivable (Note 3)	\$ 2,705,143	\$ 1,960,042
Due from government agencies	146,388	337,147
Inventory	2,397,177	1,707,467
Prepaid expenses	-	13,000
Due from related party (Note 12)	-	172,103
	5,248,708	4,189,759
Property, plant and equipment (Note 4)	432,618	414,964
	\$ 5,681,326	\$ 4,604,723
LIABILITIES		
Current liabilities		
Bank line of credit (Note 5)	\$ 1,974,182	\$ 1,240,038
Accounts payable and accrued liabilities	418,340	728,736
Income taxes payable (Note 11)	77,613	59,681
Due to related party (Note 12)	198,785	-
Current portion of long-term debt (Note 7)	85,004	34,764
	2,753,924	2,063,219
Long-term debt (Note 7)	1,425,949	1,261,193
SHAREHOLDER'S EQUITY		
Share capital (Note 9)	100	100
Retained earnings	1,501,353	1,280,211
	1,501,453	1,280,311
	\$ 5,681,326	\$ 4,604,723

Approved on behalf of the Board:

 Director

The accompanying notes are an integral part of these financial statements

1299746 ONTARIO INC.
(O/A Compugest 2000)
INCOME STATEMENT
FOR THE YEAR ENDED MAY 31, 2015
(UNAUDITED)

	2015	2014
REVENUE	\$15,856,509	\$ 13,957,900
DIRECT COSTS (Note 10)	13,057,546	11,268,502
GROSS PROFIT	2,798,963	2,689,398
EXPENSES		
Advertising and promotion	79,146	67,213
Amortization of property, plant and equipment	152,926	114,505
Bank charges	49,976	38,974
Dues and subscriptions	47,122	45,319
Equipment rental	5,016	-
Freight	161,514	164,577
Interest	101,214	72,954
Insurance	199,431	182,819
Office supplies	94,531	98,157
Professional fees	60,754	55,331
Property taxes	86,050	86,050
Rent	184,311	173,926
Repairs and maintenance	121,743	125,463
Supplies	66,487	70,462
Telecommunications	88,816	83,885
Travel	47,136	41,227
Utilities	63,547	76,623
Vehicle	131,146	129,305
Wages and salaries - staff	481,126	479,572
Selling costs	354,216	318,002
	2,576,208	2,424,364
INCOME FROM OPERATIONS	222,755	265,034
OTHER INCOME		
Exchange gain	226,000	120,000
	226,000	120,000
INCOME BEFORE INCOME TAXES	448,755	385,034
Income tax (Note 11)	77,613	59,681
NET INCOME	\$ 371,142	\$ 325,353

The accompanying notes are an integral part of these financial statements

1299746 ONTARIO INC.
(O/A Compuquest 2000)
STATEMENT OF RETAINED EARNINGS
FOR THE YEAR ENDED MAY 31, 2015
(UNAUDITED)

	2015	2014
BALANCE, BEGINNING OF THE YEAR	\$ 1,280,211	\$ 954,858
Net income	371,142	325,353
	1,651,353	1,280,211
Dividends declared	(150,000)	-
BALANCE, END OF YEAR	\$ 1,501,353	\$ 1,280,211

The accompanying notes are an integral part of these financial statements

1299746 ONTARIO INC.
(O/A Compuquest 2000)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MAY 31, 2015
(UNAUDITED)

	2015	2014
OPERATING ACTIVITIES		
Net income	\$ 371,142	\$ 325,353
Items not requiring an outlay of funds		
Amortization of property, plant and equipment	152,926	114,505
	524,068	439,858
Changes in non-cash working capital		
Accounts receivable	(745,101)	(126,612)
Due from government agencies	190,759	(305,187)
Inventory	(689,710)	(754,404)
Prepaid expenses	13,000	32,500
Accounts payable and accrued liabilities	(310,396)	460,237
Income taxes payable	17,932	20,475
Net cash provided by operations	(999,448)	(233,133)
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(170,580)	(169,670)
Net cash used by investing activities	(170,580)	(169,670)
FINANCING ACTIVITIES		
Advances to (from) related parties	370,888	(172,103)
Dividends paid	(150,000)	-
Proceeds from (repayment of) loan payable	214,996	172,103
Repayment to / advance from shareholder	-	11,250
Net cash used in financing activities	435,884	11,250
Net decrease in cash and cash equivalents	(734,144)	(391,553)
Bank line of credit, beginning the year	(1,240,038)	(848,485)
Bank line of credit, end the year	\$ (1,974,182)	\$ (1,240,038)
Bank line of credit consists of the following:		
Canadian account	\$ (1,457,150)	\$ (1,228,399)
US Account	(517,032)	(11,639)
	\$ (1,974,182)	\$ (1,240,038)

The accompanying notes are an integral part of these financial statements

5

1299746 ONTARIO INC.
(O/A Compuquest 2000)
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015
(UNAUDITED)

1 INTRODUCTORY NOTES

The company was incorporated on June 09, 1998 under the Business Corporations Act in Ontario. The principal business activity is sales of used computer equipment.

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the company have been prepared in accordance with Canadian accounting standards for private enterprises (ASPE) and are in accordance with Canadian generally accepted accounting principles which include the following significant accounting policies:

Use of Estimates

When preparing financial statements according to ASPE, management is required to make certain estimates and assumptions relating to the:

- Reported amounts of revenue and expenses for the year;
- Reported amounts of assets and liabilities; and

Assumptions are based on a number of factors, including historical experience, current events and actions that the Company may undertake in future, and other assumptions believed reasonable under the circumstances. These estimates are periodically reviewed and, accordingly, adjustments made to these estimates are taken into income in the year in which it is determined. These estimates are subject to measurement uncertainty, and actual results may therefore differ from those estimates. Estimates are used when accounting for certain items, such as useful lives of property, plant and equipment, allowance for doubtful accounts, prepaid and accrued expenses, income taxes.

Foreign Currency Translation

The Company uses the temporal method to translate foreign currency transactions. Monetary assets and liabilities are translated at the exchange rate in effect at the balance sheet date. Sales and expenses denominated in foreign currencies appearing in the current year's income statement and are translated at average year rates. Exchange gains and losses are included in the income statement.

1299746 ONTARIO INC.
(O/A Compuquest 2000)
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015
(UNAUDITED)

Revenue Recognition

The Company recognizes revenue when all the following conditions are met:

- Services are provided or products are delivered to customers.
- There is clear evidence that an arrangement exists.
- Amounts are fixed or can be determined.
- The ability to collect is reasonably assured.
- There are not significant obligations for future performance.
- The amount of future returns can be reasonably estimated.

Inventory

Inventory is measured at the lower of landed cost and net realizable value. Cost is determined using the first-in-first-out(FIFO) method.

Property, plant and equipment

Property, plant and equipment are recorded at cost. Amortization is provided annually at the following rates and methods over the estimated useful lives of the assets as follows, except in the year of acquisition when one half of the rate is used:

Computers	30%	declining balance
Furniture & Fixtures	20%	declining balance
Equipment	20%	declining balance
Leaseholds	5 Year	straight line
Vehicles	30%	declining balance

The Company reviews for impairment of property, plant and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. No indicators of impairments exist and an impairment test was not required.

Income taxes

The Company uses the taxes payable method to record income taxes. Only current income taxes are recorded based on the determination of the income taxes for the current year.

1299746 ONTARIO INC.
(O/A Compuquest 2000)
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015
(UNAUDITED)

3 ACCOUNTS RECEIVABLE

	2015	2014
Trade Accounts Receivable - Canadian	\$ 720,765	\$ 411,501
Trade Accounts Receivable - US	2,008,207	1,552,370
Allowance for doubtful accounts	(23,829)	(23,829)
Other	-	20,000
Total	\$ 2,705,143	\$ 1,960,042

4 PROPERTY, PLANT AND EQUIPMENT

	2015		2014	
	Cost	Accumulated Amortization	Net	Net
Computers	\$ 56,465	\$ 37,272	\$ 19,193	\$ 27,418
Furniture & Fixtures	125,741	96,054	29,687	37,109
Equipment	417,136	162,885	254,251	224,473
Leaseholds	48,837	48,648	189	47,576
Vehicles	198,941	69,643	129,298	78,388
	\$ 847,120	\$ 414,502	\$ 432,618	\$ 414,964

5 BANK OPERATING LINE OF CREDIT

The Company has an operating line of credit to a maximum of \$1,750,000, which is due on demand and bears interest at 2.5% per annum over the bank's prime rate. Bank indebtedness is secured by an assignment of accounts receivable, assignment of EDC insurance, and a general security agreement and a personal guarantee by the shareholder of the amount. The shareholders have also agreed to a postponement of the shareholder loan account.

1299746 ONTARIO INC.
(O/A Compuquest 2000)
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015
(UNAUDITED)

6 CAPITAL DISCLOSURE

The company is required to meet certain financial ratios under its credit facility agreement and The company is in compliance with these covenants as of the balance sheet date.

7 LONG TERM DEBT

	2015	2014
<i>Shareholder Loans</i>		
Non-interest bearing, with no specific terms of repayment	\$ 1,123,854	\$ 1,123,854
<i>Long Term Loans</i>		
7% BDC loan payable in monthly installments of \$3,600 principle and interest, secured by a general security agreement and personal guarantee of shareholders, due 2019	137,099	172,103
7.2% BDC Loan payable in monthly installments of \$6,000 principle and interest secured by a general security agreement and personal guarantee of shareholders, due 2019	250,000	-
	1,510,953	1,295,957
Less: Amounts payable within one year	85,004	34,764
	\$ 1,425,949	\$ 1,261,193

The aggregate amount of payments required in each of the next four years on the above

2016	\$ 85,004
2017	95,702
2018	106,689
2019	99,704

Shareholder Loans

The bank requires postponement of the advances to the related parties and as such have been treated as long term.

8 FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accruals, taxes payable and amounts due to shareholder. The fair value of the instruments approximate their carrying values, unless otherwise noted.

The Company uses comprehensive risk management procedures to limit the risks inherent in the use of financial instruments. Risks may include credit, currency, interest rate, market and liquidity risks. The significant risks that the Company is exposed to are noted below:

Credit Risk

The Company's exposure to credit risk is principally derived from cash and cash equivalents, and accounts receivable. The Company maintains cash and cash equivalents with major financial institutions. The Company's services are purchased by a small group of customers; therefore, there is a particular concentration of credit risk. There is one Canadian customer comprising more than 11% of the total trade accounts receivable. Many accounts receivable from foreign businesses are insured via the Economic Development Commission, however at the year end two customers accounted for 65% of the total accounts outstanding which are not insured. Management performs an ongoing credit review of all customers and establishes allowances for doubtful accounts when the amounts are not collectible.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The bank operating line bears interest at the bank prime rate plus 2.5%. Changes in the bank's prime lending rate can cause fluctuations in interest payments and cash flows. The Company does not use derivative financial instruments to alter the effects of this risk.

Currency Risk

The entity has financial assets and liabilities denominated in foreign currencies and, therefore, is subject to foreign exchange risk due to changes in the respective exchange rates.

1299746 ONTARIO INC.
(O/A Compuquest 2000)
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015
(UNAUDITED)

Market Risk

The Company is exposed to market risk through the fluctuation of financial instrument fair values due to changes in market prices. The significant market risks to which the Company is exposed are currency risk and interest rate risk.

The Company is exposed to market risks relating to foreign exchange rates and interest rate. The foreign exchange risk is derived from potential changes in assets, liabilities and cash flows denominated in US dollars. The company's indebtedness creates interest rate risk. The Company monitors these risks on an ongoing basis. The Company does not use derivative instruments to hedge these risks.

9 SHARE CAPITAL

	2015	2014
Issued:		
100 Common shares, stated value	\$ 100	\$ 100

10 DIRECT COSTS

	2015	2014
Inventory, beginning of the year	\$ 1,707,467	\$ 953,063
Purchases	13,415,760	11,731,102
Freight and duty	331,496	291,804
	15,454,723	12,975,969
Less: Inventory, end of the year	2,397,177	1,707,467
TOTAL DIRECT COSTS	\$ 13,057,546	\$ 11,268,502

1299746 ONTARIO INC.
(O/A Compuquest 2000)
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015
(UNAUDITED)

11 INCOME TAXES

	2015	2014
Accounting Income	\$ <u>448,755</u>	\$ <u>385,034</u>
Statutory tax rate (Average Ontario Rate)	15.50 %	15.50 %
Tax on accounting income at statutory rates	\$ <u>77,613</u>	\$ <u>59,681</u>
Total income tax expense for the year	\$ <u>77,613</u>	\$ <u>59,681</u>

12 RELATED PARTY TRANSACTIONS

Certain transactions with shareholders occurred in the normal course of operations and are measured at an exchange amount, which is the amount of consideration established and agreed to by the related parties.

Transactions with 2252709 Ontario Inc, a corporation with common shareholders of the company.

- The Company paid rent of \$ 184,311.
- Collected from 2252709 Ontario Inc an amount previously advanced in the amount of \$ 172,203
- Borrowed \$ 200,000 from 2252709 Ontario Inc, which is interest bearing at the rate of 3.9 %, while there are so specific terms of repayment, the intention is to match the cash flow requirements of the mortgage payments payable by 2252709 Ontario Inc. The amount has been included as currently payable.

13 ECONOMIC DEPENDENCE

During the year the sales to four customers amounted to 48% of the total in 2015 and 43% in 2014. The accounts receivable balance for these same customers is 75% of the total balance for the year and 69% in 2014.

Subject: Fw: Introduction / Compuquest Business

From: Lit'l Sprouts (sprouts5437@hotmail.com)

To: andrearobertson27@yahoo.ca;

Date: Thursday, January 26, 2017 1:45 PM

From: Lit'l Sprouts <sprouts5437@hotmail.com>

Sent: January 29, 2016 4:41 PM

To: Andrea Robertson

Subject: Fwd: Introduction / Compuquest Business

Sent from my iPhone

Begin forwarded message:

From: Gary Bodimeade <garyb@compuquest2000.com>

Date: January 29, 2016 at 4:39:04 PM EST

To: "Lit'l Sprouts" <sprouts5437@hotmail.com>, Andrea Robertson
<andrearobertson27@yahoo.ca>

Cc: gastern@torlaw.com

Subject: RE: Introduction / Compuquest Business

Without Prejudice

This is the first time I have seen this email from Dean?

With your ignorance and total dis-regard to this matter will now in all likely hood cost us the company I have worked my ass off to build for 18 years.

In addition, I go the shit kicked out of me this morning by three directors of CIBC of which I will have a "letter of Concern" sent to me within a week stating the banks concerns and immediate action items that will need to take place in order to have the line renewed.

I applaud you for turning a blind eye and totally neglecting your responsibilities to the company and our children.

Thank You

Tab 4

From: Lit'l Sprouts [mailto:sprouts5437@hotmail.com]
Sent: Friday, January 29, 2016 4:31 PM
To: Andrea Robertson <andrearobertson27@yahoo.ca>
Cc: gastern@torlaw.com; Gary Bodimeade <garyb@compuquest2000.com>
Subject: Fwd: Introduction / Compuquest Business

Sent from my iPhone

Begin forwarded message:

From: Dean Salem <dean@norris1.com>
Date: January 29, 2016 at 4:16:25 PM EST
To: Aimee Bodimeade <sprouts5437@hotmail.com>
Subject: FWD: FWD: FWD: Introduction / Compuquest Business

Aimee,

Today is the last business day of the month. I have communicated very clearly with you and have not received the courtesy of a response. I have been Compuquest 2000's primary lender and supplier since December 2013 when I bailed the company out of its' tax problems. I have a US\$1,500,000 investment in Compuquest 2000. As I have made clear in my previous messages, I am not willing to keep that investment open through a contentious divorce of the company's principals without securing my position.

You have had 3 weeks to communicate with me, ask questions, and get to know the man and company that has kept Compuquest 2000 (your primary source of income) in business for the last several years. Instead, you have failed to make any attempt at communication - a discomforting fact given my investment. Neither the promissory note nor the deadline is negotiable. Time is up today - If I do not receive your executed promissory note today (see attached), I will pull the line and begin collection proceedings.

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(615)250-7937 Fax

----- Forwarded Message -----

From: Dean Salem <dean@norris1.com>
To: Aimee Bodimeade <sprouts5437@hotmail.com>
Cc:
Date: Tue, 19 Jan 2016 11:50:08 -0500
Subject: FWD: FWD: Introduction / Compuquest Business

Aimee,

I have sent 2 previous messages and have not received the courtesy of a response. Perhaps you do not understand - I will not be ignored. More than 80% of Compuquest 2000's business is purchased from and / or financed by Norris Technologies and I personally. I am not willing to continue the relationship unless my investment is secured by you and Gary per the attached documents. Compuquest 2000 will not survive without this relationship. If I do not hear back from you today, I will begin proceedings to terminate the line and collect the balance.

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(615)250-7937 Fax

----- Forwarded Message -----

From: Dean Salem <dean@norris1.com>
To: Aimee Bodimeade <sprouts5437@hotmail.com>
Cc:
Date: Mon, 11 Jan 2016 14:03:36 -0500
Subject: FWD: Introduction / Compuquest Business

Aimee,

I have not heard back from you regarding my email below. Please confirm you have reviewed the document and will be prepared to execute it next week. Without this document executed, I will no longer be able to offer terms to C2K. Please call or reply for questions or discussion.

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(615)250-7937 Fax

----- Forwarded Message -----

From: Dean Salem <dean@norris1.com>
To: Aimee Bodimeade <sprouts5437@hotmail.com>
Cc:
Date: Tue, 5 Jan 2016 13:48:48 -0500
Subject: Introduction / Compuquest Business

Aimee,

I apologize for having to introduce myself in this manner, however, I am forced due to circumstance. I am not sure what you know of my relationship with Gary and Compuquest 2000 (C2K), so, at the risk of redundancy, I will give you some background. I have worked with Gary and C2K for 15+ years. My company, Norris Technologies, LLC, has been a supplier for C2K for most of those years. In 2010, I also began personally financing transactions for C2K at Gary's request. As you may or may not be aware, in December 2013 and January 2014, C2K faced a major tax issue and expulsion from HP which, had I not stepped in, would have bankrupted the company - everything would have been lost. For the last 2 years, I have worked closely and diligently with Gary to rebuild C2K.

Most of what Gary and I have accomplished has been on our relationship and our word. However, with the personal turmoil your family is experiencing, I can no longer rely on Gary's word, particularly in light of the fact that you are half owner in C2K and the marital

assets Gary has always offered as security for our financial arrangements. With those personal assurances in jeopardy, it is necessary to formalize our line of credit to secure my investment in C2K. The purpose of Gary's visit to TN was to execute a formal legal agreement to protect my position (see attached).

Due to your position with C2K and your ownership in the marital assets, I will need for you to also execute a formal legal agreement to protect my position and keep the line of credit and the HP product flow open. My goal is to keep C2K's business operating, protect my investment, and not become embroiled in any disagreements in your family. I have also attached a formal legal agreement in your name identical to the agreement Gary executed. Please review the document and reply with any questions or concerns. We will need to execute the agreement before the end of the month. I am looking at visiting the week of the 18th, or you are certainly welcome to visit TN - please confirm this timeline works for you.

I look forward to meeting with you and continuing my work with C2K.

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(615)250-7937 Fax

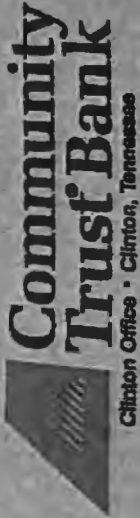
DEAN A SALEM
CONNIE N TEODORSCU
HIAWATHA PROPERTY
751 FOX RIDGE LN.
CARYVILLE, TN 37714

73-289/421

1039

DATE FEB-9-16

PAY TO THE ORDER OF Compquest 2000 \$ 195000-
ONE HUNDRED & NINETY FIVE THOUSAND DOLLARS ☒



Doc Sold

MEMO

10421026941 4003206309 1039

STANDARD

EXHIBIT NO. 4
ON THE EXAMINATION OF
GARY BLOOMADE
CIBC v 1299746
HELD ON February 22, 2017
NEESON COURT REPORTING

DEAN SALEM
751 FOX RIDGE LN
CARYVILLE, TN 37714

816
842

1200

DATE FEB-9-16

PAY TO THE
ORDER OF

Compuquest 2000

ONE THOUSAND NINETY-FIVE ^{\$} 19,500.00 DOLLARS

BB&T

BRANCH BANKING AND TRUST COMPANY

Doc Sale

711032

MEMO

⑆064208165⑆ 0000117863980⑆ 1200

DEAN SALEM
751 FOX RIDGE LN
CARYVILLE, TN 37714

818 642 -1248

Feb. 21-16

DATE

Compquest Zoo
-ONE THOUSAND SEVEN HUNDRED TWENTY-
\$ 125000-
DOLLARS

PAY TO THE
ORDER OF

BB&T
BRANCH BANKING AND TRUST COMPANY

Don Sale

MEMO

110642081651 0000117863980111248


Karen Fox

From: Dean Salem <IMCEAEX-A@ca.gt.com>
Sent: Friday, February 26, 2016 12:31 PM
To: Gary
Subject: Cleared
Attachments: 16-02-08 Ck 1199.pdf; 16-02-19 Ck 1200.pdf; 16-02-22 Ck 1201.pdf

see attached

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(615)250-7937 Fax

EXHIBIT No. 5
ON THE EXAMINATION OF
Gary Budinheads IN
CTBL V 1299746
FILED ON February 22, 2017
ON COURT REPORTING INC.

BB&T Check Images

Close

Check Number	Amount	Date Posted	Account Type	Account Number
1199	\$280000.00	02/08/2016	Checking	117863980

Front View

[How to save this image](#)

DEAN SALEM
781 FOX RIDGE LN
CARYVILLE, TN 37714

818 1199
642

DATE Feb 5/16

PAY TO THE ORDER OF Compuquest 2000 \$ 280 000.00

Two Hundred Eighty Thousand DOLLARS

BB&T
BRANCH BANKING AND TRUST COMPANY

MEMO Doc Sale

0064 2081651 0000 117863980 1199

[Click image to Enlarge](#)

Back View

[How to save this image](#)

Security Features on the back of the check include:

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Security Features

010-01000
027-0542016
3200124153

02242
0280410

ENDORSE HERE:

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ALL SIGNATURES MUST BE IN INK

[Click image to Enlarge](#)

BB&T Check Images

Close

Check Number	Amount	Date Posted	Account Type	Account Number
1201	\$250000.00	02/23/2016	Checking	117883980

Front View

How to save this image

DEAN SALEM
781 FOX RIDGE LN
CARYVILLE, TN 37714

DATE FEB. 17. 16

PAY TO THE ORDER OF Compuquest 2000 \$ 250000
- Two hundred fifty thousand DOLLARS

BB&T
BRANCH BANKING AND TRUST COMPANY

MEMO Doc Sale

⑆064208165⑆ 0000117883980⑈1201

Click Image to Enlarge

Back View

How to save this image

Security Features on the back of the check:

- Security Features:
- 16-Digit Serial Number
- Security Features:
- 16-Digit Serial Number
- Security Features:
- 16-Digit Serial Number

DO NOT WRITE, STAMP OR SIGN ON THE BACK OF THE CHECK. THE BACK OF THE CHECK IS RESERVED FOR THE BANK'S USE.

022421625416

Click Image to Enlarge

EXHIBIT No. 6
ON THE EXAMINATION OF
Gary Bachman IN
ABC V 1299746
HELD ON February 22, 2017
NEESON COURT REPORTING INC.

EXHIBIT No. 7
ON THE EXAMINATION OF
Geny Bedimade IN
CLBE V 1299746
HELD ON February 22, 2017
NEESON COURT REPORTING INC.

DEAN SALEM
751 FOX RIDGE LN
CARYVILLE TN 37714

816 1248
542

DATE FEB. 21-16

PAY TO THE ORDER OF Compquest Zoo \$ 125000
ONE hundred twenty five thousand DOLLARS

BB&T
BRANCH BANKING AND TRUST COMPANY

Doc Sale

000011786398011248



CIBC Account Statement

1299746 ONTARIO INC.
O/A COMPUQUEST 2000

For Jan 1 to Jan 31, 2016

Account number
02-80410

Branch transit number
02242

The names shown are based on our current records, as of April 14, 2016. This statement does not reflect any changes in account holders and account holder names that may have occurred prior to this date.

Account summary

Opening balance on Jan 1, 2016		\$4,852.21
Withdrawals	-	2,540,810.11
Deposits	+	2,539,854.99
Closing balance on Jan 31, 2016	USD =	\$3,897.09

Contact information

1 800 465 CIBC (2422)

Contact us by phone for questions on this update, change of personal information, and general inquiries, 24 hours a day, 7 days a week.

TTY hearing impaired
1 800 465 7401

Outside Canada and the U.S.
1 902 420 CIBC (2422)

www.cibc.com

Transaction details

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Jan 1	Opening balance			\$4,852.21
Jan 4	MISC PAYMENT	20.00		4,832.21
	MIN MDR FEE			
	ROYAL BANK CENTRAL CARD CENTRE			
Jan 5	WIRE TRANSFER 02242		6,000.00	10,832.21
	COMPUQUEST 2000			
	0520499 9564924			
	CHEQUE 72237809 3454	10,000.00		832.21
	CHEQUE 72320738 3469	3,000.00		-2,167.79
Jan 6	TRANSFER 08642		2,167.79	0.00
	FROM: 02242/71-87815			
	HIGHWAY 7 AND WEST BEAVER CREE			
	DEPOSIT 07942		29,380.00	29,380.00
	HWY #2 & GLENANNA BANKING CENT			
Jan 7	DEPOSIT		26,529.57	55,909.57
Jan 8	CHEQUE 29143542 3439	1,200.00		54,709.57
Jan 11	DEPOSIT 01442		400,000.00	454,709.57
	104 HARWOOD AVE. S			

(continued on next page)

CIBC Account Statement

Jan 1 to Jan 31, 2016

Account number: 02-80410

Branch transit number: 02242

Transaction details (continued)

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Jan 11	Balance forward			\$454,709.57
Jan 12	CMO WIRE PAYMENT0120973 NORRIS	400,000.00		54,709.57
	DEPOSIT 01442 104 HARWOOD AVE. S		400,000.00	454,709.57
	OVERDRAFT INTEREST	1,375.98		453,333.59
Jan 13	CHEQUE 75495278 3474	7,500.00		445,833.59
Jan 14	DEPOSIT 01442 104 HARWOOD AVE. S		312,600.00	758,433.59
	DEBIT MEMO 09612	174,666.39		583,767.20
	DEPOSIT 01642 UNIONVILLE		3,164.00	586,931.20
	CHEQUE 29355528 2958	220,000.00		366,931.20
	CHEQUE 29355531 2950	180,000.00		186,931.20
Jan 15	DEPOSIT 01642 UNIONVILLE		9,706.70	196,637.90
Jan 18	DEPOSIT 01442 104 HARWOOD AVE. S		250,000.00	446,637.90
	CHEQUE 29441634 2944	250,000.00		196,637.90
	CHEQUE 32224086 3471	240.00		196,397.90
Jan 19	DEPOSIT 01322 THE WESTWOOD SHOPPING MALL		188,427.50	384,825.40
	WIRE TRANSFER 02242 COMPUQUEST 2000 1924057 9623051		17,500.00	402,325.40
	RETURNED CHEQUE Payment Stopped	400,000.00		2,325.40
	RETURNED CHQ CHG Payment Stopped	7.00		2,318.40
	CHEQUE 27535252 3475	470.00		1,848.40
	CHEQUE 29464746 3435	235.00		1,613.40
Jan 22	DEPOSIT 07942 HWY #2 & GLENANNA BANKING CENT		15,255.00	16,868.40
	CHEQUE 72218570 3476	13,000.00		3,868.40
Jan 26	CHEQUE 29084121 2949	90,000.00		-86,131.60
	CHEQUE 29084256 2943	39,000.00		-125,131.60
Jan 27	WIRE TRANSFER 02242 COMPUQUEST 2000 2704923 9655719		126,000.00	868.40
	DEPOSIT 07942 HWY #2 & GLENANNA BANKING CENT		250,000.00	250,868.40
	CMO WIRE PAYMENT0364813 NORRIS	250,000.00		868.40
	DEPOSIT 07942 HWY #2 & GLENANNA BANKING CENT		240,000.00	240,868.40

(continued on next page)

CIBC Account Statement

Jan 1 to Jan 31, 2016

Account number: 02-80410

Branch transit number: 02242

Transaction details (continued)

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Jan 27	Balance forward			\$240,868.40
	DEPOSIT 08642		157,287.23	398,155.63
	HIGHWAY 7 AND WEST BEAVER CREE			
	CHEQUE 26364432 2953	250,000.00		148,155.63
Jan 29	WIRE TRANSFER 02242		85,000.00	233,155.63
	COMPUQUEST 2000			
	2924165 9671512			
	DEPOSIT 07942		20,837.20	253,992.83
	HWY #2 & GLENANNA BANKING CENT			
	CHEQUE 36413776 2947	250,000.00		3,992.83
	X-BORDER CHQ FEE	39.00		3,953.83
	OVERDRAFT S/C	10.00		3,943.83
	SERVICE CHARGE	34.00		3,909.83
	DEPOSIT ITEM FEE	3.74		3,906.09
	17 AT .22			
	ACCOUNT FEE	6.00		3,900.09
	PAPER STMNT FEE	3.00		3,897.09
	Closing balance			\$3,897.09

Important: This statement will be considered correct if you do not report errors, omissions or irregularities in entries and balances to CIBC in writing within 30 days from last date of the statement period covered by a previously issued regular statement where such period included the date the entry was, or should have been, posted.

This rule does not apply to improper credits to your account. Your rights under your business account operation agreement to verify and notify CIBC of account errors, omissions or irregularities do not apply to this statement which is for information or replacement purposes only.

***Foreign Currency Conversion Fee:**

If you withdraw foreign currency from a bank machine located outside Canada, you are charged the same conversion rate CIBC is required to pay plus an administration fee, which is disclosed in the CIBC's current *Business Account Service Fees* brochure, a copy of which is available at any CIBC branch in Canada (this is in addition to any transaction fee applicable to the withdrawal and the network fee).

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® Interac is a registered trademark of Interac Inc./CIBC Licensee



CIBC Account Statement

1299746 ONTARIO INC.
O/A COMPUQUEST 2000

For Feb 1 to Feb 29, 2016

Account number
02-80410

Branch transit number
02242

The names shown are based on our current records, as of April 14, 2016. This statement does not reflect any changes in account holders and account holder names that may have occurred prior to this date.

Account summary

Opening balance on Feb 1, 2016		\$3,897.09
Withdrawals	-	2,172,282.70
Deposits	+	2,370,707.68
Closing balance on Feb 29, 2016	USD =	\$202,322.07

Contact information

1 800 465 CIBC (2422)

Contact us by phone for questions on this update, change of personal information, and general inquiries, 24 hours a day, 7 days a week.

TTY hearing impaired
1 800 465 7401

Outside Canada and the U.S.
1 902 420 CIBC (2422)

www.cibc.com

Transaction details

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Feb 1	Opening balance			\$3,897.09
Feb 1	WIRE TRANSFER 02242 COMPUQUEST 2000 0123750 9679735		9,000.00	12,897.09
	WITHDRAWAL 07942 HWY #2 & GLENANNA BANKING CENT	6,400.00		6,497.09
	WITHDRAWAL 02542 WESTNEY HEIGHTS PLAZA	3,000.00		3,497.09
Feb 2	DEPOSIT 07942 HWY #2 & GLENANNA BANKING CENT		9,962.08	13,459.17
	MISC PAYMENT MIN MDR FEE ROYAL BANK CENTRAL CARD CENTRE	20.00		13,439.17
Feb 3	WIRE TRANSFER 02242 COMPUQUEST 2000 0327566 9691957		200,000.00	213,439.17

(continued on next page)

CIBC Account Statement

Feb 1 to Feb 29, 2016

Account number: 02-80410

Branch transit number: 02242

Transaction details (continued)

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Feb 3	Balance forward			\$213,439.17
Feb 4	WIRE TRANSFER 02242 COMPUQUEST 2000 0418624 9696228		38,000.00	251,439.17
	RETURNED CHEQUE	250,000.00		1,439.17
	Payment Stopped			
	RETURNED CHQ CHG	7.00		1,432.17
	Payment Stopped			
Feb 5	WIRE TRANSFER 02242 1432772 ONTARIO INC 0524085 9700946		52,936.80	54,368.97
	DEBIT MEMO 09612	52,000.00		2,368.97
	DEPOSIT 07942 HWY #2 & GLENANNA BANKING CENT		280,000.00	282,368.97
	DEPOSIT		79,100.00	361,468.97
	CHEQUE 32094351 2956	256,000.00		105,468.97
	CHEQUE 72386930 3465	242.19		105,226.78
Feb 8	OVERDRAFT INTEREST	621.75		104,605.03
Feb 9	CHEQUE 36039598 3477	65,000.00		39,605.03
Feb 10	DEPOSIT 01442 104 HARWOOD AVE. S		195,000.00	234,605.03
	CHEQUE 35341665 2957	200,000.00		34,605.03
Feb 12	WITHDRAWAL 07942 HWY #2 & GLENANNA BANKING CENT	500.00		34,105.03
Feb 17	DEPOSIT 01442 104 HARWOOD AVE. S		195,000.00	229,105.03
	CMO WIRE PAYMENT0708975 NORRIS TECH	175,000.00		54,105.03
	CMO WIRE PAYMENT0709588 NORRIS TECH	20,100.00		34,005.03
	DEBIT MEMO 09612	30,000.00		4,005.03
	CHEQUE 24379441 3466	300.00		3,705.03
Feb 18	WIRE TRANSFER 02242 COMPUQUEST 2000 1821743 9748549		7,400.00	11,105.03
	CHEQUE 72160151 3479	10,000.00		1,105.03
Feb 22	DEPOSIT 01442 AJAX SHOPPING CENTRE BANKING C		250,000.00	251,105.03
	DEBIT MEMO 09612	248,000.00		3,105.03
	TRANSFER 01442 FROM: 01442/02-18219 AJAX SHOPPING CENTRE BANKING C		6,780.00	9,885.03
	RETURNED CHEQUE	195,000.00		-185,114.97
	Payment Stopped			

(continued on next page)

CIBC Account Statement

Feb 1 to Feb 29, 2016

Account number: 02-80410

Branch transit number: 02242

Transaction details (continued)

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Feb 22	Balance forward			-\$185,114.97
	RETURNED CHQ CHG	7.00		-185,121.97
	Payment Stopped			
	WIRE TRANSFER 02242		190,000.00	4,878.03
	COMPUQUEST 2000			
	2222640 9760040			
	DEPOSIT 08642		110,734.35	115,612.38
	HWY 7 & WEST BEAVER CREEK BKG			
	MISC PAYMENT	60,000.00		55,612.38
	MC4855#08045916			
	ROYAL BANK CENTRAL CARD CENTRE			
	MISC PAYMENT	10.00		55,602.38
	MC CHGBK. FEE			
	ROYAL BANK CENTRAL CARD CENTRE			
Feb 23	TRANSFER 08642	35,976.56		19,625.82
	TO: 02242/71-87815			
	HWY 7 & WEST BEAVER CREEK BKG			
	DEPOSIT 07942		14,805.65	34,431.47
	HWY #2 & GLENANNA BANKING CENT			
	MISC PAYMENT	90,000.00		-55,568.53
	VI30 #08045916			
	ROYAL BANK CENTRAL CARD CENTRE			
	MISC PAYMENT	10.00		-55,578.53
	VISA CHGBK.FEE			
	ROYAL BANK CENTRAL CARD CENTRE			
	CHEQUE 36477502 2945	200,000.00		-255,578.53
Feb 24	WIRE TRANSFER 02242		256,000.00	421.47
	COMPUQUEST 2000			
	2411939 9769247			
	WIRE TRANSFER 02242		48,190.80	48,612.27
	1432772 ONTARIO INC			
	2439019 9770840			
	DEPOSIT 07942		27,798.00	76,410.27
	HWY #2 & GLENANNA BANKING CENT			
	DEBIT MEMO 09612	74,000.00		2,410.27
	REVERSAL 36477502 2945		200,000.00	202,410.27
Feb 25	CREDIT MEMO 02242		200,000.00	402,410.27
	DEAN A SALEM CHQ#2945 DD FEB10			
	RTN AS FUNDS NOT CLEAR PAT DEL			
	CORRECTION 02242	200,000.00		202,410.27
Feb 29	X-BORDER CHQ FEE	39.00		202,371.27
	OVERDRAFT S/C	5.00		202,366.27
	SERVICE CHARGE	33.00		202,333.27
	DEPOSIT ITEM FEE	2.20		202,331.07
	10 AT .22			

(continued on next page)

CIBC Account Statement

Feb 1 to Feb 29, 2016

Account number: 02-80410

Branch transit number: 02242

Transaction details (continued)

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Feb 29	Balance forward			\$202,331.07
	ACCOUNT FEE	6.00		202,325.07
	PAPER STMT FEE	3.00		202,322.07
	Closing balance			\$202,322.07

Important: This statement will be considered correct if you do not report errors, omissions or irregularities in entries and balances to CIBC in writing within 30 days from last date of the statement period covered by a previously issued regular statement where such period included the date the entry was, or should have been, posted.

This rule does not apply to improper credits to your account. Your rights under your business account operation agreement to verify and notify CIBC of account errors, omissions or irregularities do not apply to this statement which is for information or replacement purposes only.

***Foreign Currency Conversion Fee:**

If you withdraw foreign currency from a bank machine located outside Canada, you are charged the same conversion rate CIBC is required to pay plus an administration fee, which is disclosed in the CIBC's current *Business Account Service Fees* brochure, a copy of which is available at any CIBC branch in Canada (this is in addition to any transaction fee applicable to the withdrawal and the network fee).

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CIBC Account Statement

1299746 ONTARIO INC.
O/A COMPUQUEST 2000

For Mar 1 to Mar 31, 2016

Account number
02-80410

Branch transit number
02242

The names shown are based on our current records, as of April 14, 2016. This statement does not reflect any changes in account holders and account holder names that may have occurred prior to this date.

Account summary

Opening balance on Mar 1, 2016		\$202,322.07
Withdrawals	-	1,540,890.80
Deposits	+	1,338,507.95
Closing balance on Mar 31, 2016	USD =	-\$60.78

Contact information

1 800 465 CIBC (2422)
Contact us by phone for questions on this update, change of personal information, and general inquiries, 24 hours a day, 7 days a week.

TTY hearing impaired
1 800 465 7401

Outside Canada and the U.S.
1 902 420 CIBC (2422)

www.cibc.com

Transaction details

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Mar 1	Opening balance			\$202,322.07
Mar 2	CREDIT MEMO		1,808.00	204,130.07
	ibp#9800203 for usd1,808.00 at off offset remitter: even flo			
	WIRE TRANSFER 02242		199,985.00	404,115.07
	SUNNY MARINE LLC			
	0242245 9807326			
	WIRE TRANSFER 02242		1,000.00	405,115.07
	COMPUQUEST 2000			
	0221287 9807620			
	CHEQUE 22402148 2955	200,000.00		205,115.07
	REVERSAL 22402148 2955		200,000.00	405,115.07
Mar 3	WIRE TRANSFER 02242		13,217.20	418,332.27
	CDI COMPUTER DEALERS INC			
	0310833 9809866			
	DEPOSIT		30,000.00	448,332.27

(continued on next page)

CIBC Account Statement

Mar 1 to Mar 31, 2016
 Account number: 02-80410
 Branch transit number: 02242

Transaction details (continued)

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Mar 3	Balance forward			\$448,332.27
	WIRE TRANSFER 02242 COMPUQUEST 2000 0309883 9811094		21,000.00	469,332.27
	WIRE TRANSFER 02242 COMPUQUEST 2000 0319449 9813056		3,000.00	472,332.27
	DEBIT MEMO	70,005.74		402,326.53
Mar 4	DEBIT MEMO	200,069.15		202,257.38
Mar 8	WIRE TRANSFER 02242 Y Y PROFESSIONALS LTD 0804387 9826998		8,900.00	211,157.38
	DEBIT MEMO	200,068.89		11,088.49
	OVERDRAFT INTEREST	971.65		10,116.84
	CHEQUE 29156049 2948	250,000.00		-239,883.16
	NSF CHARGE Insufficient Funds	45.00		-239,928.16
	REVERSAL 29156049 2948		250,000.00	10,071.84
Mar 11	CHEQUE 30406879 2948	250,000.00		-239,928.16
	LATER DAY CHQ CORR 02242 2948		250,000.00	10,071.84
Mar 14	WIRE TRANSFER 02242 AESYSTEM INC 1451160 9853556		40,085.00	50,156.84
Mar 15	CHEQUE 30005362 2915	15,000.00		35,156.84
Mar 16	WIRE TRANSFER 02242 CDI COMPUTER DEALERS INC 1649719 9864776		64,818.75	99,975.59
	WIRE TRANSFER 02242 COMPUQUEST 2000 1627211 9865072		100,000.00	199,975.59
Mar 17	WIRE TRANSFER 02242 COMPUQUEST 2000 1717661 9868640		51,000.00	250,975.59
	DEBIT MEMO	250,063.19		912.40
Mar 23	WIRE TRANSFER 02242 COMPUQUEST 2000 2307185 9890155		70,000.00	70,912.40
	DEBIT MEMO	70,062.11		850.29
Mar 24	CHEQUE 78704036 3499	530.85		319.44
Mar 30	WIRE TRANSFER 02242 AESYSTEM INC 3047119 9919555		32,454.00	32,773.44
	COMMCASH DEBIT 09612	30,000.00		2,773.44

(continued on next page)

CIBC Account Statement

Mar 1 to Mar 31, 2016
 Account number: 02-80410
 Branch transit number: 02242

Transaction details (continued)

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Mar 30	Balance forward			\$2,773.44
	MISC PAYMENT SBGT747882 CIBC Trade Finance Division	4,000.00		-1,226.56
Mar 31	TRANSFER FROM: 02242/71-87815		1,240.00	13.44
	X-BORDER CHQ FEE	39.00		-25.56
	OVERDRAFT S/C	5.00		-30.56
	SERVICE CHARGE	21.00		-51.56
	DEPOSIT ITEM FEE 1 AT .22	0.22		-51.78
	ACCOUNT FEE	6.00		-57.78
	PAPER STMT FEE	3.00		-60.78
	Closing balance			-\$60.78

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CIBC Account Statement

1299746 ONTARIO INC.
O/A COMPUQUEST 2000

For Apr 1 to Apr 12, 2016

Account number
02-80410

Branch transit number
02242

The names shown are based on our current records, as of April 14, 2016. This statement does not reflect any changes in account holders and account holder names that may have occurred prior to this date.

Account summary

Opening balance on Apr 1, 2016		-\$60.78
Withdrawals	-	13,000.74
Deposits	+	13,100.00
Closing balance on Apr 12, 2016	USD =	\$38.48

Contact information

1 800 465 CIBC (2422)

Contact us by phone for questions on this update, change of personal information, and general inquiries, 24 hours a day, 7 days a week.

TTY hearing impaired
1 800 465 7401

Outside Canada and the U.S.
1 902 420 CIBC (2422)

 www.cibc.com

Transaction details

Date	Description	Withdrawals (\$)	Deposits (\$)	Balance (\$)
Apr 1	Opening balance			-\$60.78
Apr 4	TRANSFER FROM: 02242/71-87815		100.00	39.22
Apr 5	WIRE TRANSFER 02242 COMPUQUEST 2000 0522001 9946566		13,000.00	13,039.22
	CHEQUE 22047518 2922	13,000.00		39.22
Apr 8	OVERDRAFT INTEREST	0.74		38.48
	Closing balance			\$38.48

CIBC Account Statement

Apr 1 to Apr 12, 2016

Account number: 02-80410

Branch transit number: 02242

Important: This statement will be considered correct if you do not report errors, omissions or irregularities in entries and balances to CIBC in writing within 30 days from last date of the statement period covered by a previously issued regular statement where such period included the date the entry was, or should have been, posted.

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Oros, Jan

From: Dean Salem
Sent: Thursday, February 11, 2016 11:10 AM
To: Gary
Subject: Notes regarding the loan / business relationship for your mediation

Here are some points I would like you to make clear:

- 1) The majority of the balance that has been carried for the last 2 years stems from the \$650,000 CRA appropriation post audit in December 2013. The loan was born of necessity to keep Compuquest in business more than a willing desire to make the loan.
- 2) Despite the original agreement to keep the balance between \$300,000 and \$400,000, that has not happened in the last 24 months. In fact, the balance has grown considerably putting the loan out of covenants per the original agreement. The increased balance plus the uncertainty brought by the Bodimeade's personal turmoil requires restructuring of the debt.
- 3) No commercial lenders will accept 2nd position security on properties or assets. 2nd position security requires the lender to pay off the 1st position lender to secure the asset. Any decent lawyer, banker, or business executive knows and understands loan collateral.
- 4) Dean Salem is willing to take 2nd position behind mortgages of \$3M and \$1M respectively on the building and house. The building is nearly worthless as collateral with only \$100,000 in equity behind a \$3M encumbrance and a likely marketing period of over 1 year. The house has \$2M in equity behind only a \$1M encumbrance and a likely marketing period of 9 months making it the primary collateral. The other assets on the note are in Gary's name personally and were paid for by Compuquest 2000.
- 5) The sales agreement between Dean and Gary was for 3% over cost on all HP product. 3% is well below Norris Technologies' 10% company wide margin requirement. This agreement was made as a favor to Gary to support Compuquest, the primary source of income for his family. Norris Technologies will have no problem selling this product for far more than the 3% over cost given to Compuquest.
- 6) Compuquest 2000 will not survive without Norris Technologies as a vendor and lender.

If any questions come up during mediation or if the mediator needs clarification on any of these points, I am available at the number below.

Regards,
 Dean Salem
 Norris Companies
 (865)426-9615 Phone
 (615)250-7937 Fax

EXHIBIT No. 2
 ON THE EXAMINATION OF
Dean Salem IN
CIBC V 1299746
 HELD ON July
 NEESON COURT REPORTING INC.



CONFIDENTIAL

February 11, 2016

The President
1299746 Ontario Inc. o/a Compuquest 2000
1935 Silicone Drive
PICKERING, Ontario
L1W 3V7

Attention: Gary W. Bodimeade

Dear Sir:

**RE: 1299746 Ontario Inc. o/a Compuquest 2000 (the "Borrower")
Indebtedness to Canadian Imperial Bank of Commerce ("CIBC")**

We refer to our Credit Agreement dated March 3, 2015 (the "Agreement"), the Borrower's financial statements for the period ended May 31, 2015 and our discussions of January 29.

CIBC has concerns with the financial performance of the Borrower, which include but are not limited to the following:

- 1) The "Debt to Effective Equity Ratio" for the year ended May 31, 2015 was 2.34 to 1.0, in violation of the 2.25 to 1.0 maximum stipulation in our Agreement;
- 2) Failure to provide the "internally generated" annual financial statements on a combined basis within the stipulated timeframe of 120 days after the end of the Borrower's fiscal year;
- 3) Failure to provide the Borrower's finalized Review Engagement annual financial statements within the stipulated timeframe of 120 days after the end of the Borrower's fiscal year;
- 4) Failure to provide monthly Statement of Available Credit Limit within the stipulated timeframe of 30 days of the end of each month;
- 5) Failure to provide an updated personal net worth statement from Gary W. Bodimeade within the stipulated timeframe of 120 days after the end of the Borrower's fiscal year;
- 6) Quality of financial reporting; the Borrower's draft financial statements for the year ended May 31, 2015 contain material differences between the Balance sheet and the Notes to the financial statement;
- 7) Loans in excess of the agreed-upon limit under "Facility A: Revolving Line of Credit".

It follows that CIBC views the Borrower's credit as a higher than normal risk. As a result, CIBC is not prepared to renew the Borrower's credit facilities at this time, but the Bank will carry them on a day-to-day basis until March 31, 2016 in accordance with the terms and conditions set out in the Agreement, except as amended herein:

- a) Commencing with the fiscal quarter ending February 29, 2016 you are to provide the Borrower's internally-generated quarterly interim financial statements within 30 days after the end of each quarter;
- b) Commencing with the month ending February 29, 2016 you are to provide an aged listing of inventory within 30 days of the end of each month; the aged listings are also to include written commentary together with an analysis of any potential write-down;
- c) By March 31, 2016 you are to provide your written confirmation that aging of Accounts Receivable is being calculated by invoice date;
- d) By March 31, 2016 you are to provide an updated, signed personal net worth statement from Gary W. Bodimeade on the Bank's standard form;
- e) Commencing with the fiscal year ending May 31, 2016 you are to provide an annual forecast for the Borrower next fiscal year within 120 days of the fiscal year then ended, with a written narrative as to the

- underlying assumptions, and to include quarterly projected balance sheets, income statements and cash flow forecasts;
- f) Commencing with the fiscal year ending May 31, 2016 you are to provide the internally generated annual financial statements within 90 days after the end of each fiscal year, on a combined basis;
 - g) Commencing with the fiscal year ending May 31, 2016 you are to provide the Borrower's Review Engagement annual financial statements within 90 days after the end of each fiscal year, on an unconsolidated basis;
 - h) Commencing with the fiscal year ending May 31, 2016 you are to provide an updated, signed personal net worth statement from Gary W. Bodimeade on the Bank's standard form, within 90 days after the end of each of the Borrower's fiscal years;

While CIBC may have, in the past, paid cheques on the account which could have exceeded the authorized limit, this action on part of CIBC should not be considered as a precedent for its actions in the future. CIBC reserves the right to return cheques without notice if payment of those cheques would result in an unauthorized excess in the authorized limit. The responsibility for monitoring the level of "Facility A: Revolving Line of Credit" to ensure it remains within the negotiated authorized limit, rests with you.

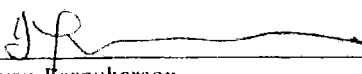
We remind you that all liabilities and obligations to CIBC remain payable on demand. CIBC reserves the right to make demand for payment and terminate the credit facilities at any time, notwithstanding the time period set out above, should CIBC determine that such action is necessary.

Please indicate your acceptance of the foregoing by signing and returning to the undersigned prior to February 22, 2016 the enclosed duplicate copy of this letter. Failure to accept these arrangements and comply with all of the above terms and conditions by the dates indicated will require the Borrower to secure alternative financing and liquidate all of its liability to CIBC by March 31, 2016.

Yours truly,

CANADIAN IMPERIAL BANK OF COMMERCE

Per:


 Ivan Farquharson
 Authorized Signatory

Acknowledgement & Acceptance

Receipt of a copy of this letter is hereby acknowledged and we agree to the foregoing terms and conditions this
 11 day of February, 2016.



Name: Gary W. Bodimeade

Title: President

I HAVE AUTHORITY TO BIND THE COMPANY

c.c. Gary W. Bodimeade (guarantor)

c.c. 2252709 Ontario Inc. (guarantor)



300 West Beaver Creek
 Richmond Hill, ON L4B 3R1
 Telephone: (905) 886-1370 Ex: 337
 Fax: (905) 886-8722
 Nikita Saygakov, Manager, Commercial Banking

February 29, 2016

PRIVATE AND CONFIDENTIAL

Mr. Gary Bodineade
 1299746 Ontario Inc. O/A Compuquest 2000
 1935 Silicone Dr
 Pickering, Ontario
 L1W 3V7

Dear Mr. Bodineade:

RE: Account Management

We refer to our various conversations regarding the difficulties you are having in meeting the terms of your credit. The current financial situation is of great concern and requires immediate attention.

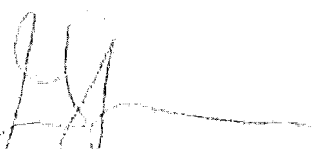
In view of the higher level of credit risk in the present circumstances, it is important that all parties review the alternatives as well as the future prospects. Unfortunately, this will involve higher credit-related costs, which are reflective of the risk and decisions to be made. Legal and accounting fees may also accrue in order to document agreements, confirm security/collateral, etc.

Accordingly, we advise you that your new account manager will be Doug MacLaine, Assistant General Manager, CIBC Special Loans (Tel. 519-294-6466; Fax 519-294-0259; E-Mail: doug.maclaine@cibc.com), a risk specialist experienced in these matters. He will focus on returning the situation to an acceptable risk level and ultimately, if the situation permits, returning management of your credit line(s) to a relationship manager such as myself. If this is not possible, he will do all that he can to ensure a reasonable course of action.

Mr. MacLaine will be contacting you directly to discuss the various issues, and you are encouraged to ask questions to clarify any areas of uncertainty. Until then, please feel free to continue calling me for day-to-day matters.

Yours truly,


 Nikita Saygakov
 Account Manager


 John D'Aquila
 Director Commercial Banking

cc: Doug MacLaine

Miranda Spence

From: MacLaine, Doug <Doug.MacLaine@CIBC.com>
Sent: March-02-16 4:31 PM
To: Gary Bodimeade
Cc: Saygakov, Nikita
Subject: RE: Wire transfer

As discussed earlier today as a result of the unusual and unacceptable transaction activity that you processed through your accounts, all accounts on which you have signing authority have been affected including your personal accounts. We have established a "Hold All" policy on all the accounts to ensure debit items from the account are paid against cleared funds only. To mitigate our operational risk we have removed your online and ATM banking on your accounts. We recommend you close the personal accounts and transfer your personal business to another financial institution. As a condition of your business credit arrangements, the non-personal business accounts must remain at CIBC and all business banking activity must be conducted through those accounts until you have made alternate credit arrangements with another lender to liquidate all your loans at CIBC.

Douglas MacLaine | Assistant General Manager | c/o Transit #4782, 244 Parkhill Main Street, P.O. Box 10, Parkhill, ON N0M 2K0 | Tel: 519-294-6466 Fax: 519-294-0259 | E-Mail: doug.maclaine@cibc.com



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From: Gary Bodimeade [<mailto:garyb@compuquest2000.com>]
Sent: Wednesday, March 02, 2016 12:22 PM
To: MacLaine, Doug
Subject: RE: Wire transfer

Ok, thank you

Also, I no longer have access to my personal accounts, is that normal?
 Thanks

From: MacLaine, Doug [<mailto:Doug.MacLaine@CIBC.com>]
Sent: Wednesday, March 2, 2016 12:19 PM
To: Gary Bodimeade <garyb@compuquest2000.com>
Subject: RE: Wire transfer

Yes.

Douglas MacLaine | Assistant General Manager | c/o Transit #4782, 244 Parkhill Main Street, P.O. Box 10, Parkhill, ON N0M 2K0 | Tel: 519-294-6466 Fax: 519-294-0259 | E-Mail: doug.maclaine@cibc.com



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From: Gary Bodimeade [<mailto:garyb@compuquest2000.com>]
Sent: Wednesday, March 02, 2016 12:06 PM
To: MacLaine, Doug
Subject: RE: Wire transfer

Sorry, forgot to ask,

Am I able to go to the branch level and get drafts or certified checks drawn on the available funds in the account?

From: MacLaine, Doug [<mailto:Doug.MacLaine@CIBC.com>]
Sent: Wednesday, March 2, 2016 12:02 PM
To: Gary Bodimeade <garyb@compuquest2000.com>
Cc: Saygakov, Nikita <Nikita.Saygakov@cibc.com>
Subject: RE: Wire transfer

We will not Hold on wired funds deposited.

Douglas MacLaine | Assistant General Manager | c/o Transit #4782, 244 Parkhill Main Street, P.O. Box 10. Parkhill, ON N0M 2K0 | Tel: 519-294-6466 Fax: 519-294-0259 | E-Mail: doug.maclaine@cibc.com



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From: Gary Bodimeade [<mailto:garyb@compuquest2000.com>]
Sent: Wednesday, March 02, 2016 11:39 AM
To: MacLaine, Doug
Cc: Saygakov, Nikita
Subject: Wire transfer

I am about to have a wire sent to our USD account and want to make sure that funds will not be held.

We have product to pay for that we have received or is in transit.

If you're not too snowed in ☺, can you please let me know ASAP

Thanks

Gary Bodimeade

CQ2K

1935 Silicone Drive

Pickering, Ontario, Canada

Email: garyb@compuquest2000.com

Im: garyb@compuquest2000.com

“Celebrating our 17th year in business”

From: Gary Bodimeade [mailto:garyb@compuquest2000.com]
Sent: Thursday, March 03, 2016 4:52 PM
To: MacLaine, Doug
Subject: RE:

The checks that are sent to Dean are for product purchases that we do between our two companies. We purchase a large sum of product through Dean's companies from Dell, HP and many other vendors every week. We have conducted approx... \$18 million dollars of transactions over the last 2 years or so and hopefully that will continue. The checks I provide are not for specific purchases but payments towards all of our transactions, again of which total a large amount of money every month.

The only check that was stopped on my advice was the one I mentioned yesterday, of which those funds were never made available and in turn I advised of the USD conversion in our Canadian account yesterday and asked for it to be removed of which it was.

The USD accounts as of right now show \$272332.27 of which \$72332.27 is available. That \$200k check that was returned was part of many other sales and payments from other customers from cleared funds and as a result those funds should be made available so I can make good on the check that was sent back.

I did some research this week on the terms you had discussed with me on Monday and I now understand the banks position with regards to how some of the transactions may look in our accounts but as stated before, every single penny that has gone through the accounts are for legitimate purchases from multiple vendors and multiple customer transactions. In some instances deals fall through for multiple reasons (product damaged, product misrepresented, et..) and in the some circumstances credits or refunds are processed or in the rare cases stop payments are necessary. When we receive payments, they are used to keep the flow of product moving as the key to our business is and always has been large movement of products and that has to be able to continue.

I get it that the banks position has changed on me and my company, I can live with that, we will survive and flourish again except when funds are being held that should not be. I was provided guidelines on Monday of how you want things to progress and I have been doing everything that has been asked of me. Closing my children's accounts seemed a little on the harsh side but it is what it is.

I hope you can understand my position and the utmost importance to be able to keep my suppliers as well as our customers happy and be able to continue to provide product when requested and to be able to purchase product when it becomes available.

Please let me know when I will be able to wire those funds back for Dean and to get my purchases released,

Thanks

From: MacLaine, Doug [mailto:Doug.MacLaine@CIBC.com]

Sent: Thursday, March 3, 2016 3:56 PM

To: Gary Bodimeade <garyb@compuquest2000.com>

Cc: Saygakov, Nikita <Nikita.Saygakov@cibc.com>

Subject: RE:

There have been funds moving back and forth between the two of you for identical or almost identical amounts. We are being extremely cautious paying any large items as there have been large chargebacks from Dean Salem. We are not sure what has yet to hit the account. Due to the length of time it takes for these items to clear from the US we do not know what the final position is and need it to settle down. A wire came in today for \$200k from one of Dean's company's. Do you know what the position of the USD account should be? Are you aware of any further items yet to hit the accounts as a charged back item?

Once we are satisfied regarding the final balance in your accounts I recommend you issue stop payments against all any all cheques issued by you to Dean Salem or his companies that have not yet cleared including items already returned. Then either wire him the funds or issue a USD or CAD bank draft as appropriate and courier it to him.

Douglas MacLaine | Assistant General Manager | c/o Transit #4782, 244 Parkhill Main Street, P.O. Box 10, Parkhill, ON N0M 2K0 | Tel: 519-294-6466 Fax: 519-294-0259 | E-Mail: doug.maclaine@cibc.com



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From: Gary Bodimeade [mailto:garyb@compuquest2000.com]

Sent: Thursday, March 03, 2016 3:38 PM

To: MacLaine, Doug

Subject:

Feb. 25, 2016 Branch Transaction CREDIT MEMO 02242 DEAN A SALEM CHQ#2945 DD FEB10 RTN
AS FUNDS NOT CLEAR PAT DEL \$200,000.00

Doug,

Can you please look into this transaction? The check showed cleared on the 23 of February and then was sent back on the 25th of February. The funds show as unavailable in my account and have been since Feb 25. That payments was for product that I have already received. Dean is now holding almost \$550k of inventory that he will not ship until I can get this rectified.

Again, I am sorry to be a pain but can you please look into this matter for me.

Thank you

Gary Bodimeade

CQ2K

1935 Silicone Drive

Pickering, Ontario, Canada

Email: garyb@compuquest2000.com

Im: garyb@compuquest2000.com

"Celebrating our 17th year in business"

Miranda Spence

From: MacLaine, Doug <Doug.MacLaine@CIBC.com>
Sent: March-04-16 5:51 PM
To: Gary Bodimeade
Cc: Saygakov, Nikita
Subject: 1299746 Ontario Inc.

Gary - Regarding your inability to account for approximately \$49,000, we would need more detail as to what you are trying to say. We only have two Holds on the 1299746 Ontario Inc. accounts right now. One on the CAD and one on the USD account.

We have a HOLD on the CAD account for \$175,000. You made a deposit of a USD\$125,000 cheque on which you stated there is a Stop Payment so we know it is coming back. The \$39k in Foreign Exchange on this USD item deposited into your CAD account at the ATM on Feb 25/16 was credited to your account on Mar 4/16. This item was cleared so it will have to travel full circle before it will be charged back to the account as the CAD equivalent of a USD\$125,000 chargeback item (\$125k + up to \$50k due to FX fluctuation). It has already been a week and this demonstrates just how long the clearing of US items can take and why we place HOLDS for up to a month on US items deposited.

We have a HOLD for \$200,000 on the USD account. Our review of activity shows that Returned items on this account have typically taken a week to 10 days to be returned from date of deposit but as per above can be much longer. You deposited \$250,000 on Feb 22/16. We will review the Hold at the beginning of next week to consider allowing full access to the funds.

As I stated in a previous email I would recommend you put stop payments against any items that were previously returned for Funds Not Cleared or Insufficient funds if you have now made new arrangements with the payees or reimbursed them already by issuing new cheques or wire transfers since it is possible for the payees to present the returned items for certification at the branch.

Douglas MacLaine | Assistant General Manager | c/o Transit #4782, 244 Parkhill Main Street, P.O. Box 10, Parkhill, ON N0M 2K0 | Tel: 519-294-6466 Fax: 519-294-0259 | E-Mail: doug.maclaine@cibc.com



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From: Gary Bodimeade [<mailto:garyb@compuquest2000.com>]
Sent: Friday, March 04, 2016 4:05 PM
To: MacLaine, Doug
Subject:

Hi Doug,

I have been trying to figure out which deposits/transactions are still being held? After my best efforts I am still not accounting for approx. \$49000, If possible if you could please look into this for me?

Also with regards to the help \$200k still, I'm not sure how much longer you need in order for the accounts to "settle" but I do know that I have currently almost \$600k in deals with Norris/Dean that are not being shipped to me right now. As I stated yesterday, we need the flow of product to continue in order to satisfy our purchase requirements and our customers' demands... Dean's supplier contacts and relationships are diverse and extremely important to our business as is our relationship with Dean. Unless I am not seeing something, those funds should not be held and checks written for purchases should not be returned when funds are in the account?

Again, I am not trying to be confrontational or disrespectful to your process but I can't have my hands tied either and by doing the above it is having a detrimental effect on our product flow.

Not sure if you will reply but if not have a nice weekend and I will hope to hear from you soon,

Gary

Gary Bodimeade

CQ2K

1935 Silicone Drive

Pickering, Ontario, Canada

Email: garyb@compuquest2000.com

Im: garyb@compuquest2000.com

"Celebrating our 17th year in business"

Miranda Spence

From: MacLaine, Doug <Doug.MacLaine@CIBC.com>
Sent: March-04-16 6:05 PM
To: Gary Bodimeade
Cc: Saygakov, Nikita
Subject: RE: 1299746 Ontario Inc.

I thought I clearly explained this in the highlighted paragraph below. Is there something you do not understand? Perhaps you are confused by the fact you deposited a USD cheque into the CAD account through the ATM on Feb 25/16. It was credited as \$125,000 CAD on Feb 25/16 and several days later the foreign exchange on the item was also credited to the account on Mar 4/16. It is a USD clearing item so it will take some time to clear through the US bank(s) and be returned to Canada to be charged back to your CAD account as the CAD equivalent of USD\$125k. We have rounded up the USD\$125k to a HOLD on the CAD account of CAD\$175K in order to account for the foreign exchange which fluctuates.

Douglas MacLaine | Assistant General Manager | c/o Transit #4782, 244 Parkhill Main Street, P.O. Box 10, Parkhill, ON N0M 2K0 | Tel: 519-294-6466 Fax: 519-294-0259 | E-Mail: doug.maclaine@cibc.com



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From: Gary Bodimeade [mailto:garyb@compuquest2000.com]
Sent: Friday, March 04, 2016 5:55 PM
To: MacLaine, Doug
Subject: Re: 1299746 Ontario Inc.

OK thanks Doug, I will work on it over the weekend.. Can you please confirm what the Canadian hold involves.. Thanks

On Mar 4, 2016 5:51 PM, "MacLaine, Doug" <Doug.MacLaine@cibc.com> wrote:

Gary - Regarding your inability to account for approximately \$49,000, we would need more detail as to what you are trying to say. We only have two Holds on the 1299746 Ontario Inc. accounts right now. One on the CAD and one on the USD account.

We have a HOLD on the CAD account for \$175,000. You made a deposit of a USD\$125,000 cheque on which you stated there is a Stop Payment so we know it is coming back. The \$39k in Foreign Exchange on this USD item deposited into your CAD account at the ATM on Feb 25/16 was credited to your account on Mar 4/16. This item was cleared so it will have to travel full circle before it will be charged back to the account as the CAD equivalent of a USD\$125,000

chargeback item (\$125k + up to \$50k due to FX fluctuation). It has already been a week and this demonstrates just how long the clearing of US items can take and why we place HOLDS for up to a month on US items deposited.

We have a HOLD for \$200,000 on the USD account. Our review of activity shows that Returned items on this account have typically taken a week to 10 days to be returned from date of deposit but as per above can be much longer. You deposited \$250,000 on Feb 22/16. We will review the Hold at the beginning of next week to consider allowing full access to the funds.

As I stated in a previous email I would recommend you put stop payments against any items that were previously returned for Funds Not Cleared or Insufficient funds if you have now made new arrangements with the payees or reimbursed them already by issuing new cheques or wire transfers since it is possible for the payees to present the returned items for certification at the branch.

Douglas MacLaine | Assistant General Manager | c/o Transit #4782, 244 Parkhill Main Street, P.O. Box 10, Parkhill, ON N0M 2K0 | Tel: 519-294-6466 Fax: 519-294-0259 | E-Mail: doug.maclaine@cibc.com



Banking
that fits
your life.

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From: Gary Bodimeade [<mailto:garyb@compuquest2000.com>]

Sent: Friday, March 04, 2016 4:05 PM

To: MacLaine, Doug

Subject:

Hi Doug,

I have been trying to figure out which deposits/transactions are still being held? After my best efforts I am still not accounting for approx. \$49000, If possible if you could please look into this for me?

Also with regards to the help \$200k still, I'm not sure how much longer you need in order for the accounts to "settle" but I do know that I have currently almost \$600k in deals with Norris/Dean that are not being shipped to me right now. As I stated yesterday, we need the flow of product to continue in order to satisfy our purchase

requirements and our customers' demands... Dean's supplier contacts and relationships are diverse and extremely important to our business as is our relationship with Dean. Unless I am not seeing something, those funds should not be held and checks written for purchases should not be returned when funds are in the account?

Again, I am not trying to be confrontational or disrespectful to your process but I can't have my hands tied either and by doing the above it is having a detrimental effect on our product flow.

Not sure if you will reply but if not have a nice weekend and I will hope to hear from you soon,

Gary

Gary Bodimeade

CQ2K

1935 Silicone Drive

Pickering, Ontario, Canada

Email: garyb@compuquest2000.com

Im: garyb@compuquest2000.com

"Celebrating our 17th year in business"

ROBERTSON, MUNRO

Barristers and Solicitors

304 Toronto Street S., Suite 212
Uxbridge, Ontario L9P 1Y2
Tel: (905) 862-2777
Fax: (905) 862-2391

March 3, 2016

BY FAX: 416-780-0155

Gary A. Stern
Barrister and Solicitor
1938 Avenue Road
Toronto, ON M5M 4A2

Dear Mr. Stern:

Re: Aimee Bodimeade and Gary Bodimeade – Separation

I have reviewed the amended Promissory Note and the Interim Separation Agreement with Aimee, who wishes to make the following changes:

1. The Promissory Note states that the proceeds of sale of the assets will be paid to the line of credit. This is not the agreement of the parties. They have agreed that the proceeds of sale of the King Aire RV will be shared equally between the two of them. Aimee will not agree to the sale of the King Aire if the proceeds are not divided between them equally.
2. The Promissory Note limits the collateral of the home to one million dollars but does not specify that this is from Gary's share of the home, and that Aimee's share of the home will not be used as collateral.
3. Aimee's liability under the Promissory Note shall be limited to the assets specifically listed as collateral in the Promissory Note, and the inventory and assets of Compuquest 2000.
4. Only days after we reached agreement that Don would not enter the matrimonial home, Gary had his girlfriend sleepover in the home. This was very disturbing for the children. Aimee would like the agreement amended to state that neither party's partner will enter the home. She would also like Gary to agree to stop his harassment of Don. He has been contacting Don's ex-girlfriend for information relating to Don and this must cease.

5. With respect to paragraph 3.2 of the Interim Agreement, Aimee agreed to pay for dry cleaning for her and the children only, not for Gary, as his is paid through the company. Likewise, subparagraph (l) refers to the 407 bill for Aimee and Nicholas only, and not for Gary's vehicles. Aimee will agree to pay a portion of the Whitby Hydro but she cannot afford to pay the full bill. The most recent hydro bill was over \$4,000, which is much higher than was anticipated by the parties at the time of the agreement.
6. In paragraph 3.4, Aimee would like to change the period of default to 5 days from four weeks.
7. With respect to the jointly owned assets, Aimee believed that Compuquest 2000 was the owner of the building on Silicone Drive but it is in fact owned by a separate company, 2252709 Ontario Inc. Please provide financial statements for this company, as there are several tenants in the building; as well as documents showing the ownership of this company.

I look forward to hearing from you with respect to the changes to the documents. I will be meeting with Aimee today to sign the promissory note as Gary has advised her that this matter has become urgent.

Yours very truly,



Andrea Robertson

cc. A. Bodimeade

From: Gary Bodimeade <IMCEAEX-R@ca.gt.com>
Sent: Thursday, March 03, 2016 3:11 PM
To: Dean Salem (dean@norris1.com)
Subject: FW: Bodimeade
Attachments: Letter to G Stern March 3, 2016.pdf

Please see attached.

I will call you in a few minutes to discuss

From: Gary A. Stern [mailto:gastern@torlaw.com]
Sent: Thursday, March 3, 2016 2:47 PM
To: 'Gary Bodimeade' <garyb@compuquest2000.com>
Subject: FW: Bodimeade

Although Gary is still in Court, please find forwarded to you a copy of a letter just received from Andrea Robertson.

Karen McKee
Legal Assistant to Gary A. Stern

From: Andrea Robertson [<mailto:andrearobertson27@yahoo.ca>]
Sent: March 3, 2016 2:41 PM
To: Gary A. Stern
Subject: Bodimeade

Correspondence of today's date is attached.

Andrea.

Andrea Robertson
ROBERTSON, MUNRO
Barristers and Solicitors
212-304 Toronto St. S.,
Uxbridge, ON L9P 1Y2
Tel: 905-862-2777; Fax: 905-862-2391
email: andrearobertson27@yahoo.ca

Gary Bodimeade

From: Andrea Robertson
Sent: Thursday, March 3, 2016 5:24 PM
To: Gary A. Stern
Cc: Lit'l Sprouts; garyb@compuquest2000.com
Subject: Bodimeade

Gary,

Aimee has signed the Revolving Line of Credit Agreement with a few changes as follows:

1. I have changed the word "his" to "her" in the second paragraph;
2. I have deleted the King Aire from the collateral list because the parties have sold it and have agreed to divide the proceeds equally between them;
3. I changed the currency in the maximum house collateral to one million dollars Canadian rather than US\$;
4. I removed the words "both personally and" from the first line of the fourth paragraph.

Please confirm in writing that the one million dollars leveraged on the home is from Gary's share only and not Aimee's share; and that the proceeds of sale of the King Aire will be divided equally between the parties. I will then forward the signed copy of the RLOC Agreement.

Andrea.

Sent from my iPhone

I CONFIRM THIS ABOVE.



~~FEB 16~~
MARCH 3. 16

EXHIBIT No. 9
 ON THE EXAMINATION OF
Gary Bodimeade IN
CIBC V 1299746
 HELD ON February 22, 2017
 NEESON COURT REPORTING INC.

From: Gary Bodimeade <IMCEAEX-R@ca.gt.com>
Sent: Thursday, March 03, 2016 5:25 PM
To: 'Andrea Robertson'
Subject: RE: Bodimeade

I confirm the below information,

Thank you

-----Original Message-----

From: Andrea Robertson [mailto:andrearobertson27@yahoo.ca]
Sent: Thursday, March 3, 2016 5:24 PM
To: Gary A. Stern <gastern@torlaw.com>
Cc: Lit'l Sprouts <sprouts5437@hotmail.com>; garyb@compuquest2000.com
Subject: Bodimeade

Gary,

Aimee has signed the Revolving Line of Credit Agreement with a few changes as follows:

1. I have changed the word "his" to "her" in the second paragraph;
2. I have deleted the King Aire from the collateral list because the parties have sold it and have agreed to divide the proceeds equally between them;
3. I changed the currency in the maximum house collateral to one million dollars Canadian rather than US\$;
4. I removed the words "both personally and" from the first line of the fourth paragraph.

Please confirm in writing that the one million dollars leveraged on the home is from Gary's share only and not Aimee's share; and that the proceeds of sale of the King Aire will be divided equally between the parties. I will then forward the signed copy of the RLOC Agreement.

Andrea.

Sent from my iPhone

REVOLVING LINE OF CREDIT

\$1,500,000.00

Caryville, TN

December 31, 2015

FOR VALUE RECEIVED, Dean Salem and Norris Technologies, LLC ("LENDER") agrees to provide a Revolving Line of Credit ("RLOC") to Aimee Bodimeade and Compuquest 2000 ("BORROWER") in cash and computer related equipment in an amount up to One Million Five Hundred Thousand Dollars (\$1,500,000.00). BORROWER and LENDER acknowledge that this RLOC was originally established in January 2011. This document serves to formalize the agreement and establish BORROWERS collateral pledged as LENDER's security. BORROWER hereby promises to pay to LENDER all outstanding balances on the RLOC until paid in full (\$0 Balance), payable upon demand no later than December 31, 2016.

BORROWER agrees to secure ^{her}  obligation to pay this RLOC with any and all of the equity available in the following properties and assets:

<u>Asset / Property</u>	<u>1st Mortgage (C\$)</u>	<u>END DATE (est)</u>	<u>ORIG PRICE</u>	<u>Currency</u>	<u>MONTHLY PMT</u>	<u>PROJECTED SALE VALUE</u>
SPORT CHASSIS	75,775.23	6/1/2017	176,095.00	USD	2,423.44	105,000.00
PEGASUS	31,727.92	10/1/2017	84,737.00	USD	1,623.54	42,000.00
KING AIRE	361,909.52	3/1/2018	913,000.00	USD	9,488.07	550,000.00
GREYHAWK 1935 Silicone Dr, Pickering, ON L1W3V7	55,192.91	3/1/2018	85,000.00	USD	1,985.35	103,000.00
7472 Ashburn Rd, Whitby, ON L1M2E8	3,200,000.00	1/1/2038	3,200,000.00	CD\$	19,600.00	3,900,000.00
	1,000,000.00	1/1/2020		CD\$	3,860.00	3,100,000.00

BORROWER certifies that all assets are part of a marital estate and that BORROWER is 50% owner of said properties and assets. The estimated value of the properties and assets as of December 31, 2015 is as stated above. Regarding the property at 7472 Ashburn Rd, BORROWER commits and LENDER accepts a maximum collateral of ~~US\$~~ ^{CAN} \$1,000,000.00 on BORROWER's behalf. All other assets listed are collateralized at their full value less the 1st mortgage or lien. BORROWER further certifies that no additional loans, mortgages, or encumbrances exist or will be leveraged against the equity on the above referenced properties and assets until this RLOC is paid in full. BORROWER agrees to, at BORROWERS expense, legally formalize in Canada LENDER in the 2nd security position on all properties and assets. In addition, BORROWER agrees to pay any and all proceeds from the sale of any of the above assets (minus the first position lender encumbrance) to LENDER until this RLOC is paid in full.

BORROWER guarantees this RLOC ~~both personally and~~ ^{} with all business inventory and assets owned by Compuquest 2000. BORROWER shall have the right to pay the principal and any accrued interest, in whole or in part, at any time without penalty. LENDER will provide weekly or upon request an updated accounting showing the outstanding balance of the RLOC. BORROWER will provide to LENDER upon request at any time a full set of financials and tax returns for both Aimee Bodimeade and Compuquest 2000. BORROWER will provide to LENDER upon request at any time an updated list of properties and assets. BORROWER agrees and approves any accounting professional responsible for financials, tax returns, and asset lists for both Aimee Bodimeade and Compuquest 2000 to release, discuss, and answer any inquiries regarding any and all financial reports, tax returns, and asset lists directly to / with LENDER.

LENDER may, at its sole discretion, renew this RLOC upon expiration. At any time, LENDER may terminate this RLOC. All outstanding balances are due and payable immediately upon termination.

BORROWER agrees to pay the expenses or costs incurred in any attempt to collect the amounts due pursuant to this RLOC. The parties further agree that if any legal action is necessary to enforce this RLOC, any attorney's fees that

are accrued in the enforcement of this RLOC shall be recoverable by the prevailing party in any legal proceeding that is initiated to enforce the terms of this RLOC. This provision is applicable to the entire RLOC.

The parties agree that jurisdiction and venue to resolve any disputes arising out of this RLOC shall be in Campbell County, Tennessee.

BORROWER ACKNOWLEDGES AND AGREES THAT THE FOREGOING PROVISIONS HAVE BEEN READ AND ACCEPTED.

Dated: ~~December 31, 2015~~ MARCH 3, 2016

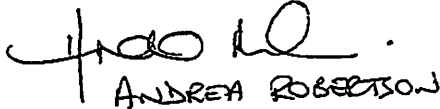


AI-MEE BODIMEADE, BORROWER

STATE OF TENNESSEE REGION OF DURHAM
COUNTY OF _____ PROVINCE OF ONTARIO

Sworn to and subscribed before me this 3rd day of MARCH, 2016.

[notary's signature & seal]



ANDREA ROBERTSON

My commission expires: _____

Dated: December 31, 2015

DEAN SALEM, LENDER

STATE OF TENNESSEE
COUNTY OF _____

Sworn to and subscribed before me this _____ day of _____, 20____.

[notary's signature & seal]

My commission expires: _____

From: Gary Bodimeade
Sent: Thursday, March 03, 2016 5:38 PM
To: 'Dean Salem'
Subject: RE: Financial Institutions

Perfect, I will sculpt an email now

-----Original Message-----

From: Dean Salem [mailto:dean@norris1.com]
Sent: Thursday, March 3, 2016 5:26 PM
To: Gary <garyb@compuquest2000.com>
Subject: Financial Institutions

This is what I recommend (attachments too):

I understand your concerns, however, as we discussed when we met, my business transactions have been occurring in the exact same fashion for several years during my time as a CIBC customer. I have always answered all questions ever asked about my business. In addition, I have provided documentation about my business relationships and can provide further documentation regarding inventory, shipments, and anything else you require. I am not sure what internal safeguards were triggered at CIBC, but I can provide documentation and proof that our business is 100% legitimate - 17 years running. I would hope that, with a business relationship as long as ours, someone within CIBC would champion our cause. Regardless, even if no one champions the truth, we will remain linked as I transition my business. During that time, it is of the utmost importance that you help me maintain my business.

Today, CIBC bounced a check (#2945) that had previously cleared (see attached).

This creates a major discrepancy as CIBC debited my account for \$200,000 and also failed to pay the funds to the payee (see attached). This is a contradiction that needs immediate attention - it is damaging my business relationship. As we discussed, if you have questions regarding any of my deposits, my customers and business partners are willing to provide documentation of clearing on any deposits in question.

Oros, Jan

From: Dean Salem
Sent: Saturday, March 5, 2016 2:13 PM
To: Gary
Subject: Collections for week of 3/7/16

Hey Brother,

As we discussed, receivables and your HST refund (\$160K) should cover the \$250K check outstanding.

Other money to be sent to Norris this week:

KING AIRE – SOLD AT \$505 USD \$245255 owed – Equity of \$259,744 USD
 OPTIMUS – SOLD AT \$135000 USD - \$71167 owed – Equity of \$63,833 USD
 STACKER TRAILER SOLD AT \$39500 USD - \$0 owed – Equity of \$39,500 USD
 Other trailer to be sold this week - Equity of \$30,000 USD
 Total - \$543,177.00 USD

Please confirm these numbers are correct so I can plan for my outgoing payments. Thanks Brother - enjoy the rest of the weekend.

Regards,
 Dean Salem
 Norris Companies
 (865)426-9615 Phone
 (615)250-7937 Fax

----- Original Message -----

From: Gary Bodimeade <garyb@compuquest2000.com>
To: Dean Salem <dean@norris1.com>
Cc:
Date: Wed, 2 Mar 2016 13:35:44 -0500
Subject: personal assets that are closed

KING AIRE – SOLD AT \$505 USD \$245255 owed – Equity of \$259744 USD

OPTIMUS – SOLD AT \$135000 USD - \$71167 owed – Equity of \$63833

STACKER TRAILER SOLD AT \$39500 USD - \$0 owed – Equity of \$39500

Working on the business ones now also

Gary Bodimeade

CQ2K

1935 Silicone Drive

Pickering, Ontario, Canada

Email: garyb@compuquest2000.com

Im: garyb@compuquest2000.com

“Celebrating our 17th year in business”



Douglas E. MacLaine
Assistant General Manager
CIBC Special Loans

244 Parkhill Main Street
 Parkhill ON N0M 2K0

Tel: 519-294-6466
 Fax: 519-294-0259
 Email: doug.maclaine@cibc.com

March 9, 2016

Via email

1299746 Ontario Inc. o/a Compuquest 2000 & 2252709 Ontario Inc.
 1935 Silicone Drive
 Pickering, ON.
 L1W 3V7

Attention: Gary Bodimeade
 Private & Confidential

Dear Mr. Bodimeade

Re: 1299746 Ontario Inc. o/a Compuquest 2000 & 2252709 Ontario Inc. (the "Borrower") - Account Operation and Credit Facilities

We refer you to our credit agreement dated March 3, 2015, our letters dated February 11, 2016 (copy attached) and February 29, 2016 as well as our meeting of February 29, 2016 and subsequent correspondence and telephone exchanges. As a result of the concerns and defaults outlined in our letter of February 11, 2016 and the recent unusual account activity, your accounts were deemed to be both an unsatisfactory credit and operational risk. Since your account operation and your financial operation were considered an unacceptable high risk by the bank, your business accounts were referred to the undersigned for account management. CIBC is not prepared to continue to lend to the companies or allow operation of the accounts without immediate changes and increased due diligence in order that we can mitigate both our operational and credit risk in our dealing with the companies.

As discussed both in our meeting of February 29, 2016 and previously with the branch representatives, in order to address the unacceptable operational risk we required immediate changes to the business accounts' operation that include Holds placed on all (non-cash) deposits of uncertified or non-prepaid items deposited. Deposited CAD items drawn on a Canadian chartered bank will receive Holds of up to five days before we will permit access to funds. Deposits of non-Canadian currency denominated items drawn on foreign banks will have Holds placed on the amount of the item deposited of up to 21 days. Cash, EFT deposits or incoming wire transfers will be reviewed and access to funds for these items deposited will usually be granted within 1 day. Regarding your question below (email of March 9/16) you are free to continue to use the account on a day to day basis (and issue cheques without certification) however you must do so only against cleared funds. Providing the undersigned with copies of the items deposited may allow us to adjust the Holds sooner in some circumstances. We do not intend to place Holds on EFT deposits/incoming wire/certified/prepaid items deposited. If that occurs the transactions are reviewed each day and once the items are verified, the Holds are removed. ABM and CIBC Online access to funds has been removed and is no longer available.

Also as we discussed in our meeting of February 29, 2016 as a result of the unsatisfactory change in the risk the bank requires increased due diligence and review of both companies that will involve the use of outside professionals. In this regard we have referred the file security and account documentation to our lawyers for a legal review. This review was done last week and the cost of such a review is for the account of the borrower and will be charged to the companies' account or added to amount of the debt. In addition we require a review by an independent 3rd party accounting consultant selected by CIBC at its sole discretion. Review will include a valuation of the security in support of our loans and a review of the viability of business and other such matters as considered relevant. Cost of such a review is for the account of the borrower. In this regard and for further detail we attach the engagement letter of Grant Thornton Limited for your review, signature and return by end of day March 11/16.

We also wish to point out that our letter of February 11, 2016 had several requirements that you undertook to complete. Some of this information is now or about to be due. Also some of this information will be needed by Grant Thornton for their review. We expect them to commence their review immediately and in this regard they will provide you with an advance list of information to prepare that they require in order to conduct their review in the most efficient cost effective manner possible. This will be provided after we receive the signed engagement letter. We are not prepared to delay this review and if you are able to arrange alternate financing sufficient to pay out your loans to CIBC in full by March 31, 2016 please provide written evidence of that firm financing commitment and we will discuss same with our professionals and seek to arrange a satisfactory "pens down" arrangement, if appropriate, to mitigate the professional costs.

Until all loans at CIBC are repaid, or we advise otherwise in writing, all business banking for both borrowers must be conducted at CIBC. If you have other accounts opened at other financial institutions we will need to see the statements and all banking history and statements for those accounts. If you are moving your credit and day to day banking to another financial institution we can discuss the orderly transfer of your banking and credit arrangements to that other financial institution once details are made available to us. As discussed in order to minimize the costs to the companies you may wish to make other banking and credit arrangements however the transfer must be done in a fully transparent manner with CIBC's consent since the receivables/sales revenue proceeds are part of the bank's collateral security and you are contractually obligated to deposit them in your CIBC bank account. The primary focus should be seeking alternate credit arrangements for 1299746 Ontario Inc. since 2252709 Ontario Inc. is basically a real estate holding company only with minimal bank account activity/needs.

Pricing: On May 9, 2016 the credit facility pricing on all variable rate loans or overdrafts will be increased to CIBC Prime Rate/US Base + 6.250%. A late reporting fee of \$500 will apply for late reporting of the reporting requirements or any required written reports. Credit review fees for any subsequent reviews are a minimum of \$2,500 per review or amendment. We are required to conduct at minimum, quarterly reviews until the risk rating is deemed satisfactory. Out of pocket expenses incurred by the bank for items such as mileage, meals, or accommodation apply for any future meetings at the company premises and/or for the purposes of onsite attendance by bank officers or its agents to verify the bank's collateral/security. Increases in pricing and recovery of costs are not intended to be punitive, but recognizes the economic cost of the higher "capital allocation" CIBC is required to maintain with respect to loans which are categorized as being at a higher than normal risk and the increased supervision required. Pricing will be reviewed in light of your performance to your plan and this agreement. All fees and recovery of the bank's expenses including those for third party agents or consultants will be debited to the company's bank account.

Except for the amendments outlined above and in our earlier correspondence, the Credit Agreement dated March 3, 2015 continues to set forth your obligations to us. Your acknowledgement of this letter does not prejudice any rights we have, or our ability to require further changes at a later date.

Please acknowledge these changes by signing and returning to my attention the attached duplicate copy of this letter. If you have not done so by 4:30 PM March 11, 2016, this offer is deemed withdrawn and instead by close of business on March 11, 2016 we will require your detailed plan to repay the indebtedness of 1299746 Ontario Inc. to CIBC in full. That plan must outline how CIBC loans ((including Corporate Visa account and Trade Credit facility) will be paid in full and all credit facilities cancelled on or before May 9, 2016. Evidence of alternate financing or sources of capital to sufficient to repay the indebtedness to CIBC to support that plan must be provided by April 9, 2016.

In the event you fail to meet the above dates as required we will be obliged to review the options available to us at that date which include the formal demand of our loans and enforcement of our security.

Should you have any questions or require further clarification, please do not hesitate to contact us.

Yours truly,


 Douglas E. MacLaine
 Assistant General Manager

Acknowledged for 1299746 Ontario Inc. o/a Compuquest 2000 & 2252709 Ontario Inc. this ____ day of _____, 2016:

1299746 Ontario Inc. o/a Compuquest 2000

Per: _____
I/We have authority to bind the Company

2252709 Ontario Inc.

Per: _____
I/We have authority to bind the Company

Guarantor:

Gary Bodimeade

COMPANIES' CONSENT AND AGREEMENT

TO: CANADIAN IMPERIAL BANK OF COMMERCE (the "Lender")

AND TO: GRANT THORNTON LIMITED (the "Consultant")

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, 1299746 Ontario Inc. ("Compuquest 2000") & 2252709 Ontario Inc. ("HoldCo") (collectively and individually as the context may require, together with its or their respective subsidiaries, the "Companies") hereby consents and agrees to the appointment of the Consultant as a consultant by the Lender in accordance with the letter of engagement dated March 7, 2016 between the Consultant and the Lender (including the standard terms and conditions or general business terms forming part thereof) (the "Engagement Letter") and acknowledges that they have read and understood the terms and conditions of the Engagement Letter.

The Companies hereby further agree as follows:

1. It will co-operate fully with the Consultant and provide the Consultant with full and unrestricted access to all information concerning the Companies' undertaking, property and affairs in order to carry out this engagement. The Consultant shall have complete and open access to all premises, offices, files and records of every kind and description, including all business, accounting, legal and other records, documents and files, including copies thereof (the "Information") of the Companies. The Consultant may make copies of any and all documents, including electronically stored data and computer records, which the Consultant considers necessary to complete its review.
2. The Companies shall instruct its officers, directors, employees, agents, consultants, bankers, accountants, solicitors and other advisors to co-operate fully with the Consultant including by providing all Information requested by the Consultant that is in their respective possession or control and by answering all questions and providing such analysis and explanations as the Consultant may reasonably request, in each case to the best of their knowledge and ability.
3. It will use reasonable skill, care and attention to ensure that all information provided to the Consultant is accurate and complete and will notify the Consultant if it subsequently learns that the Information provided is incorrect or inaccurate or otherwise should not be relied upon.
4. The Companies irrevocably authorize the Lender to disclose to the Consultant any information the Lender has concerning the Companies, its business and affairs. In addition, the Companies irrevocably authorize the Consultant to report any financial or

- other information gathered by the Consultant to the Lender and its advisors. The Companies further specifically authorize the Lender to divulge any confidential information of the Companies as the Lender deems necessary or desirable in connection with or pursuant to any Court proceeding commenced by or to which the Lender is a party or in connection with the exercise of any of the Lender's remedies against the Companies including, without limitation, enforcing the security held by the Lender or to any potential assignee of the Lender's debt and security.
5. All verbal and written reports provided or issued by the Consultant will be provided or issued solely to the Lender and none of the information, analysis or recommendations provided by the Consultant to the Lender will be disclosed to the Companies except as may be expressly provided in the Engagement Letter. All advice (written or oral) and any modeling, analysis or methodologies given or developed by Consultant for the Bank in connection with the engagement is intended solely for the benefit and use of the Bank. All reports, recommendations and analysis provided by the Consultant to the Lender are confidential and subject to privilege.
 6. The Lender and the Consultant shall have no responsibility for the decisions and activities of the Companies. The Consultant will have no management responsibilities with or for the Companies and will not offer advice or direction to, or exercise any control over the business and affairs of the Companies. The Consultant will have no fiduciary duties or other duty of care to the Companies and nothing herein and nothing done pursuant to the engagement will constitute an arrangement, agreement or relationship between the Companies and the Consultant. The Companies will be solely responsible for making all management decisions, performing all management functions and establishing and maintaining internal controls, including, without limitation, monitoring ongoing activities. The Companies shall not hold out to any person that the Consultant is acting other than as a consultant to the Lender for the purpose of reporting and making recommendations to the Lender.
 7. All of the terms of the security and guarantees given to the Lender in relation to the credit facilities and indebtedness and liabilities of the Companies to the Lender are and will remain in full force and effect. The engagement of the Consultant shall not waive, prejudice, impair or adversely affect the rights and remedies of the Lender against the Companies or any guarantor whether pursuant to applicable law or any security, guarantees or other agreements the Lender may have or require the Lender to delay in enforcing any of these rights and remedies, nor shall it operate as a waiver by the Lender of any defaults or events of default which may exist in relation to any of the credit facilities of the Companies with the Lender or any security, guarantees or other agreements held by the Lender. Further, the engagement of the Consultant by the Lender is not an act of enforcement of any of the Lender's security and the Companies continue in full possession and control of all of its property, assets and business.
 8. The Consultant may obtain legal advice from the Lender's legal advisers relative to this engagement.

9. The Companies hereby agree that it is responsible for and will pay the fees and expenses of the Consultant (including legal costs) related to this engagement and hereby indemnify and agree to save harmless the Lender with respect to all such fees and expenses and authorizes the Lender to debit the Companies' account to cover these costs, including harmonized or goods and services and similar taxes. Any fees paid by the Lender on behalf of the Companies shall be treated as an advance to the Companies, secured by the Lender's security documentation.
10. Neither the Consultant nor the Lender shall have any liability, responsibility or obligation to the Companies, or any persons who have provided guarantees to the Lender, whatsoever, whether in contract, negligence, tort or otherwise, arising out of or in connection with this engagement of the Consultant by the Lender (as it may be amended from time to time).
11. During the course of this engagement the Consultant may collect personal information about identifiable individuals ("Personal Information"), either from the Companies or from third parties but solely for purposes related to its engagement. The Companies agree to obtain such consents or take such other action as may be required under applicable law to permit such collection and use of Personal Information.
12. The Companies confirms and agrees to the terms in the Engagement Letter and to perform the obligations of the Companies provided for thereunder.
13. Companies will indemnify, defend and hold harmless the Consultant, its affiliates and subcontractors and their partners, principals, representatives and personnel (each, an "Indemnified Party" and collectively the "Indemnified Parties") against all costs, fees, expenses, claims, damages and liabilities (including defense costs) associated with any third party claim relating to or arising as a result of the Indemnified Parties' acceptance of or the performance or non-performance of their obligations under the Engagement Letter; provided, however, such indemnity shall not apply to any such loss, claim, damage, liability or expense to the extent it is found in a final judgment to have resulted primarily and directly from such Indemnified Party's bad faith or willful misconduct. If any person or entity requests or subpoenas any information or materials related to the Engagement Letter, the Consultant will inform the Companies of such request or subpoena if permitted by law. The Companies agree to reimburse the Consultant for any time and expenses related to the request or subpoena.

By signature of the undersigned signing officer(s), the Companies acknowledge and confirm that it has received no commitment, representation or warranty from the Lender or the Consultant in connection with this engagement, and that the Lender reserves all rights and remedies, including the right to enforce and realize on the security and guarantees it holds as it may consider appropriate in its sole discretion. The Companies further (a) acknowledge having been informed that the Consultant (or one of its affiliates) may be appointed to act as agent, interim receiver, receiver, receiver and manager, CCAA monitor, trustee in bankruptcy, trustee under a Bankruptcy and Insolvency Act proposal of all or any of the undertaking, property and assets of the Companies and (b) agrees that it will not object to the appointment of the Consultant (or any of its affiliates) in any such capacity and that such appointment shall not be a conflict of interest

by virtue of any of the engagements disclosed by the Consultant or the Consultant having been appointed as consultant for the Lender as provided for herein. Further the Companies agree that if any such appointment of the Consultant is made, all Information obtained by the Consultant in the course of the engagement may be used by it in such capacity.

Dated at _____, this _____ day of March, 2016.

1299746 Ontario Inc. (o/a "Compuquest 2000")

Per: _____
Signature of authorized signing officer

2252709 Ontario Inc.

Per: _____
Signature of authorized signing officer



CONFIDENTIAL

February 11, 2016

The President
1299746 Ontario Inc. o/a Compuquest 2000
1935 Silicone Drive
PICKERING, Ontario
L1W 3V7

Attention: Gary W. Bodimeade

Dear Sir:

RE: 1299746 Ontario Inc. o/a Compuquest 2000 (the "Borrower")
Indebtedness to Canadian Imperial Bank of Commerce ("CIBC")

We refer to our Credit Agreement dated March 3, 2015 (the "Agreement"), the Borrower's financial statements for the period ended May 31, 2015 and our discussions of January 29.

CIBC has concerns with the financial performance of the Borrower, which include but are not limited to the following:

- 1) The "Debt to Effective Equity Ratio" for the year ended May 31, 2015 was 2.34 to 1.0, in violation of the 2.25 to 1.0 maximum stipulation in our Agreement;
- 2) Failure to provide the "internally generated" annual financial statements on a combined basis within the stipulated timeframe of 120 days after the end of the Borrower's fiscal year;
- 3) Failure to provide the Borrower's finalized Review Engagement annual financial statements within the stipulated timeframe of 120 days after the end of the Borrower's fiscal year;
- 4) Failure to provide monthly Statement of Available Credit Limit within the stipulated timeframe of 30 days of the end of each month;
- 5) Failure to provide an updated personal net worth statement from Gary W. Bodimeade within the stipulated timeframe of 120 days after the end of the Borrower's fiscal year;
- 6) Quality of financial reporting; the Borrower's draft financial statements for the year ended May 31, 2015 contain material differences between the Balance sheet and the Notes to the financial statement;
- 7) Loans in excess of the agreed-upon limit under "Facility A: Revolving Line of Credit".

It follows that CIBC views the Borrower's credit as a higher than normal risk. As a result, CIBC is not prepared to renew the Borrower's credit facilities at this time, but the Bank will carry them on a day-to-day basis until March 31, 2016 in accordance with the terms and conditions set out in the Agreement, except as amended herein:

- a) Commencing with the fiscal quarter ending February 29, 2016 you are to provide the Borrower's internally-generated quarterly interim financial statements within 30 days after the end of each quarter;
- b) Commencing with the month ending February 29, 2016 you are to provide an aged listing of inventory within 30 days of the end of each month; the aged listings are also to include written commentary together with an analysis of any potential write-down;
- c) By March 31, 2016 you are to provide your written confirmation that aging of Accounts Receivable is being calculated by invoice date;
- d) By March 31, 2016 you are to provide an updated, signed personal net worth statement from Gary W. Bodimeade on the Bank's standard form;
- e) Commencing with the fiscal year ending May 31, 2016 you are to provide an annual forecast for the Borrower next fiscal year within 120 days of the fiscal year then ended, with a written narrative as to the

underlying assumptions, and to include quarterly projected balance sheets, income statements and cash flow forecasts;

- f) Commencing with the fiscal year ending May 31, 2016 you are to provide the internally generated annual financial statements within 90 days after the end of each fiscal year, on a combined basis;
- g) Commencing with the fiscal year ending May 31, 2016 you are to provide the Borrower's Review Engagement annual financial statements within 90 days after the end of each fiscal year, on an unconsolidated basis;
- h) Commencing with the fiscal year ending May 31, 2016 you are to provide an updated, signed personal net worth statement from Gary W. Bodimeade on the Bank's standard form, within 90 days after the end of each of the Borrower's fiscal years;

While CIBC may have, in the past, paid cheques on the account which could have exceeded the authorized limit, this action on part of CIBC should not be considered as a precedent for its actions in the future. CIBC reserves the right to return cheques without notice if payment of those cheques would result in an unauthorized excess in the authorized limit. The responsibility for monitoring the level of "Facility A: Revolving Line of Credit" to ensure it remains within the negotiated authorized limit, rests with you.

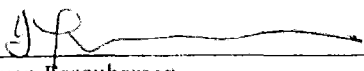
We remind you that all liabilities and obligations to CIBC remain payable on demand. CIBC reserves the right to make demand for payment and terminate the credit facilities at any time, notwithstanding the time period set out above, should CIBC determine that such action is necessary.

Please indicate your acceptance of the foregoing by signing and returning to the undersigned prior to February 22, 2016 the enclosed duplicate copy of this letter. Failure to accept these arrangements and comply with all of the above terms and conditions by the dates indicated will require the Borrower to secure alternative financing and liquidate all of its liability to CIBC by March 31, 2016.

Yours truly,

CANADIAN IMPERIAL BANK OF COMMERCE

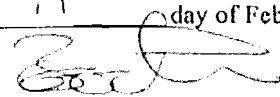
Per:



 Ivan Farquharson
 Authorized Signatory

Acknowledgement & Acceptance

Receipt of a copy of this letter is hereby acknowledged and we agree to the foregoing terms and conditions this
 _____ day of February, 2016.



Name: Gary W. Bodimeade

Title: President

I HAVE AUTHORITY TO BIND THE COMPANY

c.c. Gary W. Bodimeade (guarantor)

c.c. 2252709 Ontario Inc. (guarantor)



CONFIDENTIAL

February 11, 2016

The President
2252709 Ontario Inc.
1650 Feldspar Crt.
PICKERING, Ontario
L1W 3R7

Attention: Gary W. Bodimeade

Dear Sir:

RE: 2252709 Ontario Inc. (the "Borrower")
Indebtedness to Canadian Imperial Bank of Commerce ("CIBC")

We refer to our Credit Agreement dated March 3, 2015 (the "Agreement"), the Borrower's financial statements for the period ended May 31, 2015 and our discussions of January 29.

CIBC has concerns with the financial performance of the Borrower, which include but are not limited to the following:

- 1) The "Debt to Effective Equity Ratio" for the year ended May 31, 2015 was 2.34 to 1.0, in violation of the 2.25 to 1.0 maximum stipulation in our Agreement;
- 2) Failure to provide the "internally generated" annual financial statements on a combined basis within the stipulated timeframe of 120 days after the end of the Borrower's fiscal year;
- 3) Failure to provide the Borrower's Review Engagement annual financial statements within the stipulated timeframe of 120 days after the end of the Borrower's fiscal year;
- 4) Failure to provide an updated personal net worth statement from Gary W. Bodimeade within the stipulated timeframe of 120 days after the end of the Borrower's fiscal year;
- 5) Quality of financial reporting; the Borrower's annual financial statements for the year ended May 31, 2015 were prepared on a "Notice to Reader" basis, in violation of the stipulation in our Agreement for "Review Engagement" annual financial statements;
- 6) Loans in excess of the agreed-upon "Overall Credit Limit".

It follows that CIBC views the Borrower's credit as a higher than normal risk. As a result, CIBC is not prepared to renew the Borrower's credit facilities at this time, but the Bank will carry them on a day-to-day basis until March 31, 2016 in accordance with the terms and conditions set out in the Agreement, except as amended herein:

- a) By March 31, 2016 you are to provide an updated, signed personal net worth statement from Gary W. Bodimeade on the Bank's standard form;
- b) Commencing with the fiscal year ending May 31, 2016 you are to provide the internally generated annual financial statements within 90 days after the end of each fiscal year, on a combined basis;
- c) Commencing with the fiscal year ending May 31, 2016 you are to provide the Borrower's Review Engagement annual financial statements within 90 days after the end of each fiscal year, on an unconsolidated basis;
- d) Commencing with the fiscal year ending May 31, 2016 you are to provide an updated, signed personal net worth statement from Gary W. Bodimeade on the Bank's standard form, within 90 days after the end of each of the Borrower's fiscal years.

While CIBC may have, in the past, paid cheques/debits on the account which could have resulted in an overdraft, this action on part of CIBC should not be considered as a precedent for its actions in the future. CIBC reserves the right to return cheques/debits without notice if payment of those cheques/debits would result in an overdraft. The responsibility for monitoring the level funds in the Borrower's account, rests with you.

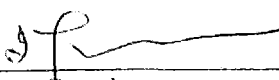
We remind you that all liabilities and obligations to CIBC remain payable on demand. CIBC reserves the right to make demand for payment and terminate the credit facilities at any time, notwithstanding the time period set out above, should CIBC determine that such action is necessary.

Please indicate your acceptance of the foregoing by signing and returning to the undersigned prior to February 22, 2016 the enclosed duplicate copy of this letter. Failure to accept these arrangements and comply with all of the above terms and conditions by the dates indicated will require the Borrower to secure alternative financing and liquidate all of its liability to CIBC by March 31, 2016.

Yours truly,

CANADIAN IMPERIAL BANK OF COMMERCE

Per:



 Ivan Jarquharson
 Authorized Signatory

Acknowledgement & Acceptance

Receipt of a copy of this letter is hereby acknowledged and we agree to the foregoing terms and conditions this
 _____ day of February, 2016.



Name: Gary W. Bodimeade

Title: President

I HAVE AUTHORITY TO BIND THE COMPANY

c.c. Gary W. Bodimeade (guarantor)

c.c. 1299746 Ontario Inc. (guarantor)

From: Gary Bodimeade
Sent: Thursday, March 10, 2016 1:20 PM
To: 'Dean Salem'
Subject: RE: FW: RV

On it now

-----Original Message-----

From: Dean Salem [mailto:dean@norris1.com]
 Sent: Thursday, March 10, 2016 1:17 PM
 To: Gary <garyb@compuquest2000.com>
 Subject: re: FW: RV

She does not say when it is funding. Can you get an answer there?

Regards,
 Dean Salem
 Norris Companies
 (865)426-9615 Phone
 (615)250-7937 Fax

----- Original Message -----

FROM: Gary Bodimeade <garyb@compuquest2000.com>
 TO: Dean Salem <dean@norris1.com>
 CC:
 DATE: Thu, 10 Mar 2016 13:02:56 -0500

SUBJECT: FW: RV

Please see below,

I guess as the finance is in mine and the Companies name it will have to be to both me and CQ2K.

I can deposit this once received into the new account and wire it to you the same days its done

-----Original Message-----

From: Heather Levitt [mailto:hlevitt@pfaffleasing.com]
 Sent: Thursday, March 10, 2016 1:01 PM
 To: Gary Bodimeade <garyb@compuquest2000.com>
 Subject: RV

Hi Gary

In respect to selling your 2014 Newmar King Aire RV in the U.S. we will be issuing a Cheque for the equity to Compuquest 2000 and Gary Bodimeade in U.S. Funds once the funds have been received for the purchase price.

If you need further information please do not hesitate to contact me.

Thanks

Heather Levitt-Simmons
 Account Manager

hlevitt@pfaffleasing.com<mailto:hlevitt@pfaffleasing.com>
 T 905-851-6311 x5212
 D 905-265-2882

C 416-505-0462
F 905-265-2899

Pfaff Leasing
618 Chrislea Road | Woodbridge, ON L4L 8K9 pfaffleasing.com<<http://pfaffleasing.com>>
[cid:image001.jpg@01D0E562.55C9F940]

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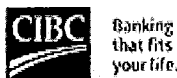
[Leasing]

Miranda Spence

From: MacLaine, Doug <Doug.MacLaine@CIBC.com>
Sent: March-11-16 3:27 PM
To: Gary Bodimeade
Subject: 1299746 Ontario Inc. - credit facilities

We agree to extend until 4:30pm Tuesday. Please advise the name of your lawyer and law firm.

Douglas MacLaine | Assistant General Manager | c/o Transit #4782, 244 Parkhill Main Street, P.O. Box 10, Parkhill, ON N0M 2K0 | Tel: 519-294-6466 Fax: 519-294-0259 | E-Mail: doug.maclaine@cibc.com



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From: Gary Bodimeade [<mailto:garyb@compuquest2000.com>]
Sent: Friday, March 11, 2016 3:05 PM
To: MacLaine, Doug
Subject:

Hi Doug,

I received your email with the explanation of the banks position, thank you

We have been aggressively talking with multiple institutions with regards to securing another line for both corporations, unfortunately its taking a little longer than expected. Our plan, as you have asked us to move to another institution and that is what we are progressing towards. BDC is also helping us complete some of the tasks needed. Any line of credit we are pursuing will of course be forwarded to CIBC to pay off our existing line.

I forwarded the information to my lawyer and as of now am still waiting for a reply with regards to signing the provided document. At this point with the banks position, as you stated to spend needless money on external audits is an exercise which makes no sense to either party as the banks position will unlikely change no matter what they find, if anything.

That said, I am please asking for an extension until Tuesday with regards to the above so my lawyer has enough time to review the requests thoroughly and I can make the proper decision as this is above my realm of comprehension and guidance is needed on my part.

I appreciate your time,

Gary Bodimeade

Gary Bodimeade

CQ2K

1935 Silicone Drive

Pickering, Ontario, Canada

Email: garyb@compuquest2000.com

Im: garyb@compuquest2000.com

“Celebrating our 17th year in business”

From: Steve Seon [<mailto:sseon@torlaw.com>]
Sent: Tuesday, March 15, 2016 4:51 PM
To: MacLaine, Doug
Subject: 1299746 Ontario Inc. and 252709 Ontario Inc. (collectively the "Corporations") and the CIBC

Good Afternoon Doug,

I act on behalf of the above Corporations. Gary Bodimeade has just recently contacted me regarding the above and is currently out of town. We are meeting on Friday of this week to review this matter and expect to have a reply to you on Monday of next week. I trust the above is satisfactory and that the CIBC will hold matters in abeyance until you receive our Monday reply. I left you a voice mail earlier today and would appreciate speaking with you at your earliest opportunity.

Regards,

Stephen D. Seon

SEON, GUTSTADT, LASH LLP
Barristers & Solicitors
website: www.torlaw.com

Markham Office: 161 Main Street North, Markham, Ontario L3P 1Y2
Ph: (905) 209-0215 Fx: (905) 209-0785

**NEW Toronto Office: 7191 Yonge Street, Suite 401, Thornhill, Ontario L3T 0C4
Ph 289 843-7500 ext. 307 Fx 289-843-7501

NOTE: This e-mail may contain confidential information. Any deliberate interception of this e-mail will result in prosecution. If you have received this e-mail in error, please notify us immediately and destroy the original e-mail without making a copy. This e-mail does not constitute legal advice unless we are presently retained by you, and then only for this particular matter.

Miranda Spence

From: Steve Seon <sseon@torlaw.com>
Sent: March-18-16 4:28 PM
To: Steve Graff
Subject: RE: 1299746 Ontario Inc. and 252709 Ontario Inc. (collectively the "Corporations") and the CIBC

Good Afternoon Steve,

I assume your reference to the "engagement letter" refers to the "COMPANIES' CONSENT AND AGREEMENT". My clients are not prepared to execute this document at this time. It is our clients' position that issuing "demand" letters and a BIA s. 244 notice at this time is unwarranted for a number of reasons, including without limitation our clients' position as set out below.

My clients are diligently proceeding to comply with the April 9/16 and May 9/16 conditions as set out in the CIBC letter dated March 9/16. We understand Gary Bodimeade has been in constant contact with the CIBC and can provide information about his actions regarding both deadlines at any time as and when required by the CIBC. It should be noted, however, that as the CIBC required 6 months of due diligence to set up the banking arrangement with my clients, it may be unreasonable to achieve "take out" financing by the May 9/16 deadline; notwithstanding same, my clients are doing their best to meet these deadlines.

We expect the CIBC will concur that it is in everyone's best interests that my clients continue to carry on business in the normal course with minimal interference from and the full co-operation of the CIBC in order to arrange alternate financing for "take out" purposes as expeditiously as possible.

Yours truly,

Stephen D. Seon

SEON, GUTSTADT, LASH LLP
 Barristers & Solicitors
 website: www.torlaw.com

Markham Office: 161 Main Street North, Markham, Ontario L3P 1Y2
 Ph: (905) 209-0215 Fx: (905) 209-0785

****NEW Toronto Office:** 7191 Yonge Street, Suite 401, Thornhill, Ontario L3T 0C4
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interception of this e-mail will result in prosecution. If you have received this e-mail in error, please notify us immediately and destroy the original e-mail without making a copy. This e-mail does not constitute legal advice unless we are presently retained by you, and then only for this particular matter.

-----Original Message-----

From: Steve Graff [<mailto:sgraff@airdberlis.com>]

Sent: March-17-16 7:38 PM

To: sseon@torlaw.com

Cc: Douglas MacLaine

Subject: Re: 1299746 Ontario Inc. and 252709 Ontario Inc. (collectively the "Corporations") and the CIBC

Steve;

Nice speaking with you yesterday. I understand from our call that you will be meeting with your client tomorrow to, among other things, reviewing and providing advice on the GTL engagement letter. Please be advised that if a signed engagement letter is not received by tomorrow close of business, our client has instructed us to make demand on the outstanding loans and to deliver notices pursuant to section 244 of the BIA. For greater certainty, the mere delivery of the signed engagement letter does not commit the Bank to refrain from issuing demands at any time. However in the absence of the engagement letter, we will be doing so for certain. Thx.

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Steve Graff

Sent: Tuesday, March 15, 2016 2:03 PM

To: sseon@torlaw.com

Cc: Douglas MacLaine

Subject: 1299746 Ontario Inc. and 252709 Ontario Inc. (collectively the "Corporations") and the CIBC

Dear Mr. Seon. We act as legal counsel to CIBC in connection with it ongoing credit arrangements with the above Corporations. We understand that you have been in touch with Doug MacLaine regarding various issues that have arisen concerning the banking relationship between the Bank and, in particular, with respect to 1299746. I am out of the office on vacation this week, but would be please to discuss this matter if you'd like to call me. My cell number is as follows: 416 894-5090. Thx.

Sent from my BlackBerry 10 smartphone on the TELUS network.

Th

From: Gary Bodimeade [<mailto:garyb@compuquest2000.com>]
Sent: Monday, March 21, 2016 3:37 PM
To: MacLaine, Doug
Subject: I have a meeting with Steve at 3pm tomorrow afternoon

Gary Bodimeade

CQ2K

1935 Silicone Drive

Pickering, Ontario, Canada

Email: garyb@compuquest2000.com

Im: garyb@compuquest2000.com

"Celebrating our 17th year in business"

From: Gary Bodimeade [<mailto:garyb@compuquest2000.com>]
Sent: Tuesday, March 22, 2016 1:07 PM
To: MacLaine, Doug
Subject: Just to confirm

I will be meeting with Steve Seon and 3pm today.

Will keep you updated once done.

Thanks

Gary Bodimeade

CQ2K

1935 Silicone Drive

Pickering, Ontario, Canada

Email: garyb@compuquest2000.com

Im: garyb@compuquest2000.com

"Celebrating our 17th year in business"

From: MacLaine, Doug
Sent: Wednesday, March 23, 2016 7:53 AM
To: 'Gary Bodimeade'
Subject: RE:

Did you meet with your lawyer? Are you signing the engagement letter?

Douglas MacLaine | Assistant General Manager | c/o Transit #4782, 244 Parkhill Main Street, P.O. Box 10, Parkhill, ON N0M 2K0 | Tel: 519-294-6466 Fax: 519-294-0259 | E-Mail: doug.maclaine@cibc.com



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From: Gary Bodimeade [<mailto:garyb@compuquest2000.com>]
Sent: Tuesday, March 22, 2016 4:36 PM
To: MacLaine, Doug
Subject:

From: Gary Bodimeade
Sent: Monday, March 21, 2016 2:00 PM
To: 'Dean Salem'
Subject: RE: FW: e-mail

Perfect , I will forward it over to him

From: Dean Salem [mailto:dean@norris1.com]
Sent: Monday, March 21, 2016 1:57 PM
To: Gary <garyb@compuquest2000.com>
Subject: re: FW: e-mail

John,

Unfortunately, an email cannot be canceled once it is sent. The content of the email was extremely private and the asserted assumptions made by CIBC are defamatory in nature. This is a problem which will require more than a simple apology.

Regards,
 Dean Salem
 Norris Companies
 (865)426-9615 Phone
 (615)250-7937 Fax

----- Original Message -----

From: Gary Bodimeade <garyb@compuquest2000.com>
To: Dean Salem <dean@norris1.com>
Cc:
Date: Mon, 21 Mar 2016 12:27:47 -0400
Subject: **FW: e-mail**

From: D'Aquila, John [mailto:John.D'Aquila@cibc.com]
Sent: Monday, March 21, 2016 11:58 AM
To: Gary Bodimeade <garyb@compuquest2000.com>
Cc: MacLaine, Doug <Doug.MacLaine@CIBC.com>; D'Aquila, John <John.D'Aquila@cibc.com>
Subject: Re: e-mail

Hi Gary,

Just called your office and left a voice mail message. Basically, I have been having numerous issues with my laptop and it auto filled the mystery recipient.

The mystery recipient responded immediately to me and I requested he cancel the email which he confirmed. I apologize as I didn't even realize the error as I just hit respond to all in my response.

That's the explanation. Apologize. JD

Sent from my BlackBerry 10 smartphone on the TELUS network.

From: Gary Bodimeade
Sent: Monday, March 21, 2016 9:59 AM
To: D'Aquila, John
Subject:

Thanks for the call on Friday, I would ask that you please send me the explanation of what happened with the email dated Feb 24 and the mystery recipient included on the thread by email please.

Thank you

Gary Bodimeade

CQ2K

1935 Silicone Drive

Pickering, Ontario, Canada

Email: garyb@compuquest2000.com

Im: garyb@compuquest2000.com

“Celebrating our 17th year in business”

AIRD & BERLIS LLP

Barristers and Solicitors

Steven L. Graff
 Direct: 416.865.7726
 Email: sgraff@airdberlis.com

March 24, 2016

VIA COURIER

1299746 Ontario Inc.
 1935 Silicone Drive,
 Pickering, Ontario L1W 3V7

Attention: Gary Bodimeade

Dear Sir:

Re: Canadian Imperial Bank of Commerce ("CIBC") loans to 1299746 Ontario Inc.

We are the lawyers for CIBC in connection with its lending arrangements with 1299746 Ontario Inc. (the "**Debtor**"). The Debtor is indebted to CIBC with respect to certain credit facilities granted by CIBC pursuant to and under the terms of a letter credit agreement dated March 3, 2015, made among CIBC and the Debtor (the "**Credit Agreement**").

The following amounts are owing by the Debtor for principal and interest pursuant to the Credit Agreement as at March 23, 2016:

Credit Facility	Total
Operating Overdraft	
Principal:	Cdn\$1,734,080.35
Interest to date:	\$3,901.26
Total outstanding:	Cdn\$1,737,981.61
<i>Per diem: \$199.54</i>	
Term Loan	
Principal:	Cdn\$3,101,246.09
Interest to date:	\$10,053.21
Total outstanding:	Cdn \$3,111,299.30
<i>Per diem: \$330.52</i>	
Corporate Classic Visa	
Balance:	Cdn\$9,931.71
Total outstanding:	
<i>Per diem: \$5.71</i>	
Total Indebtedness	Cdn\$4,859,212.62

On behalf of CIBC, we hereby make formal demand for payment of Cdn\$4,859,212.62, together with interest and all costs and expenses (including legal expenses) incurred by

Page 2

CIBC (collectively, the "**Indebtedness**"). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rates established by the Credit Agreement, as applicable.

The Indebtedness is secured by, among other things, a general security agreement dated November 21, 2008, granted by the Debtor in favour of CIBC (the "**Security Agreement**").

The Security Agreement grants CIBC, among other things, a security interest in any and all of the Debtor's property, assets and undertaking.

If payment of the Indebtedness is not received immediately, CIBC shall take whatever steps it may consider necessary or appropriate to recover the amounts owed to it, including, without limitation, the appointment of a receiver or receiver and manager of the Debtor, in which case we will also be seeking all costs incurred in doing so.

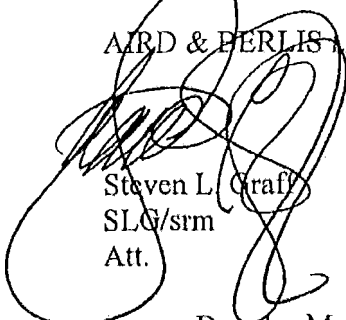
On behalf of CIBC, we enclose a Notice of Intention to Enforce Security delivered pursuant to the *Bankruptcy and Insolvency Act*, subsection 244(1) (the "**BIA Notice**").

CIBC hereby reserves its rights to initiate proceedings within the ten day period set out in the BIA Notice, if circumstances warrant such proceedings.

Please govern yourself accordingly.

Yours very truly,

AIRD & BERLIS LLP



Steven L. Graff
SLG/srm
Att.

cc: Douglas MacLaine and Pat Del Sordo, Canadian Imperial Bank of Commerce

25434750.1

NOTICE OF INTENTION TO ENFORCE SECURITY
(Bankruptcy and Insolvency Act, Subsection 244(1))

Delivered By Courier

TO: **1299746 Ontario Inc.**
 1935 Silicone Drive,
 Pickering, Ontario L1W 3V7

insolvent company / person

TAKE NOTICE that:

1. Canadian Imperial Bank of Commerce ("CIBC"), a secured creditor, intends to enforce its security on the property, assets and undertaking of 1299746 Ontario Inc. (the "**Debtor**"), including, without limiting the generality of the foregoing, all of the equipment, accounts, proceeds, books and records and other personal property of the Debtor.
2. The security that is to be enforced is in the form of a General Security Agreement dated November 21, 2008, granted by the Debtor in favour of CIBC.
3. As at March 23, 2016, the total amount of the indebtedness secured by the security is the sum of Cdn\$4,859,212.62, in principal and interest, plus accruing interest and recovery costs of the secured creditor.
4. CIBC will not have the right to enforce the security until after the expiry of the ten day period following the sending of this notice, unless the insolvent company consents to an earlier enforcement.

DATED at Toronto this 24th day of March, 2016.

**CANADIAN IMPERIAL BANK OF
 COMMERCE**, by its solicitors,
AIRD & BERLIS LLP

Per:

 Steven L. Graff

Brookfield Place
 181 Bay Street, Suite 1800
 Toronto, Ontario M5J 2T9
 Tel: 416.863.1500 Fax: 416.863.1515

Note: This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.

AIRD & BERLIS LLP

Barristers and Solicitors

Steven L. Graff
 Direct: 416.865.7726
 Email: sgraff@airdberlis.com

March 24, 2016

VIA COURIER

2252709 Ontario Inc.
 1935 Silicone Drive,
 Pickering, Ontario L1W 3V7

Attention: Gary Bodimeade

Dear Sir:

Re: Canadian Imperial Bank of Commerce ("CIBC") loans to 1299746 Ontario Inc.

We are the lawyers for CIBC in connection with its lending arrangements with 1299746 Ontario Inc. (the "**Debtor**"). The Debtor is indebted to CIBC with respect to certain credit facilities granted by CIBC pursuant to and under the terms of a letter credit agreement dated March 3, 2015, made among CIBC and the Debtor, and guaranteed by, among others, 2252709 Ontario Inc. ("**225**") (the "**Credit Agreement**")

225 guaranteed the obligations of the Debtor to CIBC pursuant to an unlimited guarantee, dated March 26, 2015 (the "**Guarantee**"), together with interest thereon from the date of demand for payment at the rate set out in the guarantee.

The following amounts are owing by the Debtor for principal and interest pursuant to the Credit Agreement as at March 23, 2016:

Credit Facility	Total
Operating Overdraft	
Principal:	Cdn\$1,734,080.35
Interest to date:	\$3,901.26
Total outstanding:	Cdn\$1,737,981.61
<i>Per diem: \$199.54</i>	
Term Loan	
Principal:	Cdn\$3,101,246.09
Interest to date:	\$10,053.21
Total outstanding:	Cdn \$3,111,299.30
<i>Per diem: \$330.52</i>	
Corporate Classic Visa Balance:	Cdn\$9,931.71
Total outstanding:	
<i>Per diem: \$5.71</i>	
Total Indebtedness	Cdn\$4,859,212.62

Page 2

On behalf of CIBC, we hereby make formal demand for payment under the Guarantee of Cdn\$4,859,212.62, together with interest and all costs and expenses (including legal expenses) incurred by CIBC (collectively, the "**Guaranteed Indebtedness**"). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rates established by the Credit Agreement, as applicable

The Guaranteed Indebtedness is secured by, among other things, (a) a general security agreement dated March 26, 2015, granted by 225 in favour of CIBC (the "**Security Agreement**"), and (b) a collateral charge/mortgage over the real property municipally known as 1935 Silicone Drive, Pickering in the amount of \$3,200,000.00 (the "**Charge**", together with the Security Agreement, the "**Security**"). The Security grants CIBC a security interest in any and all of the 225's property, assets and undertakings.

If payment of the Guaranteed Indebtedness is not received immediately, CIBC shall take whatever steps it may consider necessary or appropriate to recover the amounts owed to it, including, without limitation, the appointment of a receiver or receiver and manager of 225, in which case we will also be seeking all costs incurred in doing so.

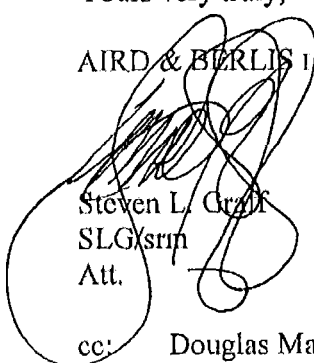
On behalf of CIBC, we enclose a Notice of Intention to Enforce Security delivered pursuant to the *Bankruptcy and Insolvency Act*, subsection 244(1) (the "**BIA Notice**").

We reserve our right to take proceedings within the ten day period set out in the BIA Notice, if circumstances warrant such proceedings.

Please govern yourself accordingly.

Yours very truly,

AIRD & BERLIS LLP



Steven L. Graff
SLG/srm
Att.

cc: Douglas MacLaine and Pat Del Sordo, Canadian Imperial Bank of Commerce

NOTICE OF INTENTION TO ENFORCE SECURITY
(Bankruptcy and Insolvency Act, Subsection 244(1))

Delivered By Courier

TO: **2252709 Ontario Inc.**
 1935 Silicone Drive,
 Pickering, Ontario L1W 3V7

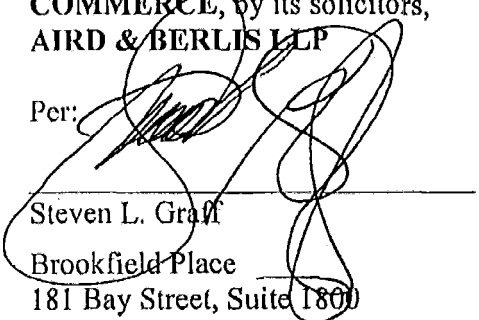
insolvent company / person

TAKE NOTICE that:

1. Canadian Imperial Bank of Commerce ("CIBC"), a secured creditor, intends to enforce its security on the property, assets and undertaking of 2252709 Ontario Inc. ("225"), including, without limiting the generality of the foregoing, all of the equipment, accounts, proceeds, books and records and other personal property of 225.
2. The security that is to be enforced is in the form, among other things, (a) a general security agreement dated March 26, 2015, granted by 225 in favour of CIBC, and (b) a collateral charge/mortgage over the real property municipally known as 1935 Silicone Drive, Pickering in the amount of \$3,200,000.00.
3. As at March 24, 2016, the total amount of the indebtedness secured by the security is the sum of Cdn\$4,859,212.62 in principal and interest, plus accruing interest and recovery costs of the secured creditor.
4. CIBC will not have the right to enforce the security until after the expiry of the ten day period following the sending of this notice, unless the insolvent company consents to an earlier enforcement.

DATED at Toronto this 24th day of March, 2016.

**CANADIAN IMPERIAL BANK OF
 COMMERCE**, by its solicitors,
AIRD & BERLIS LLP

Per: 

Steven L. Graff

Brookfield Place

181 Bay Street, Suite 1800

Toronto, Ontario M5J 2T9

Tel: 416.863.1500 Fax: 416.863.1515

Note: This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.

Oros, Jan

From: Alan Hogan
Sent: Wednesday, April 6, 2016 2:06 PM
To: 'Gary Bodimeade'; 'Lit'l Sprouts'
Cc: gastern@torlaw.com; 'Andrea Robertson'
Subject: RE: FYI

Hi Everyone,

"WITHOUT PREJUDICE"

0

IF personal assets have been purchased by the company and not taken into income personally (ie the Horses in this case) we could either go back in time when they were purchased and increase your income accordingly. Assuming that all of the horses have similar values Aimee would have the largest tax exposure as she owns 5 horses. In order to avoid the tax consequence, if the horses were sold and the money returned to the business the exposure would be based on the difference between purchase price and selling price. The alternative would be to put a value on all of the horses (minimum value would be the amount that was paid for them) and that amount would have to be taken into income.

If the horses were sold for more than their purchase price Compuquest would have a capital gain.

If the horses were sold for less than their purchase price the shortfall would be income for: Gary, Aimee, Nicholas, Jenna and Emalee

Alan

-----Original Message-----

From: Gary Bodimeade [mailto:garyb@compuquest2000.com]
Sent: Wednesday, April 06, 2016 1:33 PM
To: Lit'l Sprouts; Alan Hogan
Cc: gastern@torlaw.com; Andrea Robertson
Subject: RE: FYI

Without prejudice

Yes, as was the house build, the barn, Dons/Dennis cash payments from you and everything else that was removed from the company. Don't shoot blanks about stuff you know nothing about. Statements like that are not something you really want to shoot your mouth of about. That said as a director of the corporation WE jointly own, you are also responsible for all part of any funds removed from the company and taxed personally with interest and penalties. Ignorance is not a defence.

Anything that was paid through the company (everything) are considered company assets (letter was provided 4 months ago by Alan Hogan) therefore, all assets once sold will be put back into the company to operate.... unless you wish to keep certain items and then once I was paid out, of which my funds would come back to the company, you would personally be responsible for paying personal tax on such items at approx. 56% of the value... for example, horse value of \$400k (which is low), once the \$200k was returned to Compuquest, you would be responsible for approx.. 56% personal tax obligations. Alan, can you please confirm my statement?

Now who is trying to bully who? You have no idea...

-----Original Message-----

From: Lit'I Sprouts [mailto:sprouts5437@hotmail.com]

Sent: Wednesday, April 6, 2016 1:18 PM

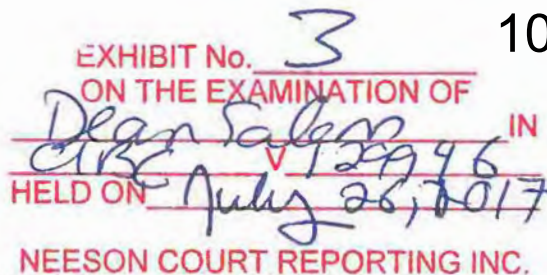
To: Gary Bodimeade <garyb@compuquest2000.com>

Cc: gastern@torlaw.com; Andrea Robertson <andrearobertson27@yahoo.ca>

Subject: FYI

Just for the record ... The horses are not assets of Compuquest2000. They are personally owned and registered to Gary(1) Aimee(5) Nicholas(2) Jenna (1) and Emalee(2). If you, Gary as I have no access to the accounts , removed funds from the company to purchase the horses and failed to claim it as income then I am fairly certain that would be considered tax evasion. Just something to consider moving forward.

Sent from my iPhone



From: Dean Salem [mailto:IMCEAEX-A@ca.gt.com]

Sent: Friday, April 08, 2016 12:01 PM

To: Greg Azeff <gazeff@foglers.com>; Gary Bodimeade <garyb@compuquest2000.com>

Subject: re[2]: CIBC

Gary and Greg,

Here are my thoughts on the CIBC request:

1) Although CIBC's letter dated February 11, 2016 states several reasons regarding Compuquest's financial performance, the real reason for their upheaval of Compuquest's business, as stated in person by Douglas MacLaine is that they suspected Gary was kiting checks. CIBC has been steadfast in this assumption even upon presentation of evidence to the contrary and the fact that no checks ever bounced (except the checks CIBC pulled back (see attached). CIBC's entire action for demand is based on a false assumption.

2) CIBC's assertions regarding Compuquest's financial performance are misleading and, as stated by Doug MacLaine, not the real reason for their demand. Their assertion that Compuquest's debt to effective equity ratio is 9 basis points lower than agreed to is based on C\$ values when most of Compuquest's inventory is in US\$ values. The tardiness and type of reporting was due to an accountant battling cancer, which was explained to and accepted by CIBC at the time.

3) CIBC's demands are not reasonable. CIBC took more than 6 months to close the credit facilities (mortgage and working line of credit). Compuquest is working diligently to close new credit facilities with BDC for the mortgage and other financial institutions for the working line of credit. However, as illustrated by CIBC's own performance in closing these facilities, their timeline is unreasonable.

4) CIBC's demand that Compuquest only bank in the severely limited operating accounts they are providing is outside of their legal right. In addition, their actions including pulling back funds on checks legally cleared to Compuquest's vendors and their failure to provide an accounting of funds held versus line balances (Gary has requested of Doug on multiple occasions) has damaged Compuquest's business and business relationships.

5) CIBC's actions, which, in truth, are based on a false assumption, have had a negative impact on Compuquest's business. Their actions are the cause of a 60% drop in revenue in the last 60 days - actions detrimental to CIBC's demand to close their credit facilities.

6) Regarding their Grant Thornton "Consent and Agreement":

A) Compuquest feels it is too early to bring in Grant Thornton. Compuquest needs more time to close outside funding.

B) As the engagement is defined, Compuquest will not receive any information, analysis, or recommendations provided by GT. That being the case, Compuquest has no reason to incur additional expense at a time when the company is struggling due to the actions of CIBC.

C) IF CIBC wants to hire GT under these terms, then CIBC can pay for GT to perform their analysis for their benefit.

D) Since CIBC's actions have already been harmful and negatively impacted Compuquest's business, Compuquest cannot indemnify Lender (CIBC) or Consultant (GT).

Strategy moving forward: At this time, the only way forward is to get the business operating as it was before CIBC's actions. If Compuquest continues to be hindered by CIBC and an intrusive audit by Grant Thornton, there is no way Compuquest will be able to secure outside funding. Regarding the mortgage, BDC has already changed their status to "wait and see" what actions CIBC's pursues. As a back up, one of Compuquest's tenants has agreed to secure the mortgage if necessary. It is highly probable that CIBC will be relieved of this mortgage.

Regarding the line, if Compuquest continues to be hindered by CIBC and an intrusive audit by Grant Thornton, there is no way the company will be able to rebuild business relationships and cash flow the company in order to attract outside funding. Since it is likely CIBC will not work through a transition for this funding, it would be better for Compuquest to send all consigned inventory back to vendors before a receiver is assigned, then let CIBC come in and pursue their course of action. When they realize what is there, Compuquest will be in a position to negotiate a settlement. If CIBC is willing to work through a transition with Compuquest, it would be likely that Gary could secure outside funding, and pay part of CIBC's line down and settle for a smaller amount. This is not a big loan for CIBC and, due to the fact that they carry some responsibility in the failure of the company, CIBC has a poor position.

I look forward to discussing this situation with you-

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(615)250-7937 Fax

----- Original Message -----

From: "Azeff, Greg" <gazeff@foglers.com>
To: Gary Bodimeade <garyb@compuquest2000.com>
Cc: Dean Salem <dean@norris1.com>
Date: Fri, 8 Apr 2016 00:27:49 -0400
Subject: **RE: CIBC**

Gary: Have heard back from the bank. We need to get them the agreement. They are very antsy. Recall that all the bank's enforcement costs will be added to the indebtedness.

Quick question,

If a receiver was appointed by the bank, what's the time frame that the process usually starts and what can and can't they do?

I guess, the same question for the GT people?

From: Azeff, Greg [<mailto:gazeff@foglers.com>]
Sent: Thursday, April 7, 2016 3:49 PM
To: 'Gary Bodimeade' <garyb@compuquest2000.com>
Cc: Dean Salem <dean@norris1.com>
Subject: RE: CIBC

The extra day shouldn't be an issue. Not sure how much room there is for amendment- it is a pretty vanilla engagement letter – but happy to take any of them to the bank if they make sense.

From: Gary Bodimeade [<mailto:garyb@compuquest2000.com>]
Sent: Thursday, April 07, 2016 3:40 PM
To: Azeff, Greg <gazeff@foglers.com>
Cc: Dean Salem <dean@norris1.com>
Subject: RE: CIBC

Can I revert back in the morning with them? I will get together with Dean tonight and seek his advice?

Would that be ok?

From: Azeff, Greg [<mailto:gazeff@foglers.com>]
Sent: Thursday, April 7, 2016 3:40 PM
To: 'Gary Bodimeade' <garyb@compuquest2000.com>
Subject: RE: CIBC

We can suggest anything that makes sense. What are the changes?

From: Gary Bodimeade [<mailto:garyb@compuquest2000.com>]
Sent: Thursday, April 07, 2016 3:36 PM
To: Azeff, Greg <gazeff@foglers.com>
Subject: RE: CIBC

Are we able to make any changes to the letter? I sent it over to one of my friends who is a lot smarter than me (not hard to do) and he was suggesting some changes?

Sorry, I have no idea as I am totally new this

From: Azeff, Greg [<mailto:gazeff@foglers.com>]
Sent: Thursday, April 7, 2016 3:21 PM
To: 'Gary Bodimeade' <garyb@compuquest2000.com>
Subject: RE: CIBC

Ordinarily that would be the case, but we don't really have much to push back with here. They will get a receiver appointed without difficulty if we do not cooperate.

From: Gary Bodimeade [<mailto:garyb@compuquest2000.com>]
Sent: Thursday, April 07, 2016 3:08 PM
To: Azeff, Greg <gazeff@foglers.com>
Subject: RE: CIBC

For some reason I thought we would only need to sign that upon acceptance of an agreement?

From: Azeff, Greg [<mailto:gazeff@foglers.com>]
Sent: Thursday, April 7, 2016 3:04 PM

To: Gary Bodimeade <garyb@compuquest2000.com>
Subject: RE: CIBC

I am talking about the authorization letter for GT, not the forbearance agreement.
 I was under the assumption that we would see the "agreement" prior to having to sign?

From: Azeff, Greg [<mailto:gazeff@foglers.com>]
Sent: Thursday, April 7, 2016 2:54 PM
To: 'Gary Bodimeade' <garyb@compuquest2000.com>
Subject: CIBC

The bank is pushing to get the letter agreement signed re GT. Bank's counsel has advised that they will seek the appointment of a receiver if we do not get it to them asap. I don't really see any other option here.

fogler
rubinoff

Greg Azeff
 Partner
 Fogler, Rubinoff LLP
 Lawyers
 77 King Street West
 Suite 3000, P.O. Box 95
 TD Centre North Tower
 Toronto, ON M5K 1G8
 Direct: 416.365.3716
 Main: 416.864.9700
 Toll Free: 1.866.861.9700
 Fax: 416.941.8852
 Email: gazeff@foglers.com
foglers.com



Proud to be named one of Ontario's Top 10 Regional Firms by Canadian Lawyer magazine 2015-2016

Oros, Jan

From: Azeff, Greg
Sent: Friday, April 8, 2016 12:35 PM
To: Gary Bodimeade
Subject: RE: re[2]: CIBC

Sure

Perfect, I will call and conference Dean in if that's ok?

From: Azeff, Greg [mailto:gazeff@foglers.com]
Sent: Friday, April 8, 2016 12:28 PM
To: Gary Bodimeade <garyb@compuquest2000.com>
Cc: Dean Salem <dean@norris1.com>
Subject: RE: re[2]: CIBC

I am out of the office today but can speak anytime. I am at 416 728 7445. Please give me a call.
 I am available anytime needed

From: Azeff, Greg [mailto:gazeff@foglers.com]
Sent: Friday, April 8, 2016 12:24 PM
To: Dean Salem <dean@norris1.com>
Cc: Gary Bodimeade <garyb@compuquest2000.com>
Subject: Re: re[2]: CIBC

Thanks Dean. Suggest we set up a call immediately as time is very short - CIBC's lawyers are seeking instructions to commence a receivership application.
 Gary and Greg,

Here are my thoughts on the CIBC request:

1) Although CIBC's letter dated February 11, 2016 states several reasons regarding Compuquest's financial performance, the real reason for their upheaval of Compuquest's business, as stated in person by Douglas MacLaine is that they suspected Gary was kiting checks. CIBC has been steadfast in this assumption even upon presentation of evidence to the contrary and the fact that no checks ever bounced (except the checks CIBC pulled back (see attached). CIBC's entire action for demand is based on a false assumption.

2) CIBC's assertions regarding Compuquest's financial performance are misleading and, as stated by Doug MacLaine, not the real reason for their demand. Their assertion that Compuquest's debt to effective equity ratio is 9 basis points lower than agreed to is based on C\$ values when most of Compuquest's inventory is in US\$ values. The tardiness and type of reporting was due to an accountant battling cancer, which was explained to and accepted by CIBC at the time.

3) CIBC's demands are not reasonable. CIBC took more than 6 months to close the credit facilities (mortgage and working line of credit). Compuquest is working diligently to close new credit facilities with BDC for the mortgage and other financial institutions for the working line of credit. However, as illustrated by CIBC's own performance in closing these facilities, their timeline is unreasonable.

4) CIBC's demand that Compuquest only bank in the severely limited operating accounts they are providing is outside of their legal right. In addition, their actions including pulling back funds on checks legally cleared to Compuquest's vendors and their failure to provide an accounting of funds held versus line balances (Gary has requested of Doug on multiple occasions) has damaged Compuquest's business and business relationships.

EXHIBIT No. 4
 ON THE EXAMINATION OF
 Dean Salem IN
 CIBC V 1299746
 HELD ON July 26, 2017
 NEESON COURT REPORTING INC.

5) CIBC's actions, which, in truth, are based on a false assumption, have had a negative impact on Compuquest's business. Their actions are the cause of a 60% drop in revenue in the last 60 days - actions detrimental to CIBC's demand to close their credit facilities.

6) Regarding their Grant Thornton "Consent and Agreement":

A) Compuquest feels it is too early to bring in Grant Thornton. Compuquest needs more time to close outside funding.

B) As the engagement is defined, Compuquest will not receive any information, analysis, or recommendations provided by GT. That being the case, Compuquest has no reason to incur additional expense at a time when the company is struggling due to the actions of CIBC.

C) IF CIBC wants to hire GT under these terms, then CIBC can pay for GT to perform their analysis for their benefit.

D) Since CIBC's actions have already been harmful and negatively impacted Compuquest's business, Compuquest cannot indemnify Lender (CIBC) or Consultant (GT).

Strategy moving forward: At this time, the only way forward is to get the business operating as it was before CIBC's actions. If Compuquest continues to be hindered by CIBC and an intrusive audit by Grant Thornton, there is no way Compuquest will be able to secure outside funding. Regarding the mortgage, BDC has already changed their status to "wait and see" what actions CIBC's pursues. As a back up, one of Compuquest's tenants has agreed to secure the mortgage if necessary. It is highly probable that CIBC will be relieved of this mortgage.

Regarding the line, if Compuquest continues to be hindered by CIBC and an intrusive audit by Grant Thornton, there is no way the company will be able to rebuild business relationships and cash flow the company in order to attract outside funding. Since it is likely CIBC will not work through a transition for this funding, it would be better for Compuquest to send all consigned inventory back to vendors before a receiver is assigned, then let CIBC come in and pursue their course of action. When they realize what is there, Compuquest will be in a position to negotiate a settlement. If CIBC is willing to work through a transition with Compuquest, it would be likely that Gary could secure outside funding, and pay part of CIBC's line down and settle for a smaller amount. This is not a big loan for CIBC and, due to the fact that they carry some responsibility in the failure of the company, CIBC has a poor position.

I look forward to discussing this situation with you-

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(615)250-7937 Fax

----- Original Message -----

From: "Azeff, Greg" <gazeff@foglers.com>
To: Gary Bodimeade <garyb@compuquest2000.com>
Cc: Dean Salem <dean@norris1.com>
Date: Fri, 8 Apr 2016 00:27:49 -0400
Subject: **RE: CIBC**

Gary: Have heard back from the bank. We need to get them the agreement. They are very antsy. Recall that all the bank's enforcement costs will be added to the indebtedness.

Quick question,

If a receiver was appointed by the bank, what's the time frame that the process usually starts and what can and can't they do?

I guess, the same question for the GT people?

From: Azeff, Greg [mailto:gazeff@foglers.com]
Sent: Thursday, April 7, 2016 3:49 PM
To: 'Gary Bodimeade' <garyb@compuquest2000.com>
Cc: Dean Salem <dean@norris1.com>
Subject: RE: CIBC

The extra day shouldn't be an issue. Not sure how much room there is for amendment- it is a pretty vanilla engagement letter – but happy to take any of them to the bank if they make sense.

From: Gary Bodimeade [mailto:garyb@compuquest2000.com]
Sent: Thursday, April 07, 2016 3:40 PM
To: Azeff, Greg <gazeff@foglers.com>
Cc: Dean Salem <dean@norris1.com>
Subject: RE: CIBC

Can I revert back in the morning with them? I will get together with Dean tonight and seek his advice?

Would that be ok?

From: Azeff, Greg [mailto:gazeff@foglers.com]
Sent: Thursday, April 7, 2016 3:40 PM
To: 'Gary Bodimeade' <garyb@compuquest2000.com>
Subject: RE: CIBC

We can suggest anything that makes sense. What are the changes?

From: Gary Bodimeade [mailto:garyb@compuquest2000.com]
Sent: Thursday, April 07, 2016 3:36 PM
To: Azeff, Greg <gazeff@foglers.com>
Subject: RE: CIBC

Are we able to make any changes to the letter? I sent it over to one of my friends who is a lot smarter than me (not hard to do) and he was suggesting some changes?

Sorry, I have no idea as I am totally new this

From: Azeff, Greg [mailto:gazeff@foglers.com]
Sent: Thursday, April 7, 2016 3:21 PM
To: 'Gary Bodimeade' <garyb@compuquest2000.com>
Subject: RE: CIBC

Ordinarily that would be the case, but we don't really have much to push back with here. They will get a receiver appointed without difficulty if we do not cooperate.

From: Gary Bodimeade [mailto:garyb@compuquest2000.com]
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Subject: RE: CIBC

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 I was under the assumption that we would see the "agreement" prior to having to sign?

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Sent: Thursday, April 7, 2016 2:54 PM
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fogler
rubinoff

Greg Azeff
 Partner
 Fogler, Rubinoff LLP
 Lawyers
 77 King Street West
 Suite 3000, P.O. Box 95
 TD Centre North Tower
 Toronto, ON M5K 1G8
 Direct: 416.365.3716
 Main: 416.864.9700
 Toll Free: 1.866.861.9700
 Fax: 416.941.8852
 Email: gazeff@foglers.com
foglers.com



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Oros, Jan

From: Dean Salem
Sent: Tuesday, April 19, 2016 11:37 AM
To: Gary
Subject: re: FW: Compuquest

That is all reasonable stuff. Don't send them anything from Norris yet.

Regards,
 Dean Salem
 Norris Companies
 (865)426-9615 Phone
 (214)697-7638 Text/Whatsapp
 sumackis: Skype, AOL IM

EXHIBIT No. 5
 ON THE EXAMINATION OF
Dean Salem IN
CIBC V 1295746
 HELD ON July 26, 2015
 NEESON COURT REPORTING INC.

----- Original Message -----

From: Gary Bodimeade <garyb@compuquest2000.com>
To: Dean Salem <dean@norris1.com>
Cc:
Date: Tue, 19 Apr 2016 11:06:14 -0400
Subject: **FW: Compuquest**

From: Gary Bodimeade [mailto:garyb@compuquest2000.com]
Sent: Monday, April 18, 2016 4:52 PM
To: 'Krieger, Jonathan' <Jonathan.Krieger@ca.gt.com>
Subject: RE: Compuquest

Can I please get a copy of my brothers.. Alan Bodimeade

I can explain why over a smoke if you like

From: Krieger, Jonathan [mailto:Jonathan.Krieger@ca.gt.com]
Sent: Monday, April 18, 2016 3:55 PM
To: Gary Bodimeade <garyb@compuquest2000.com>
Cc: Alan Hogan <alan.hogan@on.aibn.com>; Oros, Jan <Jan.Oros@ca.gt.com>
Subject: Compuquest

Hi Gary,

We will require the following preliminary documents as soon as possible:

1. Current detailed aged accounts receivable list (previously requested)
2. Current detailed aged inventory list (previously requested)
3. Current aged A/P list (previously requested)
4. Last filed tax return for each company and Notice of Assessment

5. External financial statements for each of the companies subject to our appointment
6. Interim financial statements for first three months of 2016
7. Last HST return for each company
8. Statement of Account from CRA on status of taxes paid
9. Details of the leases to tenants on the building and copies of the leases
10. Any appraisals on the building and equipment
11. Details of any litigation where the companies are acting as either a plaintiff or defendant
12. Confirmation of payroll remittances for employees
13. List of employees and position
14. Details of leases of vehicles/equipment and copies of the leases
15. Cash flows for each of the companies over the next three months
16. List of any bank accounts or investments held outside of CIBC
17. Copies of any supply or customer contracts or master agreements

While there are some items on the list which may take some time to compile, please provide the A/R, inventory and A/P information as an urgency. Thank you for your assistance. Please copy my associate Jan Oros on any information forwarded.

Jon

From: Gary Bodimeade [<mailto:garyb@compuquest2000.com>]
Sent: Monday, April 18, 2016 12:36 PM
To: Krieger, Jonathan
Cc: Alan Hogan
Subject: Reports

Hi Jonathon,

I was in the office yesterday getting some paper work caught up, I should be able to provide the requested documents by tomorrow at the latest. Please let me know if there is anything else you require?

Thank you

Gary Bodimeade

CQ2K

1935 Silicone Drive

Pickering, Ontario, Canada

Email: garyb@compuquest2000.com

Im: garyb@compuquest2000.com

"Celebrating our 17th year in business"

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April 25, 2016

VIA FACSIMILE TO 905 862-2391

Robertson, Munro
Barristers & Solicitors
212-304 Toronto Street South
The Elgin Centre, Suite 212
Uxbridge, Ontario
L9P 1Y2

Attention: Andrea Robertson

Dear Ms. Munro:

Re: Dean Salem (the "Lender") second mortgage loan to Aimee Bodimeade (the
"Borrower"), Guaranteed by Gary Bodimeade (the "Guarantor")
7472 Ashburn Road, Whitby (the "Property")
Our File No.: 16-400

Please be advised that we are the solicitors acting on behalf of the Lender with respect to the above-noted transaction. We are advised that you represent the Borrower (please advise if you also represent the Guarantor). Please advise immediately if this is not correct.

In order for us to prepare our documents with respect to this transaction please provide us with the following information and documentation, as quickly as possible:

1. Complete municipal address, legal description and PIN number(s) of the Property to be mortgaged.
2. Does the registered owner of the Property own any abutting land?

- 2 -

3. The actual use of the Property at this time.
4. Address for service for each of the Borrower and Guarantor.
5. Two notarial copies of identification, one including picture identification, for each individual party executing documents on behalf of the Borrower and Guarantor.
6. Copy of a current mortgage statement for information purposes from the Canadian Imperial Bank of Commerce for the first mortgage on the Property: i) confirming the essential terms of the mortgage; ii) setting out all amounts outstanding under the mortgage as at such date on account of principal, interest, tax account (if any) and otherwise; and iii) verifying that the mortgage is in current standing.
7. A current tax certificate or other proof of payment, indicating no tax arrears.
8. Property insurance binder/policy containing the standard mortgage clause, verifying that the building on the mortgaged lands are insured against fire and extended risks for guaranteed replacement cost, with loss payable to Dean Andrew Salem, as second mortgagee.

The above is a list of our initial requirements in order to conduct our searches and prepare the security documents; however, further requisitions may follow once we have completed our title and off title searches.

Should you have any questions with respect to this transaction, please do not hesitate to contact the writer.

Yours very truly,

Mason Bennett Johncox Professional Corporation

Patrick G. Bennett

PGB:kk

Oros, Jan

From: Gary Bodimeade
Sent: Monday, April 25, 2016 11:00 AM
To: Dean Salem (dean@norris1.com)

I have sent another email to Greg with regards to the new letter received last week and again asked for some reassurances about the nature of the letter. I will advise as soon as I hear something back.

I totally understand your concerns and fears with what has been happening over the last few months and would feel the exact same way. In the close to 3 years you have been saving my sorry ass and going above and beyond what any normal person would have done for me, we have had a relationship that has been up and down, I would like to think its been up more than down and with your continued help I know I can get it back on the rails. Even though it's going to be a huge uphill battle but it's one I know I can win.

I have been able to cut expenses substantially and will continue to cut wherever I can. For the first time in 10 years they are manageable and with what's happening personally those expenses should go down even more. I have cut all my staff other than 3 and am looking at another 1 or 2 if need be.

In the past 3 years we have moved a lot of product and gone from well over a million down to under \$300k and the only way I can do that is by getting product and working to squeeze every penny of profit from each and every unit. Over the last 2 months we have only received 2 loads in total. Given the circumstances I totally understand why we have not been able to see product and would more than likely do the exact same thing to you that said the only way I can pay you back, as I have proven in the past in to continually move product and do what I do best. With only 2 loads received it's really hard to generate any profits. Our sales to date in April are \$175k down from \$1.2 YTD. I have given you every penny I have received from the sales of any personal assets and will continue to do so, unfortunately when I am relying on other people to come through for me it seems it never happens in a timely fashion. I tell you what these guys are telling me and ultimately makes me look bad even though I am only sharing the information they provide to me, I apologize for seeming like I am stringing you along but that's not the case at all. I will continue you to sell whatever I can and forward any equity to you to pay down the debt.

With what's going on with Aimee and the bank I would not blame you for wanting to bail and if you did I would have no ill feelings towards you at all. What you have done over the last 3 years for me is un-real and nobody would have ever done what you have done and for that I am forever in debited to you. I would never not pay you back every dime that is owed, if that means me selling the house then that's what I need to do but rest assured your debt is not and will never be in danger of not being paid back in full. I have asked my insurance agent to cash in my RRSP (\$160k), I will be taxed huge but its another 90-125 k that can send to you as soon as I receive it. With the 2 trailers and the smaller RV and my RRSP I will be able to get over another approx. \$260k or so.

I did finally dial in and it looks like TD held one of my deposits last week that made that check bounce, I have already left a message for John as to why they would hold a check from another TD account, once I get it figured out I will send over the wire and see if I can get a letter from them. I'm sorry once again. I can't seem to get anything right these days.

I have to deal with Amex as well, not sure what I am going to do but I will figure it out without your help, they are going to have to get in line I guess, that's all I can do at this point. That is another thing I relied on you for and should not have.

It's a sinking ship that I still believe can be saved with a lot of hard work and the continued support from you but again, I totally understand if you have had enough and will back you 100% on whatever you decide.

Either way, I am truly grateful for everything you have done for me and will never forget it ☺

Tab 22

I am going to head out to the doctors for a few as I feel like crap and want to try and fix whatever I have before it gets bad like last time.

Gary Bodimeade
CQ2K
1935 Silicone Drive
Pickering, Ontario, Canada

Email: garyb@compuquest2000.com
Im: garyb@compuquest2000.com

"Celebrating our 17th year in business"

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

- and -

**1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.**

Respondents

**APPLICATION UNDER SUBSECTIONS 47(1) AND 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**AFFIDAVIT OF DOUGLAS MACLAINE
(sworn April 28, 2016)**

**I, DOUGLAS MACLAINE, of the Village of Grand Bend, in the Municipality of
Lambton Shores, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:**

1. I am an Assistant General Manager in the Special Loans Department, with Canadian Imperial Bank of Commerce ("CIBC"). CIBC is a secured creditor of 1299746 Ontario Inc. o/a CompuQuest2000 ("CompuQuest") and 2252709 Ontario Inc. ("225" and, together with CompuQuest, the "Borrowers"), the respondents herein, and I am responsible for management of their accounts and their credit facilities with CIBC. As such, I have personal knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information and, in all such cases, believe it to be true.

PURPOSE

2. I am swearing this Affidavit in support of an application by CIBC for an order, amongst other things, appointing Grant Thornton Limited ("GTL"), as follows:

- (a) as interim receiver and, eventually, receiver, without security, of all the assets, undertakings and properties of CompuQuest; and
- (b) as receiver, without security, of all the assets, undertakings and properties of 225 and the real property municipally known as 1935 Silicone Drive, Pickering (the "Silicone Drive Location"), the registered owner of which is 225.

DESCRIPTION OF COMPUQUEST, 225, THEIR BUSINESS AND PRINCIPALS

3. CompuQuest is a privately-owned Ontario corporation, incorporated on June 9, 1998. CompuQuest's corporate profile report and list of registered business names are attached as Exhibit A to this Affidavit.

4. CompuQuest's corporate profile report indicates that CompuQuest's registered office is located at the Silicone Drive Location, and that its sole officer and director is Gary Wayne Bodimeade ("Bodimeade").

5. CompuQuest carries on business as a dealer of computer equipment. According to CompuQuest's website, printouts from which are attached hereto as Exhibit B, CompuQuest purports to purchase and sell over 13,000 off-lease, fully tested desktops and workstations on a monthly basis.

6. 225 is a privately-owned Ontario corporation, incorporated on August 5, 2010. 225's corporate profile report is attached as Exhibit C to this Affidavit.

7. 225's corporate profile report indicates that 225's registered office is located at the **Silicone Drive Location**, and that Bodimeade is an officer and director of 225. 225's only other officer and director is Aimee Lynn Bodimeade, who is Bodimeade's wife.

8. 225 is a real estate holding company, which owns the **Silicone Drive Location**. A copy of the parcel register for the **Silicone Drive Location** is attached as **Exhibit D** to this Affidavit.

CIBC'S SECURED/GUARANTEED LOANS TO COMPUQUEST

9. CompuQuest is indebted to CIBC in connection with certain credit facilities made available by CIBC to CompuQuest (the "**CompuQuest Facilities**"), pursuant to and under the terms of a letter credit agreement dated March 3, 2015, and accepted March 4, 2015 (as amended, replaced, restated or supplemented from time to time, the "**CompuQuest Credit Agreement**"), a copy of which is attached as **Exhibit E** to this Affidavit. Amounts owing to CIBC pursuant to the **CompuQuest Credit Agreement** are payable on demand.

10. As security for its obligations to CIBC, including, without limitation, its obligations under the **CompuQuest Credit Agreement** and the **CompuQuest Guarantee** (defined in paragraph 14 below), CompuQuest provided security in favour of CIBC, including, without limitation, a general security agreement dated November 21, 2008, granted by CompuQuest in favour of CIBC (the "**CompuQuest GSA**"), registration in respect of which was duly made pursuant to the *Personal Property Security Act* (Ontario) (the "**PPSA**"). A copy of the **CompuQuest GSA** is attached as **Exhibit F** to this Affidavit.

11. 225 guaranteed CompuQuest's obligations to CIBC, including, without limitation, CompuQuest's obligations under the **CompuQuest Credit Agreement**, pursuant to an unlimited

guarantee and postponement of claim dated March 26, 2015 (the **"225 Guarantee"**). A copy of the 225 Guarantee is attached as **Exhibit G** to this Affidavit.

CIBC'S SECURED/GUARANTEED LOANS TO 225

12. 225 is indebted to CIBC in connection with a term credit facility made available by CIBC to 225 (the **"225 Facility"**), pursuant to and under the terms of a letter credit agreement dated March 3, 2015, and accepted March 4, 2015 (as amended, replaced, restated or supplemented from time to time, the **"225 Credit Agreement"**), a copy of which is attached as **Exhibit H** to this Affidavit. Amounts owing to CIBC pursuant to the 225 Credit Agreement are payable on demand.

13. As security for its obligations to CIBC, including, without limitation, its obligations under the 225 Credit Agreement and the 225 Guarantee, 225 provided security in favour of CIBC, including, without limitation,

- (a) a general security agreement dated March 26, 2015, granted by 225 in favour of CIBC, registration in respect of which was duly made pursuant to the PPSA (the **"225 GSA"**), a copy of which is attached as **Exhibit I** to this Affidavit;
- (b) a collateral charge/mortgage in favour of CIBC on the Silicone Drive Location and registered on title on March 27, 2016 as Instrument No. DR1349677, in the principal amount of \$3,200,000 (the **"Charge"**), a copy of which is attached as **Exhibit J** to this Affidavit; and
- (c) a general assignment of leases and rents in respect of the Silicone Drive Location dated March 26, 2015 and registered on title on March 27, 2015 as Instrument No. DR1349679 (the **"GAR"**), a copy of which is attached as **Exhibit K** to this Affidavit.

14. In addition, CompuQuest guaranteed 225's obligations under the 225 Credit Agreement, pursuant to an unlimited guarantee and postponement of claim dated March 26, 2015 (the **"CompuQuest Guarantee"**). A copy of the CompuQuest Guarantee is attached as **Exhibit L** to this Affidavit.

OTHER SECURED CREDITORS

15. A copy of the certified PPSA search results for CompuQuest, with currency to February 28, 2016, is attached as **Exhibit M** to this Affidavit. The PPSA search results show that, in addition to CIBC's registrations, each of Penske Truck Leasing Canada Inc., Pfaff Leasing, A Division of Pfaff Motors Inc., Toyota Credit Canada Inc., Caterpillar Financial Services Limited, Royal Bank of Canada, Roynat Inc., Kubota Canada Ltd. and Business Development Bank of Canada have made registrations under the PPSA against CompuQuest (collectively, the "**Other CompuQuest Registrations**"). A summary of the Other CompuQuest Registrations is attached as **Exhibit N** to this Affidavit.

16. A copy of the certified PPSA search results for 225, with currency to February 28, 2016, is attached as **Exhibit O** to this Affidavit. The PPSA search results show that, in addition to CIBC's registrations, Roynat Inc., has made a registration under the PPSA against 225 (collectively, the "**Other 225 Registration**"). A summary of the Other 225 Registrations is attached as **Exhibit P** to this Affidavit.

17. As set out above, a copy of the parcel registry for the Silicone Drive Location is attached as **Exhibit D** to this Affidavit. The parcel registry shows that CIBC is the only secured creditor registered on title to the Silicone Drive Location.

FINANCIAL DIFFICULTIES

(a) ~~CIBC Expresses Concerns Regarding CompuQuest's Financial Performance~~

18. By letter dated February 11, 2016 (the "**Letter of Concern**"), Ivan Farquharson, Director and Team Leader GTA North – Commercial Banking, and one of the account managers then

overseeing the Borrowers' accounts, wrote to CompuQuest to advise that CIBC had concerns with CompuQuest's financial performance, CIBC's concerns related to, among other things,

- (a) CompuQuest's debt to effective equity ratio exceeding the ratio provided for in the CompuQuest Credit Agreement;
- (b) CompuQuest's failure to provide the financial reporting required under the terms of the CompuQuest Credit Agreement; and
- (c) CompuQuest drawing funds in excess of the maximum provided for under the CompuQuest Facilities.

19. As a result of these concerns, Mr. Farquharson advised CompuQuest that CIBC would not be renewing the CompuQuest Facilities, but that it was willing to continue to carry them until March 31, 2016, provided that CompuQuest complied with certain terms and conditions, including regularly providing CIBC with additional financial reporting (the "**Additional Reporting**"). A copy of the Letter of Concern is attached as **Exhibit Q** to this Affidavit.

20. Bodimeade, on behalf of CompuQuest, acknowledged and accepted the terms and conditions of the Letter of Concern on February 11, 2016.

21. As a result of CIBC's concerns, management of the Borrowers' accounts and credit facilities was transferred to my attention within the Special Loans Group on February 25, 2016.

(b) CIBC Becomes Aware of Unusual Account Activity

22. After the issuance of the Letter of Concern, CIBC's systems alerted CIBC's Fraud, Loss Prevention & Investigations department to certain unusual activity occurring within CompuQuest's accounts. In particular, CIBC became aware of:

- (a) circular activity, whereby amounts were transferred via cheques and wire transfers back and forth between CompuQuest's accounts and accounts belonging to a Mr. Dean Salem in Tennessee, among others; and

- (b) a significant number of large, round number debit transactions on CompuQuest's account,

each of which is deemed, pursuant to CIBC's policies, to be indicators of unusual activity.

23. In particular, CIBC became aware that it was common practice for CompuQuest to deposit a cheque from Mr. Salem, following which funds of a similar amount would be wired back to one of Mr. Salem's companies, Norris Systems, LLC and/or Norris Technologies, Inc. Thereafter a "stop payment" would be placed on the cheque from Mr. Salem, such that the cheque would be returned.

24. As an example of such unusual activity, on February 25, 2016, Bodimeade deposited a cheque from Mr. Salem in the sum of US\$125,000 (the "Salem Cheque") into CompuQuest's Canadian dollar account, by way of an automated teller machine. Bodimeade later advised CIBC that at the time he deposited the Salem Cheque, he was aware that Mr. Salem had already placed a "stop payment" on the cheque, such that Bodimeade deposited the Salem Cheque knowing that it had been cancelled and would therefore be returned.

25. Also on February 25, 2016, in accordance with CIBC's policy, I instructed the local branch at which CompuQuest's accounts are held to establish a "hold all" policy on all of the Borrowers' accounts, to ensure that all debit items from the accounts would be paid against cleared funds only. As a result of the implementation of the "hold all" policy, CompuQuest did not gain access to the funds that would otherwise have improperly been made available to it upon the deposit of the Salem Cheque.

(c) **CompuQuest Fails to Co-operate with CIBC**

26. On February 29, 2016 at 1:00 p.m., I attended at CompuQuest's premises at the Silicone Drive Location to meet with Bodimeade, together with Mr. Farquharson, and two other CIBC staff, Nikita Saygakov and John D'Aquila, who previously had management of the Borrowers' accounts and credit facilities.

27. At the February 29, 2016 meeting, I delivered to Bodimeade a letter from Mr. Saygakov and Mr. D'Aquila advising that, in response to the increased level of credit risk arising from CompuQuest's current financial situation, I would be managing CompuQuest's accounts and credit facilities going forward. A copy of this letter is attached as Exhibit R to this Affidavit.

28. As part of the February 29, 2016 meeting, I advised Bodimeade that CIBC required CompuQuest to permit GTL, as an independent third party, to review CompuQuest's records for the purpose of:

- (a) verifying the value of CompuQuest's collateral;
- (b) verifying the viability of the business; and
- (c) analysing and assessing the unusual transactions.

29. I further advised Bodimeade that CIBC was in the process of retaining counsel to review CIBC's security, with a view to considering its options.

30. Finally, I advised Bodimeade that, if the Borrowers wished to avoid the costs associated with CIBC engaging GTL and legal counsel to conduct the proposed reviews, they could find alternate financing.

31. Following the February 29 meeting, Bodimeade and I exchanged numerous communications relating to the unusual activity in the accounts, and the holds that had been imposed on the Borrowers' accounts. As part of these exchanges, I explained to Bodimeade how he could continue to use the accounts to conduct business. Copies of these exchanges are attached as Exhibit S to this Affidavit.

32. By letter dated March 9, 2016, a copy of which is attached as Exhibit T to this Affidavit (the "March 9 Letter"), I confirmed CIBC's position with respect to the Borrowers' accounts and credit facilities, as it had already been conveyed to Bodimeade at the February 29 meeting, and imposed certain timelines. In this regard, I requested that the Borrowers respond by no later than March 11, 2016, by either:

- (a) acknowledging the terms of the March 9 Letter and executing an engagement letter permitting GTL to conduct the third-party review discussed at the February 29 meeting (the "Engagement Letter"), a copy of which was enclosed; or
- (b) providing CIBC with a plan to repay the Borrowers' indebtedness to CIBC in full on or before May 9, 2016, with detailed evidence of how this was to be accomplished to be provided by April 9, 2016.

33. I further reminded the Borrowers that the first tranche of Additional Reporting outlined in the Letter of Concern would be due shortly.

34. Between March 11, 2016, and March 23, 2016, Bodimeade and his counsel sent a number of communications to me and CIBC's counsel requesting additional time to consider the Borrowers' options. Copies of this correspondence are attached as Exhibit U to this Affidavit.

35. CIBC extended the deadline, as requested. On March 23, 2016, not having received a satisfactory response to the March 9 Letter, CIBC issued demands on the CompuQuest Credit Facility, which demands are described in greater detail below.

36. Following the issuance of the demands, the Borrowers retained new counsel. On April 1, 2016, the Borrowers' "insolvency" counsel advised that they would agree to GTL being engaged as part of a forbearance agreement.

37. Following further delays, which are detailed in the correspondence attached as Exhibit V to this Affidavit, Bodimeade eventually provided CIBC's counsel with a copy of the signed Engagement Letter on April 12, 2016, one full month after CIBC's initial deadline. A copy of the signed Engagement Letter is attached as Exhibit W to this Affidavit.

38. During the intervening period, and despite having agreed to do so by signing the Letter of Concern, Bodimeade did not provide CIBC with any of the Additional Reporting. To date, this information has not been provided.

39. Furthermore, the Borrowers have not fulfilled their regular monthly reporting requirements since December 31, 2015.

(d) CompuQuest Fails to Co-operate with GTL

40. On April 12, 2016, having received the executed Engagement Letter, Jonathan Krieger, a Senior Vice-President with GTL, wrote to Bodimeade to set up a meeting with Bodimeade and his accountant to discuss the business, tour the Silicone Drive Location, and discuss next steps. A copy of this correspondence is attached as Exhibit X to this Affidavit.

41. After an exchange of several emails, Bodimeade eventually agreed to meet with the GTL representatives on April 15, 2016, but advised that his accountant would not be available to meet. As part of this exchange, by email dated April 14, 2016 Mr. Krieger advised Bodimeade as follows:

"Notwithstanding Alan [the Borrowers' accountant] is not available this week, please provide us as soon as possible (and in advance of our Friday visit) a copy of your most recent detailed account receivable, inventory and accounts payable lists. There will be further information required, but these three are the immediate requirements for our review."

Copies of this correspondence are attached as **Exhibit Y** to this Affidavit.

42. I am advised by Mr. Krieger that he and Jan Oros, a manager with GTL, attended at the Silicone Drive Location on April 15, 2016, as agreed. Despite their requests, Bodimeade did not provide GTL with any accounting information in advance of the meeting.

43. I am further advised by Mr. Krieger that, upon touring the warehouse and interviewing CompuQuest's warehouse manager, Charmina, he learned that:

- (a) there was less than \$50,000 worth of inventory in the warehouse, and that it had been that way for some time;
- (b) the inventory present in the warehouse had largely been stripped of its key components and the inventory skids were marked accordingly;
- (c) CompuQuest had done very little business over the past few months; and
- (d) there are at least two sub-tenants occupying space in the Silicone Drive Location; a personal fitness facility and an insurance company.

44. I am advised by Mr. Krieger that, based on his tour of the Silicone Drive Location and his interviews of the staff made available to him, he was of the preliminary view that CompuQuest is not a viable business.

45. Following the site visit, on April 18, 2016, Krieger wrote to Bodimeade to request a list of additional documents required for GTL to conduct its review. As part of this correspondence, Mr. Krieger noted, *"While there are some items on the list which may take some time to compile, please provide the A/R, inventory and A/P information as an urgency."* A copy of this correspondence is attached as **Exhibit Z** to this Affidavit.

46. After additional delays, which are detailed in the correspondence attached as **Exhibit AA** to this Affidavit, on April 21 and 22, 2016, Bodimeade provided Krieger with:

- (a) an employee list;
- (b) a building appraisal and two tenant leases; and
- (c) several vehicle leases.

47. On April 21, 2016, Mr. Krieger again re-iterated to Bodimeade that he required the A/R, A/P and inventory list as soon as possible. A copy of this correspondence is attached as **Exhibit BB** to this Affidavit.

48. I am advised by Mr. Krieger that he finally received an accounts receivable report for March and April 2016 (the "Current A/R Report") from Bodimeade on April 27, 2016, a copy of which is attached as **Exhibit CC** to this Affidavit. The accounts payable and inventory list remain outstanding.

(e) GTL Analysis To Date

49. As at December 31, 2015, CompuQuest reported to CIBC that it had outstanding accounts receivable of US\$2,893,496, which converts to CAD\$3,542,114. Attached as **Exhibit DD** to this Affidavit is an accounts receivable listing dated December 31, 2015 reflecting this figure.

50. As set out in the Current A/R Report, the accounts receivable balance had declined to CAD\$965,380 by March 31, 2016, and declined again to CAD\$282,332 by April 26, 2016. CompuQuest's accounts receivable have therefore declined by over CAD\$3,000,000 since December 31, 2015.

51. In contrast, the amount owing to CIBC has remained relatively stable over this period. As at December 31, 2015, CompuQuest had drawn CAD\$1,744,307.66 on its revolving loan; this declined slightly to CAD\$1,692,155.14 as at March 31, 2016; and was back up to CAD\$1,748,900.18 on April 26, 2016.

52. Additionally, based on the reduction in the accounts receivable balance between March 31, 2016, and April 26, 2016, we would expect to have seen deposits to CompuQuest's account at CIBC totalling at least \$683,048 since March 31, 2016. In reality, deposits to CompuQuest's account during this period totalled only \$58,902.95.

53. As a result of the foregoing, it appears that either (a) CompuQuest is not accurately recording its accounts receivable, or (b) CompuQuest is not depositing the proceeds of its accounts receivable to its CIBC account, as it is required to do pursuant to the terms of the CompuQuest Credit Agreement. Either scenario raises serious concerns for me regarding the likelihood that CIBC will recover the amounts owing to it pursuant to the CompuQuest Credit Agreement, particularly in light of the Borrowers' failure to provide CIBC with complete and accurate reporting in a timely manner.

(f) CompuQuest's Dealings with Dean Salem

54. As set out above, CIBC has concerns relating to the flow of funds between CompuQuest and Mr. Salem and his companies in Tennessee.

55. At the meeting held February 29, 2016, Bodimeade attempted to explain the nature of his dealings with Mr. Salem. In this regard, he advised me that CompuQuest and Mr. Salem's companies jointly purchase large lots of computer equipment, which they divide as between their

companies for re-sale in accordance with their respective customer base requirements. He advised that these dealings result in the circular flow of funds which raised CIBC's concerns.

56. As part of his explanation, Bodimeade produced to me a copy of a document entitled "Revolving Line of Credit" made between Dean Salem and Norris Technologies, LLC ("Norris") as lender, and CompuQuest and Bodimeade as borrower, dated December 31, 2015. A copy of this document is attached hereto as Exhibit EE to this Affidavit.

57. Bodimeade's explanation did not alleviate my concerns regarding the circular flow of funds, and in fact, heightened my concern that he may be further encumbering or improperly dealing with the assets over which CIBC holds security. In particular, it did not address why there were so many "stop payments" placed on the cheques received from Mr. Salem's companies, nor why such cheques would continue to be deposited.

58. I am advised by Mr. Krieger that on April 25, 2016, Bodimeade produced to Mr. Krieger a copy of another document entitled "Revolving Line of Credit", a copy of which is attached as Exhibit FF to this Affidavit. This document is very similar to the "Revolving Line of Credit" produced to me on February 29, 2016, except that the borrower is listed as CompuQuest and Aimee Bodimeade, who is Bodimeade's wife, and, even though the document is dated December 31, 2015, the document was signed by Ms. Bodimeade on March 3, 2016, three days after my meeting with Bodimeade.

59. I believe that CIBC's security ranks in priority to any security interests purportedly granted in favour Mr. Salem and Norris pursuant to these documents. However, the existence of these documents, and the fact that Bodimeade and/or his wife have continued to negotiate and enter into such arrangements in the face of CIBC's concerns, as conveyed to Bodimeade by way

of the Letter of Concern and our subsequent communications, raise additional concerns for CIBC as to the nature of CompuQuest's business.

DEMAND

60. As of March 23, 2016, pursuant to the CompuQuest Credit Agreement and the CompuQuest Guarantee, CompuQuest was indebted to CIBC for the following sums for principal and interest, totalling \$4,859,212.62, plus interest and any and all costs and expenses (including, without limitation, legal and other professional fees) incurred by CIBC (collectively, the "CompuQuest Indebtedness"):

Credit Facility	Total
Operating Overdraft	
Principal:	Cdn\$1,734,080.35
Interest to date:	\$3,901.26
Total outstanding:	Cdn\$1,737,981.61
<i>Per diem: \$199.54</i>	
Term Loan (as guarantor of the 225 Facility)	
Principal:	Cdn\$3,101,246.09
Interest to date:	\$10,053.21
Total outstanding:	Cdn \$3,111,299.30
<i>Per diem: \$330.52</i>	
Corporate Classic Visa	
Balance:	Cdn\$9,931.71
Total outstanding:	
<i>Per diem: \$5.71</i>	
Total Indebtedness	Cdn\$4,859,212.62

61. CIBC made formal written demand on each of CompuQuest and 225 by letters dated March 24, 2016, for payment of the CompuQuest Indebtedness (together, the "CompuQuest Demand Letters"). In accordance with the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA"), Notices of Intention to Enforce Security pursuant to subsection 244(1) of the BIA (the "CompuQuest BIA Notices") accompanied the CompuQuest Demand Letters.

Copies of the CompuQuest Demand Letters and the CompuQuest BIA Notices are attached collectively as **Exhibit GG** to this Affidavit.

62. As of April 19, 2016, pursuant to the 225 Credit Agreement, 225 was indebted to CIBC for the following sums for principal and interest, totalling \$3,102,116.44, plus interest and any and all costs and expenses (including, without limitation, legal and other professional fees) incurred by CIBC (collectively, the "225 Indebtedness")¹:

Credit Facility	Total
Facility #1 (Non-Revolver Demand Instalment Loan)	
Outstanding loan:	\$3,092,092.91
Interest to date:	\$10,023.53
Total outstanding:	\$3,102,116.44
<i>Per diem: \$329.54</i>	
Total Indebtedness	\$3,102,116.44

63. CIBC made separate formal written demand on 225, as borrower, by letter dated April 19, 2016, for payment of the 225 Indebtedness (the "225 Demand Letter" and, together with the CompuQuest Demand Letters, the "Demand Letters"). In accordance with the BIA, a Notice of Intention to Enforce Security pursuant to subsection 244(1) of the BIA (the "225 BIA Notice") accompanied the 225 Demand Letter. Copies of the 225 Demand Letter and the 225 BIA Notice are attached collectively as **Exhibit HH** to this Affidavit.

APPOINTMENT OF AN INTERIM RECEIVER AND RECEIVER

64. As of the time of swearing this Affidavit, the Borrowers have failed to make payment in accordance with the Demand Letters, make alternative arrangements acceptable to CIBC, or provide CIBC with any evidence that they are working towards viable alternative arrangements.

¹ The 225 Indebtedness is also reflected as the "Term Loan" in the chart at paragraph 54 above, as CompuQuest is a guarantor of the 225 Facility.

65. The Borrowers have shown themselves to be insolvent and unable to fulfill their obligations to CIBC.

66. CIBC has, at all times, acted in good faith towards the Borrowers. CIBC considers it reasonable and prudent to begin the enforcement of its security in an effort to recover the amounts owing to it, and it is within CIBC's rights under the CompuQuest Credit Agreement, the 225 Credit Agreement, and CIBC's security to do so.

67. In the circumstances set out above, I believe that it is just and equitable that an interim receiver be appointed over CompuQuest. An interim receiver is necessary for the protection of CompuQuest's estate, CIBC's interests, and, perhaps, the interests of other stakeholders. CIBC believes that the appointment of an interim receiver, and eventually, a receiver, would enhance the prospect of recovery by CIBC and protect all stakeholders.

68. Similarly, I believe that it is just and equitable that a receiver be appointed over CompuQuest, 225 and the Silicone Drive Location. A receiver is necessary for the protection of the Borrowers' respective estates, CIBC's interests, and, perhaps, the interests of other stakeholders. CIBC believes that the appointment of a receiver would enhance the prospect of recovery by CIBC and protect all stakeholders.

69. CIBC proposes that GTL be appointed as interim receiver, and eventually, receiver, of CompuQuest, and as receiver of 225 and the Silicone Drive Location.

70. GTL is a licensed trustee in bankruptcy and is familiar with the circumstances of CompuQuest, 225 and their arrangements with CIBC.

71. GTL has consented to act as interim receiver and receiver should the Court so appoint it.

A copy of GTL's consent to act as interim receiver is attached as **Exhibit II** to this Affidavit. A copy of GTL's consent to act as receiver is attached as **Exhibit JJ** to this Affidavit.

72. This Affidavit is made in support of the within application, and for no other or improper purpose whatsoever.

SWORN before me at the City of
London, in the Province of Ontario,
this 28th day of April, 2016,

Commissioner for taking affidavits, etc.

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DOUGLAS MACLAINE

CANADIAN IMPERIAL BANK OF COMMERCE**- and -****1299746 ONTARIO INC. o/a COMPUQUEST2000 et al.**

Applicant

Respondents

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST****Proceedings commenced at Toronto****AFFIDAVIT OF DOUGLAS MACLAINE
(sworn April 28, 2016)****AIRD & BERLIS LLP**
Barristers and Solicitors
Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9**Steven L. Graff (LSUC # 31871V)**
Tel: (416) 865-7726
Fax: (416) 863-1515
Email: sgraff@airdberlis.com**Miranda Spence (LSUC # 60621M)**
Tel: (416) 865-3414
Fax: (416) 863-1515
Email: mspence@airdberlis.com*Lawyers for Canadian Imperial Bank of Commerce*

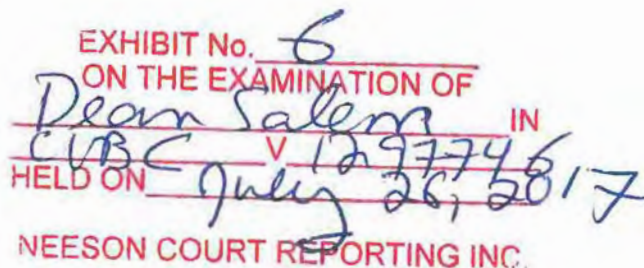
Oros, Jan

From: Dean Salem
Sent: Thursday, April 28, 2016 8:13 AM
To: Patrick Bennett
Cc: Gary Bodimeade
Subject: RE: re[2]: Salem mortgage to Bodimeade

He is aware the documents have to be notarized by an attorney that knows him. I have copied him here to reiterate.

Where are you headed this weekend?

Regards,
 Dean Salem



----- Original message -----

From: Patrick Bennett <PBennett@whitbylawyers.com>
Date: 4/28/16 7:01 AM (GMT-06:00)
To: Dean Salem <dean@norris1.com>
Subject: Re: re[2]: Salem mortgage to Bodimeade

Dean,

Gary must sign these documents in front of a lawyer that is acting for him and can verify his identity. These are requirements that our law society has in place and HAVE to be complied with. PLEASE ensure that he doesn't sign the documents beforehand. Normally I would send the documents to his lawyer along with an Identification Verification Form. Will he see Stephen Seon for this? If so I will send the IVF form to Stephen Seon on Monday when I am back in the office.

Sent from my BlackBerry 10 smartphone on the Bell network.

Original Message
From: Dean Salem
Sent: Thursday, April 28, 2016 4:07 AM
To: Patrick Bennett
Subject: re[2]: Salem mortgage to Bodimeade

Makes perfect sense. I have also forwarded the documents to Gary for execution. Thank you-

Regards,
 Dean Salem
 Norris Companies
 (865)426-9615 Phone
 (214)697-7638 Text/Whatsapp
 sumackis: Skype, AOL IM

----- Original Message -----

FROM: Patrick Bennett <PBennett@whitbylawyers.com>
TO: Dean Salem <dean@norris1.com>
CC:
DATE: Wed, 27 Apr 2016 18:44:43 +0000

SUBJECT: RE: Salem mortgage to Bodimeade

Dean,

I have Gary as the guarantor (guaranteeing the payments, etc., under the mortgage if Aimee doesn't do so) because he is not an owner of the property and cannot, therefore, sign the mortgage as a mortgagor. So, in order to bind him to the requirements under the mortgage on this property, we've made him a guarantor.

Make sense?

Patrick Bennett
MASON BENNETT JOHNCOX
PROFESSIONAL CORPORATION
79 Baldwin St N Brooklin ON L1M 1A4
Tel (905) 620-4499 ext 222 Fax (905) 620-7738
pbennett@whitbylawyers.com
www.whitbylawyers.com

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-----Original Message-----

From: Dean Salem [mailto:dean@norris1.com]
Sent: Wednesday, April 27, 2016 1:17 PM
To: Patrick Bennett <PBennett@whitbylawyers.com>
Subject: re: Salem mortgage to Bodimeade

Patrick,

I reviewed all documents and all appear to be accurate and complete. I have only 1 question - is the guarantee only required and only in Gary's name since he is a spouse not listed on the property title?

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(214)697-7638 Text/Whatsapp
sumackis: Skype, AOL IM

----- Original Message -----

FROM: Patrick Bennett <PBennett@whitbylawyers.com>
TO: Dean Salem <dean@norris1.com>
CC:
DATE: Wed, 27 Apr 2016 15:51:41 +0000

SUBJECT: Salem mortgage to Bodimeade

Dean,

I've drafted the documents that need to be signed by the Bodimeades. I wanted to send you drafts so that you can provide me with your comments before I send them to Aimee's lawyer (although I'm still awaiting a response to my letter). Please take a look at these documents and let me know of any questions/comments/concerns that you have. PS - I'm out of the office tomorrow and Friday but will be back on Monday.

Patrick Bennett

MASON BENNETT JOHNCOX

PROFESSIONAL CORPORATION

79 Baldwin St N Brooklin ON L1M 1A4

Tel (905) 620-4499 ext 222 Fax (905) 620-7738 pbennett@whitbylawyers.com www.whitbylawyers.com

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Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

FRIDAY, THE 29TH

JUSTICE MESBUR

)

DAY OF APRIL, 2016

)



CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

- and -

1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.

Respondents

ORDER
(appointing Interim Receiver)

THIS APPLICATION made by Canadian Imperial Bank of Commerce ("CIBC") for an Order pursuant to subsection 47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing Grant Thornton Limited ("GTL") as interim receiver (in such capacity, the "Interim Receiver") without security, of all the assets, undertakings and properties of 1299746 Ontario Inc. o/a CompuQuest2000 (the "Debtor"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Douglas MacLaine sworn April 28, 2016 and the exhibits thereto, the consent of GTL to act as the Interim Receiver, and on hearing the submissions of counsel for CIBC, no one appearing for the respondents although properly served as shown in the affidavit of service of Miranda Spence sworn April 28, 2016,

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

1. **THIS COURT ORDERS** that pursuant to subsection 47(1) of the BIA and section 101 of the CJA, GTL is hereby appointed Interim 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**").

INTERIM RECEIVER'S POWERS

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

- (a) to monitor the Debtor's receipts and disbursements, including, without limitation, the right to access all information relating to the Debtor's accounts or finance activities at any financial institution;
- (b) to 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 investigate and prepare a financial report as to the operations of the Debtor which will include the assets, liabilities and disposition of all Property for the twelve (12) month period preceding the date of this Order;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Interim Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to summarily dispose of the Property that is perishable or likely to depreciate rapidly in value;
- (f) to establish a separate bank account for the benefit of the Debtor, for the deposit of funds received by the Debtor after the date of this Order;
- (g) to conduct examinations, if deemed necessary, including, without limitation, an examination of Gary Wayne Bodimeade;
- (h) to report to, meet with and discuss with such affected Persons (as defined below) as the Interim Receiver deems appropriate on all matters relating to the Property and the interim receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable; and
- (i) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

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

3. **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 (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Interim Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Interim Receiver, and shall deliver all such Property to the Interim Receiver upon the Interim Receiver's request.

4. **THIS COURT ORDERS** that all Persons shall forthwith advise the Interim Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the 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 provide to the Interim Receiver or permit the Interim Receiver to make, retain and take away copies thereof and grant to the Interim Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 4 or in paragraph 5 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Interim Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

access codes, account names and account numbers that may be required to gain access to the information.

6. **THIS COURT ORDERS** that the Interim Receiver shall provide each of the relevant landlords with notice of the Interim 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 Interim 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 Interim Receiver, or by further Order of this Court upon application by the Interim Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

7. **THIS COURT ORDERS** that any tenants of the Debtor are hereby directed to make payments of rent directly to the Debtor's deposit account at CIBC, or alternatively, to the Interim Receiver, in trust.

NO PROCEEDINGS AGAINST THE INTERIM 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 Interim Receiver except with the written consent of the Interim 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 Interim 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 Interim Receiver, or affecting the Property, are hereby stayed and suspended except with the written

consent of the Interim 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 Debtor to carry on any business which the Debtor is not lawfully entitled to carry on; (ii) exempt 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 INTERIM 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 Interim 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 computer software, communication and other data services, centralized banking 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 Debtor 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 Debtor, or as may be ordered by this Court.

INTERIM RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Interim 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 Interim 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 Interim 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. The Interim Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in subsection 14.06(1.2) of the BIA, other than such amounts as the Interim Receiver may specifically agree in writing to pay, or in respect of its obligations under subsections 81.4(5) and 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* and any other applicable provincial privacy legislation, the Interim 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 Interim 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 Interim Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Interim 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 Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Interim Receiver shall not, as a result of this Order or anything done in pursuance of the Interim 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 INTERIM RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Interim Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under subsections 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 Interim Receiver by section 14.06 of the BIA or by any other applicable legislation.

INTERIM RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Interim Receiver and counsel to the Interim Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Interim Receiver and counsel to the Interim Receiver shall be entitled to and are hereby granted a charge

(the "Interim Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Interim Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Interim 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 Interim Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

SERVICE AND NOTICE

21. **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/eservice-commercial/>) 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: www.grantthornton.ca/compuquest2000.

22. **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.

GENERAL

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

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

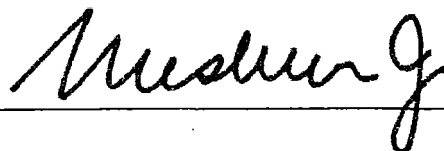
25. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Interim Receiver and its agents in carrying out the terms of this Order. All courts,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

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

27. **THIS COURT ORDERS** that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis

to be paid by the Interim Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

28. **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 Interim Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

APR 29 2016

PER / PAR: RW

Court File No. _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

ORDER

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Barristers and Solicitors
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Lawyers for Canadian Imperial Bank of Commerce

-----Original Message-----

From: Dean Salem [mailto:IMCEAEX-A@ca.gt.com]

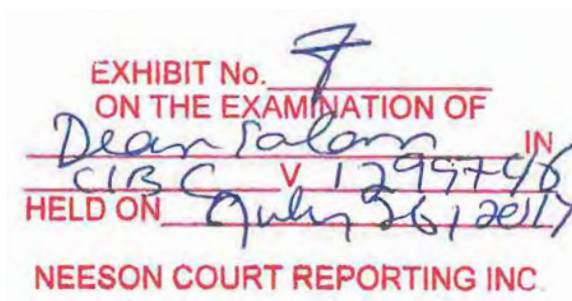
Sent: Friday, April 29, 2016 10:15 AM

To: Gary <garyb@compuquest2000.com>

Subject: DT bid 04-29-16

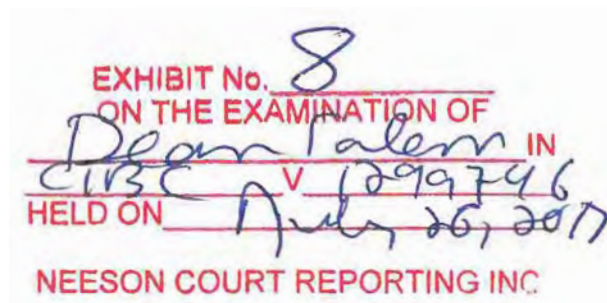
see attached

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(214)697-7638 Text/Whatsapp
sumackis: Skype, AOL IM



From: Gary Bodimeade [mailto:IMCEAEX-R@ca.gt.com]
Sent: Friday, April 29, 2016 10:57 AM
To: Dean Salem (dean@norris1.com) <dean@norris1.com>
Subject: 16-04-29 LT-6460 DKT.xlsx

Thank you



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0024336763	32643K2	DESKTOPS	THINKCENTRE M72E SFF DESKTOP PC	1	MJ21FDT	LENOVO	SMALL FORM FACTOR	THINKCENTRE M72E SFF DESKTOP PC
0024336786	32643K2	DESKTOPS	THINKCENTRE M72E SFF DESKTOP PC	1	MJ76NB3	LENOVO	SMALL FORM FACTOR	THINKCENTRE M72E SFF DESKTOP PC
0024336784	32643K2	DESKTOPS	THINKCENTRE M72E SFF DESKTOP PC	1	MJ16AEZ	LENOVO	SMALL FORM FACTOR	THINKCENTRE M72E SFF DESKTOP PC
0024336797	32643K2	DESKTOPS	THINKCENTRE M72E SFF DESKTOP PC	1	MJ22DBE	LENOVO	SMALL FORM FACTOR	THINKCENTRE M72E SFF DESKTOP PC
0024336794	32643K2	DESKTOPS	THINKCENTRE M72E SFF DESKTOP PC	1	MJ96WR7	LENOVO	SMALL FORM FACTOR	THINKCENTRE M72E SFF DESKTOP PC
0024336636	32643K2	DESKTOPS	THINKCENTRE M72E SFF DESKTOP PC	1	MJ22CLP	LENOVO	SMALL FORM FACTOR	THINKCENTRE M72E SFF DESKTOP PC
0024336770	32643K2	DESKTOPS	THINKCENTRE M72E SFF DESKTOP PC	1	MJ76MW5	LENOVO	SMALL FORM FACTOR	THINKCENTRE M72E SFF DESKTOP PC
0024336767	32643K2	DESKTOPS	THINKCENTRE M72E SFF DESKTOP PC	1	MJ22CVH	LENOVO	SMALL FORM FACTOR	THINKCENTRE M72E SFF DESKTOP PC
0024336243	32643K2	DESKTOPS	THINKCENTRE M72E SFF DESKTOP PC	1	MJ87Z5G	LENOVO	SMALL FORM FACTOR	THINKCENTRE M72E SFF DESKTOP PC
0024335176	32643K2	DESKTOPS	THINKCENTRE M72E SFF DESKTOP PC	1	MJ29D58	LENOVO	SMALL FORM FACTOR	THINKCENTRE M72E SFF DESKTOP PC
0024335174	32643K2	DESKTOPS	THINKCENTRE M72E SFF DESKTOP PC	1	MJ21FGW	LENOVO	SMALL FORM FACTOR	THINKCENTRE M72E SFF DESKTOP PC
0024335184	32643K2	DESKTOPS	THINKCENTRE M72E SFF DESKTOP PC	1	MJ21CMK	LENOVO	SMALL FORM FACTOR	THINKCENTRE M72E SFF DESKTOP PC
0024335181	32643K2	DESKTOPS	THINKCENTRE M72E SFF DESKTOP PC	1	MJ22CGL	LENOVO	SMALL FORM FACTOR	THINKCENTRE M72E SFF DESKTOP PC

[illegible]

40 of 60

[illegible]

60 of 60

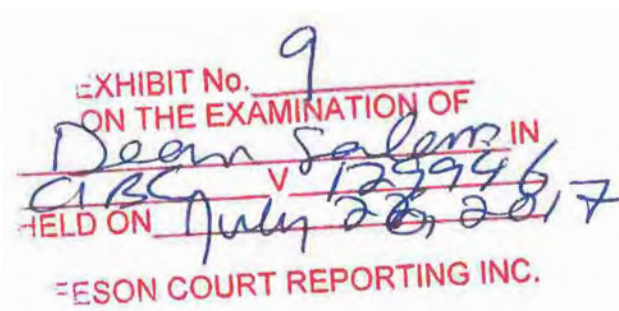
From: Gary Bodimeade [mailto:IMCEAEX-R@ca.gt.com]

Sent: Friday, April 29, 2016 4:45 PM

To: Dean Salem <dean@norris1.com>

Subject:

373569964842010 exp 04, 20 please run for 42k..



NORRIS TECHNOLOGIES, LLC

2659 Nova Dr.
Dallas, TX 75229

Sales Order

Date	S.O. No.
5/5/2016	14450

BILL TO
CQ2K COMPUTER SALES INC 88 Beachgrove cres, whitby Ontario

SHIP TO

P.O. No.	TERMS	Due Date	Rep	SHIP DATE	SHIP VIA	FOB
		5/5/2016	DS/MS	5/5/2016	Best Way	

ITEM	DESCRIPTION	QUAN	PRICE	TOTAL
8252	462- MISC PC / Sheet Out-of-state sale, exempt from sales tax	462	83.66883 0.00%	38,655.00T 0.00
			Total	\$38,655.00

Subject : Items for signature
Date : Monday, May 9, 2016 6:25 pm
Linked to : Gary Bodimeade
From : Dean Salem <dean@norris1.com>
To : Gary Bodimeade <garyb@cq2k.ca>

Attachments : C:\Users\Dean\Documents\Dean\Financial-Bank-Taxes\Notes\Bodimeade\Mortgage\Acknowledgement and Direction.pdf;
C:\Users\Dean\Documents\Dean\Financial-Bank-Taxes\Notes\Bodimeade\Mortgage\Acknowledgement re Standard Charge Terms.pdf;
C:\Users\Dean\Documents\Dean\Financial-Bank-Taxes\Notes\Bodimeade\Mortgage\Guarantee.pdf;
C:\Users\Dean\Documents\Dean\Financial-Bank-Taxes\Notes\Bodimeade\Mortgage\ID VERIFICATION of Individual.pdf;
C:\Users\Dean\Documents\Dean\Financial-Bank-Taxes\Notes\Bodimeade\Mortgage\SCT 200033.pdf;
C:\Users\Dean\Documents\Dean\Financial-Bank-Taxes\Notes\Bodimeade\Mortgage\statutory declaration.pdf;

Gary,

Attached are all the Items that require signature. It would help if you could sign them together as a few documents need both of you to sign. Here is the breakdown:

To be signed by Gary and notary:

- 1) Acknowledgement and Direction
- 2) Acknowledgement re Standard Charge Terms
- 3) SCT 200033
- 4) Guarantee
- 5) ID VERIFICATION of Individual

To be signed by Aimee and notary:

- 1) Acknowledgement and Direction
- 2) Acknowledgement re Standard Charge Terms
- 3) SCT 200033
- 4) statutory declaration
- 5) ID VERIFICATION of Individual

Please print copies for each of you and get them signed and over to Patrick Bennett tomorrow. Please confirm receipt and that this will be done tomorrow. Thanks-

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(214)697-7638 Text/Whatsapp
sumackis: Skype, AOL IM

LRO # 40 Charge/Mortgage

In preparation on 2016 04 25 at 16:44

This document has not been submitted and may be incomplete.

yyyy mm dd Page 1 of 2

Properties

PIN 26578 - 0082 LT Interest/Estate Fee Simple
 Description PT LT 27 CON 7 TOWNSHIP OF WHITBY; PT LT 28 CON 7 TOWNSHIP OF WHITBY
 AS IN D144416; TOWN OF WHITBY
 Address 7472 ASHBURN ROAD
 UXBRIDGE

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name BODIMEADE, AIMEE LYNN
 Acting as an Individual
 Address for Service 7472 Ashburn Road, Whitby, Ontario

I am at least 18 years of age.

Gary Bodimeade is my spouse and has consented to this transaction.

This document is not authorized under Power of Attorney by this party.

Chargee(s)

Capacity

Share

Name SALEM, DEAN ANDREW
 Acting as an Individual
 Address for Service c/o Norris Companies, 751 Fox Ridge Lane, Caryville, TN, USA 37714

Provisions

Principal \$ 1,000,000.00 Currency CDN
 Calculation Period
 Balance Due Date On Demand
 Interest Rate
 Payments
 Interest Adjustment Date
 Payment Date
 First Payment Date
 Last Payment Date
 Standard Charge Terms 200033
 Insurance Amount See standard charge terms
 Guarantor Gary Bodimeade

Additional Provisions

See Schedules

GUARANTEE

For valuable consideration, I, the undersigned Guarantor agree with **Dean Andrew Salem** as follows:

1. **Chargor's Name.** The name of the chargor whose loan I am guaranteeing is:

Aimee Lynn Bodimeade, (the "Chargor")

2. **Guarantee.** I guarantee payment to the Chargee of all of the Chargor's Loan of \$1,000,000.00 (the "Loan"). Said loan is secured by a charge (the "Charge") against 7472 Ashburn Road, Whitby (the "Property") all pursuant to an Agreement between the Chargee and the Chargor (the "Agreement") which Agreement may be amended, extended or renewed from time to time.

IN CONSIDERATION of the premises and of the Chargee advancing the said money to the Chargor, the Guarantor doth hereby absolutely and unconditionally guarantee to all principal moneys, interest and other moneys owing on the security of this Charge, and the Guarantor himself, his heirs, executors and administrators, covenants with the moneys payable hereunder, he will pay all such moneys to the Chargee without any demand being required to be made.

AND it is hereby expressly declared that although as between the Guarantor and the Chargor, the Guarantor is only surety for the payment by the Chargor of the moneys hereby guaranteed, yet as between the Guarantor and the Chargee the Guarantor shall be considered as primarily liable therefor and that no release or releases of any portion or portions of the charged premises and no indulgence shown by the Chargee in respect of any default by the Chargor or any successor which may arise under this Charge, and that no extension or extensions granted by the Chargee to the Chargor or any successor for payment of the Charge moneys hereby secured or for the doing, observing or performing of any covenant, agreement, matter or thing herein contained, to be done, observed or performed by the Chargor or any successor nor any variation in or departure from the provisions of this Charge nor any dealings between the Chargor or any successor and Chargee nor any release of the Chargor or any other thing whatsoever whereby the Guarantor as surety only would or might have been released shall in any way modify, alter, vary or in any way prejudice the Chargee or affect the liability of the Guarantor in any way under this covenant, which shall continue and be binding on the Guarantor, and as well after as before default and after as before maturity of this Charge, including any future renewals with or without an increased rate of interest, until the said Charge moneys are fully paid and satisfied. And it is hereby further expressly declared that the Chargee shall not be bound to exhaust its recourse against the Chargor or the Charged premises before being entitled to payment from the Guarantor or the amount hereby guaranteed by the Guarantor.

ANY payment by the Guarantor of any money under his said guarantee shall not in any event be taken to affect the liability of the Chargor for payment thereof but such liability shall remain unimpaired and enforceable by the Guarantor against the Chargor and the Guarantor shall, to

the extent of any such payments made by him, in addition to all other remedies by subrogated as against the Chargor to all the rights, privileges and powers to which the Chargee was entitled prior to payment by such Guarantor; provided, nevertheless, that the Guarantor shall not be entitled in any event to rank for payment against the charged premises in competition with the Chargee and shall not unless and until the whole of the principal, interest and other moneys owing on the security of this Charge shall have been paid, be entitled to any rights or remedies whatsoever in subrogation to the Chargee.

PROVIDED further that any failure on the part of the Chargee to perfect, maintain or enforce its rights whether due to default, negligence or otherwise on the part of the Chargee with respect to this Charge or any other security granted to the Chargee relating to the within Charge, shall not prejudice the Chargee with respect to its rights pursuant to this guarantee and shall not discharge or limit or lessen the liability of the Guarantor pursuant to the terms hereof.

THE Chargee may vary any agreement or arrangement with the Guarantor and grant extensions of time to or otherwise deal with him, his executors or administrators, without any consent on the part of the Chargor.

AND it is further hereby expressly agreed that if there is more than one Guarantor, all covenants, liabilities and obligations entered into or imposed hereunder upon the Guarantor shall be joint and several and wherever the singular has been used the plural shall be deemed to be substituted as the context requires.

AND it is further hereby expressly declared that the release of any of the Guarantors from their liability hereunder shall not affect the liability of the remaining Guarantor or Guarantors which shall remain unimpaired and still in full force and effect as if the Guarantor or Guarantors so released had not been a party or parties of the Charge.

ALL covenants, liabilities and obligations entered into or imposed hereunder upon the Guarantor shall be equally binding upon his heirs, executors, administrators and assigns, or successors and assigns as the case may be, and all such covenants and liabilities and obligations shall be joint and several.

DATED at Whitby, this day of , 2016.

Gary Bodimeade

IDENTIFICATION VERIFICATION DOCUMENT

We require that you ascertain the identity of the person(s) who is/are authorized to instruct us on behalf of the corporation and who is/are signing the purchase documents.

These person(s) is/are required to be physically present at the time you ascertain identity. These person(s) must present to you for examination:

1. One piece of "Primary Identification" (Canadian Passport, Driver's Licence, Permanent Resident Card, Certificate of Indian Status issued by Government of Canada) and one piece of "Secondary Identification" (Birth Certificate issued in Canada, Major Credit Card (e.g., VISA, Mastercard, Amex Issue by a well-known and reputable Canadian financial institution, with the individual's name embossed on the card and their signature), Social Insurance Number (SIN) card issued by the Government of Canada); or
2. Two pieces of "Primary Identification"

All identification must be original, legible, unexpired, and shows the name of the person whose identity is being verified, the number of the document, the name of the issuing authority, the date of issue and a photograph of the person (Primary Identification). For individuals, you must record below the following information:

Full Name:

Position in Corporation (if applicable):

Phone number:

email:

Particulars of the Acceptable Identification (as defined above) produced to you by the individual; or

Particulars of the Acceptable Identification (as defined above) produced by the person(s) who is/are authorized to instruct us on behalf of the corporation and who is/are signing the purchase documents:

Identification Viewed:

Type _____ Number _____ Place of Issue _____

Identification Viewed:

Type _____ Number _____ Place of Issue _____

I hereby certify to Mason Bennett Johncox Professional Corporation that I met with _____ on _____, 2016 and verified this person's Identity by examining the originals of this person's Primary Identification and, if applicable, Secondary Identification, of which photocopies are attached to this page. The photograph(s) in the Primary Identification is a true likeness of the said person and to the best of my knowledge and belief, the Primary Identification and, If applicable, Secondary Identification that I examined are valid and unexpired.

Attested to me at _____ on _____, 2016.

Signature of Lawyer/Notary Public

Name: _____
(please print)

Address: _____
(please print)

Telephone Number: _____

Land Registration Reform Act
SET OF STANDARD CHARGE TERMS
 (Electronic Filing)

TYPE & DURATION: 222,
Form 101, 3/05F

Filed by
 Dye & Durham Co. Inc.

Filing Date: November 3, 2000

Filing number: 200033

The following Set of Standard Charge Terms shall be applicable to documents registered in electronic format under Part III of the Land Registration Reform Act, R.S.O. 1990, c. L.4 as amended (the "Land Registration Reform Act") and shall be deemed to be included in every electronically registered charge in which this Set of Standard Charge Terms is referred to by its filing number, as provided in Section 9 of the Land Registration Reform Act, except to the extent that the provisions of this Set of Standard Charge Terms are modified by additions, amendments or deletions in the schedule. Any charge in an electronic format of which this Set of Standard Charge Terms forms a part by reference to the above-noted filing number in such charge shall hereinafter be referred to as the "Charge".

*Exclusion of
 Statutory
 Covenants*

1. The implied covenants deemed to be included in a charge under subsection 7(1) of the *Land Registration Reform Act* as amended or re-enacted are excluded from the Charge.

*Right to
 Charge the
 Land*

2. The Chargor now has good right, full power and lawful and absolute authority to charge the land and to give the Charge to the Chargee upon the covenants contained in the Charge.

*No Act to
 Encumber*

3. The Chargor has not done, committed, executed or wilfully or knowingly suffered any act, deed, matter or thing whatsoever whereby or by means whereof the land, or any part or parcel thereof, is or shall or may be in any way impeached, charged, affected or encumbered in title, estate or otherwise, except as the records of the land registry office disclose.

*Good Title in
 Fee Simple*

4. The Chargor, at the time of the delivery for registration of the Charge, is, and stands solely, rightfully and lawfully seized of a good, sure, perfect, absolute and indefeasible estate of inheritance, in fee simple, of and in the land and the premises described in the Charge and in every part and parcel thereof without any manner of trusts, reservations, limitations, provisos, conditions or any other matter or thing to alter, charge, change, encumber or defeat the same, except those contained in the original grant thereof from the Crown.

*Promise to
 Pay and
 Perform*

5. The Chargor will pay or cause to be paid to the Chargee the full principal amount and interest secured by the Charge in the manner of payment provided by the Charge, without any deduction or abatement, and shall do, observe, perform, fulfill and keep all the provisions, covenants, agreements and stipulations contained in the Charge and shall pay as they fall due all taxes, rates, levies, charges, assessments, utility and heating charges, municipal, local, parliamentary and otherwise which now are or may hereafter be imposed, charged or levied upon the land and when required shall produce for the Chargee receipts evidencing payment of the same.

*Interest After
 Default*

6. In case default shall be made in payment of any sum to become due for interest at the time provided for payment in the Charge, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, and both before and after default and judgement, shall bear interest at the rate provided for in the Charge. In case the interest and compound interest are not paid within the interest calculation period provided in the Charge from the time of default a rest shall be made, and compound interest at the rate provided for in the Charge shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the land.

*No Obligation
 to Advance*

7. Neither the preparation, execution or registration of the Charge shall bind the Chargee to advance the principal amount secured, nor shall the advance of a part of the principal amount secured bind the Chargee to advance any unadvanced portion thereof, but nevertheless the security in the land shall take effect forthwith upon delivery for registration of the Charge by the Chargor. The expenses of the examination of the title and of the Charge and valuation are to be secured by the Charge in the event of the whole or any balance of the principal amount not being advanced, the same to be charged hereby upon the land, and shall be, without demand therefor, payable forthwith with interest at the rate provided for in the Charge, and in default the Chargee's power of sale hereby given, and all other remedies hereunder, shall be exercisable.

*Costs Added
 to Principal*

8. The Chargee may pay all premiums of insurance and all taxes, rates, levies, charges, assessments, utility and heating charges which shall from time to time fall due and be unpaid in respect of the land, and that such payments, together with all costs, charges, legal fees (as between solicitor and client) and expenses which may be incurred in taking, recovering and keeping possession of the land and of negotiating the Charge, investigating title, and registering the Charge and other necessary deeds, and generally in any other proceedings taken in connection with or to realize upon the security given in the Charge (including legal fees and real estate commissions and other costs incurred in leasing or selling the land or in exercising the power of entering, lease and sale contained in the Charge) shall be, with interest at the rate provided for in the Charge, a charge upon the land in favour of the Chargee pursuant to the terms of the Charge and the Chargee may pay or satisfy any lien, charge or encumbrance now existing or hereafter created or claimed upon the land, which payments with interest at the rate provided for in the Charge shall likewise be a charge upon the land in favour of the Chargee. Provided, and it is hereby further agreed, that all amounts paid by the Chargee as aforesaid shall be added to the principal amount secured by the Charge and shall be payable forthwith with interest at the rate provided for in the Charge, and on default all sums secured by the Charge shall immediately become due and payable at the option of the Chargee, and all powers in the Charge conferred shall become exercisable.

*Power of
 Sale*

9. The Chargee on default of payment for at least fifteen (15) days may, on at least thirty-five (35) days' notice in writing given to the Chargor, enter on and lease the land or sell the land. Such notice shall be given to such persons and in such manner and form and within such time as provided in the *Mortgages Act*. In the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable, it is agreed that notice may be effectually given by leaving it with a grown-up person on the land, if occupied, or by placing it on the land if unoccupied, or at the option of the Chargee, by mailing it in a registered letter addressed to the Chargor at his last known address, or by publishing it once in a newspaper published in the county or district in which the land is situate; and such notice shall be sufficient although not addressed to any person or persons by name or designation; and notwithstanding that any person to be affected thereby may be unknown, unascertained or under disability. Provided further, that in case default be made in the payment of the principal amount or interest or any part thereof and such default continues for two months after any payment of either falls due then the Chargee may exercise the foregoing powers of entering, leasing or selling or any of them without any notice, it being understood and agreed, however, that if the giving of notice by the Chargee shall be required by law then notice shall be given to such persons and in such manner and form and within such time as so required by law. It is hereby further agreed that the whole or any part or parts of the land may be sold by public auction or private contract, or partly

one or partly the other; and that the proceeds of any sale hereunder may be applied first in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the land or by reason of non-payment or procuring payment of monies, secured by the Charge or otherwise, and secondly in payment of all amounts of principal and interest owing under the Charge; and if any surplus shall remain after fully satisfying the claims of the Chargee as aforesaid same shall be paid as required by law. The Chargee may sell any of the land on such terms as to credit and otherwise as shall appear to him most advantageous and for such prices as can reasonably be obtained therefor and may make any stipulations as to title or evidence or commencement of title or otherwise which he shall deem proper, and may buy in or rescind or vary any contract for the sale of the whole or any part of the land and resell without being answerable for loss occasioned thereby, and in the case of a sale on credit the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of said purposes may make and execute all agreements and assurances as he shall think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease hereunder.

- Quiet Possession* 10. Upon default in payment of principal and interest under the Charge or in performance of any of the terms or conditions hereof, the Chargee may enter into and take possession of the land hereby charged and where the Chargee so enters on and takes possession or enters on and takes possession of the land on default as described in paragraph 9 herein the Chargee shall enter into, have, hold, use, occupy, possess and enjoy the land without the let, suit, hindrance, interruption or denial of the Chargor or any other person or persons whomsoever.
- Right to Distain* 11. If the Chargor shall make default in payment of any part of the interest payable under the Charge at any of the dates or times fixed for the payment thereof, it shall be lawful for the Chargee to distrain therefor upon the land or any part thereof, and by distress warrant, to recover by way of rent reserved, as in the case of a demise of the land, so much of such interest as shall, from time to time, be or remain in arrears and unpaid, together with all costs, charges and expenses attending such levy or distress, as in like cases of distress for rent. Provided that the Chargee may distrain for arrears of principal in the same manner as if the same were arrears of interest.
- Further Assurances* 12. From and after default in the payment of the principal amount secured by the Charge or the interest thereon or any part of such principal or interest or in the doing, observing, performing, fulfilling or keeping of some one or more of the covenants set forth in the Charge then and in every such case the Chargor and all and every other person whatsoever having, or lawfully claiming, or who shall have or lawfully claim any estate, right, title, interest or trust of, in, to or out of the land shall, from time to time, and at all times thereafter, at the proper costs and charges of the Chargor make, do, suffer, execute, deliver, authorize and register, or cause or procure to be made, done, suffered, executed, delivered, authorized and registered, all and every such further and other reasonable act or acts, deed or deeds, devises, conveyances and assurances in the law for the further, better and more perfectly and absolutely conveying and assuring the land unto the Chargee as by the Chargee or his solicitor shall or may be lawfully and reasonably devised, advised or required.
- Acceleration of Principal and Interest* 13. In default of the payment of the interest secured by the Charge the principal amount secured by the Charge shall, at the option of the Chargee, immediately become payable, and upon default of payment of instalments of principal promptly as the same mature, the balance of the principal and interest secured by the Charge shall, at the option of the Chargee, immediately become due and payable. The Chargee may in writing at any time or times after default waive such default and any such waiver shall apply only to the particular default waived and shall not operate as a waiver of any other or future default.
- Unapproved Sale* 14. If the Chargor sells, transfers, disposes of, leases or otherwise deals with the land, the principal amount secured by the Charge shall, at the option of the Chargee, immediately become due and payable.
- Partial Releases* 15. The Chargee may at his discretion at all times release any part or parts of the land or any other security or any surety for the money secured under the Charge either with or without any sufficient consideration therefor, without responsibility therefor, and without thereby releasing any other part of the land or any person from the Charge or from any of the covenants contained in the Charge and without being accountable to the Chargor for the value thereof, or for any monies except those actually received by the Chargee. It is agreed that every part or lot into which the land is or may hereafter be divided does and shall stand charged with the whole money secured under the Charge and no person shall have the right to require the mortgage monies to be apportioned.
- Obligation to Insure* 16. The Chargor will immediately insure, unless already insured, and during the continuance of the Charge keep insured against loss or damage by fire, in such proportions upon each building as may be required by the Chargee, the buildings on the land to the amount of not less than their full insurable value on a replacement cost basis in dollars of lawful money of Canada. Such insurance shall be placed with a company approved by the Chargee. Buildings shall include all buildings whether now or hereafter erected on the land, and such insurance shall include not only insurance against loss or damage by fire but also insurance against loss or damage by explosion, tempest, tornado, cyclone, lightning and all other extended perils customarily provided in insurance policies including "all risks" insurance. The covenant to insure shall also include where appropriate or if required by the Chargee, boiler, plate glass, rental and public liability insurance in amounts and on terms satisfactory to the Chargee. Evidence of continuation of all such insurance having been effected shall be produced to the Chargee at least fifteen (15) days before the expiration thereof; otherwise the Chargee may provide therefor and charge the premium paid and interest thereon at the rate provided for in the Charge to the Chargor and the same shall be payable forthwith and shall also be a charge upon the land. It is further agreed that the Chargee may at any time require any insurance of the buildings to be cancelled and new insurance effected in a company to be named by the Chargee and also of his own accord may effect or maintain any insurance herein provided for, and any amount paid by the Chargee therefor shall be payable forthwith by the Chargor with interest at the rate provided for in the Charge and shall also be a charge upon the land. Policies of insurance herein required shall provide that loss, if any, shall be payable to the Chargee as his interest may appear, subject to the standard form of mortgage clause approved by the Insurance Bureau of Canada which shall be attached to the policy of insurance.
- Obligation to Repair* 17. The Chargor will keep the land and the buildings, erections and improvements thereon, in good condition and repair according to the nature and description thereof respectively, and the Chargee may, whenever he deems necessary, by his agent enter upon and inspect the land and make such repairs as he deems necessary, and the reasonable cost of such inspection and repairs with interest at the rate provided for in the Charge shall be added to the principal amount and be payable forthwith and be a charge upon the land prior to all claims thereon subsequent to the Charge. If the Chargor shall neglect to keep the buildings, erections and improvements in good condition and repair, or commits or permits any act of waste on the land (as to which the Chargee shall be sole judge) or makes default as to any of the covenants, provisos, agreements or conditions contained in the Charge or in any charge to which this Charge is subject, all monies secured by the Charge shall, at the option of the Chargee, forthwith become due and payable, and in default of payment of same with interest as in the case of payment

before maturity the powers of entering upon and leasing or selling hereby given and all other remedies herein contained may be exercised forthwith.

- Building Charge** 18. If any of the principal amount to be advanced under the Charge is to be used to finance an improvement on the land, the Chargor must so inform the Chargee in writing immediately and before any advances are made under the Charge. The Chargor must also provide the Chargee immediately with copies of all contracts and subcontracts relating to the improvement and any amendments to them. The Chargor agrees that any improvement shall be made only according to contracts, plans and specifications approved in writing by the Chargee. The Chargor shall complete all such improvements as quickly as possible and provide the Chargee with proof of payment of all contracts from time to time as the Chargee requires. The Chargee shall make advances (part payments of the principal amount) to the Chargor based on the progress of the improvement, until either completion and occupation or sale of the land. The Chargee shall determine whether or not any advances will be made and when they will be made. Whatever the purpose of the Charge may be, the Chargee may at its option hold back funds from advances until the Chargee is satisfied that the Chargor has complied with the holdback provisions of the *Construction Lien Act* as amended or re-enacted. The Chargor authorizes the Chargee to provide information about the Charge to any person claiming a construction lien on the land.
- Extensions not to Prejudice** 19. No extension of time given by the Chargee to the Chargor or anyone claiming under him, or any other dealing by the Chargee with the owner of the land or of any part thereof, shall in any way affect or prejudice the rights of the Chargee against the Chargor or any other person liable for the payment of the money secured by the Charge, and the Charge may be renewed by an agreement in writing at maturity for any term with or without an increased rate of interest notwithstanding that there may be subsequent encumbrances. It shall not be necessary to deliver for registration any such agreement in order to retain priority for the Charge so altered over any instrument delivered for registration subsequent to the Charge. Provided that nothing contained in this paragraph shall confer any right of renewal upon the Chargor.
- No Merger of Covenants** 20. The taking of a judgment or judgments on any of the covenants herein shall not operate as a merger of the covenants or affect the Chargee's right to interest at the rate and times provided for in the Charge; and further that any judgment shall provide that interest thereon shall be computed at the same rate and in the same manner as provided in the Charge until the judgment shall have been fully paid and satisfied.
- Change in Status** 21. Immediately after any change or happening affecting any of the following, namely: (a) the spousal status of the Chargor, (b) the qualification of the land as a family residence within the meaning of Part II of the *Family Law Act*, and (c) the legal title or beneficial ownership of the land, the Chargor will advise the Chargee accordingly and furnish the Chargee with full particulars thereof, the intention being that the Chargee shall be kept fully informed of the names and addresses of the owner or owners for the time being of the land and of any spouse who is not an owner but who has a right of possession in the land by virtue of Section 19 of the *Family Law Act*. In furtherance of such intention, the Chargor covenants and agrees to furnish the Chargee with such evidence in connection with any of (a), (b) and (c) above as the Chargee may from time to time request.
- Condominium Provisions** 22. If the Charge is of land within a condominium registered pursuant to the *Condominium Act* (the "Act") the following provisions shall apply. The Chargor will comply with the Act, and with the declaration, by-laws and rules of the condominium corporation (the "corporation") relating to the Chargor's unit (the "unit") and provide the Chargee with proof of compliance from time to time as the Chargee may request. The Chargor will pay the common expenses for the unit to the corporation on the due dates. If the Chargee decides to collect the Chargor's contribution towards the common expenses from the Chargor, the Chargor will pay the same to the Chargee upon being so notified. The Chargee is authorized to accept a statement which appears to be issued by the corporation as conclusive evidence for the purpose of establishing the amounts of the common expenses and the dates those amounts are due. The Chargor, upon notice from the Chargee, will forward to the Chargee any notices, assessments, by-laws, rules and financial statements of the corporation that the Chargor receives or is entitled to receive from the corporation. The Chargor will maintain all improvements made to the unit and repair them after damage. In addition to the insurance which the corporation must obtain, the Chargor shall insure the unit against destruction or damage by fire and other perils usually covered in fire insurance policies and against such other perils as the Chargee requires for its full replacement cost (the maximum amount for which it can be insured). The insurance company and the terms of the policy shall be reasonably satisfactory to the Chargee. This provision supersedes the provisions of paragraph 16 herein. The Chargor irrevocably authorizes the Chargee to exercise the Chargor's rights under the Act to vote, consent and dissent.
- Discharge** 23. The Chargee shall have a reasonable time after payment in full of the amounts secured by the Charge to deliver for registration a discharge or if so requested and if required by law to do so, an assignment of the Charge and all legal and other expenses for preparation, execution and registration, as applicable to such discharge or assignment shall be paid by the Chargor.
- Guarantee** 24. Each party named in the Charge as a Guarantor hereby agrees with the Chargee as follows:
- (a) In consideration of the Chargee advancing all or part of the Principal Amount to the Chargor, and in consideration of the sum of TWO DOLLARS (\$2.00) of lawful money of Canada now paid by the Chargee to the Guarantor (the receipt and sufficiency whereof are hereby acknowledged), the Guarantor does hereby absolutely and unconditionally guarantee to the Chargee, and its successors, the due and punctual payment of all principal moneys, interest and other moneys owing on the security of the Charge and observance and performance of the covenants, agreements, terms and conditions herein contained by the Chargor, and the Guarantor, for himself and his successors, covenants with the Chargee that, if the Chargor shall at any time make default in the due and punctual payment of any moneys payable hereunder, the Guarantor will pay all such moneys to the Chargee without any demand being required to be made.
 - (b) Although as between the Guarantor and the Chargor, the Guarantor is only surety for the payment by the Chargor of the moneys hereby guaranteed, as between the Guarantor and the Chargee, the Guarantor shall be considered as primarily liable therefor and it is hereby further expressly declared that no release or releases of any portion or portions of the land; no indulgence shown by the Chargee in respect of any default by the Chargor or any successor thereof which may arise under the Charge; no extension or extensions granted by the Chargee to the Chargor or any successor thereof for payment of the moneys hereby secured or for the doing, observing or performing of any covenant, agreement, term or condition herein contained to be done, observed or performed by the Chargor or any successor thereof; no variation in or departure from the provisions of the Charge; no release of the Chargor or any other thing whatsoever whereby the Guarantor as surety only would or might have been released shall in any way modify, alter, vary or in any way prejudice the Chargee or affect the liability of the Guarantor in any way under this covenant, which shall continue and be binding on the Guarantor, and as well after as before maturity of the Charge and both before and after default and judgment, until the said moneys are fully paid and satisfied.
 - (c) Any payment by the Guarantor of any moneys under this guarantee shall not in any event be taken to affect

the liability of the Chargor for payment thereof but such liability shall remain unimpaired and enforceable by the Guarantor against the Chargor and the Guarantor shall, to the extent of any such payments made by him, in addition to all other remedies, be subrogated as against the Chargor to all the rights, privileges and powers to which the Chargee was entitled prior to payment by the Guarantor; provided, nevertheless, that the Guarantor shall not be entitled in any event to rank for payment against the lands in competition with the Chargee and shall not, unless and until the whole of the principal, interest and other moneys owing on the security of the Charge shall have been paid, be entitled to any rights or remedies whatsoever in subrogation to the Chargee.

- (d) All covenants, liabilities and obligations entered into or imposed hereunder upon the Guarantor shall be equally binding upon his successors. Where more than one party is named as a Guarantor all such covenants, liabilities and obligations shall be joint and several.
- (e) The Chargee may vary any agreement or arrangement with or release the Guarantor, or any one or more of the Guarantors if more than one party is named as Guarantor, and grant extensions of time or otherwise deal with the Guarantor and his successors without any consent on the part of the Chargor or any other Guarantor or any successor thereof.

Severability 25. It is agreed that in the event that at any time any provision of the Charge is illegal or invalid under or inconsistent with provisions of any applicable statute, regulation thereunder or other applicable law or would by reason of the provisions of any such statute, regulation or other applicable law render the Chargee unable to collect the amount of any loss sustained by it as a result of making the loan secured by the Charge which it would otherwise be able to collect under such statute, regulation or other applicable law then, such provision shall not apply and shall be construed so as not to apply to the extent that it is so illegal, invalid or inconsistent or would so render the Chargee unable to collect the amount of any such loss.

Interpretation 26. In construing these covenants the words "Charge", "Chargee", "Chargor", "land" and "successor" shall have the meanings assigned to them in Section 1 of the *Land Registration Reform Act* and the words "Chargor" and "Chargee" and the personal pronouns "he" and "his" relating thereto and used therewith, shall be read and construed as "Chargor" or "Chargors", "Chargee" or "Chargees", and "he", "she", "they" or "it", "his", "her", "their" or "its", respectively, as the number and gender of the parties referred to in each case require, and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted. And that all rights, advantages, privileges, immunities, powers and things hereby secured to the Chargor or Chargors, Chargee or Chargees, shall be equally secured to and exercisable by his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be. The word "successor" shall also include successors and assigns of corporations including amalgamated and continuing corporations. And that all covenants, liabilities and obligations entered into or imposed hereunder upon the Chargor or Chargors, Chargee or Chargees, shall be equally binding upon his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be, and that all such covenants and liabilities and obligations shall be joint and several.

Paragraph headings 27. The paragraph headings in these standard charge terms are inserted for convenience of reference only and are deemed not to form part of the Charge and are not to be considered in the construction or interpretation of the Charge or any part thereof.

Date of Charge 28. The Charge, unless otherwise specifically provided, shall be deemed to be dated as of the date of delivery for registration of the Charge.

Effect of Delivery of Charge 29. The delivery of the Charge for registration by direct electronic transfer shall have the same effect for all purposes as if such Charge were in written form, signed by the parties thereto and delivered to the Chargee. Each of the Chargor and, if applicable, the spouse of the Chargor and other party to the Charge agrees not to raise in any proceeding by the Chargee to enforce the Charge any want or lack of authority on the part of the person delivering the Charge for registration to do so.

DATED this day of (year)

Signature:

Aimee Bodimeade

Signature:

Gary Bodimeade

IN THE MATTER OF a mortgage (charge) from
Aimee Lynn Bodimeade in favour of Dean
Andrew Salem on the premises municipally
known as 7472 Ashburn Road, Whitby

I, Aimee Lynn Bodimeade, SOLEMNLY DECLARE that:

1. I am the mortgagor in the above-described transaction and have knowledge of the matters hereinafter deposed to.
2. I am the absolute owner of the above mentioned lands and either personally or by my tenants have been in actual, peaceable, continuous, exclusive, open, undisturbed and undisputed possession and occupation thereof, and of the buildings used in connection therewith throughout my period of ownership of the property.
3. I am not aware of any person or corporation having any claim or interest in the said lands or any part thereof adverse to or inconsistent with registered title and am positive that none exists.
4. Possession and occupation of the above lands by me have been undisturbed throughout by any action, suit or other proceedings or adverse possession or otherwise on the part of any person whomsoever and during such possession and occupation, no payment has ever been made or acknowledgment of title given by the undersigned, or, so far as I know, by anyone else, to any person in respect of any right, title, interest or claim upon the said lands.
5. To the best of my knowledge and belief, the buildings used in connection with the premises are situate wholly within the limits of the lands above described, and there is no dispute as to the boundaries of the said lands. Except as may be registered on title, I have never heard of any claim of easement affecting the lands, either for light, drainage, or right of way or otherwise.
6. I do not retain the fee or the equity of redemption in, or a power or right to grant, assign or exercise a power of appointment with respect to any land abutting the lands being mortgaged or charged in the subject transaction.
7. I am not a non-resident of Canada within the meaning of Section 116 of the Income Tax Act (Canada) and nor will I be a non-resident of Canada at the time of closing.

- 2 -

8. There is not currently and nor has there been within the past 45 days, any construction, alterations, renovations improvements or building materials supplied to the subject property.
9. The proceeds of this mortgage will not be used to finance any construction, alterations, renovations or improvements to the subject property or to repay a mortgage which was taken out for this purpose.
10. All realty taxes on the subject property have been paid in full for 2015 and there are no realty taxes in arrears for 2016. Charges for local improvements (if any) are paid to date.
11. To the best of my knowledge and belief, there are no Writs of Execution in the hands of the local Sheriff affecting any part of the Property.
12. All utilities including gas, hydro, water and sewer services have been paid to date.

AND I make this solemn Declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

DECLARED before me
at the
in the Regional Municipality
of Durham
this day of
2016.

}
}
}
}
}
}

Aimee Lynn Bodimeade

A COMMISSIONER, ETC.

Subject: Fwd: Paperwork for Dean
From: Lit'l Sprouts (sprouts5437@hotmail.com)
To: andrearobertson27@yahoo.ca;
Date: Wednesday, May 11, 2016 10:58 AM

Sent from my iPhone

Begin forwarded message:

From: Gary bodimeade <gbodimeade@gmail.com>
Date: May 11, 2016 at 10:37:51 AM EDT
To: Sprouts5437@hotmail.com
Subject: Paperwork for Dean

Dean is planning a trip to come up next week and to either meet you or hire an attorney to enforce his RLC agreement.

the only way this can be avoided is to allow him to put the \$1million of my equity on the house, of which has already been agreed to. he is not asking for more that what has already been agreed to by both of us.

I talked with Greg Azeff and i have been assured that this in no way will affect the banks position with the house and in turn will protect me if need be.

I am more than happy to give you and Andrea my insolvency info so you can speak directly to him.

even though Compuquest is gone, I will still need Deans support moving forward whether i work for CDI or anyone else within this industry.

Please talk with Andrea and let me know

Tab 29

Court File No.: CV-16-11369-00CL

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

BETWEEN:

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

- and -

**1299746 ONTARIO INC. o/a COMPUQUEST2000
AND 2252709 ONTARIO INC.**

Respondent

**FIRST REPORT OF THE INTERIM RECEIVER
MAY 13, 2016**



Grant Thornton

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario
M5H 3T4

TABLE OF CONTENTS

INTRODUCTION AND BACKGROUND.....	1
PURPOSE OF THE FIRST REPORT.....	2
SCOPE AND TERMS OF REFERENCE	2
THE INTERIM RECEIVER'S ACTIVITIES.....	3
INFORMATION RECEIVED TO DATE	4
OVERVIEW OF THE DEBTOR'S ASSETS AND BUSINESS OPERATIONS.....	4
OVERVIEW OF DEBTORS' FINANCIAL POSITION.....	5

INDEX OF APPENDICES

- Appendix "A"** Interim Receivership Order, dated April 29, 2016
- Appendix "B"** Document Request List, sent April 18, 2016
- Appendix "C"** Emails from Management dated May 1 and 11, 2016 regarding location of assets
- Appendix "D"** Deposit slip of \$ 88,084.63 USD made April 28, 2016
- Appendix "E"** Outgoing Wire Transfer Confirmation of \$ 52,350 USD April 28, 2016
- Appendix "F"** Compuquest's Quickbooks Balance Sheet as of May 5, 2016

Court File No.: CV-15-11046-00CL

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

B E T W E E N:

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

- and -

**1299746 ONTARIO INC. o/a COMPUQUEST2000
AND 2252709 ONTARIO INC.**

Respondent

FIRST REPORT OF THE INTERIM RECEIVER

MAY 13, 2016

INTRODUCTION AND BACKGROUND

1. This report (the "**First Report**") is being filed by Grant Thornton Limited ("**GTL**") in its capacity as the Interim Receiver (the "**Interim Receiver**") of 1299746 Ontario Inc. o/a Compuquest2000 ("**Compuquest**") and 2252709 Ontario Inc. ("**225**") (collectively, the "**Debtors**"). The Interim Receiver was appointed pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated April 29, 2016, (the "**IR**

Order") upon application by Canadian Imperial Bank of Commerce ("**CIBC**"). A copy of the IR Order is attached hereto as **Appendix "A"**.

PURPOSE OF THE FIRST REPORT

2. The purpose of the First Report is to update the Court on the status of the Debtors' business and the Interim Receiver's actions to date.

SCOPE AND TERMS OF REFERENCE

3. In preparing this First Report, the Interim Receiver has relied upon certain unaudited financial information, the limited available records of the Debtors and emails exchanged with Gary Bodlmeade ("**Management**"). While the Interim Receiver has reviewed various documents provided by the Debtors, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Interim Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.

4. This First Report has been prepared for the use of this Court and the Debtors' stakeholders as general information relating to the Debtors. Accordingly, the reader is cautioned that this First Report may not be appropriate for any other purpose. The Interim Receiver will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this First Report contrary to the provisions of this paragraph.

5. Capitalized terms not defined in this First Report are as defined in the IR Order. All references to dollars are in Canadian currency unless otherwise noted.

6. Copies of this First Report and all Orders and Endorsements issued in these proceedings will be available on the Interim Receiver's website at: <http://www.grantthornton.ca/Compuquest>.

THE INTERIM RECEIVER'S ACTIVITIES

7. Since the IR Order, the Interim Receiver has performed the following activities with respect to the interim receivership proceedings (the "**IR Proceedings**"):

- (a) attended at 1935 Silicone Drive, Pickering, the premises of the Debtors (the "**Premises**"). Since the Interim Receivership Order, no representative of the Debtors has returned to the premises, nor have they requested access to the Premises by the Interim Receiver, despite the Interim Receiver's offer to do so;
- (b) secured the Premises by changing the locks;
- (c) reviewed Compuquest's books and records at the Premises on April 29, 2016;
- (d) sent a request for bank accounts to be frozen at TD Bank ("**TD Bank**") which accounts were opened by the Debtors in March 2016;
- (e) sent various information requests to Management, including a request to disclose the whereabouts of over twenty-five vehicles and heavy equipment not found on the Premises that were purchased or leased as identified in PPSA searches;
- (f) requested three employees/contractors to return company vehicles in their possession;
- (g) sent requests to the secured parties listed on the PPSA to provide details of the purchase or lease of the respective assets over which they had registered security;
- (h) advised tenants of 225 of the IR Order and instructed them to send future rental payments for their units to the Interim Receiver, care of 225;
- (i) engaged in discussions with the Debtors' employees relating to the status of unpaid wages that were owing;

- (j) contacted the Debtors' insurer to determine the status of coverage in effect and to obtain a list of the Debtors assets being insured;
- (k) arranged access to a tenant so they could ship their inventory stored within Compuquest's warehouse; and,
- (l) responded to numerous inquiries and requests for information from stakeholders of the Debtors, including CIBC and employees.

INFORMATION RECEIVED TO DATE

8. Prior to its appointment as Interim Receiver, GTL was engaged by CIBC to act as a consultant to review the Debtors' financial affairs. GTL, as consultant, requested of Management a site meeting, which eventually took place on April 15, 2016 although Management did not attend. On April 18, 2016 an email was sent by GTL to Management with a document request list of seventeen items, a copy of which is attached as **Appendix "B"**. Prior to the appointment of the Interim Receiver, Management had only provided information on five items. Since the appointment of the Interim Receiver, no further information has been provided.

9. The Interim Receiver has requested information relating to the whereabouts of the Debtors' assets. The majority of the assets have, according to Management, either been sold or returned to the respective secured creditors prior to the IR Order. Attached as **Appendix "C"** are responses from Management relating to the whereabouts of those assets.

10. The Interim Receiver also has made a request and received passwords to Compuquest's computer network and accounting software.

OVERVIEW OF THE DEBTOR'S ASSETS AND BUSINESS OPERATIONS

11. 225 owns the Premises. It leases space to Compuquest and three other tenants, however, we have not seen an intercompany lease between Compuquest and 225.

12. Compuquest engages in the purchase of second hand computer and electronic hardware and resells product as either refurbished complete units or cannibalises key parts for resale to end users or other distributors and retailers.

13. Management has confirmed to the Interim Receiver that Compuquest has no product to ship. Furthermore, there are no material funds in any of the Debtors' bank accounts. This information, together with the fact that no one has returned to work since the IR Order would indicate that there does not appear to be any prospect of Compuquest carrying on ongoing business operations.

OVERVIEW OF DEBTORS' FINANCIAL POSITION

14. The financial information provided by the Debtors to the Interim Receiver has been very limited. Based on the information found and made available, the Interim Receiver believes there has been limited business operations of Compuquest for several months as there has been limited inventory received or sold. In what appears to be mid-March 2016, the Company opened bank accounts at TD Bank (Contrary to its credit agreement with CIBC) and diverted at least one account receivable and other deposits which would otherwise have been subject to the security of CIBC. The funds in the TD accounts were largely depleted by Compuquest prior to the IR Order.

15. The declining performance of Compuquest, together with the diversion of proceeds to the TD Bank account, has eroded CIBC's security position dramatically. Accounts receivable reported by Compuquest on December 31, 2015 was approximately \$3.5 million. As at April 26, 2016, the balance was approximately \$282,000. The Debtors were delinquent in their reporting to CIBC since December 2015.

16. We have not yet obtained sufficient detail supporting the decline in accounts receivable from January 1, 2016 to April 29, 2016. We are currently awaiting receipt of bank statements from TD Bank to reconcile the balances. At this stage, we have obtained from the Debtors' records a copy of a TD Bank slip evidencing \$88,084.63 USD was collected and deposited on April 28, 2016 and on April 28, 2016, an outgoing

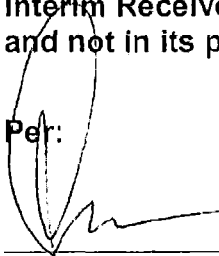
wire transfer in the amount of \$52,350 USD was made to one of Compuquest's suppliers. Attached as **Appendices "D & E"** are copies of the deposit and wire transfers made on April 28, 2016.

17. The inventory on site when the Interim Receiver secured the Premises on April 29, 2016 does not appear to have materially changed since GTL's initial visit as consultant on April 15, 2016. GTL was advised by Compuquest staff on April 15, 2016 that inventory had a value of less than \$50,000. According to the Debtors' accounting system, the inventory has a value of approximately \$1,063,000, and there are approximately \$34 million in undeposited funds. The Interim Receiver has no evidence with respect to the claimed inventory balance or the undeposited funds. Attached as **Appendix "F"** is a copy of the internal balance sheet generated from the Compuquest accounting system.

18. There does not appear to be any material fixed assets at the Debtors' Premises.

All of which is respectfully submitted,

GRANT THORNTON LIMITED,
in its capacity as Court-appointed
Interim Receiver of the Debtors
and not in its personal or corporate capacity

Per: 

Jonathan Krieger, CPA, CA, CIRP
Senior Vice-President

Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR
JUSTICE NEWBOULD

)
)
)

TUESDAY, THE 17th
DAY OF MAY, 2016



CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

- and -

**1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.**

Respondents

**ORDER
(appointing Receiver)**

THIS APPLICATION made by Canadian Imperial Bank of Commerce ("CIBC") for an Order pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Grant Thornton Limited ("**GTL**") as receiver (in such capacity, the "**Receiver**") without security, of all of the assets, undertakings and properties of 1299746 Ontario Inc. o/a CompuQuest2000 and 2252709 Ontario Inc. (together, the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including, without limitation, the real property municipally known as 1935 Silicone Drive, Pickering, Ontario (the "**Premises**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Douglas MacLaine sworn April 28, 2016 and the exhibits thereto, the consent of GTL to act as the Receiver, and the consent of the Debtor, and on hearing the submissions of counsel for CIBC,

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 subsection 243(1) of the BIA and section 101 of the CJA, GTL 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, without limitation, the Premises, and all proceeds thereof (collectively, 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 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;
- (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 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 \$150,000.00, provided that the aggregate consideration for all such transactions does not exceed \$300,000.00; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply;

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

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

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

(p) 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;

- 5 -

(q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

(r) 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 (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the 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 provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE 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 computer software, communication and other data services, centralized banking 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.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$50,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or

otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) 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 and shall be accessible from the following URL: www.grantthornton.ca/compuquest2000.

26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as

last shown on the records of the 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.

GENERAL

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

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

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

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

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

- 13 -

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



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

MAY 17 2016

PER / PAR:



SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. **THIS IS TO CERTIFY** that Grant Thornton Limited, the receiver (in such capacity, the "**Receiver**") of all of the assets, undertakings and properties of 1299746 Ontario Inc. o/a CompuQuest2000 and 2252709 Ontario Inc. (together, the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including, without limitation, the real property municipally known as 1935 Silicone Drive, Pickering, Ontario (the "**Premises**"), and all proceeds thereof, (collectively, the "**Property**"), appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the <*> day of May 2016 (the "**Order**") made in an application having Court file number CV-16-11369-00CL, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the _____ day of _____, 20__.

Grant Thornton Limited., solely in its capacity as
the Receiver of the Property, and not in its
personal capacity

Per: _____

Name: _____

Title: _____

Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

ORDER

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
Suite 1800, Box 754
181 Bay Street
Toronto, ON M5J 2T9

Steven L. Graff (LSUC # 31871V)
Tel: (416) 865-7726
Fax: (416) 863-1515
Email: sgraff@airdberlis.com

Miranda Spence (LSUC # 60621M)
Tel: (416) 865-3414
Fax: (416) 863-1515
Email: mspence@airdberlis.com

Lawyers for Canadian Imperial Bank of Commerce

Subject : re: Bodimeade and Compuquest2000
Date : Tuesday, May 17, 2016 9:16 am
Linked to: Andrea Robertson (Gary Bodimeade)
From : Dean Salem <dean@norris1.com>
To : Andrea Robertson <andrearobertson27@yahoo.ca>

Ms. Robertson,

Mrs. Bodimeade has recieved the paperwork from Mr. Bodimeade to secure the debt on the Whitby property per the agreement executed by Mrs. Bodimeade. Since Mr. Bodimeade is not on the title for the home, it is necessary that Mrs. Bodimeade execute these documents. The problems with Compuquest 2000 were caused by the interruption in supply and revenue due to the delay in signing the agreement. Now, as Mr. Bodimeade is trying to re-launch his business, he is once again facing interruption in supply and revenue due to Mrs. Bodimeade's delay in executing the security documents already agreed to.

The total amount due is US\$803,585.49. No additional advances have been made.
Please confirm when I can expect the security documents to be executed and returned.

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(214)697-7638 Text/Whatsapp
sumackis: Skype, AOL IM

----- **Original Message** -----

From: Andrea Robertson <andrearobertson27@yahoo.ca>
To: Dean Salem <dean@norris1.com>
Cc:
Date: Mon, 16 May 2016 16:25:08 +0000 (UTC)
Subject: **Bodimeade and Compuquest2000**

Mr. Salem,

Please provide documentation showing the amounts owing to Norris Technologies up to April 28, 2016, which I understand is the date that Compuquest2000 ceased operations. Please also provide any amounts, if any, advanced after this date.

Yours truly,

Andrea Robertson
ROBERTSON, MUNRO
Barristers and Solicitors
212-304 Toronto St. S.,
Uxbridge, ON L9P 1Y2
Tel: 905-862-2777; Fax: 905-862-2391
email: andrearobertson27@yahoo.ca

Tab 32

AIRD & BERLIS LLP

Barristers and Solicitors

Steven L. Graff
Direct: 416.865.7726
Email: sgraff@airdberlis.com

May 18, 2016

VIA FACSIMILE

Mason Bennett Johncox Professional Corporation
79 Baldwin Street North
Brooklin, ON L1M 1A4

Attention: Patrick G. Bennett

Dear Mr. Bennett:

**Re: In the matter of the bankruptcy of Gary Wayne Bodimeade ("Bodimeade")
Court File No. 31-OR-208154-T**

We act for the Canadian Imperial Bank of Commerce (the "**Bank**") with respect to the above-noted matter.

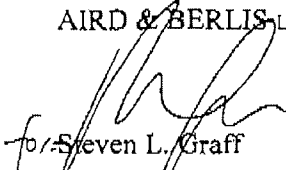
We understand that you act for Dean Salem (the "**Lender**"), with respect to a proposed second mortgage loan in relation to the property municipally known as 7472 Ashburn Road, Whitby (the "**Property**"). The Property has been designated as Bodimeade's matrimonial home.

Please be advised that the Bank has commenced an application for a bankruptcy order as against Bodimeade (the "**Application**"). The application is returnable May 24, 2016, and we are advised that Bodimeade does not intend to oppose the Application. In our view, it would be inappropriate to further encumber the Property, or to make any payments to Bodimeade that might otherwise flow to the trustee in bankruptcy once appointed, pending the hearing of the Application.

Should you wish to discuss the foregoing, please do not hesitate to contact the undersigned.

Yours very truly,

AIRD & BERLIS LLP


for Steven L. Graff

SLG/MS

26010761.1

May 18, 2016

VIA FACSIMILE

Robertson, Munro
Barristers & Solicitors
212-304 Toronto Street South
The Elgin Centre, Suite 212
Uxbridge, ON L9P 1Y2

Attention: Andrea Robertson

Dear Ms. Robertson:

**Re: In the matter of the bankruptcy of Gary Wayne Bodimeade ("Bodimeade")
Court File No. 31-OR-208154-T**

We act for the Canadian Imperial Bank of Commerce (the "**Bank**") with respect to the above-noted matter.

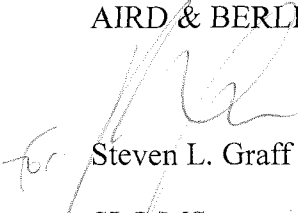
We understand that you act for Aimee Bodimeade (the "**Borrower**"), with respect to a proposed second mortgage loan in relation to the property municipally known as 7472 Ashburn Road, Whitby (the "**Property**"). The Property has been designated as Bodimeade's matrimonial home.

Please be advised that the Bank has commenced an application for a bankruptcy order as against Bodimeade (the "**Application**"), a copy of which is enclosed. The application is returnable May 24, 2016, and we are advised that Bodimeade does not intend to oppose the Application. In our view, it would be inappropriate to further encumber the Property, or to make any payments to Bodimeade that might otherwise flow to the trustee in bankruptcy once appointed, pending the hearing of the Application.

Should you wish to discuss the foregoing, please do not hesitate to contact the undersigned.

Yours very truly,

AIRD & BERLIS LLP


Steven L. Graff

SLG/MS

Encl.

District of Ontario
 Division No. 09 - Toronto
 Court No. 31-OR-208155-T
 Estate No. 31-458130

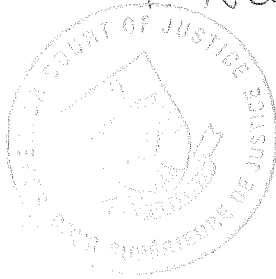
ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
IN BANKRUPTCY AND INSOLVENCY

THE HONOURABLE

)) (a) WEDNES DAY, THE 25 DAY

JUSTICE F. NEWBOULD

))
) OF MAY, 2016



IN THE MATTER OF THE BANKRUPTCY OF
1299746 ONTARIO INC. o/a COMPUQUEST2000
 of the City of Pickering, in the Region of Durham,
 in the Province of Ontario

BANKRUPTCY ORDER

Upon the application of Canadian Imperial Bank of Commerce ("**CIBC**"), a creditor, having an office in the City of Toronto, in the Province of Ontario, issued on the 3RD day of May 2016, and upon reading the Application for Bankruptcy Order, the Affidavit of Verification of Douglas MacLaine sworn the 3RD day of May 2016, the Order of the Honourable Justice Newbould dated May 17, 2016, the Consent of Grant Thornton Limited ("**GTL**") to act as trustee of the property of 1299746 Ontario Inc. o/a CompuQuest2000 (the "**Debtor**"), the consent of GTL in its capacity as the Court-appointed receiver of the Debtor to the issuance of a Bankruptcy Order in respect of the Debtor, and upon hearing submissions of counsel for CIBC and such other parties as were present, and it appearing to the Court that the following act of bankruptcy has been committed:

- (a) that the Debtor ceased to meet its liabilities generally as they became due, in that it has failed to pay its obligations to the applicant creditor CIBC;

1. **THIS COURT ORDERS** that the Debtor be adjudged bankrupt, and a bankruptcy order is hereby made against the Debtor on this date.
2. **THIS COURT ORDERS** that GTL, of the City of Toronto in the Province of Ontario, be appointed as trustee of the estate of the bankrupt Debtor.
3. **THIS COURT ORDERS** that the trustee give security in an amount to be fixed by the Official Receiver pursuant to subsection 16(1) of the *Bankruptcy and Insolvency Act* (Canada).
4. **THIS COURT ORDERS** that the costs of the applicant CIBC be paid out of the assets of the estate of the bankrupt Debtor on taxation thereof.



TO: 1299746 Ontario Inc. o/a
CompuQuest2000, the debtor
 1935 Silicone Drive
 Pickering, ON L1W3V7

District of Ontario
 Division No. 09 - Toronto
 Court No. 31-OR-208155-T
 Estate No. 31-458130

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE
BANKRUPTCY OF
1299746 ONTARIO INC o/a
COMPUQUEST2000
 of the City of Pickering, in the Region
 of Durham, in the Province of Ontario

TAKE NOTICE that Gary Wayne Bodimeade, President of the bankrupt named herein, is required, pursuant to section 159 of the *Bankruptcy and Insolvency Act*, to attend at the office of the Official Receiver, at 25 St. Clair Avenue West, Toronto on _____, 2015, at _____ [a.m.][p.m.] [o'clock in the _____ noon], there to answer such questions with respect to the conduct of the bankrupt corporation, the causes of its bankruptcy and the disposition of its property as may be put by the Official Receiver, and take notice that if you fail to present yourself for examination, the court may by warrant cause you to be apprehended and brought up for examination and may order you to be imprisoned for a term not exceeding three years.

DATED at Toronto this _____ day of _____, 2015.

BANKRUPTCY ORDER

 Official Receiver

AIRD & BERLIS LLP
 Barristers and Solicitors
 Suite 1800, Box 754
 181 Bay Street
 Toronto, ON M5J 2T9

Steven L. Graff (LSUC # 31871V)
Miranda Spence (LSUC # 60621M)

Tel: 416.863.1500
 Fax: 416.863.1515

Lawyers for Canadian Imperial Bank of Commerce

District of Ontario
 Division No. 09 - Toronto
 Court No. 31-OR-208154-T
 Estate No. 31-458133

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
IN BANKRUPTCY AND INSOLVENCY

THE HONOURABLE

JUSTICE F. NEWBOLD

)) ~~WEDNESDAY~~ WEDNESDAY, THE 25 DAY
)) OF MAY, 2016



IN THE MATTER OF THE BANKRUPTCY OF
GARY WAYNE BODIMEADE,
 of the Town of Whitby, in the Region of Durham,
 in the Province of Ontario

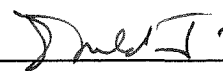
BANKRUPTCY ORDER

Upon the application of Canadian Imperial Bank of Commerce ("CIBC"), a creditor, having an office in the City of Toronto, in the Province of Ontario, issued on the 3rd day of May 2016, and upon reading the Application for Bankruptcy Order, the Affidavit of Verification of Douglas MacLaine sworn the 3rd day of May 2016, the Consent of Grant Thornton Limited ("GTL") to act as trustee of the property of Gary Wayne Bodimeade (the "Debtor"), the consent of the Debtor, and upon hearing submissions of counsel for CIBC and such other parties as were present, and it appearing to the Court that the following act of bankruptcy has been committed:

- (a) that the Debtor ceased to meet its liabilities generally as they became due, in that it has failed to pay its obligations to the applicant creditor CIBC;

1. **THIS COURT ORDERS** that the Debtor be adjudged bankrupt, and a bankruptcy order is hereby made against the Debtor on this date.

2. **THIS COURT ORDERS** that GTL, of the City of Toronto in the Province of Ontario, be appointed as trustee of the estate of the bankrupt Debtor.
3. **THIS COURT ORDERS** that the trustee give security in an amount to be fixed by the Official Receiver pursuant to subsection 16(1) of the *Bankruptcy and Insolvency Act* (Canada).
4. **THIS COURT ORDERS** that the costs of the applicant CIBC be paid out of the assets of the estate of the bankrupt Debtor on taxation thereof.



TO: Gary Wayne Bodimeade, the debtor
 7475 Ashburn Road
 Whitby, ON L1M 1L4

TAKE NOTICE that Gary Wayne Bodimeade, the bankrupt named herein, are required, pursuant to section 158 of the *Bankruptcy and Insolvency Act*, to attend at the office of the Official Receiver, at 25 St. Clair Avenue West, Toronto on _____, 2016, at _____ [a.m.][p.m.] [o'clock in the _____ noon], there to answer such questions with respect to your conduct, the causes of your bankruptcy and the disposition of your property as may be put by the Official Receiver, and take notice that if you fail to present yourself for examination, the court may by warrant cause you to be apprehended and brought up for examination and may order you to be imprisoned for a term not exceeding three years.

DATED at Toronto this _____ day of _____, 2015.

 Official Receiver

District of Ontario
 Division No. 09 - Toronto
 Court No. 31-OR-208154-T
 Estate No. 31-458133

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE
BANKRUPTCY OF
GARY WAYNE BODIMEADE
 of the Town of Whitby, in the Region
 of Durham, in the Province of Ontario

BANKRUPTCY ORDER

AIRD & BERLIS LLP
 Barristers and Solicitors
 Suite 1800, Box 754
 181 Bay Street
 Toronto, ON M5J 2T9

Steven L. Graff (LSUC # 31871V)
Miranda Spence (LSUC # 60621M)

Tel: 416.863.1500
 Fax: 416.863.1515

Lawyers for Canadian Imperial Bank of Commerce

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2128393
 Estate No. 31-2128393

FORM 68

☒ Original ☐ Amended

Notice of Bankruptcy, First Meeting of Creditors
 (Subsection 102(1) of the Act)
 and Impending Automatic Discharge of Bankrupt
 (Paragraph 168.1(4) and section 168.2 of the Act)

In the matter of the bankruptcy of
 Gary Wayne Bodimeade
 of the Town of Brooklin, in the Province of Ontario

Take notice that:

1. A bankruptcy order was made against Gary Wayne Bodimeade on the 25th day of May 2016, and the undersigned, Grant Thornton Limited, 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 15th day of June 2016, at 11:00 AM, at the office of Grant Thornton Limited, at 15 Allstate Parkway, Suite 200, Markham, ON, L3R 5B4.
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.
6. Included pursuant to subsection 102(3) of the Act is information concerning the financial situation of the bankrupt and the obligation of the bankrupt to make payments to the estate of the bankrupt, as required under section 68 of the Act.
7. Pursuant to section 168.1 of the Act, the bankrupt, will be given an automatic discharge on the 26th day of February 2017, unless the Superintendent of Bankruptcy, the trustee of the estate of the bankrupt or a creditor of the bankrupt gives notice of intended opposition to the discharge of the bankrupt before that date.

Check appropriate provision in respect of the bankrupt's discharge

In the case of an individual who has never before been bankrupt:

- ☒ on the expiry of 9 months after the date of bankruptcy;
- ☐ on the expiry of 21 months after the date of bankruptcy where the bankrupt is required to make payments under section 68 of the *Bankruptcy and Insolvency Act* (BIA) to the estate.

In the case of an individual who has been a bankrupt one time before:

- ☐ on the expiry of 24 months after the date of bankruptcy;
- ☐ on the expiry of 36 months after the date of bankruptcy where the bankrupt is required to make payments under section 68 of the BIA the estate.

8. Any creditor who intends to oppose the discharge of the bankrupt shall state in writing the grounds for his/her opposition and send a notice to this effect to the division office of the OSB, the trustee of the estate of the bankrupt, and the bankrupt at any time before the 26th day of February 2017.
9. If any creditor opposes the discharge of the bankrupt, a court fee applies.
10. If the discharge of the bankrupt is opposed, the trustee will apply to the court without delay for an appointment for the hearing of the opposition in the manner prescribed by the Act, unless it is a matter to be dealt with by mediation pursuant to Section 170.1 of the Act.

Dated at the City of Toronto in the Province of Ontario, this 2nd day of June 2016.

Grant Thornton Limited
 Per:


 Ann Lakeram - Licensed Insolvency Trustee
 11th Floor, 200 King Street West, Box 11
 Toronto ON M5H 3T4
 Phone: (416) 366-0100 Fax: (416) 360-4948

District of Ontario
Division No. 09 - Toronto
Court No. 31-2128393
Estate No. 31-2128393

208

-- FORM 79 --

Statement of Affairs (Non-Business Bankruptcy)

(Subsection 49(2) and 158(d) of the Act / Subsections 50(2) and 62(1) and Paragraph 66.13(2)(d) of the Act)

☐ Original ☒ Amended

In the matter of the bankruptcy of
Gary Wayne Bodimeade
of the Town of Brooklin, in the Province of Ontario

ASSETS							
Type of assets	Description (Provide details)	Estimated Dollar Value	Exempt Property		Secured Amount/ Liens	Estimated net realizable dollar value	
			Yes	No			
1. Cash on Hand	JOINT ACCOUNT SPOUSE	1.00		x	0.00	1.00	
2. Furniture	furniture	1.00	x		0.00	0.00	
3. Personal Effects	clothes	5,000.00	x		0.00	0.00	
4. Policies & RRSPs	EMPIRE LIFE	1.00		x	0.00	1.00	
	RRSP's	1.00	x		0.00	1.00	
5. Securities							
6. Real Property or Immovable	House	7472 Ashburn Road - Brooklin - ON	1.00		x	0.00	1.00
	Cottage						
	Land						
7. Motor Vehicles	Automobile						
	Motorcycle						
	Snowmobile						
	Other						
8. Recreational Equipment							
9. Taxes							
TOTAL		5,005.00			0.00	4.00	

02-Jun-2016

Date

Gary Wayne Bodimeade
Bankrupt

District of Ontario
Division No. 09 - Toronto
Court No. 31-2128393
Estate No. 31-2128393

209

FORM 79 – Continued

LIABILITIES						
Liabilities type code (LTC): 1 Real Property or Immovable Mortgage or Hypothec 2 Bank Loans (except real property mortgage) 3 Finance Company Loans 4 Credit Cards Bank/Trust Companies Issuers 5 Credit Cards Other Issuers 6 Taxes Federal/Provincial/Municipal 7 Student Loans 8 Loans from Individuals 9 Other						
Creditor	Address including postal code	Account No.	Amount of debt			Enter LTC
			Unsecured	Secured	Preferred	
AMEX Bank of Canada	c/o DRN Commerce Inc. PO Box 2514, Station 'B' London ON N6A 4G9		468,635.00	0.00	0.00	5
Bank of Nova Scotia	120 King St. West Standard Life Building, 5th Floor Hamilton ON L8P 4V2		1.00	0.00	0.00	2
BMO Mastercard	PO Box 6044 Stn Centre Ville Montreal QC H3C 3X2	5191330003207643	23,602.00	0.00	0.00	5
BUSINESS DEVELOPMENT BANK OF CANADA	400 DUNDAS STREET WEST WHITBY ON L1N 2M7		1.00	0.00	0.00	2
CATERPILLAR FINANCIAL SERVICES	UNIT 2 3457 SUPERIOR COURT OAKVILLE ON L6L 0C4		1.00	0.00	0.00	3
CIBC	244 Parkhill Main Street, P.O. Box 10. Parkhill ON N0M 2K0		1,737,981.61	0.00	0.00	2
CNH Industrial Capital Canada Ltd.	4475 North Service Road Burlington ON L7L 4X7		1.00	0.00	0.00	3
CRA Attn: INSOLVENCY UNIT	1 FRONT STREET WEST SUITE 100 Toronto ON M5J 2X6	873306864RP0001	57,796.87	0.00	0.00	6
KUBOTA CANADA	5900 14TH AVENUE MARKHAM ON L3S 4K4		1.00	0.00	0.00	3
MBNA - Mastercard	P.O. Box 4369 Station "A" Toronto ON M5W 3P2		1.00	0.00	0.00	4
PENSKE TRUCK LEASING	PO BOX 791 RT 10 Green Hills READING PA 19603		1.00	0.00	0.00	3
Pfaff Leasing, A Division of Pfaff Motors Inc.	Building F, Unit 44/45 9100 Jane St. Vaughan ON L4K 0A4		1.00	0.00	0.00	3
ROYAL BANK OF CANADA	2 Robert Speck Parkway, 15th Floor, C/O D+H MISSISSAUGA ON L4Z 1H8		1.00	0.00	0.00	2
Royal Bank Visa	c/o BankruptcyHighway.com P.O. Box 57100 Toronto ON M8Y 3Y2		1.00	0.00	0.00	4

02-Jun-2016

Date



Gary Wayne Bodimeade
Bankrupt

District of Ontario
Division No. 09 - Toronto
Court No. 31-2128393
Estate No. 31-2128393

210

FORM 79 – Continued

LIABILITIES						
Creditor	Address including postal code	Account No.	Amount of debt			Enter LTC
			Unsecured	Secured	Preferred	
ROYNAT INC	STE 601 20 ADELAIDE STREET EAST TORONTO ON M5C 2T6		41,589.16	0.00	0.00	3
TOYOTA CREDIT CANADA INC	80 MICRO COURT STE 200 MARKHAM ON L3R 9Z5		1.00	0.00	0.00	3
Wells Fargo Business Credit	PO Box 6782 Station A Toronto ON M5W 2B1	5478020303513329	21,348.00	0.00	0.00	4
	TOTAL	Unsecured	2,350,963.64			
	TOTAL	Secured		0.00		
	TOTAL	Preferred			0.00	
	TOTAL				2,350,963.64	

02-Jun-2016

Date

Gary Wayne Bodimeade
Bankrupt

District of Ontario
Division No. 09 – Toronto
Court No. 31-2128393
Estate No. 31-2128393

FORM 79 – Continued

211

INFORMATION RELATING TO THE AFFAIRS OF THE BANKRUPT			
A. PERSONAL DATA			
1. Family name: Bodimeade	Given names: Gary Wayne Gender: Male	Date of birth: YYYY / MM / DD 1972/01/21	
2. Also known as:			
3. Complete address, including postal code: 7472 Ashburn Road Brooklin ON L1M 1L4			
4. Marital status: (Specify month and year of event if it occurred in the last five years)		Separated September 2015	
5. Full name of spouse or common-law partner:			
6. Name of present employer:		Occupation: Unemployed	
7A. Number of persons in household family unit, including bankrupt:		1	
7B. Number of persons 17 years of age or less:		0	
8. Have you operated a business within the last five years?		Yes	
Business Name	Business Type	From	To
1299746 Ontario Inc. o/a Compuquest2000	Computer Retailer	09-Jun-1998	17-May-2016
B. WITHIN THE 12 MONTHS PRIOR TO THE DATE OF THE INITIAL BANKRUPTCY EVENT, HAVE YOU, EITHER IN CANADA OR ELSEWHERE:			
9A. Sold or disposed of any of your property?		Yes	
9B. Made payments in excess of the regular payments to creditors?		Yes	
9C. Had any property seized by a creditor?		Yes	
C. WITHIN FIVE YEARS PRIOR TO THE DATE OF THE INITIAL BANKRUPTCY EVENT, HAVE YOU, EITHER IN CANADA OR ELSEWHERE:			
10A. Sold or disposed of any property?		Yes	
10B. Made any gifts to relatives or others in excess of \$500?		No	
D. BUDGET INFORMATION: Attach Form 65 to this Form.			
11A. Have you ever made a proposal under the Bankruptcy and Insolvency Act?		No	
11B. Have you ever been bankrupt before in Canada?		No	
12. Do you expect to receive any sums of money which are not related to your normal income, or any other property within the next 12 months? Yes			
13. If you answered Yes to any of questions 9, 10 and 12, provide details: 9A: CASH VALUE IN LIFE INSURANCE MOTORHOME OTHER EQUIPMENT APPROXIMATELY \$ 400,000 PUT INTO HIS COMPANY, COMPUQUEST2000 TO SUPPORT OPERATIONS			

02-Jun-2016

Date



Gary Wayne Bodimeade
Bankrupt

District of Ontario
Division No. 09 - Toronto
Court No. 31-2128393
Estate No. 31-2128393

FORM 79 -- Concluded

212

9B:

JAY CLAUSNER
NORRIS TECHNOLOGIES

9C:

Vehicles and equipment

10A:

Vehicles and equipment
Rolex Watches

12:

advances from family to support living expenses.

14. Give reasons for your financial difficulties:

Business failure

I, Gary Wayne Bodimeade of the Town of Brooklin in the Province of Ontario, do swear (or solemnly declare) that this statement is, to the best of my knowledge, a full, true and complete statement of my affairs on the 26th day of May 2016, and fully discloses all property and transactions of every description that is or was in my possession or that may devolve on me in accordance with the Bankruptcy and Insolvency Act.

SWORN (or SOLEMNLY DECLARED)

before me at the City of Toronto in the Province of Ontario, on
this 2nd day of June 2016.


Ann Lakeram, Commissioner of Oaths
For the Province of Ontario
Expires May. 5, 2017

**Faddie-Ann Lakeram, a Commissioner, etc.,
Province of Ontario, for Grant Thornton Limited,
Trustee in Bankruptcy. Expires May 5, 2017.**

02-Jun-2016

Date



Gary Wayne Bodimeade
Bankrupt

District of Ontario
 Division No. 09 - Toronto
 Court No. 31-2128393
 Estate No. 31-2128393

- FORM 65 -

Monthly Income and Expense Statement of the Bankrupt and the Family Unit
 and Information (or Amended Information) Concerning
 the Financial Situation of the Individual Bankrupt
 (Section 68 and Subsection 102(3) of the Act; Rule 105(4))

☐ Original☒ Amended

In the matter of the bankruptcy of
 Gary Wayne Bodimeade
 of the Town of Brooklin, in the Province of Ontario

Information concerning the monthly income and expense statement of the bankrupt and the family unit, the financial situation of the bankrupt and the bankrupt's obligation to make payments required under section 68 of the Act to the estate of the bankrupt are as follows:

MONTHLY INCOME	Bankrupt	Other Members of the family unit	Total
Net employment income.	0.00		
Net pension/Annuities.	0.00		
Net child support.	0.00		
Net spousal support.	0.00		
Net employment insurance benefits.	0.00		
Net social assistance.	0.00		
Self-employment income			
Gross 0.00 Net.	0.00		
Child tax benefit.	0.00		
Other net income.	0.00		
UNEMPLOYED/ADVANCES FROM FAMILY	0.00		
TOTAL MONTHLY INCOME	0.00 (1)	0.00 (2)*	
TOTAL MONTHLY INCOME OF THE FAMILY UNIT ((1) + (2))			0.00 (3)
MONTHLY NON- DISCRETIONARY EXPENSES			
Child support payments.	0.00		
Spousal support payments.	0.00		
Child care.	0.00		
Medical condition expenses.	0.00		
Fines/penalties imposed by the Court.	0.00		
Expenses as a condition of employment.	0.00		
Debts where stay has been lifted.	0.00		
Other expenses.	0.00		
TOTAL MONTHLY NON-DISCRETIONARY EXPENSES	0.00 (4)	0.00 (5)	
TOTAL MONTHLY NON-DISCRETIONARY EXPENSES OF THE FAMILY UNIT ((4) + (5))			0.00 (6)
AVAILABLE MONTHLY INCOME OF THE BANKRUPT ((1) - (4))	0.00 (7)		
AVAILABLE MONTHLY INCOME OF THE FAMILY UNIT ((3) - (6))			0.00 (8)
BANKRUPT'S PORTION OF THE AVAILABLE MONTHLY INCOME OF THE FAMILY UNIT			100.00 % (9)

- FORM 65 — Concluded -

MONTHLY DISCRETIONARY EXPENSES: (Family unit)

Housing expenses

Rent/mortgage/hypothec.	1,900.00
Property taxes/condo fees.	450.00
Heating/gas/oil.	0.00
Telephone.	150.00
Cable.	0.00
Hydro.	900.00
Water.	0.00
Furniture.	0.00
Other.	0.00

Personal expenses

Smoking.	0.00
Alcohol.	0.00
Dining/lunches/restaurants.	0.00
Entertainment/sports.	0.00
Gifts/charitable donations.	0.00
Allowances.	0.00
Other.	0.00

Non-recoverable medical expenses

Prescriptions.	0.00
Dental.	0.00
Other.	0.00

Living expenses

Food/grocery.	300.00
Laundry/dry cleaning.	0.00
Grooming/toiletries.	0.00
Clothing.	0.00
Other.	0.00

Transportation expenses

Car lease/payments.	0.00
Repair/maintenance/gas.	0.00
Public transportation.	0.00
Other.	0.00

Insurance expenses

Vehicle.	0.00
House.	0.00
Furniture/contents.	0.00
Life insurance.	0.00
Other.	0.00

Payments

Payments to the estate.	0.00
To secured creditor.	0.00
(Other than mortgage and vehicle).	0.00
Other.	0.00

TOTAL MONTHLY DISCRETIONARY EXPENSES (FAMILY UNIT) 3,700.00 (10)

MONTHLY SURPLUS OR (DEFICIT) FAMILY UNIT ((8) - (10)) -3,700.00 (11)

Information (or Amended Information) Concerning the Financial Situation of the Individual Bankrupt**Payments to the estate as per agreement**

Number of persons in household family unit, including bankrupt: 1

Total amount bankrupt has agreed to pay monthly. 0.00 (12)

Amount bankrupt has agreed to pay monthly to repurchase assets. 0.00 (13)

Residual amount paid into the estate ((12) - (13)). 0.00 (14)

Payments required by Directive No. 11R2 (Surplus Income)

Monthly amount required by Directive No. 11R2 (Surplus Income) based on percentage established on line (9). 0.00 (15)

Difference between amounts at lines (14) and (15). 0.00 (16)

Dated at the City of Toronto in the Province of Ontario, this 2nd day of June 2016.

Grant Thornton Limited


 11th Floor, 200 King Street West, Box 11
 Toronto ON M5H 3T4
 Phone: (416) 366-0100 Fax: (416) 360-4948


 Gary Wayne Bodimeade

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2128393
 Estate No. 31-2128393

- 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
 Gary Wayne Bodimeade
 of the Town of Brooklin, 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 Gary Wayne Bodimeade of the Town of Brooklin 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 25th day of May 2016, 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 - Toronto
 Court No. 31-2128393
 Estate No. 31-2128393

- 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
 Gary Wayne Bodimeade
 of the Town of Brooklin, 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:

Grant Thornton Limited

 11th Floor, 200 King Street West, Box 11
 Toronto ON M5H 3T4
 Phone: (416) 366-0100 Fax: (416) 360-4948

TRUSTEE: Grant Thornton Limited
 ADDRESS: 11th Floor, 200 King Street West, Box 11, Toronto, ON M5H 3T4
 Fax (416) 360-4948

- ☒ Amount of claimed is specified
☒ Statement of account attached
☒ Claim specifies secured, preferred, unsecured

PROOF OF CLAIM

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

JUN 15 2016

BUSINESS DEVELOPMENT BANK OF CANADA
 70 York Street
 Suite 1202
 Toronto, ON M5J 1S9

- ☒ Claim signed
☒ Claim witnessed
☐ Secured claim, property claim provided to trustee

Attention: Margaret Bernat
 Senior Account Manager, Special Accounts
 Phone: (416) 952-9885 E-mail Address: margaret.bernat@bdc.ca

In the matter of the bankruptcy of 1289748 Ontario Inc. of the City of Pickering, Ontario and the claim of Business Development Bank of Canada, creditor.

I, Margaret Bernat, Senior Account Manager, Special Accounts, of the City of Toronto, in the Province of Ontario DO HEREBY CERTIFY:

1. That I am Senior Account Manager, Special Accounts of Business Development Bank of Canada.
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 the *bankruptcy*, namely the 25th day of May, 2016 and still is, indebted to the creditor in the sum of \$468,448.10, as specified in the statement of account attached hereto and marked "Schedule A", after deducting any counterclaims to which the debtor is entitled.
4. (Check and complete appropriate category).

() A. UNSECURED CLAIM of \$

That in respect of the said debt, the creditor does not hold any assets of the debtor as security and regarding the amount of \$, the creditor does not claim a right to a priority.

(x) B. SECURED CLAIM of \$505,442.88

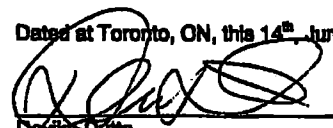
That in respect of this debt, the creditor holds assets of the debtor valued at \$505,442.88 as security, particulars of which are set out in Schedule "A".

5. That to the best of my knowledge and belief, Business Development Bank of Canada is not related to the debtor within the meaning of section 4 of the Act, and has not dealt with the debtor in a non-arm's length manner.

6. That the following are the payments that the creditor has received from, and the credits that the creditor has allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that the creditor has been privy to or a party to with the debtor within the three months immediately preceding the date of the initial bankruptcy event within the meaning of Section 2 of the Act: \$505,442.88

(X) 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 Toronto, ON, this 14th June, 2016.


 Devika Gupta
 Officer, Special Accounts
 Witness


 Margaret Bernat
 Senior Account Manager, Special Accounts
 Business Development Bank of Canada

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 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

Note: If a copy of this Form is sent electronically by means such as email, the name and contact information of the sender, prescribed in Form 1.1, must be added at the end of the document.

☒ Amount of claim is specified
☒ Statement of account attached
☒ Claim specifies secured, preferred, unsecured

JUN 12 2016

☐ Claim signed
☐ Claim witnessed
☐ Secured claim, property claim provided to trustee

SCHEDULE A
Statement of Account

Secured Claim

Loan no. 077223-01

This debt arises from the \$175,000.00 loan made by the Business Development Bank of Canada to the debtor as set out in a Letter of Offer dated February 28, 2014.

The debtor's obligation is secured by the following charges on the debtor's assets:
A general security agreement from the debtor, attached

Principal	\$ 102,095.00
Interest	\$ 18.69
Outstanding amount owed by the debtor as of date of bankruptcy/proposal	\$ 102,113.69
Interest to date proof signed	\$ 7,468.22
TOTAL	\$ 109,581.91

Loan no. 077223-02

This debt arises from the \$250,000.00 loan made by the Business Development Bank of Canada to the debtor as set out in a Letter of Offer dated February 28, 2015.

The debtor's obligation is secured by the following charges on the debtor's assets:
A general security agreement from the debtor, attached

Principal	\$ 197,800.00
Interest	\$ 2,053.95
Outstanding amount owed by the debtor as of date of bankruptcy/proposal	\$ 199,853.95
Interest to date proof signed	\$ 777.11
TOTAL	\$ 200,631.06

Loan no. 077223-03

This debt arises from the \$100,000.00 loan made by the Business Development Bank of Canada to the debtor as set out in a Letter of Offer dated September 3, 2015.

The debtor's obligation is secured by the following charges on the debtor's assets:
A general security agreement from the debtor, attached

Principal	\$ 98,860.00
Interest	\$ 1,087.27
Outstanding amount owed by the debtor as of date of bankruptcy/proposal	\$ 97,947.27
Interest to date proof signed	\$ 423.35
TOTAL	\$ 98,370.62

Loan no. 077223-04

This debt arises from the \$100,000.00 loan made by the Business Development Bank of Canada to the debtor as set out in a Letter of Offer dated September 3, 2015.

The debtor's obligation is secured by the following charges on the debtor's assets:
A general security agreement from the debtor, attached

Principal	\$ 95,910.00
Interest	\$ 823.19
Outstanding amount owed by the debtor as of date of bankruptcy/proposal	\$ 96,733.19
Interest to date proof signed	\$ 326.08
TOTAL	\$ 97,059.27



GENERAL SECURITY AGREEMENT

THIS AGREEMENT dated March 17, 2014

BETWEEN:

1288748 ONTARIO INC.

(the "Borrower")

AND:

BUSINESS DEVELOPMENT BANK OF CANADA, with a business centre at
400 Dundas Street
Whitby, ON L1N 2M7

(the "Bank")

1. SECURITY INTEREST

(You, as the Borrower, will grant to the Bank a charge, referred to as a security interest, over all personal property now held or in the future held or acquired by you. You will also grant a charge, referred to as a floating charge, over your complete undertaking. These charges are the security the Bank will hold in consideration of lending you funds or providing the credit facility to you.)

1.1 For consideration the Borrower hereby:

- (a) mortgages and charges as a fixed and specific charge, and assigns and transfers to the Bank, and grants to the Bank a general and continuing security interest in all of the Borrower's present and after acquired personal property including, without limitation:
 - (i) all office, trade, manufacturing and all other equipment and all goods, including, without limitation, machinery, tools, fixtures, computers, furniture, furnishings, chattels, motor vehicles and other tangible personal property that is not inventory, and all parts, components, attachments, accessories, additions, replacements, substitutions, additions and improvements to any of the above (all of which is collectively called the "Equipment");
 - (ii) all inventory, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, all livestock and their young after conception, all crops and timber, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is collectively called the "Inventory");
 - (iii) all debts, accounts, claims, demands, moneys and choses in action which now are, or which may at any time be, due or owing to or owned by the Borrower and all books, records, documents, papers and electronically recorded data recording, evidencing or relating to the

General Security Agreement
Rev. May, 2008

debts, accounts, claims, demands, moneys and choses in action (all of which is collectively called the "Account").

- (iv) all documents of title, chattel paper, instruments, securities and money, and all other personal property, of the Borrower that is not Equipment, Inventory or Accounts;
 - (v) all patents, trade-marks, copyrights, industrial designs, plant breeder's rights, integrated circuit topographies, trade-names, goodwill, confidential information, trade secrets and know-how, including without limitation, environmental technology and bio-technology, software and any registrations and applications for registration of the foregoing and all other intellectual and industrial property of the Borrower (all of which is collectively called the "Intellectual Property");
 - (vi) all the Borrower's confidential rights, licenses and all other choses in action of every kind which now are, or which may at any time be due or owing to or owned by the Borrower, and all other intangible property of the Borrower, that is not Accounts, chattel paper, instruments, documents of title, Intellectual Property, securities or money;
 - (vi) the personal property described in Schedule "A" attached to this Agreement and all additions thereto and replacements thereof; and
 - (vii) all proceeds of every nature and kind arising from the personal property referred to in this Security Agreement.
- (b) grants to the Bank a general and continuing security interest and charges by way of a floating charge:

- (i) all of the undertaking and assets of the Borrower, of every nature or kind and whomever situate, whether presently owned or hereafter acquired, and all their proceeds, other than the assets and undertakings that are otherwise validly and effectively subject to the charges and security interests in favour of the Bank created pursuant to the Clause 1.1.

1.2 The security interests, mortgages, transfers, assignments, charges, grants and conveyances created pursuant to Clause 1.1 shall be collectively called the "Security Interests", and the property subject to the Security Interests and all property, assets and undertakings charged, assigned or transferred or secured by any instruments supplemented to or in implementation of the Security Agreement are collectively called the "Collateral".

1.3 The sub-section, including definitions, form part of this Security Agreement.

2. EXCEPTIONS

(With few exceptions, all of your personal property is subject to the security interests and charges described in Clause 1.1. Only the last day of any lease term and possibly your consumer goods are excepted. Exceptions do not hold consumer goods.)

2.1 The last day of the term created by any lease or agreement is excepted out of any charge or the Security Interests but the Borrower shall stand possessed of the reversion and shall remain upon trust to assign and dispose of it to any third party as the Bank shall direct.

2.2 All the Borrower's consumer goods are excepted out of the Security Interests.

3. ATTACHMENT

(When or consideration has passed between you and the Bank and the Security Interests in your personal property are complete once you sign the Security Agreement.)

The Borrower agrees that the Security Interests attach upon the signing of this Security Agreement (or in the case of either acquired property, upon the date of acquisition), that value has been given, and that the Borrower has (or in the case of either acquired property, will have upon the date of acquisition) rights in the Collateral and the Borrower confirms that there has been no agreement between the Borrower and the Bank to postpone the time for attachment of the Security Interests and that it is the Borrower's understanding that the Bank intends the Security Interests to attach at the same time.

General Security Agreement
Rev. May, 2008

Page 1

4. PURCHASE MONEY SECURITY INTEREST

(To the extent that the Bank helps you acquire an interest in any personal property, you grant a special security interest in the Bank over that personal property. The special security interest is known as a "Purchase Money Security Interest".)

The Borrower acknowledges and agrees that the Security Interests constitute and are intended to create Purchase Money Security Interests in Collateral to the extent that monies advanced by the Bank, including all future advances and re-advances, are used or are to be used, in whole or in part, to purchase or otherwise to acquire rights in Collateral.

5. OBLIGATIONS SECURED

(The Security Interests and charges you have granted to the Bank secure all indebtedness and all obligations to the Bank.)

This Security Agreement is in addition to and not in substitution for any other security interest or charge now or in the future held by the Bank from the Borrower or from any other person and shall be general and continuing security for the payment and performance of all indebtedness, liabilities and obligations of the Borrower to the Bank (including interest thereon), whether incurred prior to, at the time of or after the signing of this Security Agreement including extensions and renewals, and all other liabilities of the Borrower to the Bank, present and future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, whenever and however incurred, including all advances on current or running account, future advances and re-advances of any loans or credit by the Bank and the Borrower's obligation and liability under any contract or guarantee now or in the future in existence whereby the Borrower guarantees payment of the debts, liabilities and/or obligations of a third party to the Bank, and for the performance of all obligations of the Borrower to the Bank, whether or not contained in this Security Agreement (all of which indebtedness, liabilities and obligations are collectively called the "Obligations").

6. REPRESENTATIONS AND WARRANTIES

(You state that you are able to legally grant this Security Agreement to the Bank, it will be binding and the Collateral is not subject to any encumbrances that have not been approved by the Bank. You own the Collateral and nothing prevents you from granting the Security Interests and charges in favour of the Bank. The Bank will rely on all of the following representations and warranties.)

6.1 The Borrower represents and warrants to the Bank that:

- (a) If a corporation, it is a corporation incorporated and organised and validly existing and in good standing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property and is in good standing under the laws of each jurisdiction in which the nature of its business or the property owned or leased by it makes such qualification necessary; and the execution, delivery and performance of this Security Agreement are within its corporate powers, have been authorised and do not contravene, violate or conflict with any law or the terms and provisions of its constituting documents or its by-laws or any shareholders agreement or any other agreement, indenture or undertaking to which the Borrower is a party or by which it is bound;
- (b) If it is a corporation, its name as set forth on page 1 of this Security Agreement is its full, true and correct name as stated in its constituting documents and if such name is in English, it does not have or use a French language form of its name or a combined English language and French language form of its name and vice versa, and the Borrower has provided a written memorandum to the Bank accurately setting forth all prior names under which the Borrower has operated;
- (c) If it is a partnership, its name as set forth on page 1 is its full, true and correct, and where required or voluntarily registered its registered, name; it is a partnership validly created and organised and validly existing under the laws of the jurisdiction of its creation; it has the power to carry on the business conducted by it; it is qualified as a partnership to carry on the business conducted by it and is in good standing under the laws of each jurisdiction in which the nature of its business makes such qualification necessary; and the execution, delivery and performance of this Agreement are within its powers, have been authorised, and do not contravene, violate or conflict with any law or the terms of its partnership agreement or any other agreement, indenture or undertaking to which the Borrower is a party or by which it is bound, and a complete list of the names, addresses and (if individuals) the dates of birth of the partners of the partnership are set forth on a Schedule attached to this Security

Agreement;

- (d) If the Borrower is an individual, that individual's full name and address provided to the Bank are the individual's full and correct name and address and the individual's date of birth as described on the individual's birth certificate a true copy of which has been provided to the Bank or, if no birth certificate issued from any jurisdiction in Canada exists, as described on the documents provided to the Bank is the individual's correct birth date;
- (e) there is no litigation or governmental proceedings commenced or pending against or affecting the Collateral or the Borrower, in which a decision adverse to the Borrower would constitute or result in a material adverse change in the business, operations, properties or assets or in the condition, financial or otherwise, of the Borrower; and the Borrower agrees to promptly notify the Bank of any such future litigation or governmental proceeding;
- (f) It does not have any information or knowledge of any facts relating to its business, operations, property or assets or to its condition, financial or otherwise, which it has not disclosed to the Bank in writing and which, if known to the Bank, might reasonably be expected to deter the Bank from extending credit or advancing funds to the Borrower;
- (g) It has good title and lawfully owns and possesses all presently held Collateral, free from all security interests, charges, encumbrances, liens and claims, save only the Security Interests and the charges or security interests consented to in writing by the Bank, and it has not granted any licenses in or of its Intellectual Property other than as disclosed and consented to by the Bank;
- (h) to the extent that any of the Collateral includes serial numbered goods and motor vehicles which require serial number registration by virtue of the Act and its regulations including motor vehicles, trailers, manufactured homes, mobile homes, boats, outboard motors for boats or aircraft, the Borrower has given the full and correct serial numbers and any Ministry of Transport designation marks or other relevant licensing authority marks of all such Collateral to the Bank;
- (i) the Collateral is and/or will be located at the place(s) described in Schedule "A" and will not be removed from such location(s) without the prior written consent of the Bank;
- (j) this Security Agreement is granted in accordance with resolutions of the directors (and of the shareholders as applicable) of the Borrower, if the Borrower is a corporation, or, if the Borrower is a partnership, of the partners of the Borrower, and all other requirements have been fulfilled to authorise and make the execution and delivery of this Security Agreement, and the performance of the Borrower's obligations valid and there is no restriction contained in the constituting documents of the Borrower or in any shareholders agreement or partnership agreement which restricts the powers of the authorised signatories of the Borrower to borrow money or give security; and
- (k) the Borrower's place(s) of business and chief executive office have been correctly provided to the Bank.

7. COVENANTS OF THE BORROWER

(The Security Interests and the Collateral must be protected while the Security Agreement remains in effect. These covenants are your promises to the Bank describing how the Bank's Security Interests will be protected (a). You will also covenant to maintain accurate books and records and allow the Bank's inspection. Your promises are found in the Security Agreement and Schedules.)

7.1 The Borrower covenants with the Bank that while this Security Agreement remains in effect the Borrower will:

- (a) promptly pay and satisfy the Obligations as they become due or are demanded;
- (b) defend the title to the Collateral for the Bank's benefit, against the claims and demands of all persons;
- (c) fully and effectively maintain and ensure that the Security Interests are and continue to be valid and effective;

- (d) maintain the Collateral in good condition and repair and provide adequate storage facilities to protect the Collateral and not permit the value of the Collateral to be impaired;
- (e) observe and conform to all valid requirements of any governmental authority relative to any of the Collateral and all covenants, terms and conditions upon or under which the Collateral is held;
- (f) forthwith pay and satisfy:
 - (i) all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Borrower shall in good faith contest its obligations so to pay and shall furnish to the Bank such security as the Bank may require;
 - (ii) all security interests, charges, encumbrances, liens and claims which rank or could rank in priority to, or on an equal basis with, any of the Security Interests; and
 - (iii) all fees from time to time chargeable by the Bank arising out of any term of the commitment letter between the Bank and the Borrower including, without limitation, inspection, administration and returned cheque handling fees;
- (g) forthwith pay and satisfy all costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) which may be incurred by the Bank in connection with granting loans or credit to the Borrower, including for:
 - (i) inspecting the Collateral;
 - (ii) negotiating, preparing, perfecting, registering or renewing the registration of this Security Agreement and the Security Interests, any Financing or Financing Change Statement, any modification or amending agreement and other documents relating to the Borrower's obligations, whether or not relating to this Security Agreement;
 - (iii) complying with any disclosure requirements under the Act;
 - (iv) investigating title to the Collateral;
 - (v) taking, recovering, keeping possession and disposing of the Collateral;
 - (vi) maintaining the Collateral in good repair, storing the Collateral and preparing the Collateral for disposition;
 - (vii) any inspection, appraisal, investigation or environmental audit of the Collateral and the cost of any environmental rehabilitation, treatment, removal or repair necessary to protect, preserve or remedy the Collateral including any fine or penalty the Bank becomes obligated to pay by reason of any statute, order or direction of competent authority;
 - (viii) all other actions and proceedings taken to preserve the Collateral, enforce this Security Agreement and of any other security interest held by the Bank as security for the Obligations, protect the Bank from liability in connection with the Security Interests or assist the Bank in its loan and credit granting or realization of the Security Interest, including any actions under the Bankruptcy and Insolvency Act (Canada) and all remuneration of any Receiver (as defined in Article 16 hereof) or appointed pursuant to the Bankruptcy and Insolvency Act (Canada);
 - (ix) any sums the Bank pays as fines, or as clean up costs because of contamination of or from your assets. Further, you will indemnify the Bank and its employees and agents from any liability or costs incurred including legal defense costs. Your obligation under this paragraph continues even after the Obligations are repaid and this agreement is terminated.

- (h) at the Bank's request, execute and deliver further documents and instruments and do all acts as the Bank in its absolute discretion requires to confirm, register and perfect, and maintain the registration and perfection of, the Security Interests;
- (i) notify the Bank promptly of:
 - (i) any change in the information contained in this Security Agreement relating to the Borrower, its business or the Collateral, including, without limitation, any change of name or address (including any change of trade name, proprietor or partner) and any change in the present location of any Collateral;
 - (ii) the details of any material acquisition of Collateral, including the acquisition of any motor vehicles, trailers, manufactured homes, boats or aircraft;
 - (iii) any material loss or damage to the Collateral;
 - (iv) any material default by any account debtor in the payment or other performance of its obligations to the Borrower respecting any Accounts;
 - (v) any claims against the Borrower including claims in respect of the Intellectual Property or of any actions taken by the Borrower to defend the registration of or the validity of or any infringement of the Intellectual Property;
 - (vi) the return to or repossession by the Borrower of Collateral that was disposed of by the Borrower; and
 - (vii) all additional places of business and any changes in its place(s) of business or chief executive officer;
- (j) prevent the Collateral, other than inventory sold, leased, or otherwise disposed of as permitted by this Security Agreement, from being or becoming an accession to property not covered by this Security Agreement;
- (k) carry on and conduct its business and undertaking in a proper and businesslike manner so as to preserve and protect the Collateral and the earnings, income, rents, issues and profits of the Collateral, including maintenance of proper and accurate books of account and records;
- (l) permit the Bank and its representatives, at all reasonable times, access to the Collateral including all of the Borrower's property, assets and undertakings and to all its books of account and records for the purpose of inspection and the taking of extracts and copies, whether at the Borrower's premises or otherwise, and the Borrower will render all assistance necessary;
- (m) observe and perform all its obligations under:
 - (i) leases, licences, undertakings, and any other agreements to which it is a party;
 - (ii) any statute or regulation, federal, provincial, territorial, or municipal, to which it is subject;
- (n) deliver to the Bank from time to time promptly upon request:
 - (i) any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral;
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral to allow the Bank to inspect, audit or copy them;

- (iii) all financial statements prepared by or for the Borrower regarding the Borrower's business;
- (iv) such information concerning the Collateral, the Borrower and the Borrower's business and affairs as the Bank may reasonably require;
- (v) with respect to the Intellectual Property, take all necessary steps and initiate all necessary proceedings, to maintain the registration or recording of the Intellectual Property, to defend the Intellectual Property from infringement and to prevent any licensed or permitted user from doing anything that may invalidate or otherwise impair the Intellectual Property;
- (vi) with respect to copyright forming part of the Intellectual Property, provide to the Bank waivers of the moral rights thereto executed by all contributors or authors of the copyrighted work;
- (vii) receive and hold in trust on behalf of and for the benefit of the Bank all proceeds from the sale or other disposition of any Collateral;
- (viii) consent to the Bank contacting and making enquiries of the Borrower's lessors, as well as municipal or other government officials or assessors; and
- (ix) observe and perform the additional covenants and agreements set out in any schedules to this Security Agreement.

7.2 Any amounts required to be paid to the Bank by the Borrower under this Clause 7 shall be immediately payable with interest at the highest rate borne by any of the Obligations until all amounts have been paid.

7.3 This Security Agreement shall remain in effect until it has been terminated by the Bank by notice of termination to the Borrower and all registrations relating to the Security Agreement have been discharged.

8. INSURANCE

(It is your obligation to thoroughly insure the Collateral in order to protect your interests and those of the Bank. You will follow the specific requirements of the insurance coverage described in this Clause.)

8.1 The Borrower covenants that while this Security Agreement is in effect the Borrower shall:

- (a) maintain or cause to be maintained insurance on the Collateral with a reputable insurer, of kinds, for amounts and payable to such person or persons, all as the Bank may require, and in particular maintain insurance on the Collateral to its full insurable value against loss or damage by fire and all other risks of damage, including an extended coverage endorsement and in the case of motor vehicles, insurance against theft;
- (b) cause the insurance policy or policies required by this Security Agreement to be assigned to the Bank, including a standard mortgage clause or a mortgage endorsement, as the Bank may require;
- (c) pay all premiums respecting such insurance, and deliver all policies to the Bank, if it so requires.

8.2 If proceeds of any required insurance becomes payable, the Bank may, in its absolute discretion, apply these proceeds to the Obligations as the Bank sees fit or release any insurance proceeds to the Borrower to repair, replace or rebuild, but any release of insurance proceeds to the Borrower shall not operate as a payment on account of the Obligations or in any way affect this Security Agreement or the Security interests.

8.3 The Borrower will forthwith, on the happening of loss or damage to the Collateral, notify the Bank and furnish to the Bank at the Borrower's expense any necessary proof and do any necessary act to enable the Bank to obtain payment of the insurance proceeds, but nothing shall limit the Bank's right to submit to the insurer a proof of loss on its own behalf.

8.4 The Borrower hereby authorizes and directs the insurer under any required policy of insurance to include the name of the Bank as loss payee on any policy of insurance and on any cheque or draft which may be issued respecting a claim settlement under and by virtue of such insurance, and the production by the Bank to any insurer of

a notarial or certified copy of this Security Agreement (notarized or certified by a notary public or solicitor) shall be the insurer's complete authority for so doing.

8.5 If the Borrower fails to maintain insurance as required, the Bank may, but shall not be obliged to, maintain or effect such insurance coverage, or so much insurance coverage as the Bank may wish to maintain.

9. OTHER PROHIBITIONS

(You agree to not encumber your property so as to interfere with the security interests or charges granted to the Bank and you will not dispose of any of the Collateral except inventory disposed of in the ordinary course of your business.)

Without the prior written consent of the Bank the Borrower will not:

- (a) create or permit to exist any security interest in, charge, encumbrance or lien over, or claim against any of its property, assets, undertakings including without limitation the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests created by this Security Agreement;
- (b) grant, sell, or otherwise assign any of its chattel paper or any of the Collateral except only inventory that is disposed of in accordance with Clause 10.2; or
- (c) where the Borrower is a corporation
 - (i) repay or reduce any shareholders loans or other debts due to its shareholders; or
 - (ii) change its name, merge with or amalgamate with any other entity;

10. RESTRICTIONS ON SALE OR DISPOSAL OF COLLATERAL

(You will preserve and protect all of the Collateral and not dispose of it without the consent of the Bank. Any sales or other disposition will result in you holding the proceeds in trust for the Bank. Your responsibilities towards the Collateral and any trust proceeds are imposed on the Bank.)

10.1 Except as provided by this Security Agreement, without the Bank's prior written consent the Borrower will not:

- (a) sell, lease, license or otherwise dispose of the Collateral;
- (b) release, surrender or abandon possession of the Collateral; or
- (c) move or transfer the Collateral from the jurisdictions in which the Security Interests have been perfected.

10.2 Provided that the Borrower is not in default under this Security Agreement, the Borrower may lease, sell, license, consign or otherwise deal with items of inventory only in the ordinary course of its business and for the purposes of carrying on its business.

10.3 Any disposition of any Collateral, excepting sales of inventory in the ordinary course, shall result in the Borrower holding the proceeds in trust for and on behalf of the Bank and subject to the Bank's exclusive direction and control. Nothing restricts the Bank's rights to attach, seize or otherwise enforce its Security Interests in any Collateral sold or disposed, unless it is sold or disposed with the Bank's prior written consent.

11. PERFORMANCE OF OBLIGATIONS

(If you do not strictly do all these things that you have agreed to do in this Security Agreement, the Bank may perform those obligations and you will be required to pay for them.)

If the Borrower fails to perform its covenants and agreements under this Security Agreement, the Bank may, but shall not be obliged to, perform any or all of such covenants and agreements without prejudice to any other rights and remedies of the Bank, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) incurred by the Bank shall be immediately payable by the Borrower to the Bank with interest at the highest rate borne by any of the Obligations and shall be secured by the Security Interests, until all such amounts have been paid.

12. ACCOUNTS

(Any dealing with the Collateral that results in an account being created, or proceeds arising, is of particular importance to the Bank. The account, or proceeds, acts in substitution for the Collateral that has been sold, usually inventory. You will protect the account or proceeds in favour of the Bank.)

Notwithstanding any other provision of this Security Agreement, the Bank may collect, realize, sell or otherwise deal with all or a portion of the Accounts in such manner, upon such terms and conditions and at any time, whether before or after default, as may seem to it advisable, and without notice to the Borrower, except in the case of disposition after default and then subject to the applicable provisions of the Act, if any. All forms of payment received by the Borrower in payment of any Account, or as proceeds, shall be subject to the Security Interests and shall be received and held by the Borrower in trust for the Bank.

13. APPROPRIATION OF PAYMENTS

(The Bank has the right to determine how funds it receives will be applied in relation to your loan facility.)

Any and all payments made respecting the Obligations and monies realized from any Security Interests (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Bank sees fit, and the Bank may at any time change any appropriation as the Bank sees fit.

14. DEFAULT

(You must comply with the payment and other obligations that you have made in favour of the Bank. You must also strictly satisfy the covenants and agreements that you have made in this Security Agreement. Failure to do so will be considered a default and the Bank will consider its legal remedies and possibly pursue them. This Clause defines the defaults and outlines your obligations.)

14.1 Unless waived by the Bank, the Borrower shall be in default under this Security Agreement and shall be deemed to be in default under all other agreements between the Borrower and the Bank in any of the following events:

- (a) the Borrower defaults, or threatens to default, in payments when due of any of the Obligations; or
- (b) the Borrower is in breach of, or threatens to breach, any term, condition, obligation or covenant made by it to or with the Bank, or any representation or warranty of the Borrower to the Bank is untrue or ceases to be accurate, whether or not contained in this Security Agreement; or
- (c) the Borrower or a guarantor of the Borrower declares itself to be insolvent or admits in writing its inability to pay its debts generally as they become due, or makes an assignment for the benefit of its creditors, is declared bankrupt, makes a proposal or otherwise takes advantage of any provisions for relief under the *Bankruptcy and Insolvency Act* (Canada), the *Companies Creditors Arrangement Act* (Canada) or similar legislation in any jurisdiction, or makes an authorized assignment; or
- (d) a receiver, manager, receiver and manager or receiver-manager of all or a part of the Collateral is appointed; or
- (e) an order is made or a resolution is passed for the winding up of the Borrower or a guarantor of the Borrower; or
- (f) the Borrower or a guarantor of the Borrower ceases or threatens to cease to carry on all or a substantial part of its business or makes or threatens to make a sale of all or substantially all of its assets; or
- (g) distress or execution is levied or issued against all or any part of the Collateral; or
- (h) if the Borrower is a corporation and any member or shareholder:
 - (i) commences an action against the Borrower; or
 - (ii) gives a notice of dissent to the Borrower in accordance with the provisions of any governing

legislation; or

- (i) if the Borrower is a corporation and its voting control changes without the Bank's prior written consent; or
- (j) the Borrower uses any monies advanced to it by the Bank for any purpose other than as agreed upon by the Bank; or
- (k) without the Bank's prior written consent, the Borrower creates or permits to exist any security interest, charge, encumbrance, lien or claim against any of the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests; or
- (l) the holder of any other security interest, charge, encumbrance, lien or claim against any of the Collateral does anything to enforce or realize on such security interest, charge, encumbrance, lien or claim; or
- (m) the Borrower enters into an amalgamation, a merger or other similar arrangement with any other person without the Bank's prior written consent or, if the Borrower is a corporation, it is continued or registered in a different jurisdiction without the Bank's prior written consent; or
- (n) the Bank in good faith and on commercially reasonable grounds believes that the prospect of payment or performance of any of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy or removed from the jurisdiction in which this Security Agreement has been registered; or
- (o) the lessor under any lease to the Borrower of any real or personal property takes any steps to or threatens to terminate such lease or otherwise exercise any of its remedies under such lease as a result of any default by the Borrower; or
- (p) the Borrower causes or allows hazardous materials to be brought upon any lands or premises occupied by the Borrower or to be incorporated into any of its assets, or the Borrower causes, permits, or fails to remedy any environmental contamination upon, in or under any of its lands or assets, or fails to comply with any abatement or remediation order given by a responsible authority; or
- (q) any permit, license, certification, quota or order granted to or held by the Borrower is cancelled, revoked or reduced, as the case may be, or any order against the Borrower is enforced, preventing the business of the Borrower from being carried on for more than 5 days or materially adversely changing the condition (financial or otherwise) of the Borrower's business; or
- (r) if an individual, the Borrower dies or is declared incompetent by a court of competent jurisdiction.

16. ENFORCEMENT

(If a default occurs, the Bank has numerous remedies and legal rights, including enforcement of the Security Agreement according to this Clause. You also have rights, provided by the Personal Property Security Act and the common law in your jurisdiction.)

15.1 Upon any default under this Security Agreement the Bank may declare any or all of the Obligations whether or not payable on demand to become immediately due and payable and the Security Interests will immediately become enforceable. To enforce and realize on the Security Interests the Bank may take any action permitted by law or in equity as it may deem expedient and in particular, without limitation, the Bank may do any of the following:

- (a) appoint by instrument a receiver, manager, receiver and manager or receiver-manager (the "Receiver") of all or any part of the Collateral, with or without bond as the Bank may determine, and in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any of the Borrower's premises at any time and take possession of the Collateral with power to exclude the Borrower, its agents and its servants, without becoming liable as a mortgagee in possession;

- (c) preserve, protect and maintain the Collateral and make such replacements and repairs and additions to the Collateral as the Bank deems advisable;
- (d) dispose of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Bank may seem reasonable, provided that if any sale, lease or other disposition is on credit the Borrower will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;
- (e) register assignments of the Intellectual Property, and use sell, assign, license or sub-license any of the Intellectual Property; and
- (f) exercise all of the rights and remedies of a secured party under the Act and any other applicable laws.

15.2 A Receiver appointed pursuant to this Security Agreement insofar as responsibility for its actions is concerned shall be the agent of the Borrower and not of the Bank and, to the extent permitted by law or to such lesser extent permitted by its appointment, shall have all the powers of the Bank under this Security Agreement, and in addition shall have power to:

- (a) carry on the Borrower's business and for such purpose from time to time to borrow money either secured or unsecured, and if secured by granting a security interest on the Collateral, such security interest may rank before or on an equal basis with or behind any of the Security Interests and if it does not so specify such security interest shall rank in priority to the Security Interests; and
- (b) make an assignment for the benefit of the Borrower's creditors or a proposal on behalf of the Borrower under the Bankruptcy and Insolvency Act (Canada); and
- (c) commence, continue or defend proceedings in the name of the Receiver or in the name of the Borrower for the purpose of protecting, seizing, collecting, realizing or obtaining possession of or payment for the Collateral; and
- (d) make any arrangement or compromise that the Receiver deems expedient.

15.3 Subject to the claims, if any, of the creditors of the Borrower ranking in priority to this Security Agreement, all amounts realized from the disposition of the Collateral pursuant to this Security Agreement will be applied as the Bank, in its absolute discretion and to the full extent permitted by law, may direct as follows:

- (a) in payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and its own client basis) incurred by the Bank respecting or incidental to:
 - (i) the exercise by the Bank of the rights and powers granted to it by this Security Agreement; and
 - (ii) the appointment of the Receiver and the exercise by the Receiver of the powers granted to it by this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;
- (b) in or toward payment to the Bank of all principal and other monies (except interest) due in respect of the Obligations;
- (c) in or toward payment to the Bank of all interest remaining unpaid respecting the Obligations; and
- (d) in payment to those parties entitled thereto under the Act.

16. GENERAL PROVISIONS PROTECTING THE BANK

(You have granted this Security Agreement to the Bank in consideration by the Bank advancing funds or providing credit or a credit facility to you. The Bank will not be responsible for debts or liabilities that may arise except to the extent that it agrees to be responsible or liable in this Security Agreement. If enforcement becomes necessary, the Bank will act in good faith and in a commercially

(reasonable manner.)

16.1 To the full extent permitted by law, the Bank shall not be liable for any debts contracted by it during enforcement of this Security Agreement, for damages to persons or property or for estoppel or non-fulfillment of contracts during any period when the Bank shall manage the Collateral upon entry or seizure, nor shall the Bank be liable to account as a mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. The Bank shall not be bound to do, observe or perform or to ass to the observance or performance by the Borrower of any obligations or covenants imposed upon the Borrower nor shall the Bank, in the case of securities, instruments or chattel paper, be obliged to preserve rights against other persons, nor shall the Bank be obliged to keep any of the Collateral identifiable. To the full extent permitted by law, the Borrower waives any provision of law permitted to be waived by it which imposes greater obligations upon the Bank than described above.

16.2 Neither the Bank nor any Receiver appointed by it shall be liable or accountable for any failure to seize, collect, realize, sell or obtain payments for the Collateral nor shall they be bound to institute proceedings for the purposes of seizing, collecting, realizing or obtaining payment or possession of the Collateral or the preserving of any right of the Bank, the Borrower or any other party respecting the Collateral. The Bank shall also not be liable for any misconduct, negligence, misfeasance by the Bank, the Receiver or any employee or agent of the Bank or the Receiver, or for the exercise of the rights and remedies conferred upon the Bank or the Receiver by this Security Agreement.

16.3 The Bank or any Receiver appointed by it may grant extensions of time and other indulgences, take and give securities, accept compromises, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the debtors of the Borrower, co-obligants, guarantors and others and with the Collateral and other securities as the Bank may see fit without liability to the Bank and without prejudice to the Bank's rights respecting the Obligations or the Bank's right to hold and realize the Collateral.

16.4 The Bank in its sole discretion may realize upon any other security provided by the Borrower in any order or concurrently with the realization under this Security Agreement whether such security is held by it at the date of this Security Agreement or is provided at any time in the future. No realization or exercise of any power or right under this Security Agreement or under any other security shall prejudice any further realization or exercise until all Obligations have been fully paid and satisfied.

16.5 Any right of the Bank and any obligation of the Borrower arising under any other agreements between the Bank and the Borrower shall survive the signing, registration and advancement of any money under this Security Agreement, and no merger respecting any such right or obligation shall occur by reason of this Security Agreement. The obligation, if any, of the Borrower to pay legal fees, a commitment fee, a standby fee or administration fees, under the terms of the Bank's commitment letter with the Borrower shall survive the signing and registration of this Security Agreement and the Bank's advancement of any money to the Borrower and any legal fees, commitment fees, standby fees or administration fees owing by the Borrower shall be secured by the Collateral.

16.6 In the event that the Bank registers a notice of assignment of Intellectual Property the Borrower shall be responsible for and shall indemnify the Bank against all maintenance and renewal costs in respect thereof, and any costs of initiating or defending litigation, together with all costs, liabilities and damages related thereto.

16.7 Notwithstanding any taking of possession of the Collateral, or any other action which the Bank or the Receiver may take, the Borrower now covenants and agrees with the Bank that if the money realized upon any disposition of the Collateral is insufficient to pay and satisfy the whole of the Obligations due to the Bank at the time of such disposition, the Borrower shall immediately pay to the Bank an amount equal to the deficiency between the amount of the Obligations and the sum of money realized upon the disposition of the Collateral, and the Borrower agrees that the Bank may bring action against the Borrower for payment of the deficiency, notwithstanding any defects or irregularities of the Bank or the Receiver in enforcing its rights under this Security Agreement.

17. APPOINTMENT OF ATTORNEY

(You appoint the Bank your attorney for specific matters.)

The Borrower hereby irrevocably appoints the Bank or the Receiver, as the case may be, with full power of substitution, as the attorney of the Borrower for and in the name of the Borrower to do, make, sign, endorse or

execute under seal or otherwise all deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Borrower is obliged to sign, endorse or execute and generally to use the name of the Borrower and to do everything necessary or incidental to the exercise of all or any of the powers conferred on the Bank, or the Receiver, as the case may be, pursuant to this Security Agreement. This grant and authority shall continue and survive any mental infirmity or legal incapacity of the Borrower subsequent to the execution hereof.

18. CONSOLIDATION

(Should you wish to redeem the Security Interest, the Bank may require you to also pay other obligations to it before discharging its Security Interest.)

For the purposes of the laws of all jurisdictions in Canada, the doctrine of consolidation applies to this Security Agreement.

19. NO OBLIGATION TO ADVANCE

(The Bank determines, in its sole discretion, whether any advances or further advances under the loan facility will be made.)

Neither the preparation and execution of this Security Agreement nor the perfection of the Security Interests or the advance of any monies by the Bank shall bind the Bank to make any advance or loan or further advance or loan, or extend any time for payment of any indebtedness or liability of the Borrower to the Bank.

20. WAIVER

(Indulgences granted by the Bank should not be taken for granted.)

The Bank may permit the Borrower to remedy any default without waiving the default so remedied. The Bank may from time to time and at any time partially or completely waive any right, benefit or default under this Security Agreement but such waiver shall not be a bar to or a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default under this Security Agreement. No waiver shall be effective unless it is in writing and signed by the Bank. No delay or omission on the part of the Bank in exercising any right shall operate as a waiver of such right or any other right.

21. NOTICE

(This clause describes how the various notices referred to in this Security Agreement may be given.)

Notice may be given to either party by prepaid mail or delivered to the party for whom it is intended, at the principal address of such party provided in this Security Agreement or at such other address as may be given in writing by one party to the other, and any notice if mailed shall be deemed to have been given at the expiration of three business days after mailing and if delivered, on delivery.

22. EXTENSIONS

(Your duties and responsibilities to the Bank remain in place regardless of any concerns you may have about the loan facility or the Bank's actions.)

The Bank may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security interests, and otherwise deal with the Borrower, the Borrower's account debtors, sureties and others and with the Collateral and other security interests as the Bank may see fit without prejudice to the Borrower's liability or the Bank's right to hold and realize on the Security Interests.

23. NO MERGER

(Except as agreed upon in the Security Agreement or another contract specifically discussing this point, this Security Agreement is an independent obligation on your part.)

This Security Agreement shall not create any merger or discharge of any of the Obligations, or any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security interest of any form held or which may be held by the Bank now or in the future from the Borrower or from any other person. The taking of a judgement respecting any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

24. RIGHTS CUMULATIVE

General Security Agreement
Rev. May, 2008

Page 12

(This Agreement describes some rights and remedies of the Bank. The Bank also is entitled to rely on all other rights and remedies available to it in law and to any other agreements it has entered into with you.)

The Bank's rights and remedies set out in this Security Agreement, and in any other security agreement held by the Bank from the Borrower or any other person to secure payment and performance of the Obligations, are cumulative and no right or remedy contained in this Security Agreement or any other security agreements is intended to be exclusive but each will be in addition to every other right or remedy now or hereafter existing at law, in equity or by statute, or pursuant to any other agreement between the Borrower and the Bank that may be in effect from time to time.

26. ASSIGNMENT

(Should the Bank assign or transfer or otherwise deal with this Security Agreement on its own behalf, you agree that the Security Agreement shall remain binding and effective upon you.)

The Bank may, without notice to the Borrower, at any time assign or transfer, or grant a security interest in, all or any of the Obligations, this Security Agreement and the Security Interests. The Borrower agrees that the assignee, transferee or secured party, as the case may be, shall have all of the Bank's rights and remedies under this Security Agreement and the Borrower will not assert as a defence, counterclaim, right of set-off or otherwise any claim which it now has or may acquire in the future against the Bank in respect of any claim made or any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the assigned Obligations to the assignee, transferee or secured party, as the case may be, as the said Obligations become due.

26. SATISFACTION AND DISCHARGE

(Until this Security Agreement is terminated and any registrations relating to it are discharged, the Security Agreement will remain effective even though the indebtedness to the Bank may have been paid.)

Any partial payment or satisfaction of the Obligations, or any ceasing by the Borrower to be indebted to the Bank shall not be a redemption or discharge of this Security Agreement. The Borrower shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations, and upon written request by the Borrower and, subject to applicable law, payment to the Bank of an administrative fee to be fixed by the Bank and payment of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by the Bank in connection with the Obligations and such release and discharge. The Borrower shall, subject to applicable law, pay an administrative fee, to be fixed by the Bank, for the preparation or execution of any full or partial release or discharge by the Bank of any security it holds, of the Borrower, or of any guarantor or covenantor with respect to any Obligations.

27. ENVIRONMENT

The Borrower represents and agrees that

- (a) it operates and will continue to operate in conformity with all applicable environmental laws, regulations, standards, codes, ordinances and other requirements of any jurisdiction in which it carries on business and will ensure its staff is trained as required for that purpose;
- (b) it has an environmental emergency response plan and all officers and employees are familiar with that plan and their duties under it;
- (c) it possesses and will maintain all environmental licences, permits and other governmental approvals as may be necessary to conduct its business and maintain the Collateral;
- (d) there has been no complaint, prosecution, investigation or proceeding, environmental or otherwise, respecting the Borrower's business or assets including without limitation the Collateral;
- (f) it will advise the Bank immediately upon becoming aware of any environmental problems relating to its business or the Collateral;
- (g) it will provide the Bank with copies of all communications with environmental officials and all environmental studies or assessments prepared for the Borrower and it consents to the Bank contacting and making enquiries of environmental officials or assessors;

- (h) It will from time to time when requested by the Bank provide to the Bank evidence of its full compliance with the Borrower's obligations in this Clause 27.

28. ENUREMENT

This Security Agreement shall enure to the benefit of the Bank and its successors and assigns, and shall be binding upon the Borrowers and its heirs, executors, administrators, successors and any assigns permitted by the Bank, as the case may be.

29. INTERPRETATION

29.1 In this Security Agreement:

- (a) "Collateral" has the meaning set out in Clause 1 and any reference to the Collateral shall, unless the context otherwise requires, be deemed to be a reference to the Collateral in whole or in part;
- (b) "The Act" means the *Personal Property Security Act* of the province in which the business centre of the Bank is located, as described on page 1 of this Security Agreement, and all regulations under the Act, as amended from time to time.

29.2 Words and expressions used in this Security Agreement that have been defined in the Act shall be interpreted in accordance with their respective meanings given in the Act unless otherwise defined in this Security Agreement or unless the context otherwise requires.

29.3 The invalidity or unenforceability of the whole or any part of any clause of this Security Agreement shall not affect the validity or enforceability of any other clause or the remainder of such clause of this Security Agreement.

29.4 The headings used in this Security Agreement have been inserted for convenience of reference only and shall not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.

29.5 This Security Agreement shall be governed by the laws of the province referred to in subclause 29.1(b). For enforcement purposes, the Borrower hereby attests to the jurisdiction of the courts and laws of any province, state, territory or country in which the Bank enforces its rights and remedies hereunder.

30. COPY OF AGREEMENT AND FINANCING STATEMENT

The Borrower:

- (a) acknowledges receiving a copy of this Security Agreement; and
- (b) if the Act so permits, waives all rights to receive from the Bank a copy of any financing statement or financing change statement filed, or any verification statement or other document received at any time respecting this Security Agreement.

31. TIME

Time shall in all respects be of the essence.

32. INDEPENDENT ADVICE

The Borrower acknowledges having received, or having had the opportunity to receive, independent legal and accounting advice respecting this Security Agreement and its effect.

33. PARENTHEetical COMMENTS

The Borrower acknowledges and agrees that the comments in parentheses are intended to provide a brief

but not thorough indication of the intent of the legal provisions that follow in each subsequent clause, and do not form part of this Security Agreement.

34. THE COMMITMENT LETTER

The Bank has extended an offer of financing or a commitment letter to the Borrower relating to the loan facilities secured by this Security Agreement. The Borrower acknowledges and agrees that in the event of any discrepancy between any term of this Security Agreement and any term of the commitment letter, the terms of the commitment letter shall apply and take precedence over the terms of this Security Agreement.

IN WITNESS WHEREOF the Borrower has hereunto set his hand and seal or has affixed its corporate seal duly attested by the hand(s) of its proper officer(s) in that behalf, on the day and year first above written.

1299748 ONTARIO INC.

Per: 
Name: Gary Wayne Bodmeade
Title: President

I have authority to bind the Corporation.

SCHEDULE "A"**Subsection 1.1(a):**

1. the following specific items, even though they may be included within the descriptions of Collateral (insert description by item or kind):

2. the following serial numbered goods:

Serial No. (or motor vehicle & trailers, etc.)

Year

Make and Model

3. Location(s) of the Collateral:

1835 Silicons Drive
Pickering, Ontario
L1W 3V7

TRUSTEE: Grant Thornton Limited
 ADDRESS: 11th Floor, 200 King Street West, Box 11, Toronto, ON M5H 3T4
 Fax (416) 360-4948

PROOF OF CLAIM

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

BUSINESS DEVELOPMENT BANK OF CANADA

70 York Street
 Suite 1202
 Toronto, ON M5J 1S9

Attention: Margaret Bernat
 Senior Account Manager, Special Accounts
 Phone: (416) 952-9685 E-mail Address: margaret.bernat@bdc.ca

In the matter of the bankruptcy of Gary Wayne Bodimeade of the City of Pickering, Ontario and the claim of Business Development Bank of Canada, creditor.

I, Margaret Bernat, Senior Account Manager, Special Accounts, of the City of Toronto, in the Province of Ontario DO HEREBY CERTIFY:

1. That I am Senior Account Manager, Special Accounts of Business Development Bank of Canada.
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 the *bankruptcy*, namely the *25th day of May, 2016* and still is, indebted to the creditor in the sum of *\$469,448.10*, as specified in the statement of account attached hereto and marked "Schedule A", after deducting any counterclaims to which the debtor is entitled.
4. (Check and complete appropriate category).

☒ A. UNSECURED CLAIM of \$505,442.86

That in respect of the said debt, the creditor does not hold any assets of the debtor as security and regarding the amount of \$505,442.86, the creditor does not claim a right to a priority.

☐ B. SECURED CLAIM of \$

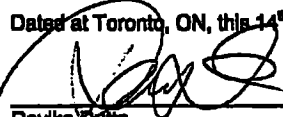
That in respect of this debt, the creditor holds assets of the debtor valued at \$ as security, particulars of which are set out in Schedule "A".

5. That to the best of my knowledge and belief, Business Development Bank of Canada is not related to the debtor within the meaning of section 4 of the Act, and has not dealt with the debtor in a non-arm's length manner.

6. That the following are the payments that the creditor has received from, and the credits that the creditor has allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that the creditor has been privy to or a party to with the debtor within the three months immediately preceding the date of the initial bankruptcy event within the meaning of Section 2 of the Act: \$505,442.86

☒ 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 Toronto, ON, this 14th, June, 2016.


 Davika Gupta
 Officer, Special Accounts
 Witness


 Margaret Bernat
 Senior Account Manager, Special Accounts
 Business Development Bank of Canada

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 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

Note: If a copy of this Form is sent electronically by means such as email, the name and contact information of the sender, prescribed in Form 1.1, must be added at the end of the document.

SCHEDULE A
Statement of Account

Secured Claim

Loan no. 077223-01

This debt arises from the \$175,000.00 loan made by the Business Development Bank of Canada to the debtor as set out in a Letter of Offer dated February 28, 2014.

Principal	\$ 102,086.00
Interest	\$ 18.69
Outstanding amount owed by the debtor as of date of bankruptcy/proposal	\$ 102,113.69
Interest to date proof signed	\$ 7,468.22
TOTAL	\$ 109,581.91

Loan no. 077223-02

This debt arises from the \$250,000.00 loan made by the Business Development Bank of Canada to the debtor as set out in a Letter of Offer dated February 28, 2016.

Principal	\$ 197,600.00
Interest	\$ 2,053.95
Outstanding amount owed by the debtor as of date of bankruptcy/proposal	\$ 199,653.95
Interest to date proof signed	\$ 777.11
TOTAL	\$ 200,431.06

Loan no. 077223-03

This debt arises from the \$100,000.00 loan made by the Business Development Bank of Canada to the debtor as set out in a Letter of Offer dated September 3, 2015.

Principal	\$ 98,860.00
Interest	\$ 1,087.27
Outstanding amount owed by the debtor as of date of bankruptcy/proposal	\$ 97,947.27
Interest to date proof signed	\$ 423.35
TOTAL	\$ 98,370.62

Loan no. 077223-04

This debt arises from the \$100,000.00 loan made by the Business Development Bank of Canada to the debtor as set out in a Letter of Offer dated September 3, 2015.

Principal	\$ 98,810.00
Interest	\$ 823.19
Outstanding amount owed by the debtor as of date of bankruptcy/proposal	\$ 98,733.19
Interest to date proof signed	\$ 326.08
TOTAL	\$ 97,059.27

Client Number 077223



C/A Number ... 07722301

Description	Value
PRINCIPAL	107,528.00
INTEREST	1,627.91
ACCURED TO	13/05/2016
STANDBY FEE	0.00
ACCURED TO	13/05/2016
SWITCHING FEE	0.00
INTEREST ADJUSTMENT FEE	0.00
INTEREST DIFFERENTIAL	0.00
PREPAYMENT INDEMNITY	0.00
ROYALTY	0.00
CANCELLATION FEE	0.00
ANNUAL ADMINISTRATION FEE	0.00
AMENDMENT FEE	0.00
ASSUMPTION FEE	0.00
NSF FEE	23.00
DISCHARGE FEE	0.00
LEGAL EXPENSE	0.00
MISCELLANEOUS	0.00
PROTECTIVE DISBURSEMENT	0.00
INTEREST ON PROTECTIVE DISBURSEMENT	0.00
Total	109,581.91

Description	Value
TAX ACCOUNT	0.00
INTEREST ON TAX ACCOUNT	0.00
DEPOSIT ACCOUNT WITH INTERESTS	0.00
INTEREST ON DEPOSIT ACCOUNT	0.00
DEPOSIT ACCOUNT WITHOUT INTERESTS	0.00
Total Deposit	0.00
Total Net	109,581.91
DAILY INTEREST ACCRUAL	19.76
DAILY ICI ACCRUAL	0.22
DAILY STANDBY FEE ACCRUAL	0.00
INTEREST RATE PLAN	Daily float
EFFECTIVE BASE RATE	4.700000 %
SPREAD RATE	2.000000 %
INTEREST ADJUSTMENT DATE	
PROT.DISB. - DAILY INT. ACCRUAL INCL ICI	0.00
PROT.DISB. - DAILY ICI ACCRUAL	0.00
OPTION EXPIRY DATE	14/06/2016

Client Number 077223



C/A Number 07722302

Description	Value
PRINCIPAL	197,500.00
INTEREST	2,906.06
ACCURED TO	13/06/2016
STANDBY FEE	0.00
ACCURED TO	13/06/2016
SWITCHING FEE	0.00
INTEREST ADJUSTMENT FEE	0.00
INTEREST DIFFERENTIAL	0.00
PREPAYMENT INDEMNITY	0.00
ROYALTY	0.00
SECURITY TAKING FEE	0.00
CANCELLATION FEE	0.00
ANNUAL ADMINISTRATION FEE	0.00
AMENDMENT FEE	0.00
ASSUMPTION FEE	0.00
NSF FEE	25.00
DISCHARGE FEE	0.00
LEGAL EXPENSE	0.00
MISCELLANEOUS	0.00
PROTECTIVE DISBURSEMENT	0.00
INTEREST ON PROTECTIVE DISBURSEMENT	0.00
Total	200,431.06

Description	Value
TAX ACCOUNT	0.00
INTEREST ON TAX ACCOUNT	0.00
DEPOSIT ACCOUNT WITH INTERESTS	0.00
INTEREST ON DEPOSIT ACCOUNT	0.00
DEPOSIT ACCOUNT WITHOUT INTERESTS	0.00
Total Deposit	0.00
Total Net	200,431.06
DAILY INTEREST ACCRUAL	37.25
DAILY ICI ACCRUAL	0.42
DAILY STANDBY FEE ACCRUAL	0.00
INTEREST RATE PLAN	Daily float
EFFECTIVE BASE RATE	4.700000 %
SPREAD RATE	2.200000 %
INTEREST ADJUSTMENT DATE	
PROT.DISB. - DAILY INT. ACCRUAL INCL ICI	0.00
PROT.DISB. - DAILY ICI ACCRUAL	0.00
OPTION EXPIRY DATE	14/06/2016

Client Number 077223

C/A Number 07722303

Description	Value
PRINCIPAL	96,860.00
INTEREST	1,485.62
ACCURED TO	13/06/2016
STANDBY FEE	0.00
ACCURED TO	13/06/2016
SWITCHING FEE	0.00
INTEREST ADJUSTMENT FEE	0.00
INTEREST DIFFERENTIAL	0.00
PREPAYMENT INDEMNITY	0.00
ROYALTY	0.00
SECURITY TAKING FEE	0.00
CANCELLATION FEE	0.00
ANNUAL ADMINISTRATION FEE	0.00
AMENDMENT FEE	0.00
ASSUMPTION FEE	0.00
NSF FEE	23.00
DISCHARGE FEE	0.00
LEGAL EXPENSE	0.00
MISCELLANEOUS	0.00
PROTECTIVE DISBURSEMENT	0.00
INTEREST ON PROTECTIVE DISBURSEMENT	0.00
Total	98,370.62

Description	Value
TAX ACCOUNT	0.00
INTEREST ON TAX ACCOUNT	0.00
DEPOSIT ACCOUNT WITH INTERESTS	0.00
INTEREST ON DEPOSIT ACCOUNT	0.00
DEPOSIT ACCOUNT WITHOUT INTERESTS	0.00
Total Deposit	0.00
Total Net	98,370.62
DAILY INTEREST ACCRUAL	19.72
DAILY ICI ACCRUAL	0.24
DAILY STANDBY FEE ACCRUAL	0.00
INTEREST RATE PLAN	Daily float
EFFECTIVE BASE RATE	4.700000 %
SPREAD RATE	2.750000 %
INTEREST ADJUSTMENT DATE	
PROT.DISB. - DAILY INT. ACCRUAL INCL ICI	0.00
PROT.DISB. - DAILY ICI ACCRUAL	0.00
OPTION EXPIRY DATE	14/06/2016

Abacus Queries - [Payout Balances (Detail)]

Page 1 of 2

Client Number 077223



C/A Number 07722304

Description	Value
PRINCIPAL	93,910.00
INTEREST	1,124.27
ACCURED TO	13/06/2016
STANDBY FEE	0.00
ACCURED TO	13/06/2016
SWITCHING FEE	0.00
INTEREST ADJUSTMENT FEE	0.00
INTEREST DIFFERENTIAL	0.00
PREPAYMENT INDEMNITY	0.00
ROYALTY	0.00
SECURITY TAKING FEE	0.00
CANCELLATION FEE	0.00
ANNUAL ADMINISTRATION FEE	0.00
AMENDMENT FEE	0.00
ASSUMPTION FEE	0.00
NSF FEE	25.00
DISCHARGE FEE	0.00
LEGAL EXPENSE	0.00
MISCELLANEOUS	0.00
PROTECTIVE DISBURSEMENT	0.00
INTEREST ON PROTECTIVE DISBURSEMENT	0.00
Total	97,059.27

Description	Value
TAX ACCOUNT	0.00
INTEREST ON TAX ACCOUNT	0.00
DEPOSIT ACCOUNT WITH INTERESTS	0.00
INTEREST ON DEPOSIT ACCOUNT	0.00
DEPOSIT ACCOUNT WITHOUT INTERESTS	0.00
Total Deposit	0.00
Total Mat	97,059.27
DAILY INTEREST ACCRUAL	14.94
DAILY ICI ACCRUAL	0.14
DAILY STANDBY FEE ACCRUAL	0.00
INTEREST RATE PLAN	Daily float
EFFECTIVE BASE RATE	4.700000 %
SPREAD RATE	1.000000 %
INTEREST ADJUSTMENT DATE	
PROT.DISC. - DAILY INT. ACCRUAL INCL ICI	0.00
PROT.DISC. - DAILY ICI ACCRUAL	0.00
OPTION EXPIRY DATE	14/06/2016

Abacus Querdes - [General Loan Information/Transactions]

Page 1 of 1

Client Number 077223 Multiple Number 01
 From 25/05/2016 To 25/05/2016

36

General Information		Transactions							
Eff Date	Post Date	Tran Code	Cash Offset	Description	Comments	Amount	Segment	Principal Balance	Interest
23/05/2016	23/05/2016	BEGN		BEGINNING BALANCES			TRANCHE 01	102,095.00	18.69
25/05/2016	25/05/2016	ENDR		ENDING BALANCES			TRANCHE 01	102,095.00	18.69

(AA) Annual admin. (AM) Monthly admin. (AS) Assumption (BI) Bonus interest (CM) Cancellation fee (DF) Security processing (DI) Dep. acc. with Int
 (DP) Deprec. without int (EB) Royal/(EBITDA)-Other (ED) End of Deal - Bonus (EF) External fee (FS) Federal sales taxes (GN) Equity gain (HT) Haron. sales taxes
 (IA) Int. on prem. arr. (ID) Interest adjustment (IH) Security Taking (IP) Interest differ. (IV) Prepay. indemnity (MF) Miscellaneous (NO) NVP-Royal-Other_Fee
 (NP) Payment admin. fee (NR) NPV - royalty (NS) NSF (PA) Billing fee (PF) Postponement (PM) Premium (PS) Provincial sales tax
 (PV) NPV - Premium (RA) Int royalty arrears (Re) Royalty adjustments (RV) Royalty (SB) Standby fee (SR) Security release (SW) Switching
 (TX) Tax instalment

Client Number 077223 Multiple Number 02
 From 25/05/2016 To 25/05/2016



General Information		Transactions							
Eff Date	Post Date	Tran Code	Cash Offset	Description	Comments	Amount	Segment	Principal Balance	Interest
25/05/2016	25/05/2016	BEGB		BEGINNING BALANCES			TRANCHE 01	197,800.00	2,053.94
25/05/2016	25/05/2016	BEGB		BEGINNING BALANCE			NS FEE		
25/05/2016	25/05/2016	ENDB		ENDING BALANCES			TRANCHE 01	197,800.00	2,053.94
25/05/2016	25/05/2016	ENDB		ENDING BALANCE			NS FEE		

(AA) Annual admin. (AM) Monthly admin. (AS) Assumption (BI) Bonus Interest (CM) Cancellation fee (DF) Security processing (DI) Dep. acc. with int
 (DP) Dep. acc. without int (EB) Royal(EBITDA)+Other (ED) End of Deal - Bonus (EF) External fee (FS) Federal sales taxes (GN) Equity gain (HT) Herm. sales taxes
 (IA) Int. on prem. arr. (ID) Interest adjustment (IH) Security Taking (IP) Interest differ. (YI) Prepay. Indemnity (MP) Miscellaneous (NO) NVP-Royal-Other_Fee
 (NP) Payment admin. fee (NR) NPV - royalty (NS) NSF (PA) Billing fee (PF) Postponement (PM) Premium (PS) Provincial sales tax
 (PV) NPV - Premium (RA) Int royalty arrears (Raj) Royalty adjustments (RY) Royalty (SB) Standby fee (SR) Security release (SW) Switching
 (TX) Tax Instalment

Abacus Queries - [General Loan Information/Transactions]

Page 1 of 1

Client Number 077223 Multiple Number 03
 From 25/05/2016 To 25/05/2016



General Information		Transactions							
Eff Date	Post Date	Tran Code	Cash Offset	Description	Comments	Amount	Segment	Principal Balance	Interest
25/05/2016	25/05/2016	BEGB		BEGINNING BALANCES			TRANCHE 01	96,860.00	1,087.21
25/05/2016	25/05/2016	BEGB		BEGINNING BALANCE			NS FEE		
25/05/2016	25/05/2016	ENDB		ENDING BALANCES			TRANCHE 01	96,860.00	1,087.21
25/05/2016	25/05/2016	ENDB		ENDING BALANCE			NS FEE		

(AA) Annual admin. (AM) Monthly admin. (AS) Assumption (BI) Bonus Interest (CM) Cancellation fee (DF) Security processing (DI) Dep. acc. with int
 (DP) Dep. acc. without int (EB) Royal (EBITDA) + Other (ED) End of Deal - Bonus (EF) External fee (FS) Federal sales taxes (GN) Equity gain (HT) Harm. sales taxes
 (IA) Int. on prem. arr. (ID) Interest adjustment (IH) Security Taking (IP) Interest differ. (IV) Prepay. indemnity (MF) Miscellaneous (NO) NPV - Royal-Other_Fee
 (NP) Payment admin. fee (NR) NPV - royalty (NS) NSF (PA) Billing fee (PF) Postponement (PM) Premium (PS) Provincial sales tax
 (PV) NPV - Premium (RA) Int royalty arrears (RD) Royalty adjustments (RV) Royalty (SB) Standby fee (SR) Security release (SW) Switching
 (TX) Tax Instalment

Abacus Queries - [General Loan Information/Transactions]

Page 1 of 1

Client Number 077223 Multiple Number 04
 From 25/05/2016 To 25/03/2016



General Information		Transactions							
Eff Date	Post Date	Tran Code	Cash Offset	Description	Comments	Amount	Segment	Principal Balance	Interest
25/05/2016	25/05/2016	BBGB		BEGINNING BALANCES			TRANCHE 01	95,910.00	823.19
25/05/2016	25/05/2016	BBGB		BEGINNING BALANCE			NS FEE		
25/05/2016	25/05/2016	ENDB		ENDING BALANCES			TRANCHE 01	95,910.00	823.19
25/05/2016	25/05/2016	ENDB		ENDING BALANCE			NS FEE		

(AA) Annual admin. (AM) Monthly admin. (AS) Assumption (BI) Bonus Interest (CM) Cancellation fee (DF) Security processing (DI) Dep. acc. with Int
 (DP) Deprec. without Int (EB) Royal(EBITDA)+Other (ED) End of Deal - Bonus (EF) External fee (FS) Federal sales taxes (GN) Equity gain (HT) Term, sales taxes
 (IA) Int. on prem. arr. (ID) Interest adjustment (IS) Security Taking (IP) Interest differ. (IV) Prepay. indemnity (MF) Miscellaneous (NO) NPV-Royal-Other_Fee
 (NP) Payment admin. fee (NR) NPV - royalty (NS) NSF (PA) Billing fee (PF) Postponement (PM) Premium (PS) Provincial sales tax
 (PV) NPV - Premium (RA) Int royalty arrears (Rd) Royalty adjustments (RV) Royalty (SB) Standby fee (SR) Security release (SW) Switching
 (TX) Tax installment

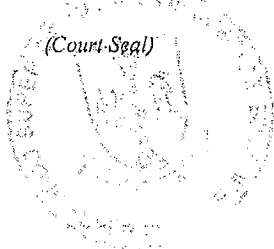
EXHIBIT No. 5
 ON THE EXAMINATION OF
Aimee Bedmonds IN
CIBC V Compuguard
 HELD ON July 24, 2017
 NEESON COURT REPORTING INC.

Court File No.

CV-16-555283

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:



DEAN SALEM and NORRIS TECHNOLOGIES LLC

Applicants

and

AIMEE BODIMEADE

Respondent

AMENDED NOTICE OF APPLICATION

TO THE RESPONDENT(S)

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing on August 9, 2016, at 10:00 a.m., at 393 University Avenue, 10th Floor, Toronto ON M5G 1E6.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO

- 2 -

OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID
MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date June 22/2014 Issued by Ashley Miller
Local Registrar

Address of 393 University Avenue, 10th Floor
court office: Toronto ON M5G 1E6

TO: Aimee Bodimeade
7472 Ashburn Road
Whitby, ON
L1M 2E8

APPLICATION

1. The Applicants, Dean Salem and Norris Technologies LLC, makes an Application for:
 - (a) A Declaration that the Applicants maintain an interest in the property municipally known as 7472 Ashburn Road, Whitby, Ontario L1M 2E8, legally described as follows:

PIN 26578-0082 LT

PT LT 27 CON 7 TOWNSHIP OF WHITBY; PT LT 28 CON 7 TOWNSHIP OF WHITBY AS IN D144416; TOWN OF WHITBY (the "Property")
 - (b) An Order directing the Registrar of Land Titles to permit the Applicants to register a charge/mortgage bearing standard charge terms 200033, in the amount of \$1,000,000 on title to the Property;
 - (c) In the alternative to paragraph 1(b) above, an Order directing the Respondent, Aimee Bodimeade, to execute the documents required in order to enable the Applicants to register a charge/mortgage, bearing standard charge terms 200033, in the amount of \$1,000,000, on title to the Property;
 - (d) A certificate of pending litigation against the Property;
 - (e) the costs of this proceeding, plus all applicable taxes; and
 - (f) Such further and other Relief as to this Honourable Court may seem just.
2. The grounds for the Application are:

- 4 -

- (a) In January 2011, the Applicants agreed to provide a revolving line of credit to the Respondent, her then husband Gary Bodimeade and 1299746 Inc. o/a Compuquest 2000 ("**Compuquest**") in cash and equipment in an amount up to \$1,500,000.
- (b) On March 3, 2015, the Respondent executed an agreement dated December 31, 2016, with her counsel Andrea Robertson as notary, in consideration for the continued provision of the revolving line of credit, wherein she agreed to pledge collateral as security for the revolving line of credit.
- (c) Pursuant to the agreement, the Respondent and Compuquest agreed to pay to the Applicants, all outstanding balances on the revolving line of credit, payable on demand no later than December 31, 2016. The Respondent and Compuquest further agreed to secure their obligation to pay the revolving line of credit with any and all equity available in certain personal property and real property owned by the Respondent and Compuquest.
- (d) In the agreement, the Respondent and Compuquest agreed to, at their expense, legally formalize in Canada the Applicants in the 2nd secured position on all properties and assets.
- (e) The Property was listed in the agreement as one of the properties over which the Respondent would grant the Applicants a collateral mortgage.

- 5 -

- (f) On or about May 9, 2016, Mr. Salem sent Gary Bodimeade the documents that needed to be executed by the Respondent in order to register the collateral mortgage. Mr. Bodimeade provided the documents to the Respondent
 - (g) On May 16, 2016, Mr. Salem received an email from Andrea Robertson, counsel for the Respondent, asking for documentation demonstrating the outstanding amounts owing to the Applicants up to April 28, 2016, the date Compuquest ceased operations.
 - (h) On May 17, 2016, Mr. Salem responded to Ms. Robertson advising that Mr. Bodimeade had already provided the Respondent with the documents needed to register the collateral mortgage and advised that the total amount owing on the revolving line of credit as at that date was \$803,585.49, and that no additional advances had been made.
 - (i) Nothing has been heard from the Respondent or her counsel since Mr. Salem's May 17, 2016 email.
 - (j) Rule 14.05 of the *Rules of Civil Procedure*; and
 - (k) Such further and other grounds as the lawyers may advise.
3. The following documentary evidence will be used at the hearing of the Application:
- (a) The affidavit of Dean Salem, to be sworn, and the exhibits attached thereto;
 - (b) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

- 6 -

June 22, 2016

FOGLER, RUBINOFF LLP

Lawyers

77 King Street West

Suite 3000, P.O. Box 95

TD Centre North Tower

Toronto, ON M5K 1G8

David W. Levangie (LSUC# 57180I)

Tel: 416.864.7603

Fax: 416.941.8852

dlevangie@foglers.com

Lawyers for the Applicants

DEAN SALEM and NORRIS TECHNOLOGIES LLC
Applicants

-and- AIMEE BODIMEADE
Respondent

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF APPLICATION

FOGLER, RUBINOFF LLP

Lawyers

77 King Street West

Suite 3000, P.O. Box 95

TD Centre North Tower

Toronto, ON M5K 1G8

David W. Levangie (LSUC# 57180I)

dlevangie@foglers.com

Tel: 416.864.7603

Fax: 416.941.8852

Lawyers for the Applicants

Court File No.

CV16-555283

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

(Court Seal)

DEAN SALEM and NORRIS TECHNOLOGIES LLC

Applicants

and

AIMEE BODIMEADE

Respondent

AFFIDAVIT OF DEAN SALEM

I, Dean Salem, of the County of Campbell, in the State of Tennessee in the United States of America, MAKE OATH AND SAY:

1. I am the personal Applicant in this application and therefore have knowledge of the matters hereinafter deposed. To the extent that I refer to any information that is not within my personal knowledge, I have stated the source of the information and verily believe such information to be true.
2. I am an individual ordinarily resident in the County of Campbell, in the State of Tennessee in the United States of America.
3. The corporate Applicant, Norris Technologies LLC, ("**Norris**"), is an LLC (Limited Liability Company) registered pursuant to the laws of the State of Tennessee.
4. The Respondent, Aimee Bodimeade ("**Mrs. Bodimeade**"), is an individual ordinarily resident in the City of Whitby, in the Province of Ontario.

-2-

5. In January 2011, Norris and I agreed to provide a revolving line of credit to Mrs. Bodimeade, her then husband Gary Bodimeade and 1299746 Inc. o/a Compuquest 2000 ("**Compuquest**") in cash and equipment in an amount up to \$1,500,000.

6. On March 3, 2016, Mrs. Bodimeade executed an agreement dated December 31, 2015, with her counsel, Andrea Robertson, acting as commissioner, in consideration for the continued provision of the revolving line of credit, wherein she agreed to pledge collateral as security for the revolving line of credit (the "**Agreement**"). Attached hereto and marked as **Exhibit "A"** is a copy of the Agreement dated December 31, 2015 and executed March 3, 2016.

7. Pursuant to the Agreement, Mrs. Bodimeade and Compuquest agreed to pay Norris and myself, all outstanding balances on the revolving line of credit, payable on demand no later than December 31, 2016. Ms. Bodimeade and Compuquest further agreed to secure their obligation to pay the revolving line of credit with any and all equity available in certain personal property and real property owned by Ms. Bodimeade and Compuquest, as detailed in the Agreement.

8. In the Agreement, Mrs. Bodimeade and Compuquest agreed to, at their expense, legally formalize, in Canada, Norris and myself in the 2nd secured position on all properties and assets.

9. Among the properties listed in the Agreement over which Ms. Bodimeade agreed to grant security was the property municipally known as 7472 Ashburn Road, Whitby, Ontario L1M 2E8, legally described as follows:

PIN 26578-0082 LT

PT LT 27 CON 7 TOWNSHIP OF WHITBY; PT LT 28 CON 7 TOWNSHIP OF WHITBY AS IN D144416; TOWN OF WHITBY (the "**Property**")

Attached hereto and marked as **Exhibit "B"** is a copy of the parcel registry for the Property.

10. On April 25, 2016, Patrick Bennett, counsel for Dean Salem, sent a letter to Andrea Robertson, counsel for Aimee Bodimeade, requesting the required information to formalize the mortgage on the property. Ms. Robertson did not respond to the letter. Attached hereto and marked as **Exhibit "C"** is a copy of the letter sent to Ms. Robertson.

-3-

11. On or about May 9, 2016, I sent Gary Bodimeade the documents that needed to be executed by Ms. Bodimeade in order to register the collateral mortgage. I am advised by Mr. Bodimeade and verily believe that he provided the documents to Ms. Bodimeade. Attached hereto and marked as **Exhibit "D"** is a copy of the email and documents attached thereto sent to Mrs. Bodimeade.

12. On May 16, 2016, I received an email from Andrea Robertson, counsel for Ms. Bodimeade, asking for documentation demonstrating the outstanding amounts owing to the Norris and myself up to April 28, 2016, the date Compuquest ceased operations. Attached hereto and marked as **Exhibit "E"** is a copy of the May 16, 2016 email from Andrea Robertson.

13. On May 17, 2016, I responded to Ms. Robertson advising that Mr. Bodimeade had already provided Ms Bodimeade with the documents needed to register the collateral mortgage and advised that the total amount owing on the revolving line of credit as at that date was \$803,585.49, and that no additional advances had been made. Attached hereto and marked as **Exhibit "F"** is a copy of the May 17, 2016 email.

14. Nothing has been heard from Ms. Bodimeade or her counsel since my May 17, 2016 email.

15. Compuquest and Mr. Bodimeade were both petitioned into bankruptcy on May 25, 2016. Attached hereto and marked as **Exhibit "G"** is a copy of the May 25, 2016 Bankruptcy orders.

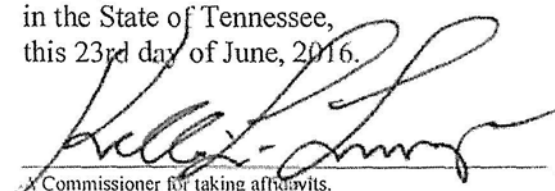
16. I am concerned that Ms. Bodimeade may suffer the same fate, or that Ms. Bodimeade may convey, or refinance the Property despite our written agreement that Norris and I would be secured in 2nd position on the Property.

17. I therefore verily believe that Norris and I have an interest in the aforesaid Property. A true copy of the Notice of Application in this proceeding is attached hereto as **Exhibit "H"**.

18. I therefore make this affidavit in support of the relief set out in the Applicants' Notice of Motion dated June 28, 2012, and for no other or improper purpose or motive.

-4-

SWORN before me at the
County of Campbell,
in the State of Tennessee,
this 23rd day of June, 2016.



Commissioner for taking affidavits.
Kelli Thompson



DEAN SALEM



Court File No. CV16-555283

**ONTARIO
SUPERIOR COURT OF JUSTICE**

MASTER

Master T. R. Hawkins

)

)

)

THURSDAY, THE 30TH**DAY OF JUNE, 2016**

BETWEEN:

(Court Seal)**DEAN SALEM and NORRIS TECHNOLOGIES LLC**

Applicants

and

AIMEE BODIMEADE

Respondent

ORDER

THIS MOTION, made by the Applicants, without notice, for an Order of this Court permitting the issuance of a certificate of pending litigation, was made this day at Toronto, Ontario.

ON READING the Affidavit of Dean Salem, and the Exhibits attached thereto, sworn June 23, 2016, filed, and the Affidavit of Nivia Gomes, sworn June 29, 2016 and upon hearing submissions of counsel for the Plaintiff.

1. THIS COURT ORDERS that a Certificate of Pending Litigation be issued forthwith against title to the lands legally described as follows:

PIN 26578-0082 LT

PT LT 27 CON 7 TOWNSHIP OF WHITBY; PT LT 28 CON 7 TOWNSHIP OF WHITBY AS
IN D144416; TOWN OF WHITBY

Municipally known as 7472 Ashburn Road, Whitby, Ontario L1M 2E8;

2. THIS COURT FURTHER ORDERS that the Plaintiff shall serve the Respondent, Aimee
Bodimeade, with a copy of this Order, forthwith.

J. R. Hawkins M

Master T. R. Hawkins

ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

JUN 30 2016

PER / PAR: 

DEAN SALEM et al.
Applicants

-and- AIMEE BODIMEADE
Respondent

Court File No. CV16-555283

**ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
TORONTO**

ORDER

FOGLER, RUBINOFF LLP
Lawyers
77 King Street West
Suite 3000, P.O. Box 95
TD Centre North Tower
Toronto, ON M5K 1G8

David W. Levangie (LSUC# 57180D)
dlevangie@foglers.com
Tel: 416.864.7603
Fax: 416.941.8852

Lawyers for the Applicants

Court File No. CV16-555283

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

*(Court Seal)***DEAN SALEM and NORRIS TECHNOLOGIES LLC**

Applicants

and

AIMEE BODIMEADE

Respondent

CERTIFICATE OF PENDING LITIGATION

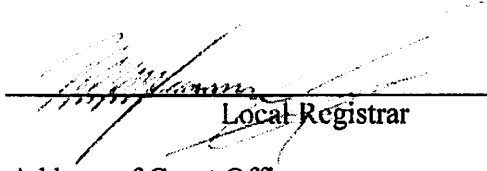
I CERTIFY that in this proceeding an interest in the following land is in question:

Legal Description: PIN 26578-0082 LT

PT LT 27 CON 7 TOWNSHIP OF WHITBY; PT LT 28 CON 7 TOWNSHIP OF WHITBY AS
IN D144416; TOWN OF WHITBY

Municipally known as 7472 Ashburn Road, Whitby, Ontario L1M 2E8.

This Certificate is issued under an Order of the Court made on Thursday, June 30, 2016.



Local Registrar

Address of Court Office:
393 University Avenue
Toronto, Ontario

DEAN SALEM et al.
Applicants

-and- AIMEE BODIMEADE
Respondent

Court File No. CV16-555283

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
TORONTO

CERTIFICATE OF PENDING LITIGATION

FOGLER, RUBINOFF LLP
Lawyers
77 King Street West
Suite 3000, P.O. Box 95
TD Centre North Tower
Toronto, ON M5K 1G8

David W. Levangie (LSUC# 571801)
dlevangie@foglers.com
Tel: 416.864.7603
Fax: 416.941.8852

Lawyers for the Applicants

LRO # 40 Certificate

Registered as DR1489206 on 2016 06 30 at 15:43

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 3

Properties

PIN 26578 - 0082 LT
Description PT LT 27 CON 7 TOWNSHIP OF WHITBY; PT LT 28 CON 7 TOWNSHIP OF WHITBY AS
IN D144416; TOWN OF WHITBY
Address 7472 ASHBURN ROAD
UXBRIDGE

Party From(s)

Name DEAN SALEM AND NORRIS TECHNOLOGIES LLC
Address for Service c/o Fogler, Rubinfoff LLP
77 King Street West
Suite 3000, P.O. Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
Attn: David W. Levangie

I, DAVID W. LEVANGIE, lawyer for the Applicants, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Statements

Schedule: See Schedules

Signed By

Charles William Skipper	77 King Street West Suite 3000 PO Box 95 TD Centre Toronto M5K 1G8	acting for Party From(s)	Signed	2016 06 30
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Tel 416-864-9700

Fax 416-941-8852

I have the authority to sign and register the document on behalf of the Party From(s).

Submitted By

FOGLER, RUBINFOFF LLP	77 King Street West Suite 3000 PO Box 95 TD Centre Toronto M5K 1G8	2016 06 30
-----------------------	---	------------

Tel 416-864-9700

Fax 416-941-8852

Fees/Taxes/Payment

Statutory Registration Fee	\$62.85
Total Paid	\$62.85

File Number

Party From Client File Number : DEAN SALEM/NORRIS TECHNOLOGIES (16/4283)

District of: Ontario
Division No. 09 - Toronto
Court No. 31-2128393
Estate No. 31-2128393

- 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
Gary Wayne Bodimeade
of the Town of Brooklin, in the Province of Ontario

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

Norris Technologies LLC, Attn: Dean Salem, 751 Fox Ridge Ln, Caryville, TN 37714

In the matter of the bankruptcy of Gary Wayne Bodimeade of the Town of Brooklin in the Province of Ontario and the claim of
Norris Technologies, LLC, creditor.

I, Dean Salem (name of creditor or representative of the creditor), of the city of Caryville in the
province of TN, USA, do hereby certify:

1. That I am a creditor of the above named debtor (or I am President (position/title) of Norris Technologies, LLC
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 25th day of May 2016, and still is, indebted to the creditor in the sum of
US\$ 803,585.49, 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 \$ US\$803,585.49

(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 85.2(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 not (am/am not) (or the above-named creditor is not (is/is not)) related to the debtor within the meaning of section 4 of the Act, and has no (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 Caryville, TN, this 29 day of July, 2016


Witness



Creditor
Phone Number: 214-697-7638
Fax Number: 615-250-7937
E-mail Address: dean@norris1.com

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 120(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 - Toronto
Court No. 31-2128389
Estate No. 31-2128389

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
1299746 ONTARIO INC.
of the City of Pickering, in the Province of Ontario

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

Norris Technologies LLC, Attn: Dean Salem, 751 Fox Ridge Ln, Caryville, TN 37714

In the matter of the bankruptcy of 1299746 ONTARIO INC. of the City of Pickering in the Province of Ontario and the claim of
Norris Technologies, LLC, creditor.

I, Dean Salem (name of creditor or representative of the creditor), of the city of Caryville in the
province of TN, USA, do hereby certify:

1. That I am a creditor of the above named debtor (or I am President (position/title) of Norris Technologies, LLC
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 25th day of May 2016, and still is, indebted to the creditor in the sum of
US\$ 803,585.49 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 \$ US\$803,585.49
(other than as a customer contemplated by Section 262 of the Act)

Compuquest 2000 and Mr. Gary Bodimeade
(personally) did guarantee the debt with his marital
assets including his interest in the marital estate.

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 not (am/am not) (or the above-named creditor is not (is/is not)) related to the debtor within the meaning of section 4 of the Act, and has not (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 Caryville, TN, this 29 day of July, 2016


Witness



Creditor
Phone Number: 214-697-7638
Fax Number: 615-250-7937
E-mail Address: dean@norris1.com

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.

<u>Date</u>	<u>Check #</u>	<u>Cleared</u>	<u>Check Amt</u>	<u>Debit</u>	<u>Credit</u>	<u>Balance</u>	<u>Interest</u>	<u>Reconcile</u>	<u>Rec Notes</u>
1/29/2016	2956	Y	256,000.00		250,000.00	0.00			
2/3/2016	2957	Y	200,000.00		200,000.00	-200,000.00			
2/5/2016	1199-BBT-DAS	Y	280,000.00	280,000.00		80,000.00			
2/16/2016	2945	N	200,000.00			80,000.00			Bank Refused 03/04/16, wired to Comerica
2/17/2016	1200-BBT-DAS	Y	195,000.00	195,000.00		275,000.00			
2/20/2016	1201-BBT-DAS	Y	250,000.00	250,000.00		525,000.00			
2/24/2016	2955	N	200,000.00		195,000.00	330,000.00			Bank Refused, then wired to Comerica
2/29/2016	1126-CTBI-DAS	Y	65,000.00	65,000.00		395,000.00			
3/1/2016	Wire-CTBI-Sunny	Y	200,000.00	200,000.00		595,000.00			
3/1/2016	2948	N	250,000.00		242,500.00	352,500.00			Bank Refused, then wired to Comerica
3/4/2016	Wire	Y	200,000.00		194,000.00	158,500.00			
4/12/2016		Y	52,300.00		52,300.00	106,200.00			Bank Refused, then wired to Comerica NCP - xfer to DAS acct

Total US\$106,200.00 - this sheet 1

Date	NT PO	NT SO	C2K PO	Sale	Pmt	Balance	PD VIA	Cleared	Description	Shipped
1/22/2014	6724	11984		73,130.00	73,130.00		0.00 WIRE 01-24-14	Y	Dell US WS	
2/4/2014	6752	12035	910106	28,719.23	28,719.23		0.00 AMEX 03-04-14	Y	Dell Canada PCs	
2/7/2014	6758	12042	910097	65,931.65	65,931.65		0.00 WIRE 02-13-14	Y	IT Source KS	
2/12/2014	6764	12055	910107	36,328.10	36,328.10		0.00 AMEX 02-24-14	Y	Dell US PC's	
2/26/2014	6770	12087	910105	39,819.80	39,819.80		0.00 3026 / 02-26-14	Y	HPFS AVAILABLE WS 2-14-2014	
2/26/2014	6779	12086	910109	61,285.00	61,285.00		0.00 3027 / 02-27-14	Y	HPFS Available DTs 2-19-2014	
2/26/2014	6785	12085	910110	45,062.50	45,062.50		0.00 3026 / 02-26-14	Y	Dell US Workstations	
2/27/2014	6793	12091	910112, 11:	143,800.00	143,800.00		0.00 3028 / 03-06-14	Y	Dell US NB & DT	
3/4/2014	6801	12099	910115	130,398.00	130,398.00		0.00 3029 / 03-10-14	Y	HPFS DKT-5001 Norris Companies OC	
3/18/2014	6823	12130	910122	173,887.69	173,887.69		0.00 3040, 3041/ 03-21-14	Y	HPFS LT-5025-DKT	
3/21/2014	6828	12136	910123	106,859.41	106,859.41		0.00 3043 / 03-27-14	Y	Dell US NB Lot	
3/27/2014	6849	12159	910127	2,703.75	2,703.75		0.00 3049 / 04-04-14	Y	HPFS LT-5011 105 - Thin Client	
4/1/2014	6859	12173	910127	95,252.34	95,252.34		0.00 3049 / 04-04-14	Y	HPFS LT-5053-DKT - DT's	
4/1/2014	6843	12174		6,500.00		6,500.00			160GB's from Dallas	
4/3/2014	6867	12179		183,340.00		189,840.00			Dell US NB & DT Lot	
4/15/2014	6902	12202		17,061.00		206,901.00			499Misc PCs Atl	
4/17/2014	6777	12211		23,340.00		230,241.00			240 PC's	
4/17/2014	6912, 6912A	12212		89,450.35		319,691.35			Dell US - DT's & WKS	
4/22/2014		12179			99,960.00	219,731.35	Wire / 04-22			
4/23/2014	6923	12231		54,354.13		274,085.48			Dell CA - DT, NB	
4/24/2014		12212			87,300.00	186,785.48	Amex (\$90K - 3%)	Y		
4/23/2014		12179			22,980.00	163,805.48	Wire / 04-23	Y		
4/29/2014		12231			52,771.00	111,034.48	CC Pmt to Dell CA	Y		
4/30/2014	6950	12270		26,626.50		137,660.98			HP MX-EOL-3643 NB (\$24,815 + 3% Norris + 4.3% Ship)	
4/30/2014	6950	12270		23,219.72		160,880.70			HP MX-EOL-3639 WS (\$21,640 + 3% Norris + 4.3% Ship)	
5/1/2014	6937	12252		29,150.00		190,030.70			Mixed PC - ATL	
5/6/2014	6941	12259		130,037.50		320,068.20			Dell US - C lots	
5/9/2014					99,960.00	220,108.20	Wire / 05-07			
5/7/2014					0.00	220,108.20	3054 / 05-07-14	N	83974.48 STOP PAY	
5/7/2014	6950	12270		24,057.00		244,165.20			HP MX-EOL-3653 DT (22,420.00 + 3% Norris + 4.3% Ship)	
5/8/2014	6951	12272		151,683.00		395,848.20			HPFS LT-5168 NB (147,265.00 + 3% Norris)	
5/14/2014					64,980.00	330,868.20	Wire / 05-14-14	Y		
5/19/2014	6965	12292		59,750.00		390,618.20			Dell Global Outlet Latitude 10 Tablets (478 x \$125)	
5/20/2014	6968	12294		15,192.50		405,810.70			MISC PC's - ATL	
5/21/2014	6972	12298	22050	23,598.15		429,408.85			MISC PC's - CO	
5/21/2014					159,980.00	269,428.85	Wire / 05-21-14	Y		
5/22/2014	6975	12299		90,073.50		359,502.35			Dell US DT's	
5/22/2014	6976	12302		191,849.00		551,351.35			HPFS LT-5180 NBs 1056 Units	
5/22/2014	6955	12303		86,716.50		638,067.85			HP Refurb 409 Units	
5/27/2014					99,980.00	538,087.85	Wire / to BB&T	Y		
5/27/2014					29,980.00	508,107.85	Wire / to BB&T	Y		
5/29/2014					99,980.00	408,127.85	Wire / to BB&T	Y		
5/29/2014	6980	12307	910148	101,571.00		509,698.85			MISC PC's - ATL	
5/30/2014	6989	12321	910146	82,915.00		592,613.85			HPFS LT-5192 DT	
6/3/2014	7000	12336	910154	97,850.00		690,463.85			HPFS LT-5195 DT	
6/4/2014					149,940.00	540,523.85	Wire / to BB&T	Y		
6/6/2014			910153		82,915.00	457,608.85	C2K Ck # 3083 to BBT	Y		
6/6/2014					97,850.00	359,758.85	C2K Ck # 3055 to Chase	Y	cleared 6/19/14	

Date	NT PO	NT SO	C2K PO	Sale	Pmt	Balance	PD VIA	Cleared	Description	Shipped
6/9/2014					90,358.85	269,400.00	Amex (Gary) - 3%	Y	Total charge - \$93,069.62	
6/10/2014	6984	12350		8,000.00		277,400.00			SATA HDD's	
6/10/2014	7006	12347		265,536.00		542,936.00			Dell US NB & DT	
6/11/2014					48,500.00	494,436.00	Amex (Gary) - 3%	Y	Total charge - \$50,000.00	
6/11/2014	7013	12357	910155	187,022.00		681,458.00			HPFS LT-5210 DT, LT-5211 DT	
6/12/2014					98,650.00	582,808.00	C2K Ck # 3087 to BBT	Y		
6/12/2014					98,650.00	484,158.00	C2K Ck # 3056 to Chase	Y	cleared 6/18/14	
6/12/2014					38,800.00	445,358.00	Amex (CDI) - 3%	Y	Total charge - \$40,000.00	
6/17/2014					101,571.00	343,787.00	C2K Ck # 3089 to BBT	Y		
6/18/2014					94,572.00	249,215.00	C2K Ck # 3057 to Chase	Y		
6/25/2014					104,251.00	144,964.00	C2K Ck # 3134 to BBT	Y		
6/23/2014	6904A	12367		15,900.00		160,864.00			MISC LAPTOPS	6/24/2014
6/30/2014	6940, 6948D	12389		12,000.00		172,864.00			Dell LCDs	7/3/2014
7/2/2014	7034	12396		8,000.00		180,864.00			Z400s	7/2/2014
7/2/2014	7042	12397		58,710.00		239,574.00			HP LT-5236 DT 801pcs	7/3/2014
7/2/2014	7027	12398		6,500.00		246,074.00			160GB's from Dallas	7/8/2014
7/2/2014	7043	12400		91,320.00		337,394.00			MISC PC's - ATL	7/11/2014
7/7/2014					94,610.00	242,784.00	C2K Ck # 3136 to BBT	Y		
7/8/2014					72,750.00	170,034.00	Amex (Gary) - 3%	Y	Total charge - \$75,000.00	
7/9/2014	7049	12417		320,000.00		490,034.00			Dell US NB & DT	7/10/2014
7/9/2014					174,578.00	315,456.00	C2K Ck # 3138 to BBT	Y		
7/11/2014	7056	12425		117,042.00		432,498.00			HP Refurbs 512 Units	
7/11/2014	7057	12426		136,475.00		568,973.00			HPFS LT-5241A-I DKT_ACC	7/14/2014
7/16/2014					91,320.00	477,653.00	C2K Ck # 3139 to BBT	Y		
7/17/2014					136,475.00	341,178.00	C2K Ck # 3142 to BBT	Y	Check #'s 3091 to 3096 - VOID - Printer Error	
7/22/2014					59,750.00	281,428.00	C2K Ck # 3058 to Chase	N	To pay for the Lat 10's - Deposited in Dallas	Bounce - Wired
7/22/2014		12439		7,000.00		288,428.00			250GB HDD's	
7/25/2014	7076	12449		41,250.00		329,678.00			Dell US - 600 PC's	
7/28/2014					102,250.00	227,428.00	C2K Ck # 3144 to Suntrust	Y	Transferred from Dean's checking to NT checking in BB&T	
7/29/2014					102,750.00	124,678.00	C2K Ck # 3145 to BBT	Y		
7/29/2014	7084	12458		103,000.00		227,678.00			HPFS LT-5261 NB - 600 Notebooks	
8/5/2014					227,678.00	0.00	C2K Ck # 3147 to BBT	Y		
8/5/2014	7096	12464		22,700.00		22,700.00			Misc PC ATL 191 units	8/5/2014
8/6/2014	7102	12493	910192	215,209.00		237,909.00			HP LT-5277 DKT 2,866 units	8/8/2014
8/7/2014					87,290.30	150,618.70	Amex (Gary) - 3%	Y	Total charge - \$89,990.00	
8/8/2014					88,003.25	62,615.45	Amex (Gary) - 3%	Y	Total charge - \$90,725.00	
8/12/2014	7107	12506		12,240.00		74,855.45			102- GX 780s, 84-C2D-3.06/4GB/500, 18-C2D-3.06/4GB/320	
8/15/2014					62,615.45	12,240.00	C2K Ck # 3149 to BBT	Y		
8/15/2014	7111	12522	910189	91,075.00		103,315.00			HPFS LT-5296 DT 1413 units _MISC	8/20/2014
8/26/2014	7119	12537	910190	212,000.00		315,315.00			LT-5310 NB, 1,240 pcs Notebooks	8/26/2014
8/26/2014					212,000.00	103,315.00	C2K Ck # 3153 to BBT	Y		
8/27/2014	7131	12554	910191	193,000.00		296,315.00			Dell US truck - DT / NB	
9/9/2014					111,750.00	184,565.00	C2K Ck # 3172 to BBT	Y		
9/10/2014	7150	12578		220,250.00		404,815.00			Dell US truck - DT / NB	
9/10/2014					103,474.75	301,340.25	Amex (Gary) - 3%	Y	Total Charge - \$106,675.00	
9/10/2014					83,088.26	218,251.99	Amex (Gary) - 3%	Y	Total Charge - \$85,658.00	
9/10/2014	7158	12589		90,000.00		308,251.99			HPFS LT-5339-WS, LT-5340-DT/MISC	
9/10/2014					220,250.00	88,001.99	C2K Ck # 3175 to BBT	Y		

Date	NT PO	NT SO	C2K PO	Sale	Pmt	Balance	PD VIA	Cleared	Description	Shipped
9/11/2014	7162	12599		74,475.00		162,476.99			Towers ATL	
9/17/2014	7169	12611		147,695.00		310,171.99			HPFS LT-5360 DT/MISC, LT-5372 DT/MISC	
9/26/2014					144,745.00	165,426.99	C2K Ck # 3179 to BBT			
9/26/2014	7187	12635		89,090.00		254,516.99			HPFS LT-5385 DT, LT-5387 MISC	
10/1/2014					89,090.00	165,426.99	C2K Ck # 3182 to BBT	Y		
10/6/2014	7204	12661	910202	256,200.00		421,626.99			HPFS LT-5390WS, LT-5395DT, LT-5399NB	
10/6/2014	7205	12662	910201	92,307.00		513,933.99			HPFS EOL-3692 DT_LCD MEX	11/20/2014
10/7/2014					180,000.00	333,933.99	C2K Ck # 3227 to BBT	Y		
10/9/2014					72,750.00	261,183.99	Amex (Gary) - 3%		Total charge - \$75,000.00	
10/9/2014					96,688.63	164,495.36	Amex (Gary) - 3%		Total charge - \$99,679.00	
10/10/2014	7207	12670	910205	140,500.00		304,995.36			HPFS LT-5408DT, LT-5411WS	10/15/2014
10/13/2014	7212	12681	910206	195,250.00		500,245.36			Dell US 912 NB, 630 DT	10/15/2014
10/17/2014	7218	12694		75,556.00		575,801.36			Dell CA - 270DT, 360NB	10/21/2014
10/20/2014	7225	12703		139,716.25		715,517.61			HPFS LT-5427 DT (1,692), LT-5421 WS (113)	10/22/2014
10/20/2014					392,748.36	322,769.25	C2K Ck # 3215 to BBT	Y		
10/22/2014	7233	12720		138,056.00		460,825.25			HPFS LT-5436DT, AIO, WS 1,926 units	10/27/2014
10/28/2014					139,716.25	321,109.00	C2K Ck # 3219 to BBT	Y		
10/30/2014	7242	12774		105,977.00		427,086.00			HPFS LT-5455 DT, AIO, WS - 1,572 Units	10/31/2014
11/6/2014	Stock	12740		2,244.00		429,330.00			187-160GB 2.5"	11/20/2014
11/6/2014	Stock	12744		7,000.00		436,330.00			1,000-80GB SATA	11/20/2014
11/7/2014				89,500.00		525,830.00		Y	Chase NT Ck 2601	
11/7/2014					87,677.33	438,152.67	Amex (Gary) - 3%	Y	Total charge - \$90,389.00	
11/14/2014	7252	12754		11,215.00		449,367.67			1,689- Desktop 1GB 5300, 554- Desktop 1GB 6400	11/20/2014
11/17/2014	STOCK	12760		25,876.00		475,243.67			173 - DC5800 MT, 115 - Misc Laptops	11/20/2014
12/2/2014					475,243.67	0.00	Moved to Loan		Paid from BB&T-DAS to BB&T-NT OP	
12/3/2014	7272	12793		81,000.00		81,000.00			Dell Canada - 330-DT, 270-NB	11/21/2014
12/3/2014	7286	12794*		106,745.00		187,745.00			HPFS LT-5497, Lot of 1,665 DT's, LT-5388 - 1 HALO B2B4	12/3/2014
12/4/2014	7291	12798*		72,038.20		259,783.20			Dell US lot - 30 LCDs, 851 DTs	
12/8/2014					82,450.00	177,333.20			Total charge - \$85,000.00	
12/12/2014	7296			863.50		178,196.70			HST Return for Dell Canada Monitor Lot - NT Ck 2620	
12/12/2014	Various	12799*		38,455.00		216,651.70			Mixed PC lot	12/12/2014
12/16/2014	7302	12834*	100109	133,500.00		350,151.70			LT-5220A - 1,980 DT, LT-5220B - 41 AIO	
12/16/2014	7303	12835*	100113	181,300.00		531,451.70			LT-52526 - 351 Apple NB	
12/16/2014	7304	12836*		85,078.00		616,529.70			LT-5531 A to E, 1,380 DTs, 97 MISC	
12/18/2014		12848*		967.50		617,497.20			MISC RAM	
12/19/2014		12851*		9,348.00		626,845.20			80GB SATA	\$18,805 Interest on \$626,845.20
1/6/2015		12878*		99,090.00		725,935.20			MISC NB's - 592 Units - Was \$94,855 - Gary Added	
1/6/2015					99,980.00	625,955.20	Wire to BB&T NT Op Acct			
1/7/2015					99,960.00	525,995.20	Wire to BB&T NT Op Acct			
1/12/2015					161,505.00	364,490.20	Amex (Gary) - 3%		Total charge - \$166,500.00	
1/14/2015	7330	12893*		113,300.00		477,790.20			LT-5539 - Lot of 1,813 DT	
1/15/2015	7334	12903*		260,825.00		738,615.20			Dell US USED OFF LEASE LOT - 490 - DT, 1152 - NB	
1/20/2015					174,960.00	563,655.20	Wire to BB&T NT Op Acct			
1/26/2015	7351	12933*		36,050.00		599,705.20			LT-5555, 243 WS	
1/26/2015	7352	12933*		113,300.00		713,005.20			LT-5662, 1,771 DT / MISC	
1/28/2015					59,980.00	653,025.20	Wire to BB&T NT Op Acct			
1/28/2015					39,980.00	613,045.20	Wire to BB&T NT Op Acct			
2/6/2015					97,000.00	516,045.20	Amex (Gary) - 3%		Total charge - \$100,000.00	

Date	NT PO	NT SO	C2K PO	Sale	Pmt	Balance	PD VIA	Cleared	Description	Shipped
2/8/2015					103,790.00	412,255.20	Amex (Gary) - 3%		Total charge - \$107,000.00	
2/10/2015	7374	12974*		145,521.00		557,776.20			LT-5576 - 1,480 DT, LT-5580 - 503 TC	
2/13/2015					124,980.00	432,796.20	Wire to BB&T NT Op Acct			
2/17/2015	7384	12987*		263,903.50		696,699.70			Dell US 720DT, 1008NB	
2/17/2015	7386	12989*		252,505.00		949,204.70			LT-5591 - 1,368DT, LT-5593 - 31NB, LT-5598 - 1,890DT	
2/17/2015	7371	12996*		77,277.00		1,026,481.70			Dell CA DT, NB, WS	
2/17/2015					77,257.00	949,224.70	Wire to BB&T NT Op Acct			
2/18/2015					34,000.00	915,224.70	Wire to BB&T NT Op Acct			
2/18/2015					260,000.00	655,224.70	Moved to Loan		Paid from BB&T-DAS to BB&T-NT OP	
2/20/2015					100,000.00	555,224.70	Wire to BB&T NT Op Acct			
2/24/2015					99,980.00	455,244.70	Wire to BB&T NT Op Acct			
3/6/2015	7410	13044*		218,360.00		673,604.70			LT-5609 DT/MISC, 1,577 units, LT-5623 DT/MISC, 1,694 units	
3/9/2015	7411	13045*		108,150.00		781,754.70			LT-5629 DT, 1,881 units	
3/10/2015					282,368.94	499,385.76	Amex (Gary) - 3%		Total charge - \$291,102.00	
3/11/2015					99,992.00	399,393.76	Wire to BB&T NT Op Acct			
3/13/2015					399,393.76	0.00	Moved to Loan		Paid from BB&T-DAS to BB&T-NT OP 3/23/15	
3/23/2015	7391	13085*		195,003.72		195,003.72			HPFS Mexico 3,193DT, 640NB, 220WS	YES
3/23/2015	7432	13086*		123,450.00		318,453.72			HPFS LT5644 210WS, LT5648 88WS, LT5634 1,278DT	
3/23/2015	7431	13084*		-2,400.00		316,053.72			Product bought from C2K, sold to HPFS PO PN-004204	
3/23/2015	MULTI	13066*		39,773.52		355,827.24			DT's from Mike in Dallas	
3/26/2015	7442	13096*	100134	89,280.00		445,107.24			576 HP 8100, 3GB Ram, 160GB HD - NO CD, Win 7 COA	
3/31/2015	7449	13111*	100136	80,250.00		525,357.24			Dell US - 1,020 desktops	
3/31/2015	STOCK	13113*		12,012.00		537,369.24			344-250GB, 1200-160GB HDDs	
4/1/2015	7453	13116*		143,170.00		680,539.24			LT5675 - 115WS, LT5681DT - 1,472 DT	
4/3/2015					123,450.00	557,089.24	Deposit Comerica - moved to BB&T NT		Op 4/8/15	
4/6/2015					99,992.00	457,097.24	Wire to BB&T NT Op Acct			
4/7/2015	7462	13130*	100141	124,630.00		581,727.24			LT-5686 DT - qty 1,393	
4/8/2015	STOCK	13132*		6,000.00		587,727.24			1,000 - 160GB SATA	
4/8/2015	7466	13133*		44,500.00		632,227.24			WS lot from Mike in Dallas	
4/13/2015					252,257.23	379,970.01	Amex (Gary) - 3%		Total charge - \$260,059.00	
4/14/2015	7474	13143*		141,110.00		521,080.01			LT5696 DT 1,846, LT5688 WS 161	
4/14/2015	7475	13144*		47,615.37		568,695.38			Dell CA 240DT, 90PC, 60WS, 8Storage	
4/20/2015	STOCK	13158*		17,780.00		586,475.38			2000 - 160GB, 1445 - 120GB	
4/27/2015					209,723.00	376,752.38	Deposit Comerica - moved to BB&T NT		Op 4/27/15	
4/24/2015	7496	13180*		87,550.00		464,302.38			LT-5718 - 1508 used off lease Desktops	
4/29/2015	7392 / 7503	13189*		26,690.00		490,992.38			Dell 760_780	
5/15/2015					229,493.13	261,499.25	Amex (Gary) - 3%		Total charge - \$236,590.86	
5/18/2015	7543	13245*		145,088.89		406,588.14			LT-5757 1870 Used off lease desktops	
5/20/2015	7549	13357*		226,122.08		632,710.22			LT-5764 2300 Used off Lease Desktops	
5/21/2015	7551	13359*		39,385.00		672,095.22			233 Dell Opti 390, HDDs - DFW	YES
5/28/2015	7565	13376*		162,500.00		834,595.22			Dell US DT/NB lot	YES
6/4/2015	7566	13377*		101,606.41		936,201.63			LT - 5783 1642 Used off lease Desktops	YES
6/4/2015					25,000.00	911,201.63	Deposit Chase			
6/9/2015					50,000.00	861,201.63	Deposit Chase			
6/10/2015	7579	13392*		43,200.00		904,401.63			288 - 8100-3GB/160GB/No CD/Win7COA	
6/11/2015	7520	13395*		40,000.00		944,401.63			Lockheed NB_DT Lot	
6/11/2015					258,138.41	686,263.22	Amex (Gary) - 3%		Total charge - \$266,122.08	
6/11/2015					170,000.00	516,263.22	Wire to BB&T NT Op Acct			

Date	NT PO	NT SO	C2K PO	Sale	Pmt	Balance	PD VIA	Cleared	Description	Shipped
6/17/2015	7586	13402*		91,500.00		607,763.22			LT-5791 - 2,356 DT's	
6/19/2015					100,000.00	507,763.22	C2K Ck3315 - Chase			
6/16/2015	STOCK	13399*		17,653.44		525,416.66			MISC SYSTEMS FROM DFW	
6/22/2015	STOCK	13414*		74,820.65		600,237.31			MISC NB FROM DFW	
6/22/2015	7594	13417*		185,060.00		785,297.31			LT-5800 2,188 DT's, LT-5802 114 AIOs	
6/25/2015	7599	13425*		43,254.00		828,551.31			LT-5810 1,096 DT's	
6/25/2015					330,000.00	498,551.31	Wire to BB&T NT Op Acct			
6/25/2015	7494	13426*		207,728.73		706,280.04			EOL-3739_2740, 1,920 DT's, 1,241 LCDs, 723 NBs - MX	
6/26/2015					0.00	706,280.04	C2K Ck3317 - Chase		\$107,000 sent to collections - STOP PAY	
6/26/2015	7601	13431*		114,450.00		820,730.04			1,655 - LCD/DT Lot - ATL	
6/29/2015	7602	13433*		55,500.00		876,230.04			1,304 - HP DTs - DFW	
7/2/2015	7616	13450*		107,635.00		983,865.04			LT-5822 1,755 DTs	
7/4/2015					234,476.86	749,388.18	Amex (Gary) - 3%		Total charge - \$241,728.73	
7/10/2015					240,000.00	509,388.18	Wire to BB&T NT Op Acct			
7/14/2015	7625	13464*		76,640.00		586,028.18			LT-5835(-D too) 2,492 DT's	
7/15/2015					100,000.00	486,028.18	Wire to BB&T NT Op Acct			
7/15/2015	STOCK	13483*		109,962.00		595,990.18			774 NBs from DFW	
7/22/2015	7639	13496*		58,710.00		654,700.18			LT-5848 1,911 DT's	
7/23/2015	7644	13502*		51,300.00		706,000.18			WKS lot - DFW	
7/28/2015	STOCK	13516*		8,816.00		714,816.18			HDDs - DFW	
7/29/2015					300,000.00	414,816.18	Wire to BB&T NT Op Acct			
7/30/2015	7655	13520*	100177	10,100.00		424,916.18			87 - DT's - DFW	
8/5/2015	7662	13536*		110,880.00		535,796.18			1,080 - HP 8100/3GB/160GB - DFW	
8/8/2015	7670	13544*	100178	96,820.00		632,616.18			LT-5877 1,417 DT's	
8/13/2015		13551*	100174	75,000.00		707,616.18			2,652 - DTs - ATL	
8/14/2015	7612	13586* (8/27	100181	134,459.00		842,075.18			MX EOL-3744 989 DT's, EOL-3750 773 NB's	
8/14/2015					254,673.50	587,401.68	Amex (Gary) - 3%		Total charge - \$262,550.00	
8/14/2015	7684	13556*	100176	139,050.00		726,451.68			LT-5886 2,398 DT's	
8/18/2015		13564*	100182	40,465.41		766,917.09			250GBs + NBs DFW	
8/14/2015		13552*	100175	29,880.00		796,797.09			664 - DTs - DFW	
8/25/2015	7704	13580*	100179	51,500.00		848,297.09			LT-5911 1,287 DT's	
8/31/2015					172,500.00	675,797.09				
9/4/2015	7721	13611*		46,250.00		722,047.09			Misc WS - Dell US	
9/10/2015					336,500.00	385,547.09	Wire to BB&T NT Op Acct			
9/11/2015		13628*	100180	118,800.00		504,347.09			1,080 - HP 8100 - ATL	
9/16/2015		13642*		77,000.00		581,347.09			550 - 6200T - ATL	
9/16/2015		13641*	100185	150,000.00		731,347.09			1,140 - DT's, Dell US	
9/18/2015					275,000.00	456,347.09	Wire to Chase NT Op Acct			
9/22/2015	7764	13668*		334,750.00		791,097.09			LT-5936, 2,531 DT's	
9/25/2015					272,702.89	518,394.20	Amex (Gary) - 3%		Total charge - \$281,137.00	
9/29/2015	7776	13680*		197,760.00		716,154.20			LT-5959, 1,103 DT's	
9/29/2015	7777	13681*		95,480.00		811,634.20			LT-5977, 1,236 WS's	
9/29/2015	7778	13683*		47,060.00		858,694.20			370 SFF's - ATL	
10/1/2015	7785	13688*		198,573.00		1,057,267.20			LT-5993, 1,483 DT's 8200 i5's	10/20/2015
10/1/2015	7786	13689*		40,479.00		1,097,746.20			LT-5992, 524 WS's - Z200 i3's	10/20/2015
10/7/2015					293,240.00	804,506.20	Wire to BB&T NT Op Acct			
10/8/2015	7798	13712*		145,250.00		949,756.20			Dell US 1,110 DT's	
10/9/2015	7793	13923*		244,020.65		1,193,776.85			HP MX - 2,157 DT/AIO, 108 WS, 558 - NB	11/27/2015

Date	NT PO	NT SO	C2K PO	Sale	Pmt	Balance	PD VIA	Cleared	Description	Shipped
10/13/2015	7805	13724*	100196	212,215.00		1,405,991.85			LT-6029, 1,657 NB's	10/19/2015
10/13/2015					287,120.00	1,118,871.85	Amex (Gary) - 3%		Total charge - \$296,000.00	
10/14/2015	7808	13733*		17,160.00		1,136,031.85			130 - 790SFF - PA	
10/19/2015					350,000.00	786,031.85	Wire to BB&T NT Op Acct			
10/26/2015	7821	13763*	100198	95,790.00		881,821.85			LT-6062 1,651 DT's	10/26/2015
10/26/2015	7822	13762*	100199	5,950.00		887,771.85			LT-6043 238 TC's	10/26/2015
10/26/2015	7827	13760*		123,987.00		1,011,758.85			Dell US 1,110 DT's	10/27/2015
11/2/2015					300,000.00	711,758.85				
11/10/2015	Stock	13821*		25,950.00		737,708.85			167 - Misc DT's - DFW	
11/13/2015	7862	13856*	100201	74,160.00		811,868.85			LT-6077, 1,588 DT's	
11/13/2015	7864	13855*	100200	1,175.00		813,043.85			235 KBM's	
11/13/2015	7863					813,043.85			AC adapters Sort and settle	
11/17/2015					286,150.00	526,893.85	Amex (Gary) - 3%		Total charge - \$295,000.00	
11/20/2015	7883	13858*		19,280.00		546,173.85			216 - 8100, 400 - 250GBs - ATL	
11/20/2015	7887	13862*		141,446.00		687,619.85			1,050 - DTs - Dell US	
11/20/2015	7888	13863*		33,860.00		721,479.85			MOGA	
11/23/2015	7890	13870*		80,810.00		802,289.85			1,618 DT's - OH	
11/24/2015	7433	13874*		2,750.00		805,039.85			550 - HP KBM	
11/30/2015					33,860.00	771,179.85	Deposit Chase NT Op		Pmt for MOGA - SO 13863	
12/4/2015					211,000.00	560,179.85	Wire to BB&T NT Op Acct			
12/8/2015	7915	13917*		226,558.00		786,737.85			LT-6144, 1,926 DT's	12/15/2015
12/9/2015	7918	13920*		258,000.00		1,044,737.85			LT-6145, 1,642 DT's	12/16/2015
12/9/2016	7920	13921*		21,570.00		1,066,307.85			892 HP PC and LCD	
12/11/2015	7928	13932*		145,975.50		1,212,283.35			1,110 DT's - Dell US	12/14/2015
12/11/2015	7931	13934*		158,474.00		1,370,757.35			1,329 DT's - ATL	12/14/2015
12/11/2015					172,660.00	1,198,097.35	Amex (Gary) - 3%		Total charge - \$178,000.00	
12/14/2015						1,198,097.35	Amex (Gary) - 3%		Total charge - \$129,000.00 - REVERSED 12/30/15	
12/18/2015					250,000.00	948,097.35	Wire to Chase NT Op Acct			
12/21/2015	7949	13963*		43,200.00		991,297.35			540 - HP8100, 5 - HP8100 - ATL	
1/4/2016	7863	13979*		7,500.00		998,797.35			2500 - AC Adapters	
1/12/2015					400,000.00	598,797.35	Wire to Chase NT Op Acct			
1/12/2016	7995	14015*		77,868.00		676,665.35			LT-6193 1,037 DTs	
1/13/2016		14024*		59,820.00		736,485.35			1,039 DTs NT S-S Stock	
1/15/2016					273,137.45	463,347.90	Amex (Gary) - 3%		Total charge - \$281,585.00	
1/15/2016	8006	14035*		153,499.50		616,847.40			1,230 DTs - Dell US	
1/22/2016	8027	14078*		262,650.00		879,497.40			LT-6244, 1,867 DT's	
1/26/2016	8033	14083*		67,730.00		947,227.40			444 mixed PC..\$28500, and 265-6200T..\$135/	
1/27/2016					250,000.00	697,227.40	Wire to Chase NT Op Acct			
2/10/2016	8063	14151*		25,920.00		723,147.40			324 - HP8100	
2/11/2016	8066	14156*		16,560.00		739,707.40			170 - Misc Laptop	
2/17/2016					195,000.00	544,707.40	Wire to BB&T NT Op Acct			
2/17/2016					295,850.00	248,857.40	Amex (Gary) - 3%		Total charge - \$305,000.00	
2/18/2016	8077	14174*		176,130.00		424,987.40			LT-6283 1,553 DTs	
2/18/2016	8083	14179*		135,000.00		559,987.40			Dell US 1,020 DTs	
2/19/2016	8086	14184*		13,845.18		573,832.58			77 Dell 7010SFF, I5-3200, 4GB, No HDD, DVD, Win7	
2/22/2016	8091	14192*		66,400.00		640,232.58			778- PC's - Atl	
2/24/2016	8097	14205*		77,000.00		717,232.58			2,613 DT Mixed	
3/11/2016	8132	14270		228,000.00		945,232.58			LT-6324 1,816 DT's	

<u>Date</u>	<u>NT PO</u>	<u>NT SO</u>	<u>C2K PO</u>	<u>Sale</u>	<u>Pmt</u>	<u>Balance</u>	<u>PD VIA</u>	<u>Cleared</u>	<u>Description</u>	<u>Shipped</u>
3/22/2016	8165	14302		120,000.00		1,065,232.58			LT-6349 1,420 DT's	
3/22/2016					70,000.00	995,232.58	Wire to Comerica NCP acct			
3/23/2016	8169				14,847.09	980,385.49			C2K Inv 710047 - Memory/CPU's	
3/25/2016					30,000.00	950,385.49	Wire to Chase NT acct			
4/12/2016					253,000.00	697,385.49	Wire to Chase NT acct			

Total US\$697,385.49 - sheet 2

Court File No. CV16-555283

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**THE HONOURABLE JUSTICE
GLUSTEIN**

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)
)

**TUESDAY, THE 9TH
DAY OF AUGUST, 2016**

(Signed August 10, 2016) AS

BETWEEN:

(Court Seal)



DEAN SALEM and NORRIS TECHNOLOGIES LLC

Applicants

and

AIMEE BODIMEADE

Respondent

ORDER

THIS APPLICATION, made by the Applicants, for an Order of this Court seeking declaratory and other relief, was heard this day at Toronto, Ontario.

ON READING the Affidavit and Supplementary Affidavit of Dean Salem, and the Exhibits attached thereto and upon hearing submissions of counsel for the Applicants and Respondent,

1. THIS COURT ORDERS that the within application be adjourned to a date to be determined by the parties.

2. THIS COURT FURTHER ORDERS and directs the Registrar of Land Titles to permit the Applicants to register a non-interest bearing charge/mortgage bearing standard charge terms 200033, in the amount of \$1,000,000.00 on title to the property municipally known

as 7472 Ashburn Road, Whitby, Ontario, L1M 2E8 and legally described as follows:

PIN 26578-0082 LT

PT LT 27 CON 7 TOWNSHIP OF WHITBY; PT LT 28 CON 7 TOWNSHIP OF WHITBY AS IN D144416; TOWN OF WHITBY

until further order of the court, and without prejudice to either party's position on the validity or quantum of the charge/mortgage, which is to be determined at the return of the within application.

3. THIS COURT FURTHER ORDERS the Applicants to serve a copy of this Order, the accompanying endorsement and the application record on the trustee for the Respondent's husband and the receiver for the Respondent's husband's corporation.
4. THIS COURT FURTHER ORDERS the Respondent to pay the Applicants their costs of the August 9, 2016 attendance in the amount of \$300 inclusive of tax, within 30 days.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

AUG 11 2016

PER / PAR:


Tasha Glaston

SALEM vs. BODIMEADE

(Short Title of Proceedings)

Court File No

CV-16-55528

SUPERIOR COURT OF JUSTICE
Proceedings commenced at Toronto

ORDER

(Name of Document)

(Name, Address & Telephone No.
of Lawyer or Party
(Law society registration number of lawyer)FOGLER RUBINOFF
77 KING ST. W
STE 3000, BOX 95
TORONTO ONT
DAVID LEVANGIE

Subject: Fw: re[4]: Thank-you
From: Lit'l Sprouts (sprouts5437@hotmail.com)
To: andrearobertson27@yahoo.ca;
Date: Thursday, January 26, 2017 1:58 PM

From: Lit'l Sprouts <sprouts5437@hotmail.com>
Sent: September 1, 2016 2:16 PM
To: gbodimeade@gmail.com
Subject: Fwd: re[4]: Thank-you

Sent from my iPhone

Begin forwarded message:

From: Dean Salem <dean@norris1.com>
Date: September 1, 2016 at 2:14:24 PM EDT
To: Aimee Bodimeade <sprouts5437@hotmail.com>
Subject: re[4]: Thank-you

Aimee,

Your position has not deteriorated in any way. You are in a difficult position, but it has great potential for a positive outcome. In me, you have a benefactor who is willing to help you financially shoulder this burden until we can get to the most advantageous time to cash you out of your property. In my professional opinion, and I have been in these exact positions before, now is not the time to make a hasty, rash decision to squeeze a few dollars out of the situation. You will be short changing yourself and your family.

Regarding the trustees - they do not have the ability to help you in any way - financially or otherwise. The trustees have only 1 interest - to secure money for the bankruptcy. Every dollar they secure is 1 less dollar you and your family will receive. You can speak to them at your discretion, but I would not advise it. They have caused enough damage already.

Aimee - you live in a beautiful home with three lovely children. I get that you want to

Tab 42

move on, but the point is, your current situation is not bad. Hurrying the process is going to make it considerably worse. Patience, determination, and calculated perseverance in cutting back will serve you in both the short term AND when we can get you into a different property. Rash, impulsive decisions will be destructive in the long run.

Unfortunately, I do not have all the answers and I have to consult with my attorneys to devise the best strategy to move forward. I know and understand the situation and I have asked the questions to ask to get us there. As soon as I receive the answers, we will be able to set a sound plan in motion.

Regards,
Dean Salem
Norris Companies
(865)426-9615 Phone
(214)697-7638 Text/Whatsapp
sumackis: Skype, AOL IM

----- Original Message -----

FROM: Lit'l Sprouts <sprouts5437@hotmail.com>
TO: Dean Salem <dean@norris1.com>
CC:
DATE: Thu, 1 Sep 2016 17:15:44 +0000

SUBJECT: Re: re[2]: Thank-you

Dean I don't expect you to pay for anything especially luxuries .. Really this is not your problem and I am genuinely appreciative of your efforts. I am simply trying to figure out weather or not we will be coming to some sort of arrangement as I am out of resources. I was speaking to my lawyer this morning and I know she has been holding the trustees at bay. I have asked her to try to contact your council as well as Gary's.

I am in a very bad position and my options are very limited at this time. I cannot support my family in my current situation and if we are unable to come to some sort of arrangement I am going to have no choice but to try to come to some arrangement with the trustees and the courts. I have tried to explain this to Gary ... I want him to be able to stay in the house and the last thing I want to do is to uproot my kids but I can't go on like this.

I have told Gary that I have no problem signing to secure your lean, remaining on title for this place and whatever else we need to do to make this work ... Believe me, I want it to work. I am just hanging here. Everyday is another day that the situation gets worse ...

Please give me a call when it is convenient. I am just trying to be part of the solution.

I hope you enjoy the time with your family

Sincerely

Aimee

(905)626-9544

Sent from my iPhone

On Sep 1, 2016, at 12:02 PM, Dean Salem <dean@norris1.com> wrote:

Aimee,

As I said in our meeting, I am willing to help with the mortgage and hydro payments as long as we add them to the debt and we have a signed, uncontested mortgage. I am not, however, willing to pay for luxury items.

I am working with a real estate attorney to gather more information about the purchase of the property so that we can create an offer and work toward an achievable goal. What I can't do is proceed without the proper due diligence and potentially put myself in a worse position than I am in now. I wish I could snap my fingers and make everything perfect in an instant, but that is not realistic. I am willing to help you through this for the best possible outcome, but you will have to buckle down and do your part in order for us to succeed.

This is a holiday weekend in the US and I have family in town, but I have been in regular contact with the attorneys. I will have info to you as soon as it is available.

Regards,

Dean Salem

Norris Companies

(865)426-9615 Phone

(214)697-7638 Text/Whatsapp

sumackis: Skype, AOL IM

----- Original Message -----

FROM: Lit'l Sprouts <sprouts5437@hotmail.com>

TO: Dean Salem <dean@norris1.com>

CC:

DATE: Wed, 31 Aug 2016 17:05:08 +0000

SUBJECT: Re: Thank-you

I understand ... This has been such a mess. Unfortunately time is something I don't have anymore. The house is too much for me to carry and I am coming to the end of my resources.

I will talk to Gary .. Maybe he can help you find the paperwork for the trustees. I haven't heard anything from them in quite a while and I'm really hoping that they have collected a significant amount from the sale of the building and its contents.

It's just such a crappy situation and if I don't do something soon I'm going to lose everything. I wouldn't wish this on anyone. I know Gary would really like to stay in the house if we can swing it but he isn't able to be much help with the bills right now and the stress is starting to affect my health. I really need to see light at the end of the tunnel .. I feel like I'm drowning.

Please let me know something soon if you can

Aimee

Sent from my iPhone

On Aug 31, 2016, at 12:21 PM, Dean Salem
<dean@norris1.com> wrote:

Aimee,

Sorry for the delay. I have been working with my attorney and another real estate attorney to come up with the best solutions. In addition, I have had to dig up all the documentation for all transactions with Compuquest 2000 from 03/23/15 for the trustees. It has been a lot of additional work on top of already busy days. I am working on this as quickly as I can. I will forward more information as soon as it is available. Nothing has changed on my end, but there are a lot of moving parts and it is taking some time.

Regards,

Dean Salem

Norris Companies

(865)426-9615 Phone

(214)697-7638 Text/Whatsapp

sumackis: Skype, AOL IM

----- Original Message -----

FROM: Lit'l Sprouts <sprouts5437@hotmail.com>

TO: "dean@norris1.com" <dean@norris1.com>

CC:

DATE: Tue, 30 Aug 2016 21:54:24 +0000

SUBJECT: Thank-you

Hello Dean,

I hope all is well with you and your family and you are enjoying what's left of the summer. The kids start back to school here next week and I have to admit I am looking forward to some peace and restored schedules.

I wonder if you have had a chance to come up with any ideas to move forward. I'm sure Gary has told you that my estate agent showed me a property last week that I really think would work for us. It is close enough that Gary and I could share custody and the kids would not have to change schools. There is room for everyone and would require very little work to make it home. It would have an extra 10 horse stalls too for extra income. I really like this place ... It felt like home to me and I am so afraid that if I don't move on it soon it will sell.

Property's with nice homes and room for our horses are very hard to find in this area within my budget. I really think I could make a life with my kids there.

Anyway, I appreciate all your trying to do for us and I hope we can work something out soon.

Take care

Aimee

Sent from my iPhone

Court File No. CV-16-11369-00CL

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

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.

Respondent

FIRST REPORT OF THE RECEIVER

SEPTEMBER 16, 2016



Grant Thornton Limited
Receiver of the Respondents

200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4

TABLE OF CONTENTS

INTRODUCTION.....	1
PURPOSE OF THIS FIRST REPORT.....	2
SCOPE AND TERMS OF REFERENCE	3
ACTIVITIES OF THE RECEIVER	4
INVESTIGATIVE MATTERS	4
STATUTORY NOTICES	4
INSURANCE FOR THE SILICONE DRIVE PROPERTY.....	4
WAGE EARNER PROTECTION PROGRAM AND OTHER STATUTORY FILINGS.....	5
SALE OF COMPUQUEST’S ASSETS	5
REALIZATION ON VEHICLES	6
SALE OF THE SILICONE DRIVE PROPERTY	7
LEGAL COUNSEL	10
CONFIDENTIALITY OF THE SALE PROCESS	10
PRIORITY CLAIMS.....	11
RECEIPTS AND DISBURSEMENTS	11
PROPOSED DISTRIBUTION.....	11
PROFESSIONAL FEES.....	12
RELIEF REQUESTED.....	13

APPENDICES

- 1 Receivership Order dated May 17, 2016
- 2 Interim Receivership Order dated April 29, 2016
- 3 First Report of the Interim Receiver dated May 13, 2016, without Appendices
4. Bankruptcy Orders for Compuquest and Bodimeade
5. Summary of Liquidation Proposals for Compuquest Assets and Reporting Letter from Canam Appraiz Inc.
6. Correspondence between Receiver and Grand Touring Automobiles
7. Silicone Drive Listing Agreement dated June 2, 2016
- 8 Colliers Marketing Summary
9. Receiver's Interim Statement of Receipts and Disbursements dated September 13, 2016
10. CIBC Mortgage payout balance as at September 14, 2016
11. Affidavit of Jonathan Krieger sworn September 16, 2016

CONFIDENTIAL APPENDICES

1. Listing Proposals Summary
2. Silicone Drive Property Offer Chronology
3. Silicone Drive Final Agreement (inclusive of waivers and amending agreements)

INTRODUCTION

1. This report (the “**First Report**”) is being filed by Grant Thornton Limited (“**GTL**”) in its capacity as the Receiver (the “**Receiver**”) of 1299746 Ontario Inc. o/a Compuquest2000 (“**Compuquest**”) and 2252709 Ontario Inc. (“**225**”) (together, the “**Debtors**”). The Receiver was appointed pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated May 17, 2016, (the “**Receivership Order**”) upon application by Canadian Imperial Bank of Commerce (“**CIBC**”). A copy of the Receivership Order is attached hereto as **Appendix “1”**.
2. Prior to the Receivership Order, GTL was appointed as Interim Receiver of Compuquest pursuant to the Order of the Honourable Justice Mesbur of the Court dated April 29, 2016 (the “**IR Order**”). A copy of the IR Order is attached hereto as **Appendix “2”**. The IR Order was sought by CIBC due to, among other things, serious concerns with the financial viability of the Debtors, the lack of financial reporting received as required by the Debtors’ security agreement, and the apparent absence of ongoing operations at Compuquest’s premises.
3. GTL filed its First Report as Interim Receiver on May 13, 2016 which discussed, among other things, the Company’s minimal assets, limited business operations and a deteriorating financial position. A copy of the IR’s First Report, without appendices, is attached hereto as **Appendix “3”**.
4. Compuquest was engaged in the business of purchasing used electronics and selling them as refurbished units, or disassembling the units to salvage key parts for resale. Compuquest’s assets consisted mainly of computer equipment, furniture and warehouse support equipment.
5. 225’s principal asset is real property municipally known as 1935 Silicone Drive, Pickering, Ontario (the “**Silicone Drive Property**”). The property is demised into three sections. Compuquest operated from one of the sections, and the other two sections are leased by The Insurance Market

Insurance Brokers Ltd. (“**Insurance Market**”) and Norfoam Ltd. (“**Norfoam**”) (together, the “**Tenants**”), pursuant to leases made as between 225, as landlord, and each of the Tenants, as tenant (together, the “**Leases**”). 225 continues to receive monthly rent from each of the Tenants.

6. GTL was appointed as Trustee in Bankruptcy (the “**Trustee**”) of Compuquest and Gary Bodimeade (“**Bodimeade**”) (the principal of the Debtors) pursuant to Orders made by the Honourable Justice Newbould of the Court dated May 25, 2016 (the “**Bankruptcy Orders**”), on application by CIBC. Copies of the Bankruptcy Orders are attached hereto as **Appendix “4”**.
7. GTL, as Trustee, continues to administer the bankruptcies, including conducting certain investigations related to the affairs of Compuquest and Bodimeade in the bankruptcy proceedings.

PURPOSE OF THIS FIRST REPORT

8. The purpose of this First Report (the “**First Report**”) is to update the Court on the Receiver’s activities since its appointment and to support the Receiver’s motion for Orders, among other things:
 - a. approving the First Report and the activities of the Receiver described herein;
 - b. approving the purchase and sale agreement (as amended, the “**Silicone Drive Final Agreement**”) entered into between the Receiver and 2528452 Ontario Inc. (the “**Silicone Drive Purchaser**”) for the Silicone Drive Property;
 - c. authorizing the Receiver to close the Silicone Drive Final Agreement and, on closing of the Silicone Drive Final Agreement, vesting in the Silicone Drive Purchaser all of 225’s right, title and

interest, if any, to the Silicone Drive Property free and clear of all claims and encumbrances;

- d. authorizing the Receiver to pay the mortgage balance owing to CIBC, the first mortgagee, from the net proceeds of sale of the Silicone Drive Property;
- e. compelling PTC Automotive Ltd. o/a Grand Touring Automobiles ("**GTA**") to turn over all documentation related to Compuquest's trade in and purchase of Lamborghinis;
- f. approving the Receiver's Interim Statement of Receipts and Disbursements dated September 13, 2016 (the "**Interim R&D**");
- g. approving the fees and disbursements of the Receiver for the period ended July 31, 2016; and,
- h. sealing Confidential Appendices "1" through "3" until the closing of the Sale Transaction or further order of the Court.

SCOPE AND TERMS OF REFERENCE

- 9. In preparing this First Report, the Receiver has relied upon certain unaudited financial information, the Debtors' records, and financial information. While the Receiver has performed a preliminary review of available books and records of Compuquest and 225, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.
- 10. This First Report has been prepared for the use of this Court and the Debtors' stakeholders as general information relating to the Debtors, and to assist the Court in making a determination of whether to approve the relief

sought. Accordingly, the reader is cautioned that this First Report may not be appropriate for any other purpose. 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.

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

ACTIVITIES OF THE RECEIVER

INVESTIGATIVE MATTERS

12. As noted in the Interim Receiver's First Report dated May 13, 2016, the Interim Receiver identified at least one instance involving the diversion of Compuquest proceeds to a newly set up bank account at TD Bank, contrary to Compuquest's lending agreement with CIBC. The Receiver has identified further reviewable transactions requiring investigation from a review of Compuquest's bank accounts and other books and records. This investigation will be pursued further by the Trustee pursuant to the powers afforded to the Trustee pursuant to the *Bankruptcy and Insolvency Act* (Canada) ("**BIA**").

STATUTORY NOTICES

13. The Receiver filed the requisite statutory notices as required by sections 245 and 246 of the BIA.

INSURANCE FOR THE SILICONE DRIVE PROPERTY

14. At the time of the Receivership, the Debtors maintained an insurance policy in effect with Intact Insurance Company. The Receiver arranged to be added as a named insured to the Debtors' insurance policy. The Receiver has cancelled the coverage on all equipment and motor vehicles that were returned to lessors prior to the receivership by the Debtors, or subsequently

released by the Receiver once the Receiver was satisfied with the validity of the respective registrations.

15. The Receiver has settled a claim that was filed prior to the issuance of the Receivership Order involving damage to a swing gate arm at the front of the Silicone Drive Property. The Receiver accepted a cash settlement for the claim.

WAGE EARNER PROTECTION PROGRAM AND OTHER STATUTORY FILINGS

16. The Receiver obtained payroll information from the Compuquest records and has spoken with the former Compuquest staff relating to unpaid wages owing. The Receiver has prepared the calculations and forms related to the Wage Earner Protection Program (“**WEPP**”) and sent them to employees for confirmation. All employees have received the calculated amounts owing to them under the WEPP. The Receiver also issued to the employees records of employment and T4’s for 2016.

SALE OF COMPUQUEST’S ASSETS

17. Compuquest’s assets include personal property consisting of used computer and electronics inventory, warehousing support equipment, office furniture, office equipment, computers, gym equipment, various sporting goods and memorabilia (collectively, the “**Compuquest Personal Property**”).
18. The Receiver contacted four liquidation firms to inspect the Compuquest Personal Property located at the Silicone Drive Property, and to provide liquidation proposals to the Receiver. After reviewing the proposals and discussing same with the liquidators, the Receiver retained the services of CanAm Appraiz Inc. (“**Canam**”) to sell the Compuquest Personal Property on a commission basis by public auction. Canam conducted an online auction that ran between July 6, 2016 to July 20, 2016. The sale of the Compuquest Personal Property realized \$129,610.00 plus HST of

\$16,849.30 less Canam's expenses of \$21,917.71. These amounts are reflected on the Interim R&D. The highest offer from an alternate liquidator to purchase the Compuquest Personal Property was for \$50,000, subject to further downward adjustments. A copy of the summary of auction proposals received by the Receiver and the reporting letter from Canam on the sale results is attached as **Appendix "5"**.

REALIZATION ON VEHICLES

19. At the commencement of the Receivership, the Receiver was advised that three leased or financed vehicles with PPSA registrations were being driven by former Compuquest employees. Two of the registrations were from Toyota Financial Services Inc. ("**Toyota**") and another was from Royal Bank of Canada ("**RBC**"). The Receiver contacted the former employees who were driving the vehicles to request that they return the vehicles to the Silicone Drive Property. The Receiver's counsel reviewed the documentation provided by Toyota and RBC and determined that the registrations were valid and enforceable. The Receiver released its interest in the vehicles subject to receiving an accounting of the proceeds from the disposition of the vehicles.
20. The Receiver received a cheque from Toyota for \$7,066.74 on August 5, 2016 for amounts realized in excess of what was owed to Toyota on account of the two vehicles subject to their security. There was no surplus from the vehicle financed with RBC.
21. On or about July 20, 2016, the Receiver received a cheque for \$30,000 representing a refund of a deposit on a pre-ordered Lamborghini from GTA. Representatives of GTA advised the Receiver that Bodimeade traded in a different Lamborghini shortly before the issuance of the Receivership Order which had \$30,000 of equity to apply to the new vehicle. We are advised that Bodimeade subsequently cancelled the purchase of the new vehicle, and the pre-ordered vehicle was sold by GTA to a different party.

22. The Receiver has written to John Morabito, the VP Finance and CFO of GTA, to obtain further details regarding the purchase, the trade and the cancelled order. A copy of correspondence between the Receiver and GTA is attached as **Appendix “6”**. Despite several requests, GTA has not provided the requested information. The Receiver has called and left messages for Mr. Morabito, but he has not returned the Receiver’s telephone calls. The Receiver seeks an order compelling GTA to turn over the requested documentation supporting the purchase of the vehicle by Compuquest and details of the trade equity.

SALE OF THE SILICONE DRIVE PROPERTY

23. The Receiver solicited listing proposals to sell the Silicone Drive Property from: i) CBRE; ii) Colliers International (“**Colliers**”); iii) Cushman and Wakefield (“**CW**”); and iv) World Class Realty Point/Kee Plus Realty Ltd. (“**World Class**”). A summary of the listing proposals received is attached hereto as **Confidential Appendix “1”**.
24. The listing prices recommended by each of Colliers, CBRE and CW were within one percent of each other, and the proposed commissions charged by each of these brokers were the same in a co-brokered deal. The World Class opinion of value and recommended listing price was much lower than the other three realtors. In consultation with CIBC, the Receiver determined that Colliers had submitted the best proposal.
25. The Receiver entered into a listing agreement with Colliers on June 2, 2016 (the “**Silicone Drive Listing Agreement**”), with the consent of CIBC. The property was listed for \$3,875,000, which was consistent with Colliers’ recommended listing price. A copy of the Silicone Drive Listing Agreement is attached as **Appendix “7”**.
26. The Silicone Drive Property was marketed by Colliers via an MLS posting, Colliers’ website, information sheets and direct emails. Attached as

Appendix “8” is a reporting letter from Colliers summarizing the marketing process it conducted with respect to the Silicone Drive Property.

27. On June 21, 2016, Colliers advised the Receiver that it had received two offers for the Silicone Drive Property. As both offers were very close in value, the Receiver asked Colliers to speak to both agents for the buyers and advise them that both parties should improve their bids and resubmit new offers.
28. On June 28, 2016, Colliers received revised offers from the same two purchasers. While both purchasers improved their offers, one offer was clearly preferable, in both the quantum of the sale price and the terms of the offer. Colliers solicited a third round of bidding with the offerors, however, both parties confirmed that they had submitted their best and final offer in the second round of bidding. A summary of the bidding chronology is attached as **Confidential Appendix “2”**.
29. After continued further negotiation of terms, on July 4, 2016, the Receiver and 9014004 Canada Inc (the “**Silicone Drive Offeror**”) executed a conditional offer of purchase and sale (the “**Silicone Drive Accepted Offer**”), and Colliers received the first half of the deposit payable pursuant to the Silicone Drive Accepted Offer on July 7, 2016.
30. The Receiver and its counsel worked with the Silicone Drive Offeror to clear their conditions. The Silicone Drive Offeror identified a number of issues with the state of the building including a broken HVAC unit and electrical system deficiencies, supported by a building condition report they obtained on the Silicone Drive Property. On account of these items, the Silicone Drive Offeror sought an abatement of the purchase price to offset the additional expected costs to remediate same. After some negotiation, the Receiver and the Silicone Drive Offeror agreed on a \$15,000 abatement to the purchase price as a fair and reasonable settlement.

31. The Silicone Drive Offeror has advised the Receiver that 2528452 Ontario Inc. (the **"Silicone Drive Purchaser"**) will be the party taking title to the Silicone Drive Property. A copy of the Silicone Drive Final Agreement, inclusive of all waivers and amending agreements, is attached as **Confidential Appendix "3"**.
32. The Silicone Drive Property is demised into three units. The front unit, which is approximately 4,000 square feet, is rented by Insurance Market. The middle unit is approximately 15,000 square feet and was occupied by Compuquest. The rear unit is approximately 11,876 square feet and is occupied by Norfoam.
33. The Receiver has collected monthly rent payments totalling \$66,302.85 plus HST to the date of this First Report. Both Tenants' rents are current as of the filing of this report.
34. The Silicone Drive Agreement requires the assignment of the Leases to the Silicone Drive Purchaser. The Receiver has been in regular contact with the Tenants throughout the marketing of the Silicone Drive Property and has not received an objection from the Tenants related to the assignment of the Leases.
35. The Silicone Drive Final Agreement contemplates that title to the Silicone Drive Property will be transferred to the Silicone Drive Purchaser through a vesting order free and clear of all claims and encumbrances except for permitted encumbrances.
36. The Receiver therefore seeks an Order approving the Silicone Drive Final Agreement, authorizing the Receiver to take all steps required to complete the Silicone Drive Final Agreement, and vesting all of 225's right, title and interest in the Silicone Drive Property in the Silicone Drive Purchaser.

LEGAL COUNSEL

37. Aird & Berlis LLP ("**A&B**") acts for CIBC in the within proceeding, as well as in the bankruptcy applications brought against Compuquest and Bodimeade. The Receiver has utilized the services of A&B in respect of non-contentious matters related to the receivership, including documenting and negotiating the Silicone Drive Final Agreement, dealing with certain claimants and preparing materials for Court. This was done with a view to minimizing the cost of the administration of the receivership, as it is highly likely that CIBC will suffer a significant shortfall in the Compuquest receivership.
38. The Receiver has retained Minden Gross LLP ("**Minden Gross**") as counsel for matters which are contentious in nature or require independent advice, such as the independent security opinion referred to in paragraph 48 below. Minden Gross also acts as counsel for the Trustee in the Compuquest and Bodimeade bankruptcies.

CONFIDENTIALITY OF THE SALE PROCESS

39. The Receiver is of the view that Confidential Appendices "1" through "3" (the "**Confidential Appendices**") should remain sealed until the earlier of the completion of the Silicone Drive Final Agreement or further Order of the Court, as the information contained therein is commercially sensitive and could prejudice the sale process. In the absence of a sealing order, potential purchasers would have access to confidential tenant information, the bidding history and the price accepted by the Receiver, which may adversely affect the realizations in the event that the Silicone Drive Final Agreement fails to close.
40. The Receiver does not believe that any party will suffer prejudice if the information contained in the Confidential Appendices is sealed in this manner.

PRIORITY CLAIMS

41. Canada Revenue Agency (“**CRA**”) has not filed a claim for HST arrears for Compuquest to date. The Receiver is in receipt of a statement of account showing HST owing of \$300.89. The HST claim, when filed, will rank as unsecured in light of the Compuquest bankruptcy.
42. CRA has filed a claim for arrears of source deductions in Compuquest as the Receiver had a Trust Exam performed by CRA and the claim filed shows Compuquest owing \$20,082.38.
43. The super-priority balance owing for WEPP is \$6,085.09.
44. The Receiver is not aware of any other claims that may rank in priority to the claims of Compuquest’s secured creditors.

RECEIPTS AND DISBURSEMENTS

45. A copy of the combined Interim R&D is attached hereto as **Appendix “9”**. As at September 13, 2016 the Receiver held receipts in excess of disbursements of \$181,843.43 for Compuquest and 225, excluding the deposit received in respect of the Silicone Drive Agreement, which amount has not been included as it is held in trust, pending the closing of the Silicone Drive Agreement.

PROPOSED DISTRIBUTION

46. As aforementioned, the first mortgagee on the Silicone Drive Property is CIBC. The Receiver’s counsel has conducted the necessary title searches and off-title inquiries, and has determined that there are no priority claims against the proceeds of sale other than realty taxes.

47. The net proceeds from the sale of the Silicone Drive Property will be sufficient to pay out the first mortgagee in full, including adjustments for realty taxes and commissions payable on closing. As at September 14, 2016, CIBC is owed \$3,230,454.83, with per diem interest of \$329.54. Correspondence from CIBC evidencing the mortgage balance owing on the Silicone Drive Property as of September 14, 2016 and per diem cost is attached as **Appendix “10”**. Notwithstanding the mortgage pay out, CIBC is owed substantial further amounts from the Debtors.
48. The Receiver has obtained an independent opinion on the validity and enforceability of CIBC’s security from Minden Gross confirming that CIBC holds valid and enforceable security over the Debtors.
49. The Receiver respectfully requests that this Court issue an Order authorizing the Receiver to distribute sufficient net proceeds from the sale of the Silicone Drive Property to pay out CIBC’s mortgage in full, with the balance of proceeds from the Silicone Drive Final Agreement to remain in 225 until further Order of this Court.

PROFESSIONAL FEES

50. The Receiver has maintained detailed records of their professional time and costs since the Receivership Order was granted.
51. Pursuant to paragraph 18 of the Receivership Order, the Receiver and its legal counsel shall be paid their reasonable fees and disbursements. In addition, pursuant to the Receivership Order, the Receiver was granted a first charge on the Debtors’ assets as security for such fees and disbursements.
52. The total fees and disbursements of the Receiver during the period from April 12, 2016 to July 31, 2016 amount to \$ 60,528.98, together with HST in the amount of \$ 7,868.77, totalling \$ 68,397.75. Time spent by the Receiver

is more particularly described in the affidavit of Jonathan Krieger, Senior Vice-President of Grant Thornton Limited having carriage of this proceeding as the Receiver, sworn September 16, 2016 in support hereof, a copy of which is attached hereto as **Appendix "11"**.

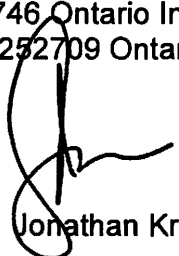
53. The Receiver believes that the fees described in its' fee affidavit in the First Report are fair and reasonable and respectfully requests that the Court approve same.
54. The Receiver proposes to make a recommendation in respect of the allocation of its fees and disbursements between the Debtors on a later motion.

RELIEF REQUESTED

55. The Receiver recommends and requests that the Court grant orders providing for the relief set out in Paragraph 8 herein.

All of which is respectfully submitted to the Court.

GRANT THORNTON LIMITED,
Court-Appointed Receiver of
1299746 Ontario Inc. o/a Compuquest2000
and 2252709 Ontario Inc.

Per:  Jonathan Krieger, CPA, CA, CIRP, LIT

PROPERTY DESCRIPTION: PT LT 27 CON 7 TOWNSHIP OF WHITBY; PT LT 28 CON 7 TOWNSHIP OF WHITBY AS IN D144416; TOWN OF WHITBY

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
RE-ENTRY FROM 26578-0171

PIN CREATION DATE:
2000/04/07

OWNERS' NAMES
BODIMEADE, AIMEE LYNN

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1998/03/09 ON THIS PIN **WAS REPLACED WITH THE "PIN CREATION DATE" OF 2000/04/07** ** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE: 2000/04/07 ** **SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO: ** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * ** AND ESCHEATS OR FORFEITURE TO THE CROWN. ** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF ** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY ** CONVENTION. ** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES. **DATE OF CONVERSION TO LAND TITLES: 2000/04/10 **						
D144416	1982/09/21	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	CHIN-A-LOY, JAMES CECIL CHIN-A-LOY, CAROL JOSEPHINE	
D532816	1999/04/14	CHARGE		*** DELETED AGAINST THIS PROPERTY *** CHIN-A-LOY, JAMES CECIL CHIN-A-LOY, CAROL JOSEPHINE	CANADIAN IMPERIAL BANK OF COMMERCE	
D533048	1999/04/20	CHARGE		*** DELETED AGAINST THIS PROPERTY *** CHIN-A-LOY, JAMES CECIL CHIN-A-LOY, CAROL JOSEPHINE	CIBC MORTGAGES INC.	
DR431857	2005/09/28	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C

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NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
		REMARKS: AIRPORT ZONING REGULATIONS				
DR649965	2007/09/28	TRANSFER	\$638,000	CHIN-A-LOY, CAROL JOSEPHINE CHIN-A-LOY, JAMES CECIL	BODIMEADE, AIMEE LYNN	C
		REMARKS: PLANNING ACT STATEMENTS				
DR649966	2007/09/28	CHARGE		*** COMPLETELY DELETED *** BODIMEADE, AIMEE LYNN	THE BANK OF NOVA SCOTIA	
DR656812	2007/10/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** CIBC MORTGAGES INC.		
		REMARKS: RE: D533048				
DR664503	2007/11/15	DISCH OF CHARGE		*** COMPLETELY DELETED *** CANADIAN IMPERIAL BANK OF COMMERCE		
		REMARKS: RE: D532816				
DR721456	2008/06/20	CHARGE		*** COMPLETELY DELETED *** BODIMEADE, AIMEE LYNN	THE BANK OF NOVA SCOTIA	
DR721457	2008/06/20	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
		REMARKS: RE: DR649966				
DR836940	2009/09/03	CHARGE		*** COMPLETELY DELETED *** BODIMEADE, AIMEE LYNN	PINFOLD, CRAIG	
DR1117711	2012/08/28	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** S & F EXCAVATING LIMITED		
DR1129513	2012/10/10	CERTIFICATE		*** COMPLETELY DELETED *** S & F EXCAVATING LIMITED		
		REMARKS: DR1117711				
DR1148621	2012/12/24	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED *** S & F EXCAVATING LIMITED		
		REMARKS: DR1117711.				
DR1210938	2013/09/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** PINFOLD, CRAIG		
		REMARKS: DR836940.				

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
DR1334796	2015/01/23	CHARGE	\$1,000,000	BODIMEADE, AIMEE LYNN	CANADIAN IMPERIAL BANK OF COMMERCE	C
DR1338907	2015/02/10	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
REMARKS: DR721456.						
DR1436575	2015/12/31	CONSTRUCTION LIEN	\$74,615	REED, SCOTT		C
DR1437193	2016/01/05	CONSTRUCTION LIEN	\$74,616	REED, SCOTT		C
DR1446246	2016/02/04	APL (GENERAL)		BODIMEADE, GARY		C
REMARKS: DESIGNATION OF A MATRIMONIAL HOME						
DR1449635	2016/02/18	CERTIFICATE		REED, SCOTT		C
REMARKS: CONSTRUCTION LIEN DR1437193						
DR1478658	2016/06/01	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	GRANT THORNTON LIMITED	C
DR1489206	2016/06/30	CERTIFICATE		DEAN SALEM AND NORRIS TECHNOLOGIES LLC		C
REMARKS: PENDING LITIGATION						
DR1504505	2016/08/12	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	SALEM, DEAN NORRIS TECHNOLOGIES LLC	C

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Court File No. CV-16-11369-00CL

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

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.

Respondent

SECOND REPORT OF THE RECEIVER

NOVEMBER 24, 2016



Grant Thornton Limited
Receiver of the Respondents

200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4

TABLE OF CONTENTS

BACKGROUND.....	1
PURPOSE OF THIS SECOND REPORT	2
SCOPE AND TERMS OF REFERENCE	2
THE ASHBURN PROPERTY	3
A. NATURE AND VALUE OF THE ASHBURN PROPERTY	3
B. REGISTRATIONS AGAINST THE ASHBURN PROPERTY	5
THE IMPROVEMENTS TO THE ASHBURN PROPERTY WERE PAID FOR WITH COMPUQUEST'S FUNDS.....	7
DEAN SALEM'S AND NORRIS' INTEREST IN THE ASHBURN PROPERTY IS QUESTIONABLE	10
OTHER IMPROPER CONDUCT BY BODIMEADE.....	13
THE PARTIES HAVE AGREED THAT THE ASHBURN PROPERTY MUST BE SOLD.....	15
RELIEF REQUESTED.....	17

APPENDICES

1. Receivership Order dated May 17, 2016
2. Interim Receivership Order dated April 29, 2016
3. First Report of the Interim Receiver dated May 13, 2016, without Appendices
4. Bankruptcy Orders for Compuquest and Bodimeade
5. Receiver's First Report dated September 16, 2016, without Appendices
6. Approval and Vesting order dated September 22, 2016
7. Amended Approval and Vesting Order dated September 28, 2016
8. 2007 MLS Listing Details for 7472 Ashburn Road, Whitby
9. Appraisal of 7472 Ashburn Road, Whitby, dated April 18, 2016
10. Google Earth Aerial View Photos of 7472 Ashburn Road, Whitby as at September, 2009 and October, 2012
11. Current Parcel Register for 7472 Ashburn Road, Whitby
12. CIBC Charge registered on title to 7472 Ashburn Road, Whitby on January 23, 2015
13. Construction Liens and Certificate of Action of Scott Reed registered on title to 7472 Ashburn Road, Whitby
14. Spousal Interest of Bodimeade registered on title to 7472 Ashburn Road, Whitby on February 4, 2016
15. Bankruptcy Order against Bodimeade registered on title to 7472 Ashburn Road, Whitby on June 1, 2016
16. Certificate of Pending Litigation of Dean Salem/Norris Technologies LLC registered on title to 7472 Ashburn Road, Whitby on June 30, 2016
17. Amended Notice of Application of Dean Salem/Norris Technologies LLC
18. Order registered by Dean Salem/Norris Technologies LLC on title to 7472 Ashburn Road, Whitby on August 12, 2016
19. Emails between Alan Hogan and Gary and Aimee Bodimeade, dated April 6, 2016
20. Receiver's Summary of Payments made to Contractors

21. Photos of the Ashburn Property found on Contractor Websites
22. Statement of Reed Ridge Farms dated November 5, 2015, updated to reflect payments made as at April 5, 2016
23. Documents confirming payments of \$21,118.82 and \$26,000.00 to Reed Ridge Farms were made from Compuquest's account
24. Emails between Scott Reed, Bodimeade and Aimee confirming payment of \$59,363.13, re: sale of trailer, together with proof of Compuquest's ownership of the trailer
25. Cheques issued by Compuquest to Pinfold (directly or indirectly)
26. Proofs of Claim filed by Dean Salem/Norris Technologies LLC with the Trustee, together with Summary of Advances
27. Revolving Line of Credit Agreement between Dean Salem/Norris Technologies LLC (as lender) and Gary Bodimeade and Compuquest (as borrower), dated December 31, 2015
28. Revolving Line of Credit Agreement between Dean Salem/Norris Technologies LLC (as lender) and Aimee Bodimeade and Compuquest (as borrower), dated March 3, 2016, together with e-mail correspondence, dated March 3, 2016
29. Kingaire motorhome sale agreement, wire payment of equity from Pfaff Leasing to Compuquest and payment of those funds to Norris Technologies LLC
30. Emails between Bodimeade and Dean Salem relating to sale of personal assets paid by Compuquest and remaining equity to be sent to Dean Salem/ Norris Technologies LLC
31. Turner Moore LLP Review Engagement Financial Statements for year ending May 31, 2015
32. Record of Conviction, re: Bodimeade
33. Explanation provided by Bodimeade and Clausner and related bank account screen shot, re: payment of USD\$75,000 to Clausner
34. Summary of payments by Compuquest to Clausner and Clausner companies
35. Proposed Listing Agreement, re: 7472 Ashburn Road, Whitby
36. Email requests for information from Minden Gross to Andrea Robertson

BACKGROUND

1. This report (the “**Second Report**”) is being filed by Grant Thornton Limited (“**GTL**”) in its capacity as the receiver (in such capacity, the “**Receiver**”) of 1299746 Ontario Inc. o/a Compuquest2000 (“**Compuquest**”) and 2252709 Ontario Inc. (“**225**”) (together, the “**Debtors**”), in support of a motion brought by Canadian Imperial Bank of Commerce (“**CIBC**”). The Receiver was appointed pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated May 17, 2016 (the “**Receivership Order**”), upon application by CIBC. A copy of the Receivership Order is attached hereto as **Appendix “1”**.
2. Prior to the Receivership Order, GTL was appointed as Interim Receiver of Compuquest pursuant to the Order of the Honourable Justice Mesbur of the Court dated April 29, 2016 (the “**IR Order**”). A copy of the IR Order is attached hereto as **Appendix “2”**. The IR Order was sought by CIBC due to, among other things, serious concerns with the financial viability of the Debtors, the lack of financial reporting received as required by the Debtors’ security agreement, and the apparent absence of ongoing operations at Compuquest’s premises.
3. Compuquest was engaged in the business of purchasing used electronics and selling them as refurbished units, or disassembling the units to salvage key parts for resale. Compuquest’s assets consisted mainly of computer equipment, furniture and warehouse support equipment.
4. 225’s principal asset was real property municipally known as 1935 Silicone Drive, Pickering, Ontario (the “**Silicone Drive Property**”).
5. GTL filed its First Report as Interim Receiver on May 13, 2016 which discussed, among other things, the Debtors’ minimal assets, limited business operations and a deteriorating financial position. A copy of the IR’s First Report, without appendices, is attached hereto as **Appendix “3”**.

6. GTL was appointed as trustee in bankruptcy (in such capacity, the “**Trustee**”) of Compuquest and Gary Bodimeade (“**Bodimeade**”) (the principal of the Debtors) pursuant to Orders made by the Honourable Justice Newbould of the Court dated May 25, 2016 (the “**Bankruptcy Orders**”), on application by CIBC. Copies of the Bankruptcy Orders are attached hereto as **Appendix “4”**.
7. GTL, as Trustee, continues to administer the bankruptcies.
8. GTL filed its First Report as Receiver on September 16, 2016 which discussed, among other things, the actions taken by the Receiver to realize on the Debtors’ assets including the Silicone Drive Property. The sale of the Silicone Drive Property was approved pursuant to an Order made by the Honourable Justice Newbould on September 22, 2016 (the “**September 22 Order**”), which was amended to correct the Purchaser’s legal name by Justice Penny on September 28, 2016 (the “**September 28 Amended Order**”). A copy of the Receiver’s First Report, without appendices, is attached hereto as **Appendix “5”**. Copies of the September 22 Order and September 28 Amended Order are attached as **Appendices “6” and “7”**.

PURPOSE OF THIS SECOND REPORT

9. The purpose of this Second Report (the “**Second Report**”) is to support CIBC’s motion for an Order appointing GTL as receiver, without security, of the real property known municipally as 7472 Ashburn Road, Whitby, Ontario, and described legally in PIN 26578-0082 (LT) (the “**Ashburn Property**”), with the power to market and sell the Ashburn Property and hold the proceeds of any such sale pending a further Order of the Court.

SCOPE AND TERMS OF REFERENCE

10. In preparing this Second Report, the Receiver has relied upon certain unaudited financial information, the Debtors’ records, the Debtors’ bank statements and supporting records received from its financial institutions

and other financial information. While the Receiver has performed a preliminary review of available books and records of Compuquest and 225, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles (“**GAAP**”) or International Financial Reporting Standards (“**IFRS**”). Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.

11. This Second Report has been prepared for the use of this Court and the Debtors’ stakeholders as general information relating to the Debtors, and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this Second Report may not be appropriate for any other purpose. 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. All references to dollars in this Second Report are in Canadian currency unless otherwise noted.

THE ASHBURN PROPERTY

13. The Ashburn Property is the matrimonial home of Bodimeade, the principal of the Debtors, and his spouse, Aimee Bodimeade (“**Aimee**”). Bodimeade and Aimee are currently separated and are engaged in matrimonial proceedings.

A. Nature and Value of the Ashburn Property

14. Bodimeade and/or Aimee purchased the Ashburn Property for \$638,000 on or about September 28, 2007. Title to the Ashburn Property was registered in Aimee’s name alone on September 28, 2007. A copy of the MLS listing from 2007 is attached as **Appendix “8”**.

15. Since 2007, the Ashburn Property has been subject to significant improvements. These improvements include, without limitation, the construction of:
 - a. An approximately 5,680 square foot two-storey detached residential dwelling, excluding the basement (as compared to the existing 2,500 square foot home), which was constructed commencing around 2009;
 - b. An approximately 3,196 square foot finished basement with dance studio, family room, gym, bedroom and three piece bathroom;
 - c. An outdoor pool with pool house;
 - d. An approximately 800 square foot heated and insulated SUV garage;
 - e. An approximately 11,000 square foot equestrian barn complete with riding centre and stalls for 14 horses; and
 - f. An approximately 2,400 square foot insulated hay/equipment barn.
16. As a result of these improvements, the estimated value of the Ashburn Property was \$3,700,000 as at April 11, 2016. A copy of an appraisal commissioned by Bodimeade from Consolidated Appraisal Services Ltd., dated April 18, 2016 (the “**CASL Appraisal**”), is attached as **Appendix “9”**.
17. The Receiver has retrieved aerial view photographs of the Ashburn Property as at September 2009 and October 2012 from Google Earth, which are attached as **Appendix “10”**. These aerial view photographs reflect some of the improvements made to the Ashburn Property through that time period.
18. As a result of the improvements, and in particular the construction of the equestrian barn and ancillary buildings, the Ashburn Property has become a

specialized asset that will require careful marketing to ensure that it is sold for the highest and best price.

B. Registrations Against the Ashburn Property

19. The Receiver has obtained a current copy of the parcel register for the Ashburn Property, a copy of which is attached as **Appendix “11”**.
20. Bodimeade and Aimee’s original purchase of the Ashburn Property was financed by a mortgage obtained from the Bank of Nova Scotia (“**BNS**”), which registered a charge on title on September 28, 2007, in the principal sum of \$638,000. This charge was discharged on June 20, 2008.
21. On June 20, 2008, BNS registered a new demand charge on title to the Ashburn Property in the principal sum of \$1,350,000, which was subsequently discharged on February 10, 2015. The Receiver has no information at this time as to what advances were made by BNS.
22. A second mortgage in the principal sum of \$250,000.00 (the “**Pinfold Charge**”) was registered on title to the Ashburn Property by Craig Pinfold (“**Pinfold**”) on September 3, 2009, and discharged on September 13, 2013. The Pinfold Charge is discussed in greater detail in paragraph 42 below.
23. On January 23, 2015, Aimee secured mortgage financing from CIBC in the principal sum of \$1,000,000. CIBC registered a charge on title to the Ashburn Property on January 23, 2015 (“**CIBC Charge**”). CIBC is currently the first and only mortgagee. The Receiver understands that approximately \$963,000 is currently owing to CIBC in respect of this mortgage. A copy of the CIBC Charge is attached as **Appendix “12”**.
24. On December 31, 2015, and January 5, 2016, Scott Reed registered two construction liens on title to the Ashburn Property in the sums of \$74,615 and \$74,616, respectively (together, the “**Construction Liens**”). The January 5, 2015 construction lien was purportedly perfected by registration

of a certificate of action on February 18, 2016 (the “**Certificate of Action**”). Copies of the Construction Liens and Certificate of Action are attached as **Appendix “13”**.

25. In light of the ongoing matrimonial proceedings between Bodimeade and Aimee, on February 4, 2016, Bodimeade registered a spousal interest in the Ashburn Property. A copy of Bodimeade’s registration in this regard is attached as **Appendix “14”**.
26. As described above, GTL was appointed as Bodimeade’s trustee in bankruptcy by order dated May 25, 2016. On June 1, 2016, the Trustee registered the Bankruptcy Order against Bodimeade on title to the Ashburn Property, in respect of Bodimeade’s spousal interest. A copy of the Trustee’s registration in this regard is attached as **Appendix “15”**.
27. On or about June 30, 2016, an individual named Dean Salem (“**Salem**”), together with his company, Norris Technologies LLC (“**Norris**”), obtained an *ex parte* Order granting leave to register a certificate of pending litigation (the “CPL”) against title to the Ashburn Property. Salem and Norris registered the CPL on June 30, 2016. A copy of the CPL is attached as **Appendix “16”**.
28. The CPL relates to an application by Salem and Norris as against Aimee (the “**Norris Application**”) for, among other things, a declaration that Salem and Norris have an interest in the Ashburn Property pursuant to a purported revolving line of credit agreement, which is described at paragraph 47 below. The Trustee was not served with the notice of motion or any other materials in advance of the registration of the CPL, despite having an interest registered on title to the Ashburn Property. A copy of the Amended Notice of Application is attached as **Appendix “17”**.

29. On August 12, 2016, Salem and Norris registered a court order dated August 9, 2016, on title to the Ashburn Property (the “**Norris Order**”). A copy of the Norris Order is attached as **Appendix “18”**.
30. The Norris Order was made in the context of the Norris Application, and provides, among other things, that the Registrar of Land Titles is directed to permit Salem and Norris to register a non-interest bearing charge/mortgage bearing standard charge terms 200033, in the amount of \$1,000,000.00 on title to the Ashburn Property. The Norris Order was obtained without notice to the Trustee. To date, no such charge has been registered, nor has a date been set for the hearing of the Norris Application.

THE IMPROVEMENTS TO THE ASHBURN PROPERTY WERE PAID FOR WITH COMPUQUEST’S FUNDS

31. Through its investigations, the Receiver has learned that Bodimeade and Aimee used funds belonging to Compuquest to effect significant improvements made to the Ashburn Property, among other improper uses. As described below, to date the Receiver has identified a total of approximately \$1.7 million paid from Compuquest’s accounts or assets to various contractors who were engaged to complete the improvements and/or to a mortgagee of the Ashburn Property.
32. In addition to the specific examples discussed below, the Receiver discovered a chain of emails dated April 6, 2016 between Alan Hogan (“**Hogan**”), Compuquest’s external accountant, Bodimeade and Aimee (the “**Hogan Email**”). In this email chain, Bodimeade admits that “*everything*” was paid for with Compuquest funds. In the context of this email chain, “*everything*” appears to refer to the construction of the new house, the barns, and eleven horses, among other things. Hogan responds by advising Bodimeade and Aimee as to how to reflect these payments on their personal income taxes. A copy of this email chain is attached as **Appendix “19”**.

33. The Receiver has completed an initial review of the banking records from Compuquest's CIBC accounts for the period of January 2010 to December 2012 and January 2016 to April 2016, and has compiled a summary of various questionable payees and payments made during these time periods.
34. The Receiver has not yet conducted a review of the period prior to January 2010.
35. Among the questionable payees and payments, the Receiver has identified payments issued to various construction companies totalling \$611,829.19. These payments appear to have been made in relation to the construction of the home, the horse barn and the arena, the installation of an irrigation system for the lawn, the installation of a front gate entry system and the construction of extensive fencing used for horses. The Receiver's summary of payments to these contractors is attached as **Appendix "20"**.
36. As part of its investigation, the Receiver has reviewed websites for some of these contractors, who have displayed photographs of the work done on the Ashburn Property on their respective websites. Photos of the Ashburn Property found on their websites are attached as **Appendix "21"**.
37. On or about April 18, 2015, Bodimeade and Aimee engaged Reed Ridge Farms ("**Reed Ridge**"), operated by Scott Reed, to make improvements to the horse barn on the Ashburn Property. Reed Ridge charged a total of \$116,378.74 for the construction, as set out in a statement dated November 5, 2015, and updated to reflect payments made as at April 5, 2016 (the "**Reed Ridge Statement**"). A copy of the Reed Ridge Statement is attached as **Appendix "22"**.
38. The Reed Ridge Statement reflects payments made to Reed Ridge as follows:

Date	Payment
Initial Deposit	\$ 21,118.82
February 22, 2016	\$ 26,000.00
March 1, 2016	\$ 59,363.13
Total:	\$106,481.95

39. The Receiver has traced the \$21,118.82 payment and the \$26,000.00 payment to Compuquest's records, which indicate that Compuquest funds were used to make these payments. Documentation confirming that these payments were made from Compuquest's account is attached as **Appendix "23"**.
40. On March 1, 2016, Bodimeade sold a trailer belonging to Compuquest for the sum of \$59,363.13. This amount was paid directly to Reed Ridge on March 1, 2016, and is reflected in the Reed Ridge Statement. Copies of emails between Scott Reed, Bodimeade and Aimee confirming this payment, together with proof of Compuquest's ownership of the trailer, are attached as **Appendix "24"**.
41. The Construction Liens and Certificate of Action referred to in paragraph 24 above are in respect of the amounts owed to Reed Ridge Farms. As set out in the Reed Ridge Statement, the sum of \$31,015.61, inclusive of legal fees, remained outstanding as at April 5, 2016.
42. As indicated at paragraph 22 above, an individual named Craig Pinfold registered the Pinfold Charge on title to the Ashburn Property on September 3, 2009. The Receiver has identified payments made from Compuquest's CIBC account to Pinfold and/or his company, Pinfold and Associates Inc., totalling \$885,500. A further four cheques totaling \$80,000 issued by Compuquest to "Virtual Tech" and/or Jay Clausner appear to have been intended for Pinfold, based on the information found in the memo box on the

cheques. The Receiver is not aware of the nature of the relationship among Clausner, Pinfold and Virtual Tech. Copies of the cheques issued by Compuquest to Pinfold directly or indirectly are attached as **Appendix “25”**.

43. It appears to the Receiver that payments made to Pinfold, either directly or indirectly, were for improvements to the Ashburn Property. The Receiver has not yet completed its investigation into the source of funds used to construct improvements to the Ashburn Property.
44. Based on the Hogan Email, the Receiver anticipates that it will be able to trace additional funds from Compuquest’s accounts into the Ashburn Property through its continued investigations.

DEAN SALEM’S AND NORRIS’ INTEREST IN THE ASHBURN PROPERTY IS QUESTIONABLE

45. As described above, Salem and Norris have registered a CPL on title to the Ashburn Property relating to the Norris Application. The obligation underlying the Norris Application is an alleged debt owed by Compuquest to Norris and Salem, which debt was purportedly guaranteed by Bodimeade and Aimee and secured against, among other things, the Ashburn Property.
46. On July 29, 2016, Salem filed unsecured proofs of claim with the Trustee on behalf of himself and Norris for a total of USD\$803,585.49, in each of Bodimeade’s and Compuquest’s bankruptcies. The claims are made up of a claim by Salem in the sum of USD\$106,200.00, and a claim by Norris in the sum of USD\$697,385.49. Copies of the proofs of claim, together with a summary of advances, are attached as **Appendix “26”**.
47. On August 3, 2016, Salem provided the Trustee with a copy of a revolving line of credit agreement between Salem and Norris, as lender, and Bodimeade and Compuquest, as borrower, limited to the sum of \$1,500,000 and dated December 31, 2015 (the “**Bodimeade/Norris RLOC**”). A copy of the Bodimeade/Norris RLOC is attached as **Appendix “27”**.

48. On April 25, 2016, Bodimeade sent GTL an email which contained a copy of a similar but modified revolving line of credit agreement between Salem and Norris, as lender, and Aimee and Compuquest, as borrower, limited to the sum of \$1,500,000 and dated March 3, 2016 (the “**Aimee/Norris RLOC**”). The Aimee/Norris RLOC was further modified by an email from Andrea Robertson (“Robertson”), Aimee’s lawyer, to Bodimeade dated March 3, 2016, and accepted by Bodimeade on March 3, 2016. A copy of the Aimee/Norris RLOC and the email correspondence dated March 3, 2016, is attached as **Appendix “28”**.
49. The Aimee/Norris RLOC purports to secure amounts owed by Aimee and Compuquest to Salem and Norris against, among other things, the Ashburn Property, up to a maximum of \$1,000,000. The Aimee/Norris RLOC provided to GTL is signed by Aimee but is not signed or notarized by Salem or his attorney.
50. Neither the Bodimeade/Norris RLOC nor the Aimee/Norris RLOC is registered pursuant to the *Personal Property Security Act* (“**PPSA**”), although they purport to create security interests in certain motor vehicles, as well as the Ashburn Property and the Silicone Drive Property. Pursuant to the Norris Application, Salem and Norris now seek to register a charge against the Ashburn Property, purportedly in accordance with the Aimee/Norris RLOC.
51. In addition to the deficiencies in the documentation supporting the obligations allegedly owed by Compuquest, Bodimeade, and Aimee to Norris and Salem, the Receiver has uncovered correspondence that suggests that Bodimeade made numerous preferential payments to Norris and Salem in the period leading up to the appointment of the Interim Receiver on April 29, 2016, and the Receiver on May 17, 2016.
52. For example, on March 11, 2016, Bodimeade sold a 2014 Kingaire Motorhome (the “**Kingaire**”) which was leased by Compuquest, for

USD\$505,000. Bodimeade paid a lease payout of USD\$249,118.23, and received USD\$255,881.77 in net equity from the sale, which amount was received on April 6, 2016 and deposited by Bodimeade into a bank account he had set up at The Toronto-Dominion Bank, contrary to the terms of the loan agreement between Compuquest and CIBC, and then wired the sum of USD\$253,000 to Norris. Copies of the sale agreement, confirmation of the wire transfer of \$255,881.77 to Compuquest and the subsequent wire of USD\$253,000.00 to Norris are attached as **Appendix “29”**.

53. The Receiver has also discovered two further emails of note between Bodimeade and Salem. On March 5, 2016, Salem wrote to Bodimeade to confirm that Bodimeade would be sending to Norris:

- a. receivables, totalling approximately \$90,000;
- b. Bodimeade’s HST refund, in the amount of \$160,000;
- c. the proceeds of sale of vehicles identified as:
 - i. King Aire, having equity of USD\$259,744;
 - ii. Optimus, having equity of USD\$63,833;
 - iii. Stacker Trailer, having equity of USD\$39,500;
 - iv. Other trailer, having equity of USD\$30,000.

54. On April 25, 2016, Bodimeade wrote to Salem in the context of having received CIBC’s demand letters on March 24, 2016, and April 19, 2016, to assure Salem that he would continue to repay his debts to Norris. In particular, Bodimeade stated, ***“I have given you every penny I have received from the sales of any personal assets and will continue to do so...I will continue you (sic) to sell whatever I can and forward any equity to you to pay down the debt.”*** Copies of these emails are attached as **Appendix “30”**.

55. As a result of the foregoing, the Receiver strongly suspects that the debts allegedly owing by Compuquest, Bodimeade and Aimee to Norris and Salem are unfounded, and/or that the payments are reviewable as preferences or transfers at undervalue under the provisions of the *Bankruptcy and Insolvency Act* or related provincial legislation. The Receiver proposes to address the distribution of the proceeds of sale of the Ashburn Property at a future attendance, with the benefit of further investigations.

OTHER IMPROPER CONDUCT BY BODIMEADE

56. There was a significant decrease in the Debtors' assets in the year leading up to the appointment of the Interim Receiver and Receiver. According to the May 31, 2015 review engagement financial statements prepared by Turner Moore LLP, Compuquest had \$2,705,143 of accounts receivable and \$2,397,177 of inventory as well as \$432,618 of property, plant and equipment as of May 31, 2015. A copy of the review engagement financial statement as at May 31, 2015 is attached as **Appendix "31"**.
57. As discussed in the First Report of the Interim Receiver and First Report of the Receiver, on the Receiver's appointment, there was virtually no accounts receivable and no inventory. There has been no realization from accounts receivable. The Receiver has realized only \$120,000.00 from an online auction that included all inventory, furniture and equipment.
58. Shortly after the Receiver's appointment, the Receiver learned from Minden Gross, its independent counsel, that on September 12, 2006, Bodimeade was found guilty of laundering proceeds of crime contrary to the Criminal Code of Canada, arising out of charges that Bodimeade and his brother defrauded Royal Bank of Canada. A copy of the record of conviction is attached as **Appendix "32"**.
59. Bodimeade was placed on probation for a period of two years and was therefore on probation at the time of the purchase of the Ashburn Property.

60. The Receiver understands that CIBC was unaware of Bodimeade's criminal record prior to the appointment of the Receiver.
61. The Receiver has uncovered significant other evidence that Bodimeade has used Compuquest's funds for the payment of personal obligations, and has made other preferential payments in the face of pending enforcement action by CIBC.
62. For example, on April 28, 2016, counsel for CIBC attended at court to obtain the Interim Receivership Order, without notice to Compuquest. The Court adjourned the application to the following day to allow for notice to be given to Compuquest, which notice was provided on April 28, 2016. The Interim Receivership Order was granted on April 29, 2016.
63. On April 28, 2016, Bodimeade caused a payment in the sum of USD\$16,000 to be paid to 2401484 Ontario Inc. ("**240**"), the director of which company is an individual named Kara Clausner ("**K-Clausner**"). On April 29, 2016, Bodimeade caused a payment of USD\$75,000 to be paid by Compuquest to an individual named Jay Clausner ("**Clausner**") personally. Jay Clausner controls a company called Total Cart Solutions & Integration ("**TCSI**").
64. On June 2, 2016, the Receiver asked Bodimeade why he had made the USD\$75,000 payment to Clausner. Bodimeade initially advised that it reflected a loan repayment owing to Clausner. The Receiver has not been able to locate any evidence of any debt owing by Compuquest to Clausner, nor is there any registration to reflect same. On June 7, 2016, Bodimeade wrote to the Receiver to change his story, and to advise that in fact the USD\$75,000 payment represented the repayment of a deposit. A copy of the explanation provided by Clausner and Bodimeade and the related bank account screen shot are attached as **Appendix "33"**.

65. The Receiver has compiled and summarized a large number of payments issued by Compuquest from the CIBC bank account to either Clausner, K-Clausner, TCSI or 240, totaling \$1,219,530.19. Many of the cheques issued by Compuquest have indicated “loan repayments” or “pay backs” in the memo box of the cheque. The Receiver has no explanation as to the nature of these payments. A summary of the Clausner cheques is attached as **Appendix “34”**.
66. The Receiver will provide a more fulsome report to the Court regarding Bodimeade’s and the Debtors’ improper conduct once its investigation is complete.

THE PARTIES HAVE AGREED THAT THE ASHBURN PROPERTY MUST BE SOLD

67. On or about May 26, 2016, GTL asked Bodimeade to obtain permission from Aimee for the Receiver and Trustee to access the Ashburn Property, so that the Receiver and Trustee could determine if the Ashburn Property contained any other assets belonging to Bodimeade personally or to the Debtors, which were not disclosed to the Receiver or Trustee.
68. On or about May 31, 2016, GTL received a call from Robertson, inquiring about the various court proceedings against Bodimeade and the purpose of the visit being requested by GTL.
69. During the call, Robertson advised GTL that Aimee wanted to sell the Ashburn Property, and asked if GTL would oppose the sale. Robertson advised that Bodimeade had previously advised Aimee that he would not support the listing of the Ashburn Property for sale. GTL advised Robertson that the Trustee would support a sale of the Ashburn Property, but that the proceeds of sale should be held in trust pending a determination of the entitlement to the remaining equity in the Ashburn Property after payout of the CIBC mortgage.

70. On June 7, 2016, GTL sent an email to Robertson seeking an update on the request for access to the Ashburn Property. Robertson confirmed that GTL would be provided access on June 13, 2016.
71. GTL attended at the Ashburn Property on June 13, 2016. At the site visit, GTL found a number of non-exempt and non-disclosed personal assets, along with two pieces of farm/landscaping equipment that were subject to leases between Compuquest and Roynat Finance Inc.
72. On June 27, 2016, GTL emailed Robertson to request further access to the Ashburn Property, so as to enable GTL to bring Canam Appraiz Inc. (“**Canam**”) to appraise Bodimeade’s non-exempt assets. Robertson confirmed access would be provided on June 28, 2016 and that Robertson would be in attendance as well.
73. GTL and Canam attended at the Ashburn Property on June 28, 2016. During the June 28, 2016 site visit, Robertson advised GTL that Aimee had contacted Dan Plowman Team Realty Inc. for the purpose of selling the Ashburn Property, and provided GTL a copy of the proposed listing agreement, showing a proposed list price of \$3,300,000 (the “**Ashburn Listing**”). A copy of the Ashburn Listing is attached as **Appendix “35”**.
74. Robertson asked GTL for their feedback on the Ashburn Listing. GTL advised Robertson that they would forward the Ashburn Listing to their counsel for review and response. GTL sent the Ashburn Listing to the Trustee’s counsel, Minden Gross LLP (“**Minden Gross**”), to review and respond to Robertson’s request.
75. Minden Gross contacted Robertson by email on July 7, 2016 and advised that the Trustee had no objection to Aimee listing the Ashburn Property for sale on the following conditions:
 - a. the Trustee is provided with copies of all offers to purchase the Ashburn Property, forthwith on receipt;

- b. Aimee or the agent named in the Ashburn Listing provides the Trustee with bi-weekly updates regarding sale efforts/activity;
- c. no offer to purchase the Ashburn Property is accepted by Aimee without the prior written consent of the Trustee; and
- d. the Trustee reserves all of its rights with respect to entitlement to the sale proceeds.

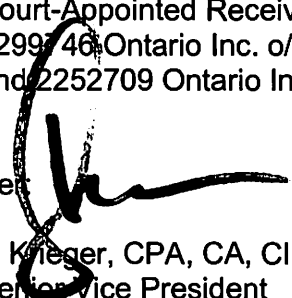
76. Minden Gross has followed up by phone and email on several occasions for a response from Robertson regarding the status of the Ashburn Listing, yet no response has been received to date. Copies of email requests from Minden Gross to Robertson dated July 6, July 18, July 28, August 4 and August 16, 2016 are attached as **Appendix "36"**.

RELIEF REQUESTED

77. The Receiver recommends and requests that the Court grant an order providing for the relief set out in paragraph 9 herein.

All of which is respectfully submitted to the Court.

GRANT THORNTON LIMITED,
Court-Appointed Receiver of
12997 46th Ontario Inc. o/a Compuquest2000
and 2252709 Ontario Inc.

Per 

J. Krieger, CPA, CA, CIRP, LIT
Senior Vice President

27712716.2

Court File No. CV-16-555283

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE
MR. JUSTICE HAINEY

)
)
)

WEDNESDAY, THE 30TH
DAY OF NOVEMBER, 2016

BETWEEN:



DEAN SALEM and NORRIS TECHNOLOGIES, LLC

Applicants

and

AIMEE BODIMEADE

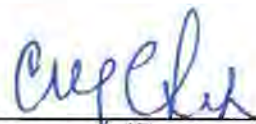
Respondent

ORDER

THIS MOTION, made by Canadian Imperial Bank of Commerce ("CIBC") in Court File No. CV-16-11369-00CL between CIBC and 1299746 Ontario Inc. o/a Compuquest2000 and 2252709 Ontario Inc. for an Order, among other things, appointing Grant Thornton Limited (the "Receiver") as equitable receiver of a property at 7472 Ashburn Road, Whitby, Ontario and such other relief as is just was heard this day at the Court House, 330 University Avenue, 8th Floor, Toronto, Ontario.

ON READING the Notice of Motion of CIBC, the Second Report of the Receiver dated November 24, 2016 and the appendices attached thereto, and on hearing the oral submissions of the lawyers for CIBC, the Receiver, Dean Salem and Norris Technologies, LLC and Aimee Bodimeade,

1. **THIS COURT ORDERS** that the within application be and is hereby transferred to the Commercial List.



(Signature of Judge)
CM CHIBA, Registrar
Superior Court of Justice

#2706861 | 4099972

330 UNIVERSITY AVE.	330 AVE. UNIVERSITY
7TH FLOOR	7E ÉTAGE
TORONTO, ONTARIO	TORONTO, ONTARIO
M5G 1R7	M5G 1R7

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

FEB 3 2017

PER / PAR:



B E T W E E N

DEAN SALEM, et al.
Applicants

-and-

AIMEE BODIMEADE
Respondent
Court File No. CV-16-555283

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

ORDER

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Fax: 416-864-9223

Lawyers for the Receiver, Grant Thornton Limited

Court File No. CV-16-11369-00CL

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

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.

Respondent

THIRD REPORT OF THE RECEIVER

JANUARY 11, 2017



Grant Thornton Limited
Receiver of the Respondents

200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4

TABLE OF CONTENTS

BACKGROUND.....	1
SCOPE AND TERMS OF REFERENCE.....	1
RESPONSE TO AFFIDAVITS OF BODIMEADE AND AIMEE	2
A. THE MARRIAGE BREAKDOWN.....	2
B. SOURCE OF FUNDS TO PURCHASE THE ASHBURN PROPERTY	3
C. SOURCE OF FUNDS TO RENOVATE THE ASHBURN PROPERTY	4
D. MORTGAGE PAYMENTS	6
E. DIVIDENDS.....	7
F. SIGNIFICANT PERSONAL EXPENSES PAID FROM COMPUQUEST'S ACCOUNT	8
F. NO FURTHER DIVIDENDS CAN BE ISSUED	10
G. PAYMENTS TO PINFOLD AND CLAUSNER.....	10
H. THE HORSES	12
I. SALE OF THE ASHBURN PROPERTY.....	13
PRODUCTION REQUESTS	15
CONCLUSION.....	16

APPENDICES

1. Creditors' Package from Gary Bodimeade's bankruptcy
2. Gary Bodimeade's emails to GTL dated December 12 and 13, 2016
3. Copy of the Parcel Register dated January 6, 2017 for 72 McBeth Place, as well as the Transfers/Deeds of Land for the purchase and sale of 72 McBeth Place
4. Email from Gary Bodimeade to William Ferguson dated April 12, 2016
5. Schedule of Compuquest cheques related to house construction/improvements
6. Letter dated April 12, 2016 from Andrea Robertson to Gary A. Stern
7. Bank statements for Compuquest for the period from January 31, 2009 through June 30, 2009
8. Schedule of payments by Compuquest for leased vehicles
9. Schedule of cheques paid to Aimee personally for the period from 2009 to 2013 totalling \$138,800.00 together with copies of the cheques
10. Schedule of cheques paid to Gary personally in 2013 totalling \$88,000.00, together with copies of the cheques
11. Schedule of cheques paid to "CASH" for the period from 2009 to 2013 totalling \$122,957.37, together with copies of the cheques
12. Schedule of cheques paid to Jensen Trailer Sales & Service ("Jensen") totalling \$77,795.68, together with copies of the cheques
13. Copies of a bank draft in the amount of \$189,338.90 payable to Sommerville National Leasing, as well as cheques payable to Blue Skies RV Centre, Pfaff Leasing and Katie's Dance Connection
14. Schedule of payments to "Virtual Technology" totalling \$1,064,699.00 together with copies of the cheques
15. Copies of two additional cheques to Craig Pinfold totalling \$322,278.00, 13 cheques to Jay Clausner totalling \$398,509.56, a cheque to Kara Clausner in the amount of \$5,000.00 and five cheques to Virtual Technology totalling \$120,000.00
16. Copies of ownership certificates for the horses

BACKGROUND

1. This report (the “**Third Report**”) is being filed by Grant Thornton Limited (“**GTL**”) in its capacity as the receiver (in such capacity, the “**Receiver**”) of 1299746 Ontario Inc. o/a Compuquest2000 (“**Compuquest**”) and 2252709 Ontario Inc. (“**225**”) (together, the “**Debtors**”), in support of a motion brought by Canadian Imperial Bank of Commerce (“**CIBC**”). This Third Report is being filed supplementary to the Second Report of the Receiver dated November 24, 2016 and to provide information to the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) in response to the Affidavit of Gary Bodimeade (“**Gary**”) sworn January 5, 2017 and the Affidavit of Aimee Bodimeade (“**Aimee**”) sworn January 6, 2017.
2. The same defined terms will be used as in the Second Report, unless otherwise defined.

SCOPE AND TERMS OF REFERENCE

3. In preparing this Third Report, the Receiver has relied upon certain unaudited financial information, the Debtors’ records, the Debtors’ bank statements and supporting records received from its financial institutions and other financial information. While the Receiver has performed a preliminary review of available books and records of Compuquest and 225, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles (“**GAAP**”) or International Financial Reporting Standards (“**IFRS**”). Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.
4. This Third Report has been prepared for the use of this Court and the Debtors’ stakeholders as general information relating to the Debtors, and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this Third Report may not

be appropriate for any other purpose. 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 Third Report for any other purpose.

5. All references to dollars in this Third Report are in Canadian currency unless otherwise noted.

RESPONSE TO AFFIDAVITS OF BODIMEADE AND AIMEE

A. The Marriage Breakdown

6. In her affidavit, Aimee acknowledges that Gary is not currently residing in the Ashburn Property. Aimee does not address when she and Gary separated.
7. According to Gary's sworn statement of affairs in his bankruptcy, he and Aimee separated in September 2015. A copy of the Creditors' Package from Gary's bankruptcy is attached as **Appendix "1"**.
8. In her affidavit, Aimee suggests that the bankruptcy and financial problems leading up to the bankruptcy have been difficult on the children and the relationship and that it is difficult to say whether there is any prospect of reconciliation. Aimee does not mention that both she and Gary are in fact involved in relationships with other people.
9. Gary has advised GTL that Aimee is involved in a relationship with another man, who Aimee introduced to staff of the Receiver as her boyfriend, at the time of the Receiver's attendance at the Ashburn Property. The Receiver has confirmed from publicly available information on Aimee's public Facebook account that she is in a relationship with this person and that the relationship began before the date of Gary's bankruptcy.

10. Gary has advised GTL that he is in a relationship with another woman. The Receiver has confirmed this information from Gary's public Facebook account.
11. On December 12, 2016, Gary advised GTL that Aimee has been selling items from the house for cash, including his personal belongings, on Bidding Wars and Kijiji. In response to inquiries from GTL, Gary advised that all assets which Aimee was selling were joint assets acquired during the marriage and that half the proceeds should go towards his debt.
12. On December 13, 2016, Gary advised GTL that Aimee had locked him out of the house and that he was unable to gain access to do an inventory of assets.
13. Gary's emails to GTL are attached as **Appendix "2"**.
14. At his recent counselling session on January 5, 2017, Gary advised GTL that he believes Aimee's boyfriend has moved into the Ashburn Property. Gary also advised that he is currently living with his girlfriend and contributing to the monthly expenses for her residence.
15. Gary's interest in the Ashburn Property and other non-exempt assets has vested in the Trustee.
16. Even if the Receiver had no interest in the Ashburn Property, the equity in the Ashburn Property is subject to Gary's 50% interest, which has vested in the Trustee.

B. Source of Funds to Purchase the Ashburn Property

17. In her affidavit, Aimee states that the purchase of the Ashburn Property was funded by a mortgage from BNS in the amount of \$410,000 and a bridge loan of \$229,235, which was paid out from the proceeds of the sale of 72 McBeth Place in Brooklin, Ontario on November 2, 2007.

18. Aimee does not mention in her affidavit that 72 McBeth Place was jointly owned by Gary and Aimee. The Receiver has obtained a current copy of the parcel register for 72 McBeth Place, as well as the Transfers/Deeds of Land for the purchase and sale of 72 McBeth Place, copies of which are attached as **Appendix “3”**.
19. Accordingly, Gary’s equity in 72 McBeth Place funded half the original “cash” portion of the purchase of the Ashburn Property.
20. In paragraphs 8 and 9 of her affidavit, Aimee states that the “renovations” were funded by a mortgage from BNS in the amount of \$1,350,000 granted in June 2008 and an additional BNS line of credit in the amount of \$250,000 pursuant to a Personal Credit Agreement dated April 17, 2009.
21. The Personal Credit Agreement which Aimee has attached as Exhibit “C” to her affidavit is undated, shows Aimee and Gary as co-borrowers and is signed by Aimee and Gary.
22. Even apart from the fact that Aimee and Gary separated prior to Gary’s bankruptcy, Gary maintained an economic obligation in respect of the Ashburn Property notwithstanding that title was placed in Aimee’s name.

C. Source of Funds to Renovate the Ashburn Property

23. The Personal Credit Agreement appears to be for a Scotia Total Equity Plan limited to \$900,000, comprised of the original BNS mortgage (paid down to \$392,308.20) and two personal lines of credit in the amounts of \$250,000 each.
24. The Receiver has located in Compuquest’s email records an email from Gary to William Ferguson (the appraiser for the Ashburn Property) dated April 12, 2016 advising of the approximate construction costs of the Ashburn Property as follows:

Cost of 5,800 sq ft home - \$1.4 mil
 Cost of finished basement - \$135k
 Cost of pool - \$65k
 Cost of landscaping - \$55k
 Cost of SUV building – \$135k
 Cost of construction of equestrian barn - \$1.2 mil
 Cost of hay/equipment barn and - \$75k

25. A copy of this email is attached as **Appendix “4”**.
26. These costs add up to \$3,065,000, not including the land purchase.
27. At the time of the Second Report, the Receiver had conducted an initial review of Compuquest’s bank records for the period from January 2010 to December 2012. This included a review of selected large value cheques (generally, \$5,000 or more) written on Compuquest’s account.
28. Through this review, the Receiver identified payments issued to various construction companies totalling \$611,829.19, which appeared to relate to the construction of the home, the horse barn and the arena, the installation of an irrigation system for the lawn, the installation of a front gate entry system and the construction of extensive fencing used for horses. The Receiver’s summary of payments to these contractors is attached as Appendix “20” to the Second Report.
29. The Receiver has now extended this cheque review back to 2009. The Receiver has identified additional cheques payable in 2009 to Alba Railings, Bliss Interior Design, BNS, Brent Jefferys Construction, C Aurora Paving Ltd., Crossey Plumbing, Don Lea Lumber, Home Theatre Excellence, J&S Electric, Link Heating & A/C and Zanetta Painting. Attached as **Appendix “5”** is a schedule of Compuquest cheques identified by the Receiver to date which appear to relate directly to house construction/improvement expenses.
30. The Receiver has not been able to conduct a cheque review for 2008, due to the passage of time.

31. Even if Aimee and Gary used the BNS lines of credit to fund some of the construction costs, the construction costs greatly exceeded the amount of the BNS lines of credit. The total mortgage amount refinanced by CIBC on January 23, 2015 was \$1 million, which would have included the original purchase financing and amounts borrowed on the lines of credit.

D. Mortgage Payments

32. In paragraph 11 of her affidavit, Aimee states that she made mortgage payments on the BNS mortgage and, later, the CIBC mortgage, from her personal bank account. In support of this position, Aimee has attached excerpts from her CIBC bank statements for the period from November 1-10, 2014 and February 1-9, 2015, reflecting a preauthorized debit of \$2,000.00 to BNS on November 3, 2014 and a mortgage payment of \$1,933.73 to CIBC on February 2, 2015.
33. The statement excerpts reflect payments and withdrawals totalling \$5,692.69 for the 10-day period from November 1-10, 2014 and payments and withdrawals totalling \$2,677.63 for the nine-day period from February 1-9, 2015.
34. This is the only information that Aimee has provided about her expenditures. All deposits into Aimee's personal bank account and the account balances have been blacked out.
35. Aimee's affidavit does not address the source of the funds deposited into her bank account to fund her expenditures, including mortgage payments.
36. Aimee's affidavit also does not address the source of funds used to pay down/revolve the BNS lines of credit, over and above payment of regular monthly principal and interest.

37. The limited bank account excerpts which Aimee has provided are insufficient for the Receiver to conduct any meaningful analysis of Aimee's income and expenses and the costs of constructing and maintaining the Ashburn Property.
38. The Receiver has found in Compuquest's records a letter dated April 12, 2016 from Andrea Robertson to Gary A. Stern, Gary's then-family law lawyer, stating that Aimee required \$30,000 per month to pay expenses she was paying before the separation. A copy of this letter is attached as **Appendix "6"**.
39. The letter does not provide a breakdown of the expenses or the source of funds used to pay these expenses.

E. Dividends

40. In paragraph 17 of her affidavit, Aimee states that she has been advised by Alan Hogan, the accountant for Gary and Compuquest, that any payments made directly by Compuquest to third parties for personal expenses of Aimee or Gary have been considered in the financial statements and income tax returns of Aimee and Gary. Aimee states that dividends of \$88,500 were included in her income in 2014 and \$68,750 in 2012.
41. The review engagement statements of Compuquest for the year ended May 31, 2015 are attached as Appendix "31" to the Receiver's Second Report. The statements reflect dividends of \$150,000 for the year ended May 31, 2015 (which would cover calendar year 2014), but no dividends for the year ended May 31, 2014.
42. Aimee has not produced any of her tax returns in her affidavit, showing the dividends and any other income that she may have received.
43. Without production of Aimee's bank account records and the source of funds deposited into the account, the Receiver cannot determine whether

the dividends issued to Aimee for 2014 exceed the amounts which were paid to her by Compuquest.

F. Significant Personal Expenses Paid from Compuquest's Account

44. In addition, the Receiver's investigation reveals that Compuquest was directly paying many other personal expenses of Gary and Aimee beyond construction costs of the Ashburn Property.
45. For example, attached as **Appendix "7"** are sample bank statements for Compuquest for the period from January 31, 2009 through June 30, 2009. The statements reflect direct payments from Compuquest for the following categories of expenses, many of which would appear to include personal expenses:
 - a. Retail purchases: Shoppers Drug Mart, Wal-Mart, Canadian Tire, Home Depot, Staples, Best Buy, General Nutrition, AMC Theatres, Brooklin Veterinary, Hallmark, Clublink, Paypal
 - b. Vehicle leasing/costs: Landmark Vehicle, Honda Canada, BMW, Ford Credit Canada, Doug's AutoCar
 - c. Insurance: Empire Life, Elite Insurance, Royal & Sunalliance Insurance, Great-West Life Assurance Co., Lombard Canada, TD Insurance H&A;
 - d. Utilities, telephone and cable: Rogers Cable, Rogers Wireless, Bell, Enbridge, Veridian
 - e. Credit cards: Scotiabank Visa, MBNA Mastercard, Mosaik Mastercard (BMO), Wells Fargo, American Express
 - f. ATM cash withdrawals

46. This pattern appears to have continued throughout the period of the banking relationship from 2009 to 2015, with Compuquest's bank account being used to fund personal retail purchases, significant vehicle leasing costs, home and vehicle insurance, home utilities, credit card bills and cash withdrawals, among other potential personal expenses.
47. Compuquest has incurred significant costs leasing luxury vehicles for the benefit of Gary and/or Aimee. For the period of January 1, 2009 to the date of the Receivership Order, Compuquest was funding downpayments and multiple monthly lease payments to Landmark Vehicle, Nissan, Honda Canada, BMW Group, Ford Credit, Pfaff Leasing and Somerville National Leasing. Attached as **Appendix "8"** is a schedule of payments by Compuquest for leased vehicles from 2009 to 2015 totalling \$1,759,994.53.
48. This schedule does not include lease payments to Caterpillar, Kubota and Penske, some of which may be personal, or lease payments to Jensen Trailer Sales & Service ("**Jensen**"), which leases horse trailers and other trailers. The schedule also does not include other associated vehicle costs, such as insurance.
49. In addition to expenses paid directly by Compuquest, there were many cheques issued to Aimee, Gary or others for their personal benefit.
50. Attached as **Appendix "9"** is a schedule of cheques paid to Aimee personally for the period from 2009 to 2013 totalling \$138,800.00 together with copies of the cheques.
51. Attached as **Appendix "10"** is a schedule of cheques paid to Gary personally in 2013 totalling \$88,000.00, together with copies of the cheques.
52. Attached as **Appendix "11"** is a schedule of cheques paid to "CASH" for the period from 2009 to 2013 totalling \$122,957.37, together with copies of the cheques.

53. Attached as **Appendix “12”** is a schedule of cheques paid to Jensen totalling \$77,795.68, together with copies of the cheques. These are over and above regular monthly lease payments made to Jensen from Compuquest’s bank account.
54. Attached as **Appendix “13”** is a bank draft in the amount of \$189,338.90 payable to Sommerville National Leasing referenced in Appendix “8”, as well as various cheques payable to Blue Skies RV Centre, Pfaff Leasing and Katie’s Dance Connection, all of which appear to be for personal expenses.
55. Based upon the information available to the Receiver to date, it appears that the payments made by Compuquest to or for the benefit of Aimee and Gary greatly exceed the amounts of dividends issued to Aimee and Gary, without accounting for any construction costs of the Ashburn Property.
56. Accordingly, the Receiver does not accept Aimee’s position that the construction costs were accounted for by dividends issued to Aimee and Gary.

F. No Further Dividends Can be Issued

57. Aimee suggests in paragraph 19 of her affidavit that the payments to Reed Ridge Farms were made in 2016 and therefore do not yet appear in hers or Gary’s tax returns.
58. Compuquest is insolvent and bankrupt and would not have been in a position to declare or issue dividends in 2016.

G. Payments to Pinfold and Clausner

59. In their affidavits, Aimee and Gary both deny that the payments to Pinfold and Clausner have any connection to the costs of constructing the Ashburn Property.

60. In his affidavit, Gary alleges that Pinfold and Clausner loaned approximately \$965,000 to Compuquest for corporate purposes, that the loan was advanced after completion of the Ashburn Property and that the debt was repaid in full. As evidence of this alleged loan, Gary has attached as Exhibit “B” to his affidavit copies of the cheques to Pinfold and Clausner which were attached as Appendix “25” to the Receiver’s Second Report.
61. Gary’s affidavit does not address the cheques to Clausner and various related persons and entities totalling approximately \$1,219,530.19 (which includes some US dollar payments), which were attached as Appendix “34” to the Receiver’s Second Report. Included in these payments are cheques totalling \$398,971.69 paid to 2401484, a company controlled by Clausner’s wife, Kara Clausner, from February 10-18, 2016, on the eve of Compuquest’s receivership and bankruptcy.
62. In addition, the Receiver has identified \$1,064,699.00 in payments to “Virtual Technology”, an entity that appears to be affiliated with Clausner. Most of these payments were made in 2010, but the last one in the amount of \$354,899.00 was made on February 18, 2016, the same day as the last two cheques to 2401484. A schedule of these cheques is attached as **Appendix “14”**, together with copies of the cheques.
63. As a result of the further cheque review extending to 2009, the Receiver has identified two additional cheques to Craig Pinfold totalling \$322,278.00, 13 cheques to Jay Clausner totalling \$398,509.56, a cheque to Kara Clausner in the amount of \$5,000.00 and five cheques to Virtual Technology totalling \$120,000.00. Attached as **Appendix “15”** are copies of these cheques, which Gary has also not addressed in his affidavit.
64. In any event, Gary’s position that the alleged loans were made after completion of construction on the Ashburn Property would not seem accurate as the payments go back to at least 2009 and there was various ongoing construction activity up until the end of 2015.

65. Contrary to what he states in his affidavit, Gary has not provided the documentation and material information required to support these transactions.
66. To date, the Receiver has identified \$981,676.87 of Compuquest funds that were paid for construction costs of the Ashburn Property, without taking into account the Pinfold and Clausner transactions.
67. The Receiver has not yet identified the source of funds for the balance of the construction costs and requires further information in order to do so.

H. The Horses

68. In her affidavit, Aimee states that most of the horses belong to the children. However, in her email dated April 6, 2016, Aimee stated that the (then 11) horses were owned as follows: Gary (1), Aimee (5), Nicholas (2) Jenna (1) and Emalee (2).
69. In a responding email, Gary took the position that everything, including the horses, belonged to Compuquest. He indicated a value of \$400,000 for the horses and asked Mr. Hogan to provide an email addressing tax issues related to the potential sale of the horses.
70. A copy of this email chain is attached as Appendix "19" to the Receiver's Second Report.
71. The Receiver has obtained copies of the certificates for the horses, which indicate that six of the horses are registered to Aimee (5) and Gary (1), with the remaining horses registered to their children. Attached as **Appendix "16"** are copies of the certificates.
72. The Receiver understands that one of the horses died in September. It is unclear what happened to the other horse, as Aimee indicates that there are now only nine horses.

73. Aimee has not provided any evidence as to how much she and Gary paid for the horses or the source of funds used to purchase the horses.
74. The Receiver is prepared to work with Aimee to assist in selling or otherwise dealing with the horses in as safe and humane a manner as possible.

I. Sale of the Ashburn Property

75. As reflected in the correspondence attached as Appendix “36” to the Second Report, Aimee asked for the Trustee’s permission to list the Ashburn Property for sale in July 2016. At the time, both Gary and the Trustee had registered their interests on title and Dean Salem and Norris Technologies had already commenced proceedings against Aimee.
76. The Trustee provided its consent on the conditions set out in paragraph 75 of the Second Report, but Aimee (through her lawyer) failed to respond to repeated follow-up inquiries as to the status of the listing.
77. Aimee had approximately six months after the Trustee’s appointment to deal with the Ashburn Property, but she did nothing until after CIBC filed its motion in November 2016.
78. Under the schedule set on November 30, 2016, Aimee had until December 8, 2016 to make document requests to the Receiver and ask questions of the Receiver. The Receiver produced the documents and answered the questions.
79. Although Aimee claims to be the sole legal owner of the Ashburn Property, she has not produced any meaningful documentation related to the construction of the Ashburn Property.
80. It is unclear what equity, if any, Aimee has in the Ashburn Property, given the interests of CIBC, the Receiver and the Trustee, and the claims of Salem/Norris Technologies. Specifically:

- a. CIBC holds a \$1 million first mortgage over the Ashburn Property;
 - b. The Receiver has already traced \$981,676.87 of Compuquest funds into the construction costs of the Ashburn Property, without considering possible payments that may have been made in 2007 and 2008, cash withdrawals on Compuquest's account by Aimee and Gary, payments from Compuquest's account which may have been funded indirectly through the Pinfold and Clausner transactions nor Compuquest funds used to maintain the Ashburn Property;
 - c. Gary has a 50% interest in any remaining equity, which has vested in the Trustee;
 - d. Aimee appears to have mortgaged whatever equity she may have to Salem/Norris Technologies.
81. Further, in the event that Aimee has any equity in the Ashburn Property, the Receiver reserves its right to seek recovery of funds paid to or for Aimee's benefit at a time when Compuquest was insolvent and/or without consideration.
82. It is also unclear how Aimee believes that she could buy out the interests of the Receiver, the Trustee and Salem/Norris Technologies, continue to maintain a property of this size, and maintain a stable of horses, in circumstances where she has no income and has to borrow money from friends and family members and sell personal items just to keep up the existing mortgage payments, let alone all the other costs of maintaining the Ashburn Property and the horses.
83. The Receiver is not prepared to permit Aimee to list the Ashburn Property for sale through Dan Plowman and Rachel Plowman, for the following reasons:

- a. As indicated, it is not clear that Aimee has any equity in the Ashburn Property;
 - b. Aimee has not provided documentation to substantiate her claim that she funded the construction costs of the Ashburn Property;
 - c. Aimee previously agreed to list the Ashburn Property and did not follow through on this undertaking;
 - d. The Receiver has lost trust and confidence in Aimee;
 - e. It appears from email records located by the Receiver that Dan Plowman is a personal friend of Gary;
84. Given the various claims and registrations on title, a Vesting Order will be required in order to convey title.

PRODUCTION REQUESTS

85. The Receiver wishes to complete its investigation as soon as possible.
86. In order to do so, the Receiver requires production of documents from Aimee, Gary and third parties with regard to the costs of construction of the Ashburn Property, the manner in which the construction costs were paid, the use of Compuquest funds to pay for and maintain the Ashburn Property, directly or indirectly, the use of Compuquest funds to pay for other expenses of the Bodimeades and details of how these expense payments were accounted for by Compuquest.
87. In the event that Aimee and Gary are unable or unwilling to provide the required information, the Receiver will seek a third party production order.

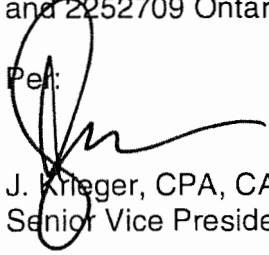
CONCLUSION

88. Although the Receiver has sympathy for the situation that Aimee and her family find themselves in, it is apparent from the Receiver's investigation that the family has been living well above their means for many years, at the expense of CIBC and other creditors of Compuquest and Gary.
89. The proposed order which CIBC is seeking will provide Aimee and her family with a reasonable period of time within which to obtain alternative accommodations.
90. The Receiver is filing this Third Report in support of the relief sought by CIBC.

All of which is respectfully submitted to the Court.

GRANT THORNTON LIMITED,
Court-Appointed Receiver of
1299746 Ontario Inc. o/a Compuquest2000
and 2252709 Ontario Inc.

Per:



J. Krieger, CPA, CA, CIRP, LIT
Senior Vice President

27712716.2

1 A. He...I don't think...I feel so
2 stupid.

3 252. MS. SPENCE: Do you want a break?
4

5 --- A BRIEF RECESS
6

7 AIMEE BODIMEADE, resumed

8 CONTINUED CROSS-EXAMINATION BY MS. SPENCE:

9 253. Q. Okay. So, I think that you were
10 telling us about the circumstances in which you
11 signed this agreement.

12 A. Yes. I think Gary had gone down to
13 see Dean sometime that Christmas. That is why...
14 remember I said he had left town and he didn't leave
15 me anything. And he had signed something while he
16 was down there, that I wasn't even aware he was
17 going to sign. And when he came back, I started to
18 receive this sort of thing from...my mind is blank
19 right now...Dean Salem. It was never my intention
20 to encumber the house in any way, shape or form, and
21 I fought that tooth and nail, you know, that I
22 wasn't going to...you know, I had done it a few
23 times for smaller amounts when Gary...Gary is a
24 liar, and he tells me things, and I didn't feel like
25 I was...anyways, when I signed this, you know, I did

1 so...he was panicking, and he was saying that he
2 needed Dean's help, and he needed this signed in
3 order to make money, in order to keep the business
4 going, and that without it, you know, there would be
5 nothing, and he would not be able to support me, and
6 I was not in a very good position. I didn't...
7 anyways.

8 So, yes, I did sign it under duress. At
9 that point, I had no idea how much we owed. I don't
10 know where the line was. You know, there were
11 certainly other assets that were listed that I felt,
12 you know...I thought there was lots of money to pay
13 Dean. We took the bus out, the King Aire, because
14 at that point I thought Gary had already sold it,
15 and I felt that he was going to give me money from
16 it, and that I had nothing. You know, I still have
17 all my credit card debt from, you know...I just...I
18 have no money, and so, you know...but apparently
19 that money all went to Dean anyways. So...

20 MS. ROBERTSON: Sorry, are you referring
21 to the money from the King Aire?

22 THE DEPONENT: M'hmm. Gary is a very
23 controlling person. He controlled a lot,
24 and pretty much everything, and...
25

1 BY MS. SPENCE:

2 254. Q. So, what was your understanding as
3 to the effect of this document?

4 A. My understanding would be with this
5 document that Gary would continue to do business and
6 that, you know, he would be...you know, that life
7 would go on, you know, basically CompuQuest, as far
8 as I knew, was doing great until all of this
9 happened, you know, and he said he needed this to
10 keep the business moving, to keep, you know, the
11 cash flow coming, and I just...you know, he told me
12 that this was what he needed to run the business.

13 255. Q. And what did he tell you would
14 happen if you didn't sign it?

15 A. He told me that it was over, game
16 over, done.

17 256. Q. And what was your understanding as
18 to the effect of this document on your assets?

19 A. I guess I didn't really take into
20 consideration...I mean, I looked at the other
21 numbers that he had here, and I thought that, you
22 know, there was lots in the company. I didn't
23 really think, at that time, I guess, that it was an
24 issue. I thought, you know, that the business and
25 the...what was in the other assets...I don't know.

1 He told me it would never be recalled, that it was a
2 revolving line, that it just continued, but it was
3 just a part...a formality, you know, on paper that,
4 you know, Dean was a great guy, and he was a good
5 friend, and he just wanted, you know, something that
6 secured his assets, or his interests or...

7 257. Q. But you knew that this document
8 purports to be a mortgage on the house, right?
9 Well, to entitle...

10 MS. ROBERTSON: The house, a portion of
11 the house is security for the revolving
12 line of credit.

13 258. MS. SPENCE: Yes.

14 MS. ROBERTSON: This document isn't a
15 mortgage.

16 259. MS. SPENCE: No, it is not, but
17 it...okay, right. So, I misspoke.
18

19 BY MS. SPENCE:

20 260. Q. So, sorry, I guess what I intended
21 to say is that pursuant to this document, you were
22 agreeing to then sign a mortgage?

23 A. I didn't agree to sign a mortgage,
24 did I?

25 MS. ROBERTSON: No, just...

1 261. MS. SPENCE: Well, it says:
2 "...Borrower agrees to legally formalize in
3 Canada lender in the second security
4 position on all properties and assets..."

5 THE DEPONENT: Okay.
6

7 BY MS. SPENCE:

8 262. Q. So, is that what you understood this
9 document to be?

10 A. I don't think so. I don't know. I
11 just...I thought it was just a formality. Like, I
12 thought it was just...Gary told me it would never
13 come due, you know, that it was...you know, it was
14 up and down depending on, you know, the business
15 that they did, and they did a lot of business
16 together, and he told me it would never be recalled,
17 and...

18 263. Q. After you signed this, Gary did ask
19 you to sign some mortgage documents, correct?

20 A. Correct.

21 264. Q. And you didn't agree to sign?

22 A. I did not agree to sign, no.

23 265. Q. And that was because you didn't
24 agree to mortgage the house?

25 A. Yes...no, I didn't want...no.

1 266. Q. Do you know why CompuQuest owed
2 money to Dean Salem?

3 A. I know they do business. I don't
4 know why he...what...no, I don't. I don't know what
5 transpires between them. I just know that they do
6 business together.

7 267. Q. Do you have any knowledge of what
8 funds Dean Salem actually gave to Gary?

9 A. No.

10 268. Q. Did you have any communications with
11 Dean Salem yourself?

12 A. Dean Salem did try to contact me,
13 yes, pursuant to this, and I would direct him
14 through Andrea.

15 269. Q. Can you produce to us any copies of
16 communications with Dean Salem?

17 MS. ROBERTSON: I think most of his
18 communication with you was by phone, was it
19 not?

20 THE DEPONENT: Yes. Yes, some of it,
21 yes.

22 MS. ROBERTSON: For what time period?

23 270. MS. SPENCE: Just anything relating to
24 this document.

25 MS. ROBERTSON: Sure.

U/T

1

2 BY MS. SPENCE:

3 271. Q. Did you have any exchange of e-mails
4 with Gary relating to this document?

5 A. I am not sure. Probably. I would
6 have to look and see, I don't know.

7 272. MS. SPENCE: Can you provide us with
8 copies, if you can find any?

9 MS. ROBERTSON: Sure. U/T

10

11 BY MS. SPENCE:

12 273. Q. Do you know Dean Salem?

13 A. I have met Dean Salem once.

14 274. Q. In Toronto?

15 A. No, I met Dean Salem...he was
16 visiting Gary. I met him in Brooklin.

17 MS. ROBERTSON: Ontario.

18 THE DEPONENT: Yes, sorry.

19

20 BY MS. SPENCE:

21 275. Q. With an "I"?

22 A. Yes.

23 276. Q. Do you know anything else about the
24 nature of the business relationship between Dean
25 Salem and Gary? Like, how long they have been

1 working together, anything like that?

2 A. I don't know. I don't know
3 exact...I know they have been working together for a
4 while. I think Gary has done business with him for
5 a while, but I don't know exacts. I am sorry.

6 277. Q. We have talked a little bit about
7 the home upkeep. Can you tell me what other monthly
8 expenses you have right now?

9 A. Groceries...I have three kids. We
10 have dogs, cats.

11 278. Q. Do you have an approximate figure of
12 how much it costs to maintain all that?

13 A. We can come up with something, I
14 guess. I don't have an approximate off the top of
15 my head.

16 279. Q. Okay. Will you?

17 A. Sure.

18 MS. ROBERTSON: Aimee's expenses to
19 carry the home?

20 280. MS. SPENCE: Just her general monthly
21 expenses currently. So, the home and
22 just...living expenses.

23 MS. ROBERTSON: Well, if they are not
24 related to the home, why are they relevant?

25 THE DEPONENT: Yes, I was just going to

1 money was coming from to buy all these things?

2 A. No, I didn't. I mean, it was...

3 647. Q. Okay. We saw some cheques to
4 Katie's Dance Connection?

5 A. That is the girls. That is where
6 they danced.

7 648. Q. And why would CompuQuest be paying
8 for Katie's Dance Connection?

9 A. I guess that is how Gary did it. I
10 don't know. I know he also sponsored...there was
11 some sponsorship money there, too, I think, as well.
12 He would sponsor the team.

13 649. Q. Okay. When did you find out that
14 CompuQuest was in trouble with CIBC?

15 A. When...there was a document here a
16 while ago. I don't know. When did he start getting
17 that...was it March that...March, maybe, of...

18 650. Q. When you signed the document with
19 Dean Salem, did you know that CIBC had told Gary to
20 move the accounts of CompuQuest?

21 A. No.

22 651. Q. So, you found that out afterwards?

23 A. I am not 100 percent on the
24 timeline, I am sorry, but I know that...I don't know
25 when that document was, because I remember, you

Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

) WEDNESDAY, THE 25TH DAY

JUSTICE CONWAY

) OF JANUARY, 2017

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

- and -

**1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.**

Respondents

**ORDER
(appointing Receiver)**

THIS MOTION made by the Applicant, Canadian Imperial Bank of Commerce ("**CIBC**") for an Order pursuant to section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Grant Thornton Limited ("**GTL**") as equitable receiver (in such capacity, the "**Receiver**") without security, of the real property known municipally as 7472 Ashburn Road, Whitby, Ontario, and described legally in PIN 26578-0082 (LT) (the "**Ashburn Property**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the notice of motion, the second report of Grant Thornton Limited ("**GTL**") in its capacity as receiver (in such capacity, the "**Existing Receiver**") of 1299746 Ontario Inc. o/a Compuquest2000 ("**Compuquest**") and 2252709 Ontario Inc. ("**225**" and together with Compuquest, the "**Debtor**") dated November 24, 2016, and the appendices thereto (the "**Second Report**"), the third report of the Existing Receiver dated January 11, 2017, and the appendices thereto (the "**Third Report**"), the affidavit

of Aimee Bodimeade sworn January 6, 2017, and the exhibits thereto, the affidavit of Gary Bodimeade sworn January 5, 2017, and the exhibits thereto, the transcript of the cross-examination of Aimee Bodimeade held January 13, 2017, and the exhibits thereto, the transcript of the cross-examination of Gary Bodimeade held January 13, 2017, the factum of CIBC, and the factum of Aimee Bodimeade, and on hearing the submissions of counsel for CIBC, GTL, Aimee Bodimeade, and such other counsel as *pe and counsel for Dean Salem and Norris Technologies appearing but not opposing this orally* were present, *no one appearing for any other party although duly served as appears* from the affidavit of service of Miranda Spence sworn November 24, 2016, and on *reading the consent of GTL to act as the Receiver, and upon being advised of the* *consent of Aimee Bodimeade ✓ bc*

SERVICE

1. THIS COURT ORDERS that the time for service of the notice of motion, the motion record and the Second Report is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 101 of the CJA, GTL is hereby appointed Receiver, without security, of the Ashburn Property.

RECEIVERSHIP OF THE DEBTORS

3. THIS COURT ORDERS that nothing in this Order shall be deemed to derogate from any of the terms of the Order of the Honourable Justice Newbould dated May 17, 2016 (the "**Compuquest Receivership Order**") appointing GTL as receiver, without security, of all of the assets, undertakings and properties of the Debtor, and that all of the terms of the Compuquest Receivership Order remain in full force and effect.

RECEIVER'S POWERS

4. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Ashburn 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 (a) ~~to take possession of and exercise control over the Ashburn Property and any and all proceeds, receipts and disbursements arising out of or from the sale of the Ashburn Property, on 60 days' notice to Aimee Bodimeade ("Aimee");~~

B (b) ~~to receive, preserve, and protect the Ashburn Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, 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 engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(d) to execute, assign, issue and endorse documents of whatever nature required to exercise the powers granted to the Receiver pursuant to this

Order in respect of the Ashburn Property, whether in the Receiver's name or in the name and on behalf of Aimee, Gary Wayne Bodimeade ("Bodimeade") and/or the Debtor;

- (e) to market the Ashburn Property, including, without limitation, soliciting proposals from real estate agents, advertising and soliciting offers in respect of the Ashburn Property or any part or parts thereof, listing the Ashburn Property for sale, and negotiating such terms and conditions of

sale as the Receiver in its discretion may deem appropriate; *The Ashburn Property shall not be listed pursuant to this paragraph prior to February 21, 2017;*

- (f) to sell, convey, transfer, lease or assign the Ashburn Property, with the approval of this Court;

order for possession,

- (g) to apply for any vesting order, or other orders necessary to convey the Ashburn Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting the Ashburn Property;

- (h) 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 Ashburn Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

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

- (j) to enter into agreements with GTL in its capacity as trustee in bankruptcy of Bodimeade, as so appointed pursuant to the order of the Honourable Justice Newbould dated May 25, 2016, including, without limiting the generality of the foregoing, the ability to enter into agreements relating to Bodimeade's spousal interest in the Ashburn Property; and
- (k) 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 Aimee, Bodimeade and the Debtor, and without interference from any other Person.

INTERESTS IN THE ASHBURN PROPERTY

5. THIS COURT ORDERS that nothing in this Order affects or determines the priorities of creditors, and/or the entitlement of creditors to any proceeds, in connection with the Ashburn Property, including but not limited to the sale thereof.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

6. THIS COURT ORDERS that Aimee or any other person occupying the Ashburn Property shall grant access to the Ashburn Property to the Receiver or its agents for the purpose of inspecting or showing the Ashburn Property, on 24 hours' written notice to Aimee.

Aimee shall maintain the insurance on the Ashburn Property and provide proof of insurance to the Receiver if requested;

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Ashburn 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 Ashburn Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. THIS COURT ORDERS that all rights and remedies affecting the Ashburn Property are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) exempt the Receiver, Aimee or Bodimeade from compliance with statutory or regulatory provisions relating to health, safety or the environment or (ii) prevent the registration of a claim for lien.

RECEIVER TO HOLD FUNDS

10. 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 the sale of the Ashburn Property shall be deposited into one or more new accounts to be opened by the Receiver (the "**Ashburn Property Account**") and

the monies standing to the credit of such Ashburn Property Account 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, provided that *this paragraph is without prejudice to Aimee's or any other party's right to address distribution of funds on any motion to address approval of the sale of the Ashburn Property;*
LIMITATION ON ENVIRONMENTAL LIABILITIES

11. 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 Ashburn 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 Ashburn Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

12. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of 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

13. 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 Ashburn 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 Ashburn 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.

14. 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.

15. 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

16. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to use funds borrowed pursuant to paragraphs 21 through 24 of the Compuquest Receivership Order and any Receiver's Certificates issued pursuant thereto for the funding of this receivership.

SERVICE AND NOTICE

17. 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/eservice-commercial/>) 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 documents relating to this receivership shall be posted to the Case Website established at the following URL
'http://www.grantthornton.ca/services/reorg/bankruptcy_and_insolvency/compuquest2000'.

18. 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.

GENERAL

19. 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.

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

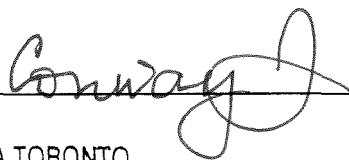
21. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, 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.

22. 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.

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

24. 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.



ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

JAN 26 2017

PER / PAR:



(Short title of proceeding)

Court File No. CV-16-11369-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT TORONTO

RECEIVERSHIP ORDER
(ASHBURN PROPERTY)

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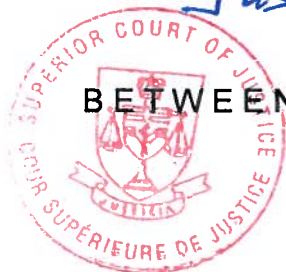
Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

*JUSTICE HAINEY*TUESDAY, THE 21ST

DAY OF FEBRUARY, 2017

**BETWEEN:****CANADIAN IMPERIAL BANK OF COMMERCE****Applicant****and**

1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.

Respondents**ORDER**

THIS MOTION, made by Grant Thornton Limited ("GTL" or the "Receiver") in its capacity as Court-Appointed Receiver and Manager of 1299746 Ontario Inc. o/a Compuquest2000 ("Compuquest") and 2252709 Ontario Inc. ("225"), Receiver of a real property municipally known as 7472 Ashburn Road, Whitby, Ontario (the "Ashburn Property") and Trustee in Bankruptcy of Compuquest and Gary Bodimeade personally, for an Order, among other things, advice and directions, was heard this day at the Court House, 330 University Avenue, 8th Floor, Toronto, Ontario.

ON READING the Notice of Motion of the Receiver, the Affidavit of Karen Fox sworn February 15, 2017 and the exhibits thereto, the Application Record of CIBC dated

April 28, 2016, the Second Report of the Receiver dated November 24, 2016 and the appendices attached thereto, the Third Report of the Receiver dated January 11, 2017 and the appendices attached thereto and the transcripts of the cross-examinations of Aimee Bodimeade and Gary Bodimeade held January 13, 2017, and on hearing the oral submissions of the lawyers for the Receiver and Gary Bodimeade, nobody else appearing:

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion is hereby abridged.

2. **THIS COURT ORDERS** that Gary Bodimeade shall attend for examination on February 22, 2017 and shall answer all questions related in any way to:

- (a) The assets and operations of Compuquest and 225;
- (b) The interim receivership and receivership of Compuquest and 225;
- (c) The bankruptcy of Compuquest and the affairs of Compuquest;
- (d) The bankruptcy of Gary Bodimeade personally and the affairs of Gary Bodimeade;
- (e) The purchase and construction of improvements to the Ashburn Property;
- (f) An Application between Salem/Norris and Aimee Bodimeade related to the Ashburn Property bearing Court File No. CV-17-11698-00CL;
- (g) Such other questions as are deemed appropriate by the GTL in its sole discretion to carry out its mandate as Receiver and Trustee.

3. **THIS COURT ORDERS** that GTL, in its capacity as Receiver and Trustee, is hereby authorized to conduct such further and other examinations as it deems appropriate in its sole discretion, including but not limited to Aimee Bodimeade, Alan Hogan of Turner Moore LLP, Craig Pinfold, Jay Clausner, Kara Clausner, Dean Salem, Brian Jensen, Charlene Patterson or a representative of Pfaff Leasing, Michael Esmailzadeh, Keith Bodimeade, Feng Wen Qiang, John Perry, Darren Wright, Ron Wright, James Chrisfidis, Bradley A. Fisher, Chaminda Malwatta, Lorraine Stinson, Representatives of Brent Jeffery Construction Ltd. and Representatives of any other trades, suppliers or professionals who supplied improvements to the Ashburn Property.

4. **THIS COURT ORDERS** that all persons listed in paragraph 3 herein are hereby directed to provide documents and information related to any of the matters listed in paragraph 2 herein as may be requested by GTL in its capacity as Receiver and/or Trustee.

5. **THIS COURT ORDERS** that Bank of Nova Scotia ("BNS") and Canadian Imperial Bank of Commerce ("CIBC") are hereby authorized to provide account statements and other documents and information pertaining to the personal accounts of Gary Bodimeade and Aimee Bodimeade up to and including May 25, 2016 as may be requested by GTL in its capacity as Receiver and/or Trustee.


(Signature of Judge)

ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

FEB 22 2017

PER / PAR: 

BETWEEN

CANADIAN IMPERIAL BANK OF COMMERCE

-and-

1299746 ONTARIO INC. o/a COMPUQUEST2000, et al.

Applicant

Respondents

Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

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Lawyers for Receiver, Grant Thornton Limited

1 Thornton as interim receiver on April 29?

2 A. Yes.

3 585 Q. And there were other Pfaff
4 vehicles that had been sold prior to April 29th?

5 A. Returned, yes.

6 586 Q. Right. Well, one of them was a
7 King Aire?

8 A. Yes.

9 587 Q. Which you had a lot of equity in?

10 A. Yes.

11 588 Q. Which you cashed in and gave the
12 money to Dean Salem?

13 A. Yes. Which was charged to our
14 shareholders loan account every month.

15 589 Q. Who did that?

16 A. Who...

17 590 Q. Charged them?

18 A. Alan Hogan. That was a company
19 asset.

20 591 Q. The King Aire was a company asset?

21 A. Yes.

22 592 Q. So you had purchased the King Aire
23 with, I think, a deposit of some 400,000 plus from
24 another vehicle, correct?

25 A. It goes -- that particular bus

1 goes back to 2007 when we first got our first one,
2 and we kept trading in and...

3 593 Q. So you refer to it as "bus." What
4 is this used for?

5 A. It was used for going to horse
6 shows for the most part.

7 594 Q. This is for humans, right?

8 A. Yes, yes. Sorry, yes. Yeah, it
9 was a live-in, self-sufficient RV.

10 595 Q. And you would hook it up with a
11 trailer?

12 A. No, it was motorized. It would
13 drive itself. Well, not drive itself, but it had
14 an engine.

15 596 Q. Well, someone had to drive it.
16 Okay. No, I didn't say hook it up to a trailer. I
17 meant, how did you bring the horses?

18 A. Oh, the horses had a separate
19 truck and trailer.

20 597 Q. So you would each drive
21 separately?

22 A. Yes.

23 598 Q. So you would drive one, and Aimee
24 would drive the other?

25 A. It was Don that would drive the

1 A. Yes.

2 816 Q. And at what point did Dean also
3 start supplying funds as well as product?

4 A. Again, from 2014. If I bought a
5 load that I couldn't -- that I couldn't sell right
6 away or if I had residual inventory that I needed
7 to pay him for, I would borrow money from him to
8 pay it.

9 817 Q. But you had no loan agreement with
10 him?

11 A. No. It was a simple spreadsheet.

12 818 Q. Did Dean Salem provide you with
13 pre-signed blank cheques?

14 A. No. Every cheque was sent to us
15 or one of his representatives from his other office
16 down here was used. No cheque was ever written
17 without his knowledge or his consent.

18 819 Q. That wasn't my question. Let me
19 show you some cheques that I got. Have you seen
20 those cheques before?

21 A. I recall them, yes.

22 820 Q. So I will discard them, and then
23 I'll just mark them in a bundle. So we have --
24 first one is a cheque dated February 9, 2016,
25 cheque number 1039. And it's on an account of Dean

1 Salem and Connie Teodorescu on Community Trust
2 Bank?

3 A. Yes.

4 821 Q. And it's in the amount of
5 \$195,000. Okay?

6 A. Yes.

7 822 Q. Which I assume is U.S. funds?

8 A. Yes.

9 823 Q. It's coming from the U.S.? And
10 Connie is his wife?

11 A. Connie is his controller.

12 824 Q. Why does he have a joint bank
13 account with his controller?

14 A. You'd have to ask Dean Salem that.

15 825 Q. So it looks like it's a personal
16 bank account, and it's joint with...

17 A. I don't know his bank accounts.

18 826 Q. Okay. And then there's cheque
19 number 1200, Dean Salem, drawn on account at BB&T,
20 Branch Banking and Trust Company, also the same
21 date of February 9, 2016, also for \$195,000?

22 A. Yes.

23 827 Q. And then there's a third one,
24 doesn't seem to be the same cheque sequence, but
25 it's February 21, 2016, drawn on the same BB&T

1 account for \$125,000?

2 A. Yes.

3 MS. FRANCIS: And it appears -- well,
4 I'll mark these first as Exhibit No. 4.

5 EXHIBIT NO. 4: Cheque Bundle: Two
6 Cheques Each Dated February 9, 2016;
7 One Cheque in Amount of \$125,000 Dated
8 February 21, 2016.

9 BY MS. FRANCIS:

10 828 Q. And if you take a look, you'll see
11 that each of the cheques is signed by Dean Salem
12 and has Compuquest2000 written in it, right?

13 A. Yes.

14 829 Q. And I presume that's Dean Salem's
15 handwriting?

16 A. On the top part, yes.

17 830 Q. And the signature and just the
18 Compuquest2000, right?

19 A. Yes.

20 831 Q. But the handwriting is different
21 from the rest of the cheque?

22 A. Yes.

23 832 Q. And whose handwriting is it on the
24 rest of the cheque?

25 A. That's mine.

1 833 Q. That's yours, okay. So how is it
2 that Dean Salem is sending you cheques that are
3 pre-signed, and then you're filling in the amounts
4 and the dates, Mr. Bodimeade?

5 A. It all depended for what deal it
6 was for because we had multiple deals going on at
7 any given time.

8 834 Q. Well, why are you having two
9 different cheques for the same amount on the same
10 day written on two different bank accounts that
11 you're filling in the amounts?

12 A. That particular transaction, I
13 don't recall.

14 835 Q. Well, what can you do to find out
15 what transaction that was?

16 A. I can look at my revolving line
17 spreadsheet that Dean has sent and determine.

18 836 Q. And this is money that's going
19 into Compuquest. Were funds also going out to
20 Dean Salem at the same time?

21 A. For payments of product, yes.

22 837 Q. So I'm going to show you an e-mail
23 of February 26 from Dean Salem to you with another
24 cheque attached. You recognize that?

25 A. I don't recognize the specific

1 cheque, but I recognize...

2 838 Q. All right. This is another one
3 where Dean Salem has written out the cheque, and
4 then you filled in the amount and the date, right?

5 A. Yes.

6 839 Q. And then he's sending you an
7 e-mail to let you know that it cleared?

8 A. Yes.

9 MS. FRANCIS: I'm going to mark this as
10 Exhibit No. 5.

11 EXHIBIT NO. 5: E-mail Dated
12 February 26 from Dean Salem to Gary
13 Bodimeade with Attached Cheque.

14 BY MS. FRANCIS:

15 840 Q. And you would also be letting him
16 know when you had written out a cheque, right?

17 A. Yes.

18 841 Q. Because he doesn't have them,
19 correct?

20 A. Right. I would courier them to
21 him.

22 842 Q. Well, no. I'm talking about the
23 cheques from Mr. Salem to Compuquest. He doesn't
24 have the cheques because you're filling them in.

25 A. Right.

1 843 Q. Right?

2 A. He was sending -- send me them
3 overnight, and I would fill them in the next day.

4 844 Q. So he's sending them by courier,
5 and then you'd fill in the amount the next day?

6 A. Yes.

7 845 Q. Well, why doesn't he just fill in
8 the amount?

9 A. Because it could have been for
10 different deals, which ones we were buy -- it --

11 846 Q. You didn't know how much that they
12 were going to be?

13 A. No. Right.

14 847 Q. Is that what you're saying? So he
15 would just give you blank cheques, and you'd fill
16 in whatever you wanted --

17 A. Right.

18 848 Q. -- and then you'd take a picture
19 to show to him what --

20 A. That's what I was using.

21 849 Q. -- what'd you'd written into
22 the --

23 A. Right.

24 850 Q. -- cheque amounts so that he would
25 have a record of what was going to be going through

1 his bank account?

2 A. Yes.

3 851 Q. Right? And you were monitoring
4 the account every single day?

5 A. Yes, for the most part.

6 852 Q. Okay. Were they all personal
7 cheques he was sending or other ones?

8 A. No, there was other ones as well.

9 853 Q. Ones from his company as well?

10 A. Yes.

11 854 Q. Okay. So I'm going to show you
12 another one, February 17, 2016, \$250,000?

13 A. Yes.

14 MS. FRANCIS: Mark this one as Exhibit
15 number...

16 MR. AZEFF: Six, I believe.

17 MS. FRANCIS: Okay.

18 EXHIBIT NO. 6: Cheque Dated February
19 17, 2016, in Amount of \$250,000.

20 BY MS. FRANCIS:

21 855 Q. And, again, the same thing: He's
22 giving you a blank cheque, and then you're filling
23 it in?

24 A. On his recommendation, yes.

25 856 Q. And another one for \$125,000 on

1 February 21, 2016; do you see that?

2 A. Yes, I remember that one.

3 857 Q. It actually looks -- you took
4 these pictures, right? You would take them with
5 your phone?

6 A. Myself or Matthew, yeah.

7 858 Q. Oh, Matthew was involved in this
8 too?

9 A. He would be the one doing the
10 deposits or Chaminda or Scott. Anyone would do
11 deposits.

12 859 Q. Right. And it looks like this is
13 actually sitting in the cheque book?

14 A. Maybe it was the last cheque of
15 the book. I don't recall.

16 860 Q. Well, there's some kind of strip
17 on top that looks like you actually had a cheque
18 book.

19 A. Again, maybe he sent me the last
20 cheque without ripping it off. I don't recall. I
21 certainly didn't have --

22 861 Q. Well, maybe he sent you a cheque
23 book with pre-signed cheques, Gary?

24 A. No, I did not have pre-signed
25 cheques.

1 862 Q. Well, you did have pre-signed
2 cheques --

3 A. Other than the ones he would send
4 me to fill out that day or the next day.

5 863 Q. So you're saying he was sending --
6 on a daily basis, he was mailing you blank cheques?

7 A. Not a daily basis.

8 864 Q. Well, every few days he was
9 mailing you blank cheques, and you thought --

10 A. You're looking at one month. What
11 about the three years prior to that?

12 865 Q. What about the three years prior
13 to that?

14 A. Well, you're picking out one month
15 of history, which isn't a good representation of
16 what actually transpired.

17 866 Q. Are you telling me that there was
18 more activity in this particular month?

19 A. No. No, I'm not saying that. I'm
20 just --

21 MS. FRANCIS: All right. Let me just
22 mark this as Exhibit No. 7.

23 EXHIBIT NO. 7: Cheque Dated February
24 21, 2016, in Amount of \$125,000.

25 BY MS. FRANCIS:

1 867 Q. Okay. So what changed, or are you
2 saying that you had always been doing this, cheques
3 back and forth in large round numbers?

4 A. If I needed to borrow the money
5 off him, yes.

6 868 Q. And sometimes you'd pay it back,
7 what, the next day?

8 A. It depended on what my cash flow
9 situation was, yes.

10 869 Q. So it looks like just in this
11 about two- or three-week time period, you have,
12 like, 8, 900,000 in blank cheques that he's
13 provided to you. And you're paying him back the
14 same amounts in that same time period?

15 A. Yes, there was also wires that
16 came in during that same time period as well.

17 870 Q. Okay. So wires from or to?

18 A. From.

19 871 Q. From?

20 A. From Dean.

21 872 Q. So he's giving you hundreds of
22 thousands of dollars a month in cheques plus wires,
23 and you're writing him cheques back and wiring
24 money back?

25 A. I would write him a cheque based

1 on product that has already been received or
2 product that was already incoming. He would
3 deposit those cheques.

4 If I was short on funds to cover those
5 cheques, that's when he would loan me the money
6 back, but it was all for product that was
7 purchased.

8 873 Q. So for every one of these cheques,
9 we should have product that matches them?

10 A. You guys already have copies of
11 all the proof of deliveries.

12 874 Q. So you're telling me that in this
13 one month that there was \$900,000 or so of product
14 shipped?

15 A. No, what I'm saying is if I needed
16 to borrow money from him for product that I had
17 already purchased from him but not paid for, that's
18 what I would do.

19 875 Q. So one of the reasons you had
20 trouble with CIBC is that you were flagged for
21 cheque hiding?

22 A. Yep, they told me that.

23 876 Q. Yes, okay. And there's rather
24 significant evidence of cheque hiding, isn't there?

25 MR. AZEFF: Hold on a second. I'm

1 going to object to that. That's not evidence of
2 cheque hiding. It's documents that suggested to
3 CIBC that it was a possibility, but there's no
4 evidence and no finding that there was, in fact,
5 cheque hiding.

6 MS. FRANCIS: I guess it depends on how
7 you --

8 MR. AZEFF: Their algorithms triggered
9 it --

10 MS. FRANCIS: -- define cheque hiding,
11 doesn't it?

12 MR. AZEFF: Their algorithms triggered
13 it.

14 BY MS. FRANCIS:

15 877 Q. Okay. There was evidence of large
16 dollar value cheques going back and forth in
17 various different ways between yourself and Dean
18 during that short time period, correct?

19 A. And prior to that. And I've
20 already explained why that was.

21 878 Q. Did Bank of Nova Scotia also
22 suggest you were engaging in cheque hiding?

23 A. Absolutely not.

24 879 Q. They just didn't tell you why they
25 didn't want you --

1 A. They did not tell me why.

2 880 Q. And you never asked?

3 A. I never asked. I assumed because
4 I was having large amounts of money through PayPal
5 transactions deposited into my personal account.
6 From there, they would be transferred back over to
7 the Compuquest account.

8 881 Q. Sorry, when did you have large
9 amounts of PayPal money deposited to your personal
10 account?

11 A. For the last seven years up until
12 probably two years ago.

13 882 Q. Why is PayPal money going into
14 your personal bank account?

15 A. We would -- again, we would get
16 paid by wire, cheque, credit card, and PayPal
17 funds.

18 883 Q. Were you using your Amex card to
19 pay Dean?

20 A. For product, yes.

21 884 Q. So you're paying Dean through
22 cheques and Amex?

23 A. Yes, and wires.

24 885 Q. So cheques, Amex, and wires, and
25 he's sending cheques to you and wires to you, and,

1 you say, shipping product?

2 A. Because I was short -- because I
3 couldn't pay for what I had already received
4 because of the fallout of the business for the
5 prior six months based on my separation and my
6 focus...

7 886 Q. How much did you owe Dean at the
8 time that you signed the revolving line of credit
9 agreement with him --

10 A. It was --

11 887 Q. Let me finish this question. In
12 December of 2015?

13 A. I believe it was approximately
14 \$863,000 U.S.

15 888 Q. At the time you signed the
16 agreement?

17 A. Again, I'm -- numbers are in my
18 head. It was somewhere around that number, yes.

19 889 Q. And how much was owed to him at
20 the end?

21 A. I believe it was 900 and change or
22 something. I don't have the document in front of
23 me.

24 890 Q. About the same?

25 A. It was relatively close, yes.

1 891 Q. And in 2015, your line of credit
2 went up significantly with CIBC?

3 A. Yes.

4 892 Q. And that has never been repaid,
5 correct?

6 A. It was always up and down, yes.

7 893 Q. But it's still outstanding?

8 A. Yes.

9 894 Q. At the time that you signed the
10 line of credit agreement with Dean, did you say you
11 were going to get Aimee to sign the same thing?

12 A. He requested that she sign it
13 also.

14 895 Q. And when did you first talk to
15 Aimee about signing such a document?

16 A. I believe it was before I even
17 went down to Tennessee.

18 896 Q. And what did you tell her?

19 A. That if we need to continue to do
20 business with Dean, which was our major supplier at
21 the time, and continue to function in Compuquest,
22 she's got to sign over just like I did, so he has
23 some confidence.

24 897 Q. Did Aimee know that Dean was your
25 major supplier?

1 962 Q. Well, sorry, he doesn't care about
2 Compuquest business?

3 A. With regards to that -- again, it
4 was put -- something that was put back into the
5 corporate accounts to help with purchases and cash
6 flow.

7 963 Q. I don't think so. It just went to
8 Mr. Salem.

9 A. Which was used for purchases,
10 prior purchases that were owed.

11 964 Q. Well, you owed money to CIBC too,
12 Mr. Bodimeade.

13 A. Yes, but CIBC, for the most part,
14 wasn't keeping my business running. Dean Salem was
15 by providing me product, which allowed me to
16 bring -- produce sales and make profits.

17 965 Q. Let's go back to the March 3rd
18 agreement. So you were in communication with
19 Andrea Robertson through Gary Stern, correct?

20 A. Yes.

21 966 Q. And Andrea wrote back with a
22 revolving line of credit agreement on March 3rd
23 indicating a number of changes that had been made,
24 right?

25 A. Yes.

1 967 Q. And under change number two, she
2 deleted the King Aire because she said:

3 "The parties had sold it and
4 had agreed to divide the proceeds
5 equally between them."

6 A. At that point, I don't think it
7 had been sold or was just about to be sold.

8 968 Q. And did you agree the proceeds
9 would be divided equally?

10 A. We did agree, yes.

11 969 Q. And that's not what happened?

12 A. That's not what happened.

13 970 Q. So you violated that agreement?

14 A. I violated it to keep the business
15 running, yes.

16 971 Q. And the business did not keep
17 running, did it?

18 A. No. Not shortly after that, no.

19 972 Q. And then number four, she removed
20 the word "personally"?

21 A. What about where it says "borrower
22 agrees to secure her"? When she crossed out "his."
23 You missed that one.

24 973 Q. So? Well, I mean, Aimee's --

25 A. So I'm just saying, if you're

1 highlighting what the changes were, you should have
2 highlighted that one.

3 974 Q. Can we stick with my question,
4 Mr. Bodimeade?

5 A. Sure.

6 975 Q. Okay. She's removed the words
7 "both personally," correct?

8 A. Yes.

9 976 Q. So Aimee was not agreeing to
10 personally guarantee the line of credit, correct?

11 A. No, that's not correct because up
12 here it states that she does based on these items,
13 and those items aren't personally owned. They're
14 owned by Compuquest, except for the house.

15 977 Q. So not one of the items that you
16 were pledging under this so-called personal line of
17 credit agreement was owned by either of you, right?

18 A. I'm sorry, can you repeat the
19 question?

20 978 Q. So you were saying that the items
21 were not personally owned?

22 A. They were all -- other than the
23 house, they were all assets of Compuquest.

24 979 Q. And yet you were purporting to
25 pledge them to Mr. Salem?

1 A. Because they were assets of
2 Compuquest, yes. To keep, to keep --

3 980 Q. And what right did you have to
4 pledge assets of Compuquest to Mr. Salem when you'd
5 already pledged them to CIBC?

6 A. Again, to keep the business
7 running, to keep the product flow going.

8 981 Q. You had already been told by CIBC
9 that they didn't want your business anymore,
10 correct?

11 A. That, I believe, was somewhere
12 around February 28th, yes.

13 982 Q. All right. And this is March, so
14 you knew that CIBC wanted you out?

15 A. Yeah, they were -- came right out
16 and told me.

17 983 Q. Okay. So last paragraph:

18 "Please confirm in writing that
19 the 1 million dollars leveraged on
20 the house is from Gary's share only
21 and not Aimee's share."

22 A. I'm sorry, where did --

23 984 Q. It's the part that says "Please
24 confirm in writing." You see that?

25 A. No, you're looking at -- oh,

1 you're looking at an e-mail that we don't have.

2 985 Q. Oh, I'm sorry. You can read it.

3 A. Yes.

4 986 Q. So Andrea is asking as a condition
5 to confirm that the 1 million dollars pledged on
6 the house would only be from your share and not
7 from Aimee's share, right?

8 A. Yes.

9 987 Q. And you knew that that was a
10 condition on her signing?

11 A. I probably read it. Whether I
12 read it properly, apparently not, but yes. I don't
13 recall seeing that, but yes.

14 988 Q. Well, you knew that and Dean knew
15 that?

16 A. I can't answer for Dean. I can
17 answer for myself.

18 989 Q. Well, you can answer for what you
19 told Dean.

20 A. I don't recall what I told Dean.

21 990 Q. Well, Dean left it to you to get
22 this agreement, right?

23 A. After --

24 991 Q. He didn't negotiate directly with
25 Andrea. He did it --

1 A. He did. He had multiple
2 conversations and multiple e-mails with Andrea, but
3 he leveraged my position to keep the business
4 running.

5 992 Q. He used you to get this signed,
6 correct?

7 A. I wouldn't say he used me. I saw
8 the importance of it needing being signed, so yes.

9 993 Q. And you agreed to that condition,
10 right?

11 A. To Andrea's condition?

12 994 Q. Yes.

13 A. Yes.

14 995 Q. You did, okay. Here, I'll take
15 the book back. And before doing so, you talked to
16 Dean about it, right?

17 A. I don't recall.

18 996 Q. Oh, okay.

19 A. I've had many conversations with
20 many people.

21 997 Q. I want to show you an e-mail
22 exchange in the letter. Do you recall that?

23 A. I remember seeing it, yes.

24 998 Q. You remember getting the letter
25 which set out the conditions?

1 A. Yes.

2 999 Q. And you sent that letter to
3 Mr. Stern, right?

4 A. Yes.

5 1000 Q. And Mr. Stern sent it to you?

6 A. I believe so.

7 MR. AZEFF: Slow down there. Answer
8 that, but give me a chance to consider the question
9 before you respond.

10 BY MS. FRANCIS:

11 1001 Q. And then you immediately sent it
12 out to Dean Salem?

13 A. That I don't recall.

14 1002 Q. Well, look at the top.

15 A. Yeah, okay. I guess I did.

16 1003 Q. And, in fact, you said:

17 "Please see attached. I will
18 call you in a few minutes to
19 discuss."

20 A. Okay.

21 1004 Q. And it's reasonable to assume that
22 you probably called him to discuss those terms,
23 correct?

24 A. I would think so, yes.

25 1005 Q. And it's reasonable to assume that

1 you got his concurrence to the terms so that you
2 could get this signed, correct?

3 A. That I don't recall. I don't
4 recall the conversation.

5 1006 Q. The letter was very explicit that
6 the collateral would be limited to Gary's share,
7 correct?

8 A. Yes.

9 1007 Q. And Dean was aware of that?

10 A. I believe he was, yes.

11 1008 Q. Yes, because you sent it to him?

12 A. I believe I did, yes.

13 MS. FRANCIS: We'll mark this as
14 Exhibit -- I think it's 8.

15 EXHIBIT NO. 8: E-Mail Exchange in
16 Letter that Sets out Conditions.

17 BY MS. FRANCIS:

18 1009 Q. And what did you think was your
19 share of the home?

20 A. 50 percent.

21 1010 Q. And as far as you know, Aimee
22 concurred with that?

23 A. She was always under the
24 assumption because the house was in her name, as
25 she was the only one on title, that it was her

1 house, and I had no rights to it.

2 1011 Q. And did you agree with that?

3 A. I've never agreed to it, but I've
4 never had a resolution to it, either.

5 1012 Q. All right. And you not only
6 e-mailed back your confirmation, but you actually
7 sent a signed confirmation to Andrea, right?

8 A. Yes.

9 1013 Q. And that's your handwriting?

10 A. It is.

11 1014 Q. And that's agreeing to those
12 terms?

13 A. Yes.

14 MS. FRANCIS: All right. I'll mark
15 that as Exhibit No. 9.

16 EXHIBIT NO. 9: Signed Confirmation of
17 Line of Credit.

18 BY MS. FRANCIS:

19 1015 Q. And all of this took place...

20 MR. AZEFF: Counsel, I note it's
21 1 o'clock. It might be a good time to take a
22 break.

23 MS. FRANCIS: Yes, that's fair. So
24 want to come back at 2?

25 MR. AZEFF: Sure, that works.

1 MS. FRANCIS: Gary's e-mail.

2 MR. AZEFF: Gary's e-mail?

3 MS. FRANCIS: Yes.

4 MR. AZEFF: So was Gary given an
5 opportunity to review the e-mails that Grant
6 Thornton seized to claim privilege over anything?

7 MS. FRANCIS: Well, Gary gave them to
8 Grant Thornton.

9 THE WITNESS: No, I did not.

10 BY MS. FRANCIS:

11 1160 Q. Well, you gave them access to your
12 e-mail.

13 A. No, I did not. They had access to
14 my systems, which were all passworded. I've never
15 given them my password for my e-mail accounts.

16 R/F MR. AZEFF: Yes, we're going to object
17 to this being entered. We're not going to answer
18 any questions on this. Take it as you will.

19 MS. FRANCIS: You claim privilege over
20 this?

21 MR. AZEFF: Yes. It was clearly a
22 communication between Mr. Salem and Mr. Bodimeade
23 with my firm for the purposes of legal advice.

24 MS. FRANCIS: Wait a minute. What does
25 a joint retainer --

1 MR. AZEFF: At the time, it was
2 considered that they would be acting together, yes.

3 MS. FRANCIS: And that's still the
4 case?

5 MR. AZEFF: Look, the e-mail speaks for
6 itself. We're just not --

7 MS. FRANCIS: Well, I have a little bit
8 of difficulty because Mr. Salem and Mr. Bodimeade
9 are supposedly --

10 MR. AZEFF: It may have been that they
11 were in a common cause at the time. We're
12 objecting to it. If you want to take it up later
13 on, we're happy to, but we're not going to answer
14 questions on it today.

15 MS. FRANCIS: So you're not going to
16 answer any questions as to what Mr. Salem was --

17 MR. AZEFF: As to an e-mail between
18 Mr. Salem and Mr. Bodimeade with a law firm for the
19 purposes of obtaining advice, no, we are not going
20 to answer any questions.

21 MS. FRANCIS: Well, I don't know if it
22 was for the purpose of obtaining advice. It looks
23 like Mr. Salem was giving you advice as to how you
24 should deal with CIBC.

25 MR. AZEFF: If it's a communication,

1 what we're trying to determine is strategy. That
2 falls within the common privilege.

3 MS. FRANCIS: All right.

4 MR. AZEFF: We'll take it up later on.

5 We're not answering any questions on that.

6 BY MS. FRANCIS:

7 1161 Q. Was it you personally or

8 Compuquest who retained Fogler?

9 A. I believe it was probably both.

10 1162 Q. Do you have a retainer agreement?

11 U/T MR. AZEFF: There is a retainer
12 agreement, and I believe it's on behalf of both,
13 but we'll have to confirm that.

14 BY MS. FRANCIS:

15 1163 Q. I would like to know if there's
16 also a retainer on behalf of Compuquest and you
17 personally. Who was paying for the services of
18 Fogler?

19 R/F MR. AZEFF: Don't answer that.

20 MS. FRANCIS: Why?

21 MR. AZEFF: There's lots of law on
22 payment of retainer funds to a law firm, whether
23 that's covered by privilege. We're not going to
24 answer any questions on how the retainer was paid.

25 BY MS. FRANCIS:

1 A. I believe so, yes.

2 1294 Q. You have no other explanation of
3 what happened to 5 million dollars of assets that
4 were on the books?

5 A. No. But, again, in addition, my
6 accounting -- accounts payable and receivables, me
7 keeping them up to date and receiving them in a
8 timely manner; again, it was all part and parcel to
9 me defending myself for seven hours a day to my
10 wife's lawyer and her accusations and my character.

11 So not particular to this, but if there
12 was 2 million dollars accounts receivable, I may
13 have received funds that were put into the bank
14 accounts and just not updated the system and vice
15 versa with the sales as well.

16 My paperwork towards the last six to
17 eight months of Compuquest existence was
18 lacksa-daisy [sic] to say the least. But that was
19 base --

20 1295 Q. You're referring to Andrea?

21 A. Yes.

22 1296 Q. And when did Aimee retain
23 Andrea Robertson?

24 A. I believe it was sometime in
25 October.

1 99 percent of what they were looking for when they
2 were there.

3 1332 Q. But what I showed you is not it
4 because there's nothing signed?

5 A. No, because obviously the
6 paperwork either got misplaced or has been lost,
7 but it can be provided.

8 1333 Q. And what happened to the product
9 that Mr. Salem or Norris allegedly shipped to
10 Compuquest in 2016?

11 A. It was all sold.

12 1334 Q. Well, sold to whom?

13 A. Again, I don't have that
14 information. It's all in my QuickBooks.

15 1335 Q. Every drop was sold?

16 A. Again, I don't have the inventory
17 numbers or what was in front of me. I can't answer
18 that. A good chunk of it would have been sold,
19 yes.

20 1336 Q. And if it was sold, it should have
21 turned into cash or accounts receivable, no?

22 A. Yes.

23 1337 Q. And when the receiver went in,
24 there was no cash, no accounts receivable.
25 Everything was gone, Mr. Bodimeade.

1 A. Because the bank and their
2 practices towards the last two months of me being
3 in business lost -- made all of my customers and
4 all of my vendors lose faith and confidence in me,
5 that they weren't going to honour cheques, they
6 weren't going to honour wires. So the long and the
7 short, nobody wanted to deal with me anymore.

8 1338 Q. That's really not responsive to my
9 question, Mr. Bodimeade. I asked what happened.
10 You said it was sold, and if it was sold, people
11 would have paid. Are you saying they didn't pay
12 because they didn't want to deal with you anymore?

13 A. No. Everything that was sold was
14 paid and put into either the TD or the CIBC
15 accounts.

16 1339 Q. Have you provided the TD account
17 to --

18 A. No, I don't have access to it
19 anymore, but I know Grant Thornton has all the
20 information.

21 MS. FRANCIS: Can we take a short
22 break?

23 MR. AZEFF: Yeah, no problem.

24 -- Recess at 3:01 p.m. --

25 -- Upon resuming at 3:17 p.m. --

1 new company, right?

2 A. No. At that point, the new
3 company wasn't even established.

4 1505 Q. Well, when was --

5 A. Or even talked about.

6 1506 Q. Really? When was it incorporated?

7 A. I started on June. Sometime in
8 June.

9 1507 Q. And you had nothing to do with the
10 incorporation of that company?

11 A. No.

12 1508 Q. And is there a reason why it was
13 incorporated as CQ2K?

14 A. When we originally talked about
15 it, I had suggested that, to Brad, it might be a
16 good idea to use a similar name based on my history
17 until I found out that my history wasn't great
18 because of what happened. That's why the name was
19 changed subsequently down the road.

20 1509 Q. So the legal name of the
21 corporation is CQ2K?

22 A. Computer Sales or something, I
23 think, yes.

24 1510 Q. And that was your idea?

25 A. It was my suggestion.

1 to pay off the negative equity in the ones that he
2 also picked up.

3 1529 Q. There was equity in this trailer,
4 and it belonged to Compuquest, correct?

5 A. That I don't recall. I don't know
6 how much equity if any equity was in it, no.

7 1530 Q. This trailer was sold after the
8 bankruptcy, and none of the money went to the
9 receiver or the trustee, correct?

10 A. I don't know. I can't answer that
11 question.

12 1531 Q. Well, yes, you do know.

13 A. Um...

14 MS. FRANCIS: Okay. I'll mark this as
15 Exhibit No. 16.

16 EXHIBIT NO. 16: Second E-mail Dated
17 June 13.

18 BY MS. FRANCIS:

19 1532 Q. The equity in the trailer was
20 split between Aimee and your girlfriend, right?

21 A. I don't recall if that was for
22 that trailer or something else. I don't know what
23 equity that was for, if it was for that trailer or
24 something else.

25 1533 Q. Mr. Bodimeade...

1 A. You can sigh all you want, I'm
2 answering honestly.

3 1534 Q. The trailer is --

4 A. There was multiple trailers. I
5 don't know which one that pertained to.

6 1535 Q. They were Compuquest, right? They
7 were all owned by Compuquest?

8 A. I don't know whose names they were
9 in.

10 1536 Q. Well, they weren't your personal
11 name, were they?

12 A. That I can't answer without
13 looking at the ownerships.

14 MS. FRANCIS: All right. I'm going to
15 mark these Exhibit No. 17.

16 EXHIBIT NO. 17: Unspecified Exhibit:
17 Possibly Related to Trailer Equity.

18 BY MS. FRANCIS:

19 1537 Q. \$14,616.08 went to Aimee Bodimeade
20 on June 27, 2016, right?

21 A. I believe so, yes.

22 1538 Q. And \$14,791.08 went to Lorraine
23 Stinson --

24 A. Yes.

25 1539 Q. -- on the same day? Now, why is

1 \$14,791.08 going from Jensen to Lorraine Stinson?

2 A. That I can't answer other than I
3 know I owed Lorraine money.

4 1540 Q. Well, wait a minute. Someone had
5 to have told Jensen to write a cheque to Lorraine
6 Stinson, and it certainly wasn't Aimee.

7 A. It could have been me, yes.

8 1541 Q. Well, it was you. Come on. Come
9 on, Mr. Bodimeade, you are under oath.

10 A. Yes, I already said yes. Yes.

11 1542 Q. Okay. It was you? It was you?

12 A. Yes.

13 1543 Q. Okay. So Jensen sold a trailer
14 that belonged to Compuquest, right?

15 A. Yes.

16 1544 Q. After Compuquest went --

17 A. I don't know if it was -- belonged
18 to Compuquest or whose name it was under, I don't
19 know.

20 1545 Q. Well --

21 A. It doesn't matter.

22 1546 Q. Well, it does matter. Was it
23 under your personal name, maybe?

24 A. I don't recall unless I have the
25 ownership in front of me.

1 1547 Q. So it was either you personally or
2 it was Compuquest, correct?

3 A. Yes.

4 1548 Q. And both you and Compuquest are
5 personally bankrupt, correct?

6 A. Yes.

7 1549 Q. And you instructed Jensen to split
8 the money between your wife and your girlfriend?

9 A. Yes.

10 1550 Q. And did not declare this to the
11 trustee?

12 A. No.

13 1551 Q. Is there anything else you didn't
14 declare to the trustee?

15 A. No.

16 1552 Q. That's it? That's the only thing?
17 Whatever we found is the only thing that you never
18 declared?

19 A. That was the only thing that was
20 left.

21 1553 Q. You mean, you'd already liquidated
22 everything else before that?

23 A. No. I haven't liquidated
24 anything. Anything that was liquidated was prior
25 to the bankruptcy, other than that one, and was put

1 directly from Dean.

2 1560 Q. And this is where Dean is talking
3 about buying Aimee a new house and supporting her?

4 A. I guess, yeah.

5 1561 Q. Yes, and they're trying to keep
6 the trustee at bay and hoping the trustee just goes
7 away, I guess?

8 A. If it was referring to the money
9 that he's owed, yeah, I guess it would be.

10 MS. FRANCIS: I will mark this as
11 Exhibit No. 17 [sic]; is that right?

12 EXHIBIT NO. 18: E-mails Between Dean
13 Salem, Aimee Bodimeade, and Gary
14 Bodimeade.

15 BY MS. FRANCIS:

16 1562 Q. Your home insurance was with
17 Chubb?

18 A. Yes.

19 1563 Q. And I just want to show you an
20 insurance statement as of, I guess, the end of
21 November, December of 2016?

22 A. Yes.

23 1564 Q. And that shows the payments coming
24 out?

25 A. Yes.

From: Levangie, David W. [<mailto:dlevangie@foglers.com>]
Sent: Wednesday, February 22, 2017 9:56 AM
To: Catherine Francis <CFrancis@mindengross.com>
Subject: Documents

Catherine,

Can you please follow up with your client regarding the status of delivering the documents to my client?
 Payment of the invoice was made by wire on February 16, 2017.



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Before printing, please consider the environment.

From: Catherine Francis [<mailto:CFrancis@mindengross.com>]
Sent: Friday, February 24, 2017 5:33 PM
To: Levangie, David W. <dlevangie@foglers.com>
Cc: 'Andrea Robertson' <andrearobertson27@yahoo.ca>
Subject: Norris Application

David,

I understand that the flagged documents have been sent to your client.

Please note that we were unable to find proof of delivery in the flagged documents for the delivery of products to Compuquest after 2015. I asked Mr. Bodimeade questions on his cross-examination about the documents bearing 2016 dates and he indicated that they did not show proof of delivery.

As the balance allegedly owing to your client declined after December 31, 2015, we will need evidence of delivery of product to Compuquest after December 31, 2015, especially as the Receiver did not find meaningful inventory or accounts receivable after it was appointed and the indication was that Compuquest had not been carrying on active business for some time.

Leaving aside the validity of your client's proofs of claim, we need to deal with removal of the CPL and Order from title to the Ashburn Property.

Your client is at best an unsecured creditor of Gary Bodimeade and Compuquest.

The evidence is clear that Aimee Bodimeade signed the RLOC Agreement on the express understanding and representation that it would only apply to Gary Bodimeade's share of the Ashburn Property. Gary has admitted this.

As such, the Application to enforce the RLOC was brought and the Orders encumbering the Ashburn Property were obtained in violation of the stay of proceedings under section 69.3 of the *Bankruptcy and Insolvency Act*.

Please advise of available dates in March 2017 for a motion to discharge these registrations from title and I will canvass the court's availability.

As Aimee Bodimeade is the Respondent in the Application, I am copying Ms. Robertson.

Catherine Francis | T: 416.369.4137 | F: 416.864.9223 | www.mindengross.com



From: Levangie, David W. [<mailto:dlevangie@foglers.com>]
Sent: Friday, February 24, 2017 6:14 PM
To: Catherine Francis <CFrancis@mindengross.com>
Cc: 'Andrea Robertson' <andrearobertson27@yahoo.ca>
Subject: RE: Norris Application

Catherine,

As far as I am aware, my client has received the documents requested.

We disagree with your statement that at best our client is an unsecured creditor of Gary Bodimeade and Compuquest. We also disagree with you that Aimee Bodimeade signed the RLOC Agreement on the express understanding that it would only apply to Gary Bodimeade's share of the Ashburn property. This is directly contradicted by the words of the document itself.

It is interesting that you are relying on Gary Bodimeade's testimony yet have repeatedly asserted that he is not credible and a fraudster. Which is it?

The Honourable Justice Glustein was aware of the bankruptcy and the status of title to the property and clearly did not agree with your position regarding the stay under section 69.3 of the BIA. Further, you were served with the Order and application materials shortly after they were obtained many months ago, yet took no steps to set aside or appeal the order, which clearly betrays the position you are now attempting to take that the order violated the stay. Your position is untenable as Gary is not on title to the property, and his family law interest in the property is, as I understand it, a possessory interest. Aimee Bodimeade signed a personal guarantee of the debt, which guarantee included the securitization of the debt by virtue of a charge on the property.

The issue of the registrations cannot be dealt with until the application is resolved and a determination is made regarding my client's entitlement to a charge on the property. Your motion is premature and I would suggest that we schedule a 9:30 appointment to obtain direction on how to proceed given my client's outstanding application and your client's motion.

If the court determines at a 9:30 that it is appropriate for your motion to proceed, I am available March 21, 23 or 28th, but I would caution you against short serving me with your materials, as has been the routine of your client in these matters, as my client intends on vigorously opposing the motion and will be filing detailed responding materials. Any short service on the part of your client will result in an adjournment, as my client will need time to respond to the motion.

Please note that I will be out of the country from March 30 to April 16, 2016 inclusive, so the motion will not be able to proceed during this period.



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From: Catherine Francis [<mailto:CFrancis@mindengross.com>]
Sent: Friday, February 24, 2017 7:03 PM
To: Levangie, David W. <dlevangie@foglers.com>
Cc: 'Andrea Robertson' <andrearobertson27@yahoo.ca>
Subject: RE: Norris Application

David,

I will make inquiries next week as to whether March 28, 2017 is available and we can work back in terms of a schedule. I expect that we will deliver a report after we get Gary's transcript.

In short answer to your comments:

1. I assume you are not suggesting that your client is a secured creditor of Gary Bodimeade or Compuquest. You did not file as such.
2. Aimee Bodimeade expressly did NOT guarantee your client's debt.
3. The basis on which Aimee signed the agreement was clearly set out in writing and accepted as a condition of the signing. Your client was aware of and approved this condition.
4. Both Aimee and Gary Bodimeade have acknowledged that they each had a 50/50 interest in everything.
5. Gary's testimony merely corroborated what is clearly set out in the documents. Relying on Gary's admissions does not mean that we accept him as a credible person.
6. Dean Salem, Gary Bodimeade and Fogler were clearly working together on these matters, as witnessed by the fact that Mr. Azeff claimed "common interest" privilege on joint communications with Fogler.
7. The attendance and order obtained before Justice Glustein was *ex parte* even though Ms. Robertson expressly stated that the Trustee should have been given notice.
8. You did not disclose to Justice Glustein (or the Trustee) the conditions under which Aimee signed the document.
9. In any event, the Order was entirely without prejudice and the Trustee has a right to move to clear the registrations from title.
10. I disagree that a motion to remove *ex parte* registrations must await determination of the issues in the Application.
11. However, from a practical standpoint, the motion will in fact determine the issues in the Application.

12. This is not a complicated matter. It is very simple. If the agreement only applied to “Gary’s share” then the registrations have to be removed.

Finally, what motions are you alleging that the Receiver short-served you with? The only motion we have brought is the motion on Tuesday February 23, 2017 for directions regarding Gary Bodimeade’s examination. The date was cleared with Mr. Azeff in advance. You did not indicate that you were interested in attending and did not attend.

Catherine Francis | T: 416.369.4137 | F: 416.864.9223 | www.mindengross.com



MERITAS LAW FIRMS WORLDWIDE

From: Levangie, David W. [<mailto:dlevangie@foglers.com>]
Sent: Tuesday, February 28, 2017 6:25 PM
To: Catherine Francis <CFrancis@mindengross.com>
Cc: 'Andrea Robertson' <andrearobertson27@yahoo.ca>
Subject: RE: Norris Application

Catherine,

Have you heard back regarding the March 28th date? I think we are going to be tight on time. If we need more time, the motion can proceed in later half of April, which will give us more breathing room to complete the necessary steps.



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From: Catherine Francis [<mailto:CFrancis@mindengross.com>]

Sent: Tuesday, February 28, 2017 6:34 PM

To: Levangie, David W. <dlevangie@foglers.com>

Cc: 'Andrea Robertson' <andrearobertson27@yahoo.ca>

Subject: RE: Norris Application

Well, my clerk is away this week and I have been short on help so haven't yet been able to inquire.

I think you are probably right that the end of March will be too tight to exchange material and conduct any necessary examinations, prepare factums and argue the matter. The reason for the quick time line is to try to get the issues addressed before the sale of the property, as Aimee and her children need certainty.

Are you available any time in the last two weeks of April?

Catherine Francis | T: 416.369.4137 | F: 416.864.9223 | www.mindengross.com



MERITAS LAW FIRMS WORLDWIDE

From: Levangie, David W. [<mailto:dlevangie@foglers.com>]
Sent: Tuesday, February 28, 2017 6:35 PM
To: Catherine Francis <CFrancis@mindengross.com>
Cc: 'Andrea Robertson' <andrearobertson27@yahoo.ca>
Subject: RE: Norris Application

No problem. Let's circle back regarding dates when your clerk is back next week and your head is above water!

I am out of the country March 30-April 16 inclusive, so nothing on our end can be done in that period, but I do still have some availability in the later part of April.



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From: Catherine Francis [<mailto:CFrancis@mindengross.com>]
Sent: Monday, April 17, 2017 4:54 PM
To: Levangie, David W. <dlevangie@foglers.com>
Cc: 'Andrea Robertson' <andrearobertson27@yahoo.ca>
Subject: RE: Norris Application

David,

I understand that you are back today. We wish to proceed with scheduling a motion by the Receiver to discharge the CPL and Order from title to the Ashburn Property and to dismiss your client's Application. I anticipate that we will be relying upon the following:

1. Receiver's Second Report dated November 24, 2016
2. Receiver's Third Report dated January 11, 2017
3. An additional Receiver's report, to be prepared
4. Transcript of Gary's examination, together with exhibits
5. An affidavit of Aimee Bodimeade (not yet prepared or sworn)

Just to be clear, based on the evidence that we have seen to date:

1. Aimee Bodimeade did not execute a personal guarantee in favour of your client – Aimee executed the RLOC in reliance on express written confirmation by Gary that it would not affect her interest in the Ashburn Property
2. At the time of the RLOC, both Compuquest and Gary personally (as guarantor of Compuquest's debt to CIBC) were insolvent – this has been addressed in various material filed by CIBC as well as the Receiver's reports.
3. The Application was issued and the CPL and Order were obtained and registered after and in the face of the Bankruptcy Order against Gary and are therefore void against the Trustee.

Enclosed please find the transcript and exhibits from Mr. Bodimeade's examination, in the event that you do not have them.

Please note Exhibits 4, 5, 6 and 7, which are a series of "blank cheques" that were signed by Mr. Salem on accounts at Community Trust Bank and BB&T, in respect of which Mr. Bodimeade admits to filling in the dates and amounts. As you are aware, Compuquest's account was flagged by CIBC for suspected cheque kiting.

With regard to the RLOC, please see Exhibits 8 and 9.

Exhibit 11 consists of documents that your client obtained from the Receiver for the period after December 31, 2016. The documents do not appear to contain proof of products shipped to Compuquest after December 31, 2015. Gary Bodimeade acknowledged this in his examination.

In the circumstances, before we incur time and expense on a motion to discharge the CPL and mortgage, perhaps your client may wish to reconsider its position.

If your client maintains its position that it is entitled to a CPL and mortgage on the Ashburn Property in priority to the interests of the Trustee (and/or Aimee), please advise of dates in May 2017 for a half day motion and then we will work back.

We will wish to examine Mr. Salem on his affidavits filed in support of the CPL and subsequent order.

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MERITAS LAW FIRMS WORLDWIDE

From: Levangie, David W. [<mailto:dlevangie@foglers.com>]
Sent: Tuesday, April 18, 2017 11:36 AM
To: Catherine Francis <CFrancis@mindengross.com>
Cc: 'Andrea Robertson' <andrearobertson27@yahoo.ca>
Subject: RE: Norris Application

Catherine,

Thanks for your note.

I am seeking instructions from my client regarding your email below. I expect that a motion date in May is too ambitious. As it stands now my client is away until May 1, 2017 and I am tied up May 18-30, out of the country for work. I expect that a date in June (I have a trial in the middle of June that is proceeding) or July would be more realistic and I am not aware of any urgency. I would propose that we discuss dates for the steps to be completed, which I think would take us to June/July anyway.

When do you anticipate being in a position to deliver additional report from the Receiver?



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From: Catherine Francis
Sent: Tuesday, April 18, 2017 3:08 PM
To: 'Levangie, David W.' <dlevangie@foglers.com>
Cc: 'Andrea Robertson' <andrearobertson27@yahoo.ca>
Subject: RE: Norris Application

David,

I postponed due to the fact that you advised you would be away until yesterday. However, there is urgency in getting a determination of your client's application. Without this determination, the Receiver cannot agree to any payments from the sale proceeds going to Aimee, which means she will not know whether any funds will be available to her to purchase a new residence.

I suggest that we arrange a 9:30 for Monday April 24th to schedule a hearing date.

I haven't decided definitively if a further Receiver's report will be required. You are already aware of the evidence. I can't see any conceivable basis for your client to seek priority over either the Receiver or the Trustee and it is unclear on what basis your client is claiming against Aimee. So I don't think this will be lengthy or complicated.

Catherine Francis | T: 416.369.4137 | F: 416.864.9223 | www.mindengross.com



MERITAS LAW FIRMS WORLDWIDE

From: Catherine Francis
Sent: Monday, April 24, 2017 5:18 PM
To: 'Levangie, David W.' <dlevangie@foglers.com>
Subject: Compuquest

David,

On further reflection, before we complete an additional report, it would be very helpful if your client could provide the following information:

1. Any additional documents supporting the shipping of product in 2016.
2. Particulars of Norris's relationship with CQ2K Computer Sales Inc. (Phase5 IT Solutions).



CATHERINE FRANCIS

T: [416.369.4137](tel:416.369.4137) **F:** 416.864.9223 www.mindengross.com

145 King St. West, Suite 2200, Toronto, ON M5H 4G2

Save contact details: [Catherine Francis](#)

MERITAS LAW FIRMS WORLDWIDE

This communication is for the use of the individual or entity named herein and contains information that may be privileged and confidential. If you are not the intended recipient, any dissemination, distribution or copying of this message or its contents is strictly prohibited. If you have received this message in error, please advise the sender immediately.

From: Catherine Francis [<mailto:CFrancis@mindengross.com>]
Sent: Monday, May 15, 2017 2:39 PM
To: Levangie, David W. <dlevangie@foglers.com>
Subject: RE: Compuquest

David,

Will you be providing the information requested below? If not, we will go ahead with the report.

Catherine Francis | T: 416.369.4137 | F: 416.864.9223 | www.mindengross.com



MERITAS LAW FIRMS
WORLDWIDE

From: Levangie, David W. [<mailto:dlevangie@foglers.com>]
Sent: Monday, May 15, 2017 5:44 PM
To: Catherine Francis <CFrancis@mindengross.com>
Subject: RE:

Compuquest

Catherine,

We are preparing the documentation for 2016 but it is taking some time.

From: Catherine Francis [mailto:CFrancis@mindengross.com]
Sent: Monday, May 15, 2017 5:44 PM
To: Levangie, David W. <dlevangie@foglers.com>
Subject: RE: Compuquest

Do you have an ETA?

Catherine Francis | T: 416.369.4137 | F: 416.864.9223 | www.mindengross.com



MERITAS LAW FIRMS
WORLDWIDE

From: Levangie, David W. <dlevangie@foglers.com>
Sent: Monday, May 15, 2017 5:46 PM
To: Catherine Francis
Subject: RE: Compuquest

I will have to ask the client. I'll get back to you when I hear back.

From: Levangie, David W. <dlevangie@foglers.com>
Sent: Wednesday, June 07, 2017 2:11 PM
To: Catherine Francis
Subject: Dean Salem
Attachments: 16-02-29 LT-6324 DKT email bid from Gary.pdf; 16-02-29 LT-6324 DKT(1).xlsx

Catherine,

See below and attached answers to your questions from my client.

1. Did Compuquest issue purchase orders to Norris? It appears that both the purchase orders and the sales orders are Norris documents. I don't see any corresponding documents from Compuquest. Compuquest supplied Purchase Orders, sometimes verbally, sometimes electronic files. For the few months of business in early 2016, Gary was under a tremendous amount of stress from both his contentious divorce and from CIBC's actions against him. During this time he may or may not have provided PO's, however, we did supply correspondence between Gary and the freight carriers for all transactions.

2. Was the product shipped directly from the vendor to Compuquest?

On the majority (90%) of transactions, NT would drop ship from their vendor directly to C2K. This was done to save money on freight since most transactions are done on very low profit margin. C2K would normally arranged freight through their own freight companies. Freight companies are regional and therefore offer the best rates and terms to companies in their home region, thus C2K used freight companies in the Toronto area.

3. Most of the bills of lading appear to be from the vendor to Norris's address(es). Are there bills of lading for the shipment to Compuquest? [I only saw one, from Sycamore International Inc. to Compuquest]

The Bills of Lading (BOLs) generated were written as "Blind Shipments". The term "Blind Shipment" is when one or more parties to a shipment don't know who is the shipper, receiver, or both. In other words, they are in "The Blind". This is a very common business practice. In order to ship blind, the shipment must be prepaid and Blind Shipment service requested prior to the freight pickup. Blind Shipments are used to protect confidential client information, ie – a wholesale company does not want to give their customer information to their vendor and risk being cut out of a transaction. C2K also made purchases from NT's inventory.

4. The HP bills of lading include the following: "The driver will take his 1st right towards shipping & receiving upon entering the main entrance. There is a security booth to pass through; they will be directed to a dock. Driver can go in and ask for Ben Polanco or Jamie Perez." Where does this refer to. Are these people at Compuquest or at Norris?

This is instruction to the freight driver for pickup at HP.

5. Are there emails or other documents between Norris and Compuquest describing the product that was being ordered and shipped? The emails do not seem to include this information.

There are emails detailing the product for each of the transactions between Gary and Norris Technologies representatives. They are in the same email account that the receivers and trustees have scoured for documentation presented in the receiver reports to date. These can be supplied, but it will take some time to gather.

6. With respect to the March 11, 2016 entry, the amount shown for the sales order is \$228,000. However, the proof of delivery contains an invoice from Norris to Compuquest in the

amount of \$42,500. Can you explain the discrepancy? Where is the proof that \$228,000 worth of product was shipped to Compuquest?

That was a commercial invoice created by Compuquest for the freight carrier provided by Compuquest. Compuquest provided invoices for freight insurance purposes. This amount would cover whatever was not covered under Compuquests' company freight insurance. See the attached files showing Gary's email and spreadsheet detailing the product he bought on this transaction (this is an email from Gary's account that the receiver has pulled from on numerous occasions for the receiver report).

7. You indicated that you would be redacting information. Did you do so and if so what was redacted?

Nothing was redacted in what was provided. However, we do have more proof that we choose not to provide as it would need to be redacted and shouldn't be necessary for this process.

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Court File No. CV-16-11369-00CL

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

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

**1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.**

Respondent

FOURTH REPORT OF THE RECEIVER

June 9, 2017



**Grant Thornton Limited
Receiver of the Respondents**

**200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4**

TABLE OF CONTENTS

INTRODUCTION AND BACKGROUND	1
SCOPE AND TERMS OF REFERENCE.....	3
EVIDENCE OF GARY'S PAST CRIMINAL CONDUCT.....	4

CONFIDENTIAL APPENDIX

1. Package of documents located by the Receiver at Compuquest's premises re Homeland Security Applications

INTRODUCTION AND BACKGROUND

1. This report (the "**Fourth Report**") is being filed by Grant Thornton Limited ("**GTL**") in its capacity as the receiver (in such capacity, the "**Receiver**") of 1299746 Ontario Inc. o/a Compuquest2000 ("**Compuquest**") and 2252709 Ontario Inc. ("**225**") (together, the "**Debtors**") and as Receiver of a real property at 7472 Ashburn Road, Whitby, Ontario (the "**Ashburn Property**").
2. GTL was appointed as Interim Receiver of Compuquest pursuant to the Order of the Honourable Justice Mesbur dated April 29, 2016 (the "**IR Order**"). The IR Order was sought by CIBC due to, among other things, serious concerns with the financial viability of the Debtors, the lack of financial reporting as required by the Debtors' security agreement, and the apparent absence of ongoing operations at Compuquest's premises.
3. Compuquest was engaged in the business of purchasing used electronics and selling them as refurbished units, or disassembling the units to salvage key parts for resale. Compuquest's assets consisted mainly of computer equipment, furniture and warehouse support equipment.
4. GTL filed a report as Interim Receiver on May 13, 2016 which discussed, among other things, the Debtors' minimal assets, limited business operations and deteriorating financial position (the "**Interim Receiver's Report**").
5. GTL was appointed as Receiver of the Debtors by Order of Mr. Justice Newbould dated May 17, 2016 (the "**Receivership Order**").
6. GTL was appointed as trustee in bankruptcy (in such capacity, the "**Trustee**") of Compuquest and Gary Bodimeade ("**Gary**") (the principal of the Debtors) pursuant to Orders made by the Honourable Mr. Justice Newbould dated May 25, 2016 (the "**Bankruptcy Orders**"), on application by CIBC.

7. GTL filed its First Report as Receiver dated September 16, 2016 (the "**First Report**") in support of a motion, among other things, to approve the activities and fees of the Receiver and to approve the sale of 225's principal asset, being a real property at 1935 Silicon Drive, Pickering (the "**Silicon Property**"), and the distribution of the sale proceeds to CIBC.
8. The Receiver filed its Second Report as Receiver dated November 24, 2016 (the "**Second Report**") in support of a motion brought by CIBC for an Order appointing GTL as receiver, without security, of the real property known municipally as 7472 Ashburn Road, Whitby, Ontario, and described legally in PIN 26578-0082 (LT) (the "**Ashburn Property**"), with the power to market and sell the Ashburn Property and hold the proceeds of any such sale pending a further Order of the Court.
9. The Ashburn Property is the former matrimonial home of Gary and his wife, Aimee Bodimeade ("**Aimee**"). Gary and Aimee separated several months before GTL's appointment as Interim Receiver, Receiver and Trustee.
10. The Receiver filed its Third Report dated January 11, 2017 (the "**Third Report**") supplementary to the Second Report and in response to affidavits of Gary and Aimee filed in response to CIBC's motion.
11. After cross-examinations of Gary and Aimee on their affidavits, CIBC's motion was heard on January 25, 2017. By Order of Madam Justice Conway, GTL was appointed as Receiver of the Ashburn Property (the "**Ashburn Appointment Order**").
12. The Receiver actively marketed the Ashburn Property for sale, through a listing agent and with Aimee's cooperation, and entered into an Agreement of Purchase and Sale on or about May 26, 2017 (the "**Ashburn Sale Agreement**"), which is conditional on court approval.

13. The Receiver will be seeking court approval of the Ashburn Sale Agreement and a vesting order on July 17, 2017 and is currently finalizing its report seeking this approval.
14. On July 17, 2017, the Receiver will also be seeking to dismiss an Application brought by Dean Salem ("**Salem**") and Norris Technologies LLC ("**Norris**") seeking an interest in the Ashburn Property (the "**Salem Application**") and to discharge a Certificate of Pending Litigation ("**CPL**") and Order of the Honourable Mr. Justice Glustein dated August 9, 2016 (the "**Norris Order**"), both of which were obtained and registered against the Ashburn Property without notice to the Receiver or the Trustee.
15. The Receiver requires the dismissal of the Salem Application and discharge of the CPL and Norris Order on an urgent basis to facilitate the completion of the Ashburn Sale Agreement and to enable the Receiver to negotiate a resolution of the respective interests of the Receiver, the Trustee and Aimee in the Ashburn Property.
16. The same defined terms will be used herein as in the First, Second and Third Reports, unless otherwise defined.

SCOPE AND TERMS OF REFERENCE

17. In preparing this Fourth Report, the Receiver has relied upon certain unaudited financial information, the Debtors' records, the Debtors' bank statements and supporting records received from its financial institutions and other financial information. While the Receiver has performed a preliminary review of available books and records of Compuquest and 225, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.

18. This Fourth Report has been prepared for the use of this Court and the Debtors' stakeholders for the sole purpose of responding to a motion brought by Gary on June 8, 2017 and returnable on June 13, 2017 to expunge reference to his past criminal conduct from the public record. Accordingly, the reader is cautioned that this Fourth Report may not be appropriate for any other purpose. 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 Fourth Report for any other purpose.
19. All references to dollars in this Fourth Report are in Canadian currency unless otherwise noted.

EVIDENCE OF GARY'S PAST CRIMINAL CONDUCT

20. The Interim Receiver's Report and the First, Second and Third Reports detail concerns about the conduct of Gary and Compuquest. The Receiver's pending report for the July 17, 2017 motion will include further details of such conduct.
21. Shortly after the Receiver's appointment, the Receiver learned from Minden Gross LLP, its independent counsel, that on September 12, 2006, Gary was found guilty of laundering proceeds of crime contrary to the Criminal Code of Canada, arising out of charges that Bodimeade and his brother defrauded Royal Bank of Canada.
22. As a result of these charges, Gary was on probation at the time of the purchase of the Ashburn Property, which was the subject matter of the Second and Third Reports.
23. The evidence of Gary's guilty plea to money-laundering charges was included in the Second Report, along with other evidence of Gary's improper conduct, in support of CIBC's motion to appoint GTL as Receiver of the Ashburn Property.

24. Gary is seeking to expunge reference in the Second Report to the money laundering charge.
25. In his June 7, 2017 affidavit, Gary refers to an earlier fraud conviction in 1993, for which he received a pardon. Gary alleges in his affidavit that he disclosed all information that he was required to disclose to obtain the pardon.
26. The Receiver learned of Gary's earlier 1993 fraud conviction as a result of a package of documents found by the Receiver at Compuquest's premises on the Receiver's appointment. The package relates to applications by Gary to the Department of Homeland Security for permission to enter the United States and contains disclosure of the 1993 fraud conviction and the pardon.
27. The pardon is included in the package, dated December 19, 2007 and states as follows:

The National Parole Board is pleased hereby to award to Gary Bodimeade a pardon under the Criminal Records Act.

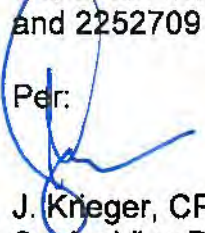
AND this pardon is evidence of the fact that the Board, after making proper inquiries, was satisfied that the said Gary Bodimeade has remained free of any conviction since completing the sentence and was of good conduct and that the conviction(s) should no longer reflect adversely on his/her character and, unless it ceases to exist or is subsequently revoked, requires the judicial record of conviction to be kept separate and apart from other criminal records and removes any disqualification to which Gary Bodimeade is, by reason of the conviction, subject by virtue of any Act of Parliament or a regulation made thereunder.

28. Attached as Confidential Appendix 1 is a copy of the package found by the Receiver at Compuquest's premises. The Receiver is providing this package on a sealed basis pending determination of Gary's request for a sealing order related to his prior criminal charges.

All of which is respectfully submitted to the Court.

GRANT THORNTON LIMITED,
Court-Appointed Receiver of
1299746 Ontario Inc. o/a Compuquest2000
and 2252709 Ontario Inc.

Per:



J. Krieger, CPA, CA, CIRP, LIT
Senior Vice President

BETWEEN

442

CANADIAN IMPERIAL BANK OF COMMERCE

-and-

1299746 ONTARIO INC. o/a COMPUQUEST2000, et al.

Applicant

Respondents

Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

FOURTH REPORT OF THE RECEIVER

MINDEN GROSS LLP
Barristers and Solicitors
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Catherine Francis (LSUC# 26900N)
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Fax: 416-864-9223

Lawyers for Receiver, Grant Thornton Limited

Court File No. CV-16-11369-00CL

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

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.

Respondent

FIFTH REPORT OF THE RECEIVER

June 19, 2017



Grant Thornton Limited
Receiver of the Respondents

200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4

TABLE OF CONTENTS

INTRODUCTION AND BACKGROUND	1
SCOPE AND TERMS OF REFERENCE	6
APPROVAL OF THE ASHBURN SALE AGREEMENT	7
THE CLAIMS OF SALEM AND NORRIS	9
CONCLUSION.....	27

APPENDICES

Appendix “1” – Interim Receiver’s report dated May 13, 2016 (without appendices)

Appendix “2” – Order of Mr. Justice Newbould dated May 17, 2016 (the “Receivership Order”) appointing GTL as Receiver

Appendix “3” –Orders of Mr. Justice Newbould dated May 25, 2016 appointing GTL as trustee in bankruptcy of Compuquest and Gary Bodimeade

Appendix “4” – First Report of the Receiver dated September 16, 2016 (without appendices)

Appendix “5” – Second Report as Receiver dated November 24, 2016 (without appendices)

Appendix “6” – Order of Madam Justice Conway dated January 25, 2017 appointing GTL as Receiver of the Ashburn Property

Appendix “7” – Fourth Report of the Receiver dated June 9, 2017 (without the appendix)

Appendix “8” – Endorsement of Madam Justice Conway dated June 13, 2017 including unofficial transcription

Appendix “9” – Introduction and Part One of the Appraisal of the Ashburn Property issued on April 18, 2016

Appendix “10” – Revolving Line of Credit Agreement between Salem/Norris as Lender and Gary/Compuquest as Borrower dated December 31, 2015

Appendix “11” – copies of emails from Salem to Aimee dated January 5, 2016, January 11, 2016, January 19, 2016, January 29, 2016 and February 3, 2016

Appendix “12” – Copies of emails, cheques and bank account records

Appendix “13” – Affidavit of Douglas Maclaine sworn April 28, 2016 (without exhibits)

Appendix “14” – email from Compuquest’s electronic records dated February 25, 2016 together with a copy of the cheque in the amount of US \$125,000.00

Appendix “15” – copies of emails that Salem drafted for Gary to send to CIBC on March 3, 2016 and March 21, 2016

Appendix “16” – email from Salem to Gary dated March 5, 2016 listing assets to be sold by Gary/Compuquest and paid to Norris

Appendix “17” – email exchange between Salem and Gary on March 10, 2016

Appendix “18” – Corporate Profile Report of CQ2K Computer Sales Inc. and Business Names List for Phase5 IT Solutions

Appendix “19” – Accounts Receivable and Accounts Payable reports as at December 31, 2015

Appendix “20” – personal sworn Statement of Affairs of Gary Bodimeade dated June 2, 2016

Appendix “21” – Proofs of Claim filed by Salem on July 29, 2016 on behalf of himself and Norris in each of Compuquest’s and Gary’s bankruptcies

Appendix “22” – email chain between Salem and GTL dated July 29, 2016

Appendix “23” – emails and the inventory listing

Appendix “24” – documents which Salem flagged from Compuquest’s records dated 2016

Appendix “25” – series of email communications reflecting all of the above communications, commencing on February 24, 2017 through June 7, 2017

Appendix “26” – spreadsheet provided by counsel for Salem and Norris on June 6, 2017 with copies of the embedded pdf documents

Appendix “27” – Copies of the RLOC Agreement signed by Aimee, together with the letter and emails

Appendix “28” – affidavit of Dean Salem sworn June 23, 2016 (without the exhibits)

Appendix “29” – Order granting leave to register the CPL, the CPL and the Glustein Order, as well as the title search included in the Second Report

Confidential Appendix “1” – Summary of listing proposals and copy of the Listing Agreement dated February 24, 2017

Confidential Appendix “2” – Summary of the offers received for the Ashburn Property and the Receiver’s analysis of the offers

Confidential Appendix “3” – Ashburn Sale Agreement

INTRODUCTION AND BACKGROUND

1. This report (the **"Fifth Report"**) is being filed by Grant Thornton Limited (**"GTL"**) in its capacity as the receiver (in such capacity, the **"Receiver"**) of 1299746 Ontario Inc. o/a Compuquest2000 (**"Compuquest"**) and 2252709 Ontario Inc. (**"225"**) (together, the **"Debtors"**) and as Receiver of a real property at 7472 Ashburn Road, Whitby, Ontario (the **"Ashburn Property"**). GTL was appointed as Interim Receiver of Compuquest pursuant to the Order of Madam Justice Mesbur dated April 29, 2016 (the **"IR Order"**). The IR Order was sought by CIBC due to, among other things, serious concerns with the financial viability of the Debtors, the lack of financial reporting as required by the Debtors' security agreement, and the apparent absence of ongoing operations at Compuquest's premises. Compuquest was engaged in the business of purchasing used electronics and selling them as refurbished units, or disassembling the units to salvage key parts for resale. Compuquest's assets consisted mainly of computer equipment, furniture and warehouse support equipment.
2. GTL filed a report as Interim Receiver on May 13, 2016 which discussed, among other things, the Debtors' minimal assets, limited business operations and deteriorating financial position (the **"Interim Receiver's Report"**). A copy of the Interim Receiver's report, without appendices, is attached hereto as **Appendix "1"**.
3. GTL was appointed as Receiver of the Debtors by Order of Mr. Justice Newbould dated May 17, 2016 (the **"Receivership Order"**). A copy of the Receivership Order is attached hereto as **Appendix "2"**.
4. GTL was appointed as trustee in bankruptcy (in such capacity, the **"Trustee"**) of Compuquest and Gary Bodimeade (**"Gary"**) (the principal of the Debtors) pursuant to Orders made by Mr. Justice Newbould dated May 25, 2016 (the **"Bankruptcy Orders"**), on application by CIBC. Copies of the Bankruptcy Orders are attached hereto as **Appendix "3"**.

5. GTL filed its First Report as Receiver dated September 16, 2016 (the “**First Report**”) in support of a motion, among other things, to approve the activities and fees of the Receiver and to approve the sale of 225’s principal asset, being a real property at 1935 Silicon Drive, Pickering (the “**Silicon Property**”), and the distribution of the sale proceeds to CIBC. A copy of the First Report, without appendices, is attached hereto as **Appendix “4”**.
6. As discussed in the Interim Receiver’s Report and the First Report, there appeared to have been limited business operations for several months leading up to the Receiver’s appointment. Compuquest had minimal inventory and accounts receivable, as compared to what had been represented on its most recent financial statements. As of May 31, 2015, Compuquest’s financial statements showed assets of \$5,681,326, including accounts receivable of \$2,705,143, inventory of \$2,397,177 and property, plant and equipment valued at \$432,618.
7. In contrast, there were no collectible accounts receivable noted effective on the date of the Interim Receiver’s appointment. The Receiver’s total realization on inventory and equipment was \$129,610.00 plus HST of \$16,849.30 less the liquidator’s expenses of \$21,917.71. There have been no distributions to CIBC as first-position secured creditor of Compuquest.
8. The Receiver filed its Second Report as Receiver dated November 24, 2016 (the “**Second Report**”) in support of a motion brought by CIBC for an Order appointing GTL as receiver, without security, of the real property known municipally as 7472 Ashburn Road, Whitby, Ontario, and described legally in PIN 26578-0082 (LT) (the “**Ashburn Property**”), with the power to market and sell the Ashburn Property and hold the proceeds of any such sale pending a further Order of the Court. A copy of the Second Report, without appendices, is attached hereto as **Appendix “5”**.

9. The Ashburn Property is the former matrimonial home of Gary and his wife, Aimee Bodimeade (“**Aimee**”). Gary and Aimee separated several months before GTL’s appointment as Interim Receiver, Receiver and Trustee.
10. The Ashburn Property was purchased in Aimee’s name on or about September 28, 2007 for \$638,000. Since 2007, the Ashburn Property has been subject to significant improvements, including the construction of:
 - a. An approximately 5,680 square foot two-storey detached residential dwelling, excluding the basement;
 - b. An approximately 3,196 square foot finished basement with dance studio, family room, gym, bedroom and three piece bathroom;
 - c. An outdoor pool with pool house;
 - d. An approximately 800 square foot heated and insulated SUV garage;
 - e. An approximately 11,000 square foot equestrian barn complete with riding centre and stalls for 14 horses; and
 - f. An approximately 2,400 square foot insulated hay/equipment barn.
11. In addition to holding first-position security against Compuquest, CIBC holds a conventional first mortgage over the Ashburn Property and is a major creditor in Gary’s personal bankruptcy. CIBC is owed in excess of \$1.7 million under a revolving line of credit provided to Compuquest and guaranteed by Gary.
12. CIBC sought the appointment of GTL as Receiver of the Ashburn Property based on, among other things:

- a. Gary's spousal interest in the Ashburn Property, which was registered on title and vested in the Trustee;
 - b. Admissions made by Gary (found in Compuquest's email records) that Compuquest had funded the construction of improvements to the Ashburn Property and other personal expenses of the Bodimeades;
 - c. Substantial corroborating evidence uncovered by Receiver in the form of, among other things, cheques issued by Compuquest to pay for improvements to the Ashburn Property as well as other personal expenses of the Bodimeades;
 - d. Registrations against title surrounding unsubstantiated claims by Dean Salem ("**Salem**") and Norris Technologies LLC ("**Norris**") claiming an interest in the Ashburn Property;
 - e. Aimee's failure to list the Ashburn Property for sale on a timely basis, despite having initially agreed to do so.
13. As will be discussed further below, Salem and Norris issued a Notice of Application bearing Court File No. CV-16-555283 (the "**Norris Application**") against Aimee on June 22, 2016 and obtained and registered a Certificate of Pending Litigation ("**CPL**") against the Ashburn Property on or about June 30, 2016. Thereafter, Salem and Norris obtained an Order of Mr. Justice Glustein dated August 9, 2017, which they also registered against the Ashburn Property (the "**Glustein Order**"). Both the CPL and the Glustein Order were obtained by Salem and Norris after Gary's bankruptcy and without prior notice to the Trustee or the Receiver.
14. By Order of Mr. Justice Hainey dated November 30, 2016, the Norris Application has been transferred to the Commercial List to be dealt with in

conjunction with the receivership and bankruptcies of Compuquest and Gary.

15. Gary and Aimee filed affidavits in response to CIBC's motion to appoint GTL as Receiver of the Ashburn Property.
16. The Receiver filed its Third Report dated January 11, 2017 (the "**Third Report**") supplementary to the Second Report and in response to the affidavits of Gary and Aimee.
17. After cross-examinations of Gary and Aimee on their affidavits, CIBC's motion was heard on January 25, 2017. By Order of Madam Justice Conway, GTL was appointed as Receiver of the Ashburn Property (the "**Ashburn Appointment Order**"). A copy of the Ashburn Appointment Order is attached as **Appendix "6"**.
18. The Receiver actively marketed the Ashburn Property for sale, through a listing agent and with Aimee's cooperation, and entered into an Agreement of Purchase and Sale on May 26, 2017 (the "**Ashburn Sale Agreement**"), which is conditional on court approval.
19. The Receiver seeks court approval of the Ashburn Sale Agreement and a vesting order.
20. The Receiver also seeks to discharge the CPL and the Glustein Order and to dismiss the Norris Application. The determination of the claims by Salem and Norris to an interest in the Ashburn Property is required prior to the completion of the Ashburn Sale Agreement, so as to enable the Receiver to negotiate a resolution of the respective interests of the Receiver, the Trustee and Aimee in the Ashburn Property.
21. On June 8, 2017, prior to completion of the within report, Gary brought a motion for an Order permanently expunging any materials related to fraud and money-laundering charges laid against Gary in 2005, Gary's guilty

plea to money-laundering in 2006 and a conditional discharge and probation order against Gary, as well as for an Order sealing all material filed in respect of Gary's motion. In support of his motion, Gary filed an affidavit addressing, among other things, an earlier 1993 conviction for fraud and a Pardon obtained by Gary in 2007.

22. Gary's motion was scheduled for hearing on an urgent basis. The Receiver filed its Fourth Report as Receiver dated June 9, 2017 responding to Gary's motion. The motion was heard by Madam Justice Conway on June 13, 2017 and dismissed, with costs against Gary.
23. A copy of the Fourth Report (without the appendix) is attached as **Appendix "7"**.
24. A copy of the Endorsement of Madam Justice Conway, together with an unofficial transcription, is attached as **Appendix "8"**.
25. The same defined terms will be used herein as in the First, Second, Third and Fourth Reports, unless otherwise defined.

SCOPE AND TERMS OF REFERENCE

26. In preparing this Fifth Report, the Receiver has relied upon certain unaudited financial information, the Debtors' records, the Debtors' bank statements and supporting records received from its financial institutions and other financial information. While the Receiver has performed a preliminary review of available books and records of Compuquest and 225, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.

27. This Fifth Report has been prepared for the use of this Court and the Debtors' stakeholders for the purpose of obtaining approval of the Ashburn Sale Agreement and to assist the Court in making a determination of the claims by Salem and Norris to an interest in the Ashburn Property. Accordingly, the reader is cautioned that this Fifth Report may not be appropriate for any other purpose. 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 Fifth Report for any other purpose.
28. All references to dollars in this Fifth Report are in Canadian currency unless otherwise noted.

APPROVAL OF THE ASHBURN SALE AGREEMENT

29. Shortly before the Receiver's appointment and Gary's bankruptcy, Gary commissioned a Narrative Appraisal Report of the Ashburn Property from Consolidated Appraisal Services Ltd. (the "**Appraisal**"). The Appraisal was issued on April 18, 2016 with an effective date of April 11, 2016 and estimated the current market value of the Ashburn Property at \$3,700,000.00.
30. The Appraisal estimated the value of the Ashburn Property based on the cost approach at \$3,950,000.00 and based on the direct comparison approach at \$3,700,000.00.
31. The Introduction and Part One of the Appraisal, including the estimated market value, is attached as **Appendix "9"**. A copy of the entire Appraisal with schedules is found at Appendix 9 to the Second Report.
32. The Receiver located in Compuquest's email records an email from Gary to William Ferguson (the appraiser for the Ashburn Property) dated April 12, 2016 advising of the approximate construction costs of the Ashburn Property as follows:

- Cost of 5,800 sq ft home - \$1.4 mil
- Cost of finished basement - \$135k
- Cost of pool - \$65k
- Cost of landscaping - \$55k
- Cost of SUV building – \$135k
- Cost of construction of equestrian barn - \$1.2 mil
- Cost of hay/equipment barn and - \$75k

33. These costs added up to \$3,065,000, not including the land purchase.
34. At the time of the Third Report, the Receiver had already traced \$981,676.87 of Compuquest funds into the construction costs of the Ashburn Property, without considering possible payments that may have been made in 2007 and 2008, cash withdrawals on Compuquest's account by Aimee and Gary, payments from Compuquest's account which may have been funded indirectly through other transactions and Compuquest funds used to maintain the Ashburn Property.
35. Following the Asburn Appointment Order, the Receiver solicited listing proposals from agents. The Receiver received six listing proposals from agents. The Receiver reviewed the proposals, including the proposed listing prices and commission structure and contacted each of the agents who submitted listing proposals.
36. Given the uniqueness of the Ashburn Property, the Receiver's view was that it was important to list the property with an agent who was familiar with horse farms, as well as executive properties. After consulting with Aimee and with Aimee's approval, the Receiver listed the Ashburn Property with Theresa Hoffman of Remax First Realty Ltd. at their recommended list price of \$3,950,000. Attached as **Confidential Appendix "1"** is a copy of a summary of listing proposals received by the Receiver, together with a copy of the Listing Agreement.

37. The Ashburn Property was listed for sale on the multiple listing service for three months, with open houses and many showings. As a result, the Ashburn Property was well exposed to the market. The offers received for the Ashburn Property are summarized in **Confidential Appendix “2”**, together with the Receiver’s analysis of the offers.
38. On or about May 26, 2017, the Receiver entered into the Ashburn Sale Agreement, which is conditional only on court approval. Attached as **Confidential Appendix “3”** is a copy of the Ashburn Sale Agreement.
39. The Receiver recommends approval of the Ashburn Sale Agreement, for the reasons set out in the confidential appendices.
40. The Receiver requests an Order sealing the confidential appendices pending the closing of the Ashburn Sale Agreement.

THE CLAIMS OF SALEM AND NORRIS

- A. Relationship Between Salem/Norris and Compuquest/Gary
41. The issues involving Salem/Norris and Compuquest/Gary are addressed in part in paragraphs 27 – 30 and 45 – 55 and Appendices 15 – 18 and 26 – 30 of the Second Report.
42. On December 31, 2015, Salem/Norris as Lender and Gary/Compuquest as Borrower executed a purported Revolving Line of Credit for financing in the form of cash and computer related equipment up to \$1,500,000.00 (the “**RLOC Agreement**”), to be secured by the following assets:
 - a. Sport Chassis horse trailer
 - b. Pegasus horse trailer
 - c. King Aire luxury motorhome
 - d. Greyawk motorhome

- e. The Silicone Property (Compuquest's head office)
 - f. The Ashburn Property
43. A copy of the RLOC Agreement is attached as **Appendix "10"**.
44. The Receiver has determined from reviewing Compuquest's records that Gary Bodimeade was in the USA on December 31, 2015 and that the RLOC Agreement appears to have been executed by Gary on or about that date.
45. The RLOC Agreement included the following certification: "BORROWER certifies that all assets are part of a marital estate and that BORROWER is 50% owner of said properties and assets."
46. None of the vehicles listed in the RLOC Agreement were in fact owned by either Gary or Aimee. All of the vehicles were leased and paid for by Compuquest. The Silicon Property was owned by 225 and mortgaged to CIBC. Title to the Ashburn Property was in Aimee's name.
47. Almost immediately after Salem and Gary executed the RLOC Agreement, Salem begin writing to Aimee asking her to execute the RLOC Agreement. Copies of emails from Salem to Aimee dated January 5, 2016, January 11, 2016, January 19, 2016, January 29, 2016 and February 3, 2016 are attached as **Appendix "11"**.
48. Aimee eventually executed a revised version of the RLOC Agreement on March 3, 2016. This will be addressed further below.
49. Although the RLOC Agreement stated that the revolving line of credit facilities had been in place since January 2011, the Receiver has found no evidence supporting the existence of a revolving line of credit facility prior to December 31, 2015 and no evidence that Norris supplied product to Compuquest prior to approximately January 2014.

50. Pursuant to an Order of Mr. Justice Hainey dated February 21, 2017, the Receiver examined Gary on February 22, 2017 in connection with issues related to the receivership and bankruptcy of Compuquest, Gary's personal bankruptcy, the receivership of the Ashburn Property and the Norris Application.
51. On his examination, Gary testified that:
 - a. Up until 2013, 95% of Compuquest's product was supplied by Hewlett Packard Financial ("HP");
 - b. Compuquest received "pretty much every off-lease desktop that came from HP";
 - c. In September 2013, Gary's contact at HP was let go: "There was accusations that he was being paid off to do certain business";
 - d. As a result, Compuquest lost the HP business in January 2014;
 - e. Gary approached Norris and another company (Sunterra) in early 2014 to ask if they could obtain product from HP and supply it to Compuquest in exchange for a percentage of the profit;
 - f. Gary introduced HP and Sunterra to Norrisas potential customers for their product, without telling HP that the product would be supplied to Compuquest;
 - g. Starting in 2014, Norris supplied HP product to Compuquest that Compuquest used to get directly from HP;
 - h. After Gary and Aimee separated, Gary and Dean decided to formalize the relationship with a written agreement.

52. Through its investigations, the Receiver has obtained substantial evidence that:
- a. Salem was aware of Compuquest's financial difficulties at the time of the RLOC Agreement;
 - b. Salem and Gary were not dealing at arm's length;
 - c. Salem was actively coaching Gary on how to deal with CIBC;
 - d. Compuquest and Gary made significant preferential payments to Salem and Norris at a time when Compuquest and Gary were both insolvent.
53. The Receiver has found evidence through Compuquest's email and banking records that Salem, Norris and Gary (Compuquest) were involved in circular chequing-writing activities using Compuquest's US dollar account at CIBC and bank accounts held by Salem at two different US financial institutions, Community Trust Bank ("**CTB**") and Branch Banking and Trust Company ("**BB&T**").
54. For example, the following is a series of transactions identified by the Receiver for the period from February 5, 2016 through February 22, 2016:
- a. February 5, 2016 – Compuquest deposits cheque #1199 (BB&T) in the amount of US \$280,000 from Salem
 - b. February 5, 2016 – Salem cashes cheque #2956 in the amount of US \$256,000 from Compuquest
 - c. February 10, 2016 – Compuquest deposits a cheque (either BB&T or CTB) in the amount of US \$195,000 from Salem
 - d. February 10, 2016 – Salem cashes cheque #2957 in the amount of US \$200,000 from Compuquest

- e. February 17, 2016 – Compuquest deposits a second cheque in the amount of US \$195,000 (either BB&T or CTB) from Salem
 - f. February 17, 2016 – Compuquest wires funds in the amounts of US \$175,000 and US \$20,100 to Norris
 - g. February 22, 2016 – Compuquest deposits cheque #1201 (BB&T) in the amount of US \$250,000 from Salem
 - h. February 22, 2016 - Debit memo of US \$248,000 (recipient unknown)
 - i. February 22, 2016 – payment is stopped on one of the US \$195,000 cheques, putting the account into temporary overdraft (US \$185,114.97)
55. Copies of various emails, sample cheques and bank account records are attached as **Appendix “12”**.
56. As reflected in the emails and cheques, there were two sets of handwriting on the Salem cheques. Gary admitted on his examination that the cheques written by Salem were signed by Salem and made payable to Compuquest and that Gary filled in the dates and amounts. Gary advised Salem by email when the cheques were filled out and deposited.
57. As reflected in the affidavit of Douglas Maclaine (“**Maclaine**”) of CIBC’s Special Loans Department (“**Special Loans**”) dated April 28, 2016 in support of GTL’s appointment as Receiver of Compuquest and 225:
- a. By letter dated February 11, 2016, CIBC expressed concerns regarding Compuquest’s financial performance;
 - b. CIBC’s systems alerted CIBC’s Fraud, Loss Prevention & Investigations department of unusual activity in Compuquest’s

accounts, including in particular the circular transactions with Salem;

- c. Compuquest's accounts were transferred to Special Loans on February 25, 2016;
 - d. On February 25, 2016, Maclaine instructed the branch holding Compuquest's accounts to place a "hold all" policy on cheques;
 - e. On February 29, 2016, Maclaine and other CIBC staff met with Gary at Compuquest's premises and delivered a letter advising of the transfer to Special Loans and requesting the appointment of GTL to review Compuquest's records;
 - f. Thereafter, Maclaine was involved in numerous communications with Gary and his counsel, where Gary requested more time to consider the Debtors' options;
 - g. CIBC made formal demand on its loans on March 24, 2016;
 - h. Gary finally consented to GTL's appointment on April 12, 2016;
 - i. Thereafter, Gary delayed in responding to GTL's information requests.
58. A copy of Maclaine's affidavit (without the exhibits) is attached as **Appendix "13"**.
59. The Receiver has obtained an email from Compuquest's electronic records showing that on February 25, 2016, the same day the Debtors' accounts were transferred to Special Loans, Gary wrote to Salem enclosing a photograph of a cheque in the amount of US \$125,000.00 and stating:

This is the check you will need to put a stop on. I just got off the line with my bank, based on the overdrafts and the few checks that were stopped they have put me on a 21 day hold for any US deposits. Give me a buzz when you get a second as I have a resolution the email records

60. A copy of this email and cheque are attached as **Appendix “14”**.
61. The Receiver has obtained evidence through its investigation that Salem was coaching Gary on how to deal with CIBC and that Salem was drafting Gary’s correspondence to CIBC. For example, attached as **Appendix “15”** are copies of emails that Salem drafted for Gary to send to CIBC on March 3, 2016 and March 21, 2016.
62. During the time period when Salem was assisting Gary in his communications with CIBC, Gary and Compuquest were selling assets leased by Compuquest such as trailers and motorhomes and the sale proceeds were being paid to Norris.
63. Attached as **Appendix “16”** is an email from Salem to Gary dated March 5, 2016 listing assets to be sold by Gary/Compuquest and paid to Norris.
64. Attached as **Appendix “17”** is an email exchange between Salem and Gary on March 10, 2016 concerning Gary’s intentions to sell the King Aire motorhome referenced in the RLOC Agreement and pay the proceeds to Salem/Norris.
65. As discussed in paragraphs 51-54 of the Second Report, Gary in fact sold the King Aire motorhome, which was leased and paid for by Compuquest, and diverted the net equity of US \$255,881.77 to a newly opened bank account at The Toronto-Dominion Bank. US \$253,000 of the proceeds were thereafter wired to Norris.

- B. CQ2K Computer Sales Inc. o/a Phase5 IT Solutions
66. On November 1, 2013, Compuquest registered “CQ2K” as a business name.
67. On May 5, 2016, the day after CIBC issued bankruptcy applications against Compuquest and Gary personally, a company called CQ2K Computer Sales Inc. (“**CQ2K**”) was incorporated. The officers and directors of this company are shown as Bradley Austin Fisher and Michele Jessica Fisher. On May 24, 2016, CQ2K registered the business name “Phase5 IT Solutions”. The Corporate Profile Report and Business Names List are attached as **Appendix “18”**.
68. CQ2K appears to be operated by Gary and to be a continuation of Compuquest’s business. Among other things,
- a. Gary is employed by CQ2K;
 - b. Compuquest’s other former key employees are employed by CQ2K;
 - c. The Phase5 IT Solutions’ website states:

Phase 5 IT Solutions was founded by a management team with over 60 years combined experience in the IT field. Our sales staff has sold over 400 million dollars in gross revenue in the combined 40 years of selling history. We consist of top notch employees who focus on your IT needs and specific requirements. We pride ourselves in customer satisfaction that is unmatched by any competitor, with a market sensitive staff that will fill your needs with cost effective equipment at competitive rates and quality.
 - d. CQ2K is leasing some of the same vehicles that were leased by Compuquest;
 - e. Gary admitted on his examination that Norris is supplying product to CQ2K.

69. The Receiver has requested information from Salem/Norris as to their relationship with CQ2K. To date, no such information has been provided.

C. The Salem/Norris Proofs of Claim

70. According to the Accounts Receivable and Accounts Payable reports as at December 31, 2015 which Gary provided to the Interim Receiver, Norris owed Compuquest \$353,901.00 and Compuquest owed Norris \$189,058.00 as at December 31, 2015. Copies of these reports are attached as **Appendix “19”**.

71. Gary did not list either Salem or Norris as creditors in his personal sworn Statement of Affairs, a copy of which is attached as **Appendix “20”**.

72. On July 29, 2016, Salem filed unsecured proofs of claim with the Trustee on behalf of himself and Norris in each of Compuquest’s and Gary’s bankruptcies. Copies of the proofs of claim are attached as **Appendix “21”**.

73. The combined proofs of claim by Salem and Norris totalled US \$803,585.49, comprised of a claim by Salem personally in the sum of US \$106,200.00 and a claim by Norris in the sum of US \$697,385.49.

74. In contrast to the account receivable from Norris reflected in Compuquest’s records as of December 31, 2015, the schedule attached to the Salem/Norris proofs of claim indicated that as of that date, Compuquest owed US \$991,297.35 to Norris.

75. By email dated July 29, 2016, Salem was advised that the proofs of claim were incomplete and that he would need to supply copies of all the advances he made and payments received, along with copies of all the invoices, shipping documents etc. to show what was supplied/sold by Norris to Gary/Compuquest. An email chain between Salem and GTL is attached as **Appendix “22”**.

76. As the schedule of shipments by Norris reflected a zero balance on March 13, 2015, the Trustee requested supporting documents for all shipments made after March 13, 2015.
77. Salem provided an Excel spreadsheet with pdf documents embedded in the spreadsheet for the transactions after March 13, 2015. The supporting documents consisted almost entirely of unsigned Bills of Lading showing HP Financial Services as shipper and Norris as “consignee” and unsigned Sales Orders prepared by Norris.
78. The schedule of alleged sales/shipments of product from Norris to Compuquest reflected total shipments from Norris between January 4, 2016 and March 22, 2016 of US \$1,487,922.68. The pdf documents embedded in the spreadsheet did not provide any proof of delivery that products were actually shipped to Compuquest.
79. In contrast to the alleged shipment by Norris of substantial product to Compuquest after January 1, 2016, the Receiver found little evidence that Compuquest was actively carrying on business during this time frame and there was virtually no inventory or accounts receivable on hand at the time of the Receiver’s appointment.
80. Salem took the position that he required access to Compuquest’s records in order to obtain evidence supporting the shipment of products to Compuquest. Salem’s counsel advised that the documents he required were stored in the office of Chaminda Malwatta (“**Malwatta**”), a former Compuquest employee, who now works for CQ2K. In response, the Receiver provided an inventory of Compuquest’s records. Copies of the emails and the inventory listing are attached as **Appendix “23”**.
81. Salem asked to review the contents of six boxes of records selected by him from the inventory listing. The Receiver arranged for Salem to attend

at the Receiver's office on January 24, 2017. Salem was accompanied by Malwatta.

82. The Receiver provided copies of all documents selected by Salem from his review of Compuquest's records.
83. The 2016 documents which Salem flagged from Compuquest's records are attached as **Appendix "24"**. The documents do not match the schedule attached to Norris's proofs of claim and do not evidence the shipment of product alleged in the schedule.
84. On February 24, 2017, the Receiver's counsel advised counsel for Salem and Norris that the documents flagged from Compuquest's files do not contain proof of delivery of products to Compuquest in 2016 and advised, among other things, that:
 - a. The Receiver had been unable to find meaningful inventory or accounts receivable on its appointment;
 - b. Salem/Norris are at best unsecured creditors of Gary and Compuquest;
 - c. The evidence is clear that Aimee signed the RLOC Agreement on the express understanding and representation that it would only apply to Gary's share of the Ashburn Property
 - d. The Norris Application and the CPL and Glustein Order were obtained in violation of the stay of proceedings under section 69.3 of the BIA.
85. Counsel for Salem/Norris disagreed with these positions.
86. By email dated April 17, 2017, the Receiver's counsel advised that the Receiver would be moving to discharge the CPL and Glustein Order and

advised of the basis for this motion and the evidence the Receiver would be relying upon.

87. On April 24, 2017, the Receiver's counsel requested the following information before completing the Receiver's report compiling the evidence described in the email exchanges:
 - a. Any additional documents supporting the shipping of product in 2016;
 - b. Particulars of Norris's relationship with CQ2K.
88. The Receiver followed up on May 15, 2017, at which time counsel for Salem/Norris advised that they were preparing the documentation for 2016 but that it was taking some time.
89. On May 19, 2017, counsel for Salem and Norris advised that he had been provided with the documentation for the 2016 transactions but that the documents would be redacted. No documents were provided.
90. On June 3, 2017, the Receiver's counsel followed up, requesting any further documents on which Salem or Norris wished to rely by the close of business on June 6, 2017, failing which the Receiver would finalize its report on the basis that there was no evidence supporting the 2016 shipments.
91. On June 6, 2017, counsel for Salem and Norris provided a further spreadsheet with additional embedded pdf documents.
92. Following receipt and review of these documents, the Receiver's counsel provided a number of questions about the documents. Salem answered the questions on June 7, 2017. Among other things, Salem advised:
 - a. For the last few months of business, Gary may not have provided Purchase Orders;

- b. 90% of the shipments were “blind shipments” where one or more parties do not know who the shipper or receiver is;
 - c. Salem has other proof of the deliveries but has chosen not to provide it.
- 93. Attached as **Appendix “25”** is a series of emails reflecting the above communications, commencing on February 24, 2017 and continuing through June 7, 2017.
- 94. Attached as **Appendix “26”** is a copy of the spreadsheet provided on June 6, 2017, together with sample copies of the embedded pdf documents.
- 95. The sample documents are in respect of an alleged shipment of US \$228,000 worth of off-lease computers on March 11, 2016. As reflected in the attachments, there is a discrepancy in the quantum of product shipped (1816 v. 1450 PC’s). In addition, the invoice from Norris to Compuquest which was used for customs purposes is in the amount of US \$42,500, rather than \$228,000.
- 96. To date, Norris has failed to provide satisfactory evidence supporting its claim for the supply of product to Compuquest. If Norris was in fact shipping product to Compuquest in 2016, the Receiver has been unable to account for the whereabouts of the product or the proceeds from the sale of the product.
- 97. In any event:
 - a. Norris is at best only an unsecured creditor of Compuquest, subordinate in priority to the claims of secured creditors;
 - b. The indebtedness allegedly owing by Compuquest to Norris declined after Gary signed the RLOC Agreement on December 31, 2015;

- c. Payments to Salem and Norris after December 31, 2015 are subject to potential claims by the Trustee under the BIA;
 - d. Unless Aimee personally guaranteed Salem's and Norris's debt, the interests of Salem and Norris are at best as unsecured creditors in Gary's bankruptcy estate.
- D. The RLOC Agreement Executed by Aimee
98. As stated in the Second Report, Aimee executed a modified RLOC Agreement on March 3, 2016. The RLOC Agreement was modified in a number of material respects:
- a. The reference to the King Aire was crossed out;
 - b. The words "both personally and" were crossed out of the sentence "BORROWER guarantees this RLOC both personally and with all business inventory and assets owned by Compuquest 2000";
99. By email dated March 3, 2016 at 5:24 p.m. Aimee's lawyer, Andrea Robertson ("**Robertson**") wrote to Gary's lawyer, Gary Stern, advising of the changes and requesting confirmation of the following:
- Please confirm in writing that the one million dollars leverged on the home is from Gary's share only and not Aimee's share; and that the proceeds of sale of the King Aire will be divided equally between the parties. I will then forward the signed copy of the RLOC Agreement.
100. Subsequent to issuing the Second Report, the Receiver found in Compuquest's email records a letter sent by Robertson to Gary Stern earlier in the day on March 3, 2016, in which she stated, among other things:
- 1. The Promissory Note states that the proceeds of sale of the assets will be paid to the line of credit. This is not the agreement of the parties. They have agreed that the proceeds

of sale of the King Aire RV will be shared equally between the two of them. Aimee will not agree to the sale of the King Aire if the proceeds are not divided between them equally.

2. The Promissory Note limits the collateral of the home to one million dollars but does not specify that this is from Gary's share of the home, and that Aimee's share of the home will not be used as collateral.
 3. Aimee's liability under the Promissory Note shall be limited to the assets specifically listed as collateral in the Promissory Note, and the inventory and assets of Compuquest 2000.
101. This letter was sent by email to Gary Stern at 2:41 p.m. and forwarded to Gary at 2:47 p.m. Gary in turn forwarded the letter to Salem at 3:11 p.m. with the message: "Please see attached. I will call you in a few minutes to discuss"
 102. In addition, the Receiver has located a copy of Robertson's March 3, 2016 email which is signed by Gary, with the notation: "I confirm the above".
 103. Copies of the RLOC Agreement signed by Aimee, together with the letter and emails described above, are attached as **Appendix "27"**.
 104. Gary was examined at length about these issues, including the basis on which Aimee signed the RLOC Agreement. Among other things, Gary admitted that:
 - a. He agreed to Aimee's conditions;
 - b. The letter was very explicit that the collateral would be limited to Gary's share of the Ashburn Property;
 - c. Salem was aware of this;
 - d. Gary signed back the confirmation agreeing to these terms.
 105. This testimony is at questions 966 – 1008 of Gary's examination.

E. The Norris Application

106. As stated in the Second Report, on February 4, 2016, Gary registered his spousal interest on title to the Ashburn Property.
107. On June 1, 2016, the Trustee registered the Bankruptcy Order on title to the Ashburn Property.
108. On June 22, 2016, Salem and Norris issued the Norris Application against Aimee alone seeking, among other things, a declaration that Salem and Norris have an interest in the Ashburn Property pursuant to the RLOC Agreement, as executed by Gary on December 31, 2015, and the modified RLOC Agreement executed by Aimee on March 3, 2016.
109. Attached as **Appendix “28”** is an affidavit (without the exhibits) sworn by Salem on June 23, 2016 in support of an *ex parte* order for leave to issue a CPL against the Ashburn Property. Salem’s affidavit contained no disclosure of, among other things:
 - a. The transfer of Compuquest’s accounts to CIBC’s Special Loans department on February 25, 2016;
 - b. Salem’s knowledge as of March 3, 2016 that his circular cheque transactions with Compuquest had been flagged by CIBC’s fraud group;
 - c. The fact that Salem was assisting Gary in drafting his communications to CIBC;
 - d. Robertson’s letter and emails dated March 3, 2016 setting out explicit conditions on which Aimee would sign the modified RLOC Agreement;
 - e. The fact that Aimee would not be personally liable under the modified RLOC Agreement;

- f. The fact that the proposed mortgage against the Ashburn Property was only to be in respect of Gary's interest in the Ashburn Property;
 - g. The fact that the Trustee had registered the Bankruptcy Order on title to the Ashburn Property.
- 110. Salem and Norris obtained and registered the CPL against title to the Ashburn Property on June 30, 2016.
- 111. Neither the Receiver nor the Trustee were served with the Norris Application or any other materials in advance of the registration of the CPL, despite the fact that the Trustee had a registered interest in the Ashburn Property.
- 112. On August 9, 2016, Salem and Norris obtained the Glustein Order, which they also registered on title to the Ashburn Property. Salem and Norris obtained the Glustein Order without notice to the Trustee and without disclosing the information referred to herein.
- 113. Attached as **Appendix "29"** are copies of the Order granting leave to register the CPL, the CPL and the Glustein Order, as well as the title search included in the Second Report.
- 114. Following the appointment of GTL as Receiver of the Ashburn Property, the Norris Application was formally transferred to the Commercial List and now bears Court File No. CV-17-11698-00CL.
- 115. The Receiver seeks an Order discharging the CPL and the Glustein Order from title to the Ashburn Property and dismissing the Norris Application for the following reasons:
 - a. Salem has failed to provide satisfactory proof that he made *bona fide* arm's length advances of funds to Compuquest;

- b. Salem/Norris have failed to provide satisfactory proof that they supplied product to Compuquest after December 31, 2015 as the majority of alleged shipments, if any, were “blind shipments”, with no proof of delivery;
- c. Salem was fully aware that the modified RLOC Agreement signed by Aimee was only in respect of Gary’s interest in the Ashburn Property;
- d. Gary’s interest in the Ashburn Property vested in the Trustee on Gary’s bankruptcy;
- e. Salem and Norris are not secured creditors of either Compuquest or Gary;
- f. The alleged interests of Salem and Norris in the Ashburn Property are subordinate to the interests of the Receiver and the Trustee;
- g. Salem and Norris did not make full disclosure on their *ex parte* applications for the CPL and the Glustein Order.

CONCLUSION

116. The Receiver recommends approval of the Ashburn Sale Agreement.

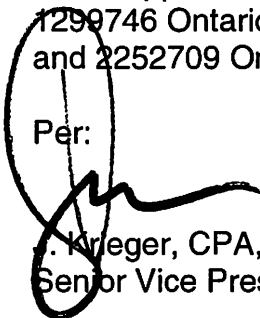
117. The Receiver seeks an Order discharging the CPL and the Glustein Order and dismissing the Norris Application.

All of which is respectfully submitted to the Court.

GRANT THORNTON LIMITED,

Court-Appointed Receiver of
1299746 Ontario Inc. o/a Compuquest2000
and 2252709 Ontario Inc.

Per:



J. Krieger, CPA, CA, CIRP, LIT
Senior Vice President

#2813362 v2 | 4099972

B E T W E E N

CANADIAN IMPERIAL BANK OF COMMERCE

-and-

1299746 ONTARIO INC. o/a COMPUQUEST2000, et al.

Applicant

Respondents

Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

FIFTH REPORT OF THE RECEIVER

MINDEN GROSS LLP

Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Catherine Francis (LSUC# 26900N)

cfrancis@mindengross.com

Tel: 416-369-4137

Fax: 416-864-9223

Lawyers for Receiver, Grant Thornton Limited

Court File No. CV-16-11369-00CL

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

BETWEEN:

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

**1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.**

Respondents

AFFIDAVIT OF AIMEE BODIMEADE

DATED JUNE 20, 2017

I, AIMEE LYNN BODIMEADE of the Regional Municipality of DURHAM, Province of ONTARIO, MAKE OATH AND SAY:

1. I am the registered owner of the property municipally known as 7472 Ashburn Road, Whitby, Ontario ("the Ashburn Property"), and as such have an interest in the within application.
2. Gary Bodimeade is my spouse ("Gary"). We were married on July 26, 1997 and are currently separated. Gary is not currently residing in the Ashburn Property, however neither of us has commenced matrimonial proceedings in court and we do not have any domestic contracts as defined by the Family Law Act.

3. I took title to the Ashburn Property on September 28, 2007. I insisted that title to the Ashburn Property be registered in my name. After Gary was charged with fraud, I felt that I had to protect my children and myself from further financial instability with Gary.
4. I was not involved in the day to day operations of Compuquest. I visited the office and warehouse very infrequently, and knew only what Gary told me about the business.
5. I have been out of the workforce since our first child, Nicholas was born, in 1999. I stayed at home and raised our children, and tended to our horses, livestock and the property.
6. On January 5, 2016, I received an email from Dean Salem, introducing himself to me and telling me that if I didn't sign a revolving line of credit agreement, he would no longer be able to supply product to Compuquest. I had not met Dean Salem before. Mr. Salem sent additional emails to me on January 11, 2016 and January 29, 2016, making the same demands. The email chain is attached as Exhibit A.
7. On February 3, 2016, Mr. Salem sent me another email. In his email, Mr. Salem stated "I have already sold Compuquest's orders for February to date (\$630,000 in revenue) to other customers. I will not do business with Compuquest until the line is paid off – currently \$857,927.40. When the line is paid off, Compuquest's account will be on a COB basis for all future transactions." The email is attached as Exhibit B.
8. On February 11, 2016, Gary and I attended mediation to deal with the issues arising from our separation. At the mediation, I agreed that I would sign the Revolving Line of Credit Agreement ("RLOC Agreement"), on the basis that I would not personally guarantee the line of credit. My liability would be limited to the assets set out in the RLOC Agreement. We also agreed that the liability on the matrimonial home would be limited to \$1,000,000 CDN from Gary's share of the home.

9. Through February, 2016, Gary was putting a lot of pressure on me to sign the RLOC Agreement in order to “save” Compuquest.
10. On March 3, 2016, my lawyer wrote to Gary’s lawyer requesting changes to the RLOC Agreement. The changes were set out in her letter dated March 3, 2016 and attached as Exhibit C.
11. My lawyer also sent correspondence by email setting out the changes made to the RLOC Agreement. Gary signed and returned the email stating “I confirm the above.” The email is attached as Exhibit D.
12. The RLOC Agreement is attached as Exhibit E. The words “both personally and” were struck from the RLOC Agreement, as I did not agree to be personally liable for the line of credit.
13. The King Aire RV was struck from the RLOC Agreement because it had already been sold and Gary and I had agreed that the proceeds of sale would be divided evenly between us. Despite this agreement, Gary paid the proceeds of sale to Dean Salem, in the amount of approximately \$253,000 USD.
14. In the email of March 3, 2016, Gary confirmed that the one million dollars leveraged on the home was from Gary’s share only and not my share.
15. After I signed the RLOC Agreement, it became clear to me that Gary and Dean Salem did not have a normal business relationship.
16. In April, 2016, my son Nicholas told me that he had tried to pay for gas for his Jeep but his American Express card didn’t work. I asked Gary about it, and asked him when Nicholas could use the card again, and Gary said “probably never, because Dean won’t pay it.” When I asked why Dean would pay Gary’s personal American Express, Gary told me that Dean would charge the American Express card, and then Dean would either pay

Gary to pay it off, or Dean would pay it off directly, and then Dean would charge the card close to its limit again. The credit limit on the American Express account was \$500,000.

17. Shortly after that, our next door neighbour, Lydia Hartley, who is a real estate agent, told me and I verily believe, that Gary asked her if I would be able to sell the house if he could find a way to put a million dollar lien on the house. Lydia told him that she didn't think I would be able to sell the house in that circumstance.
18. On April 15, 2016, Gary's lawyer, Gary Stern, wrote to my lawyer and stated: "the house has been valued at \$3.2 million with a \$978,000 mortgage. Your client's share from a sale of the matrimonial home would be approximately \$1 million. With those funds secure for your client, my client would like to sell the small RV and truck that go with it." It was clear that Gary agreed that the collateral on the RLOC Agreement was over his share of the home only. The letter is attached as Exhibit F.
19. On May 11, 2016, I received an email from Gary requesting that I agree to register the RLOC on title. Gary referred to the collateral as "\$1 million of my equity", acknowledging that the agreement was over his equity in the home only. The email is attached as Exhibit G.
20. In early July, 2016, Gary spoke to the children about meeting Dean Salem. He wanted the children to meet the man who was going to, in his words, "save our family".
21. In August, I met with Gary and Dean Salem. Gary told me that Dean Salem wanted to help us find a resolution to the property issues. Dean suggested a plan whereby Gary would move out of the home, and Dean would cover the costs of the home until the bankruptcy was discharged. But Gary wouldn't agree to move out of the home, so I started looking at options to move out.

22. With Dean's offer of assistance in mind, I looked for homes so I could move out and Gary could remain in the home. I found a home that I could purchase for \$1.2 million. Dean proposed a plan whereby he would lend me \$800,000 - \$700,000 to put down on the home, and \$100,000 to pay for expenses. I would borrow the remaining \$500,000 from a bank. He would then pay me \$200,000 over the next two years, and Gary would take over these payments as support once his bankruptcy was discharged. In exchange for this, I would register encumbrances on the Ashburn Property in favour of Dean, for \$2 million.
23. Between August 30, 2016 and September 1, 2016, I communicated with Dean Salem about his proposals. He referred to himself as a "benefactor who is willing to help you financially shoulder this burden until we can get the most advantageous time to cash you out of your property". The email chain is attached as Exhibit H.
24. I signed the RLOC Agreement specifically on the basis that it was only over the collateral shown in the agreement, and that the \$1 million collateral on the Ashburn Property was over Gary's share of the property only.
25. I intentionally struck the words "both personally and" from the RLOC Agreement, because I didn't agree to be personally responsible for any debt Compuquest owed to Dean Salem or Norris Technologies.
26. Since the email from Dean Salem dated February 3, 2016, in which he states that all further product will be shipped COD, Compuquest paid to Dean Salem and Norris Technologies sufficient funds to cover any debt that may have been owed by Compuquest, including the proceeds of the King Aire RV.
27. I make this Affidavit in support of the motion to have the Application of Dean Salem and Norris Technologies dismissed, and for no other or improper purpose.

Sworn before me at the Town of Uxbridge
in the Regional Municipality of
Durham, on June 20, 2017.



Commissioner for Taking Affidavits



AIMEE LYNN BODIMEADE

Grant Thornton Limited
11th Floor, 200 King Street West, Box 11
Toronto ON M5H 3T4
Phone: (416) 366-0100 Fax: (416) 360-4948

District of: Ontario
Division No. 09 - Toronto
Court No. 31-2128393
Estate No. 31-2128393

- 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
Gary Wayne Bodimeade
of the Town of Brooklin, in the Province of Ontario

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

Norris Technologies LLC, Attn: Dean Salem, 751 Fox Ridge Ln, Caryville, TN 37714

In the matter of the bankruptcy of Gary Wayne Bodimeade of the Town of Brooklin in the Province of Ontario and the claim of
Norris Technologies, LLC, creditor.

I, Dean Salem (name of creditor or representative of the creditor), of the city of Caryville in the
province of TN, USA, do hereby certify:

1. That I am a creditor of the above named debtor (or I am President (position/title) of Norris Technologies, LLC
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 25th day of May 2016, and still is, indebted to the creditor in the sum of
US\$ 803,585.49, 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.)

Compuquest 2000 and Mr. Gary Bodimeade
(personally) did guarantee the debt with his marital
assets including his interest in the marital estate.

4. (Check and complete appropriate category.)

☒ A. UNSECURED CLAIM OF \$ US\$803,585.49

(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 \$ US\$803,585.49

That in respect of this debt, I hold assets of the debtor valued at \$ 3,450,000 as security, particulars of which are as follows: See Schedule "A"
(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.)

FORM 31 — Concluded

- ☐ 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 282 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 not (am/am not) (or the above-named creditor is not (is/is not)) related to the debtor within the meaning of section 4 of the Act, and has not (have/have 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 Caryville, TN this 29 day of July, 2016

[Signature]
Witness

[Signature]

Creditor
Phone Number: 214-697-7638
Fax Number: 615-250-7937
E-mail Address: dean@norris1.com

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.

Schedule "A"

The particulars of the security held are as follows:

A mortgage over the property municipally known as 7472 Ashburn Rd., Whitby Ontario, L1M2E8 (the "Property"), in the amount of \$1,500,000 to secure a revolving line of credit established in January 2011, and for which a written agreement was prepared and executed by Gary Bodimeade on December 31, 2015, and by Aimee Bodimeade on March 3, 2016. The Property has an estimated value of \$3,450,00, and the current balance on the revolving line of credit is \$803,585.49USD.

Grant Thornton Limited
11th Floor, 200 King Street West, Box 11
Toronto ON M5H 3T4
Phone: (416) 366-0100 Fax: (416) 360-4948

District of: Ontario
Division No. 09 - Toronto
Court No. 31-2128389
Estate No. 31-2128389

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
1299746 ONTARIO INC.
of the City of Pickering, in the Province of Ontario

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

Norris Technologies LLC, Attn: Dean Salem, 751 Fox Ridge Ln, Caryville, TN 37714

In the matter of the bankruptcy of 1299746 ONTARIO INC, of the City of Pickering in the Province of Ontario and the claim of
Norris Technologies, LLC, creditor.

I, Dean Salem (name of creditor or representative of the creditor), of the city of Caryville in the
province of TN, USA, do hereby certify:

1. That I am a creditor of the above named debtor (or I am President (position/title) of Norris Technologies, LLC
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 25th day of May 2016, and still is, indebted to the creditor in the sum of
US\$ 803,585.49 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 \$ US\$803,585.49~~
(other than as a customer contemplated by Section 262 of the Act)

Compuquest 2000 and Mr. Gary Bodimeade
(personally) did guarantee the debt with his marital
assets including his interest in the marital estate.

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 \$ US\$803,585.49

That in respect of this debt, I hold assets of the debtor valued at \$ 3,450,000 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.)

FORM 31 — Concluded

- ☐ 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 not (am/am not) (or the above-named creditor is not (is/is not)) related to the debtor within the meaning of section 4 of the Act, and has not (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 Caryville, TN, this 29 day of July, 2016

Mark Carl
Witness

amended 23 June 2017
Dean Sale

Creditor
Phone Number: 214-697-7838
Fax Number: 615-250-7937
E-mail Address: dean@norris1.com

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.

Schedule "A"

The particulars of the security held are as follows:

A mortgage over the property municipally known as 7472 Ashburn Rd., Whitby Ontario, L1M2E8 (the "Property"), in the amount of \$1,500,000 to secure a revolving line of credit established in January 2011, and for which a written agreement was prepared and executed by Gary Bodimeade on December 31, 2015, and by Aimee Bodimeade on March 3, 2016. The Property has an estimated value of \$3,450,00, and the current balance on the revolving line of credit is \$803,585.49USD.

Court File No. CV-16-11369-00CL

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

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.

Respondent

SIXTH REPORT OF THE RECEIVER

July 6, 2017



Grant Thornton Limited
Receiver of the Respondents

200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4

Tab 57

TABLE OF CONTENTS

INTRODUCTION AND BACKGROUND	1
SCOPE AND TERMS OF REFERENCE	1
ASSIGNMENT OF THE ASHBURN SALE AGREEMENT	2
THE LIEN CLAIM.....	2
THE CLAIMS OF SALEM AND NORRIS.....	4
POSSESSION	5

APPENDICES

Appendix “1” – Assignment of Ashburn Purchase Agreement

Appendix “2” – Parcel Register for the Ashburn Property

Appendix “3” – Email chain related to construction lien

Appendix “4” – Cheque paid to Joel S. Moldaver

Appendix “5” – Amended Proofs of Claim

INTRODUCTION AND BACKGROUND

1. This report (the “**Sixth Report**”) is being filed by Grant Thornton Limited (“**GTL**”) in its capacity as the receiver (in such capacity, the “**Receiver**”) of 1299746 Ontario Inc. o/a Compuquest2000 (“**Compuquest**”) and 2252709 Ontario Inc. (“**225**”) (together, the “**Debtors**”) and as Receiver of a real property at 7472 Ashburn Road, Whitby, Ontario (the “**Ashburn Property**”). The Sixth Report is being filed supplementary to the Receiver’s Fifth Report dated June 19, 2017.
2. The same defined terms will be used herein as in the Fifth Report, unless otherwise defined.

SCOPE AND TERMS OF REFERENCE

3. In preparing this Sixth Report, the Receiver has relied upon certain unaudited financial information, the Debtors’ records, the Debtors’ bank statements and supporting records received from its financial institutions and other financial information. While the Receiver has performed a preliminary review of available books and records of Compuquest and 225, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with GAAP or IFRS. Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.
4. This Sixth Report has been prepared for the use of this Court and the Debtors’ stakeholders for the purpose of obtaining approval of the Ashburn Sale Agreement and ancillary relief and to assist the Court in making a determination of the claims by Salem and Norris to an interest in the Ashburn Property. Accordingly, the reader is cautioned that this Fifth Report may not be appropriate for any other purpose. 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 Fifth Report for any other purpose.

5. All references to dollars in this Fifth Report are in Canadian currency unless otherwise noted.

ASSIGNMENT OF THE ASHBURN SALE AGREEMENT

6. On June 26, 2017, the purchaser under the Ashburn Sale Agreement assigned all its rights and obligations under the Ashburn Sale Agreement to 1977056 Ontario Inc. A copy of the Assignment is attached as **Appendix "1"**.
7. The principal of the purchaser has advised that he is the sole shareholder of both the Assignor and the Assignee and an officer of each.
8. The Receiver seeks a vesting order in favour of the Assignee.

THE LIEN CLAIM

9. The parcel register for the Ashburn Property includes the following registrations:

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM
DR1436575	2015/12/31	CONSTRUCTION LIEN	\$74,615	REED, SCOTT
DR1437193	2016/1/05	CONSTRUCTION LIEN	\$74,615	REED, SCOTT
DR1449635	2016/02/18	CERTIFICATE		REED, SCOTT

10. A copy of the parcel register is attached as Appendix "2".

11. The Receiver's understanding was that the lien claim of Scott Reed ("Reed") had been paid in full.
12. On receipt of the Receiver's Motion Record returnable on July 17, 2017, Reed advised the Receiver's counsel that he was seeking payment of approximately \$30,000 for "interest" on the indebtedness owing to him.
13. As reflected in the Receiver's Second Report, Reed received payments totalling \$106,481.95 as follows:

Date	Payment
Initial Deposit	\$ 21,118.82
February 22, 2016	\$ 26,000.00
March 1, 2016	\$ 59,363.13
Total	\$106,481.95

14. The first two payments were made directly by Compuquest. The final payment of \$59,363.13 was made from the proceeds of the sale of a trailer belonging to Compuquest.
15. The payments exceed the indebtedness owing to Reed by approximately \$10,000.00.
16. Appendix "3" is an email chain provided by Aimee's lawyer reflecting Reed's claim for interest and the dispute over Reed's entitlement to interest.
17. The Receiver has been advised by Aimee's lawyer that she was never served with a Statement of Claim in respect of Reed's lien claim.

18. As reflected in the email chain, Reed was represented by Joel S. Moldaver ("**Moldaver**"). The Receiver has located in Compuquest's bank records at TD Canada Trust a cheque dated April 26, 2016 in the amount of \$554.97 payable to Moldaver. The re line on the cheque is "Bodimeade Discharge". Although the cheque was deposited by Moldaver, the lien was never discharged. Appendix "4" is a copy of the front and back of this cheque.
19. The Receiver seeks a discharge of the Construction Liens and Certificate, as Reed does not hold a valid and enforceable lien over the Ashburn Property.

THE CLAIMS OF SALEM AND NORRIS

20. On June 23, 2017, in response to the Receiver's Motion Record returnable on July 17, 2017, Salem and Norris resubmitted their claims as secured proofs of claim. The security is described in the amended proofs of claim as follows:

A mortgage over the property municipally known as 7472 Ashburn Rd., Whitby Ontario, L1M2E8 (the "Property"), in the amount of \$1,500,000 to secure a revolving line of credit established in January 2011, and for which a written agreement was prepared and executed by Gary Bodiineade on December 31, 2015, and by Aiinee Bodiineade on March 3, 2016. The Property has an estimated value of \$3,450,000, and the current balance on the revolving line of credit is \$803,585.49 USD.

21. Copies of the amended proofs of claim are attached as Appendix "5".
22. On June 27, 2017, Salem/Norris submitted approximately 130 MB of documents to the Receiver's counsel in support of the quantification of their proofs of claim. The Receiver has not yet reviewed these documents.

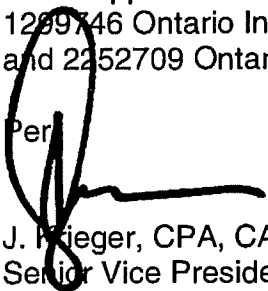
23. The Receiver and Salem/Norris have agreed to submit the issue of the entitlement of Salem/Norris to a mortgage over the Ashburn Property for determination on July 17, 2017.
24. The Receiver is not seeking a determination of the quantum of the proofs of claim at this time.

POSSESSION

25. In order to complete the sale under the Ashburn Sale Agreement, the Receiver is required to deliver vacant possession. The Receiver seeks an Order for possession.

All of which is respectfully submitted to the Court.

GRANT THORNTON LIMITED,
Court-Appointed Receiver of
1289746 Ontario Inc. o/a Compuquest2000
and 2252709 Ontario Inc.

Per 

J. Fieger, CPA, CA, CIRP, LIT
Senior Vice President

#2813362 v2 | 4099972

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.

Respondents

AFFIDAVIT OF AIMEE BODIMEADE
DATED JULY 14, 2017

I, AIMEE LYNN BODIMEADE of the Regional Municipality of DURHAM, Province of ONTARIO, MAKE OATH AND SAY:

1. I am the registered owner of the property municipally known as 7472 Ashburn Road, Whitby, Ontario ("the Ashburn Property"), and as such have an interest in the within motion brought by Canadian Imperial Bank of Commerce and returnable January 25, 2017.
2. Gary Bodimeade is my spouse ("Gary"). We were married on July 26, 1997 and separated in September 2015. Gary is not currently residing in the Ashburn Property, however neither of us has commenced matrimonial proceedings in court and we do not have any domestic contracts as defined by the Family Law Act.
3. There are three children of our marriage: Nicholas who is 18 years old, Jenna who is 16 years old, and Emalee who is 13 years old. All three children reside with me. Nicholas and Jenna visit with Gary occasionally. Emalee doesn't visit Gary at all.

THE ASHBURN PROPERTY

4. I took title to the Ashburn Property on September 28, 2007. The purchase price was \$638,000, which was paid from a first mortgage in favour of The Bank of Nova Scotia in the amount of \$410,000, and a bridge loan from the Bank of Nova Scotia in the amount of \$229,235. The Trust Ledger Statement from the purchase is attached hereto as Exhibit "A".
5. The first mortgage in favour of the Bank of Nova Scotia was registered in the amount of \$638,000.
6. The bridge loan was paid out from the sale of 72 McBeth Place in Brooklin, which sale took place on November 2, 2007. A copy of the Trust Ledger Statement is attached hereto as Exhibit "B".
7. Upon the payout of the bridge loan, the Bank of Nova Scotia extended to me a line of credit in the amount of \$250,000 which was secured under the first mortgage registration. The funds from this line of credit, along with the \$57,802 from the proceeds of sale of 72 McBeth Place, were used for the payment of the renovation expenses.
8. Upon the sale of 72 McBeth Place, we moved into my parents' home while we renovated the Ashburn Property. We lived in my parents' home for two years while we renovated the Ashburn Property. My parents supported us while we lived with them, so that all of our income could go to the renovation of the property.
9. In June 2008, the Bank of Nova Scotia registered a new mortgage in the amount of \$1,350,000 in order to pay for the continued renovations.
10. In April 2009, the bank extended an additional line of credit in the amount of \$250,000. A copy of the Personal Credit Agreement dated April 17, 2009 is attached as Exhibit "C". These funds were used for the continued renovation expenses.

11. In January, 2015, the first mortgage in favour of the Bank of Nova Scotia was paid through an advance from Canadian Imperial Bank of Commerce ("CIBC"), who registered a first mortgage in the amount of \$1,000,000.
12. Contrary to the allegations of CIBC in this motion, the funds used to renovate the Ashburn Property came from the sale of 72 McBeth Place, and funds borrowed against the Ashburn Property, which I continue to repay. Attached hereto as Exhibit "D" are bank statements from CIBC account number 70-12098 held solely by me, showing a mortgage payment of \$2,000 towards the Bank of Nova Scotia mortgage on November 3, 2014, and a mortgage payment of \$1,933.73 towards the CIBC mortgage on February 2, 2017.
13. I am the sole registered owner of the Ashburn Property. Gary does not have any ownership interest in the Ashburn Property. Pursuant to the Divorce Act, either Gary or I could make an application to equalize our net family properties. If my net family property was judged by a court to be higher than Gary's, I would owe Gary a monetary payment, but this would not give him ownership over the Ashburn Property.
14. At the time of our separation in 2015, Gary's net family property was higher than my net family property, which would result in a payment from Gary to me. After our separation, Gary sold many assets, including RRSPs and investments, and depleted the assets of his company. However, in September 2015, Gary's net worth was significantly higher than my net worth.

SALE OF THE ASHBURN PROPERTY

15. I consented to the sale of the Ashburn Property on the basis that the distribution of the sale proceeds would be agreed upon or ordered before the sale transaction was approved.
16. I reside in the Ashburn Property with my three children and my elderly mother. We have five dogs, four cats, nine horses, one cow, four goats and sixteen chickens. The cow, goats and chickens will all be income-producing. Most of the horses are registered to the children. I have inquired about the sale of the horses, or simply giving them away, but I will be unable to get rid of all of them. If I am forced out of my home without alternate accommodation, I will likely have

to give the dogs up to the animal shelter and several of the children's horses will have to be euthanized.

17. There is currently a high demand for farm-raised goat meat. There are also government grants available to me as a new farmer. If the sale is approved and I do not receive any proceeds, and cannot purchase another farm property, I will have to give up any source of income I currently have.
18. The sale of the property would be very difficult for my three children. The children are already struggling with the bankruptcy and the turmoil that has resulted from the bankruptcy. The children are struggling in school and are in danger of losing credits this semester. They are also experiencing psychological and physiological problems that doctors have only been able to attribute to the stress of the family situation. The sale of the home with nowhere else to go would cause irreparable harm to the children. Attached as Exhibit "E" are statements from all three children.
19. My mother has lived with me since shortly after my father left her and moved out of the province. My mother is elderly and does not have anywhere else to live.
20. I have been cooperative and forthcoming with the Receiver since the bankruptcy. I worked long hours every day to keep the house in the best possible condition for the sale. I have provided the Receiver with all information and documentation for which they have asked. The Receiver is now looking to hold all the proceeds of sale in trust for an indefinite period of time, while I have nowhere to live. If the sale is approved but I don't receive any funds from the sale until much later, my children will have been forced to face the loss of, or quite possibly the death of, their dogs and horses, for no reason.
21. I am able to maintain the Ashburn Property until the distribution of the sale proceeds is agreed upon or ordered. Attached as Exhibit "F" is my RRSP statement showing the funds available to me to maintain the home.

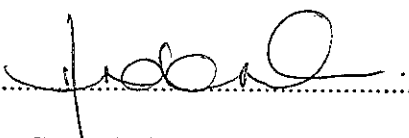
22. I can also earn income from the property in the interim. I currently board two horses, but I have the space to board 8 horses. I could earn income of \$750-\$900 per month per horse by boarding horses. I have not pursued this avenue because the Ashburn Property was listed for sale.
23. I can earn income from the rental of the barn, while keeping my horses in the back barn. The prospective purchaser has already listed the lease of the barn at \$3,300 per month.
24. My house is close to Durham College and UOIT. I could earn \$1,500 per month from the rental of the basement, or I could rent three rooms separately.
25. I also have the support of my father who would lend money to me. During my marriage he loaned \$250,000 to Gary so he could pay out his fraud settlement to the Royal Bank.
26. If necessary, I can bring the mortgage and property taxes up to date, and continue to carry the Ashburn Property until the distribution issues are resolved. I stopped making mortgage payments after our court appearance in January, upon agreement by CIBC that they would not proceed under the mortgage terms and would be paid from the proceeds of sale. If CIBC had not agreed, I would have continued to make the mortgage payments.
27. I have no doubt that I will be able to carry the Ashburn Property and keep it well maintained and in good repair pending the resolution of the issues surrounding the distribution of the proceeds of sale.
28. In the event that the sale of the Ashburn Property is approved, I am asking the Court to make an order for the distribution of the sale proceeds. There is currently \$1 million dollars owing to CIBC on the first mortgage, leaving approximately \$2.3 million dollars after payment of real estate commission, property taxes and legal fees on the sale. I am seeking an order for the distribution to me of 50% of the net proceeds of sale, after payment of the CIBC first mortgage, the real estate commission, legal fees on the sale, and the arrears of property taxes.
29. I am entitled to at least 50% of the net proceeds of sale on the basis that the home is owned solely by me. Gary does not currently have a monetary interest in the home and no one has claimed such an interest.

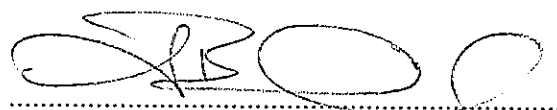
30. At the very least, I should be entitled to the purchase price of the home in 2007, along with the increase in the market value without renovations. Last year, a developer offered to buy the property for \$2.4 million. This was for land value only, as he would have subdivided the land for a residential subdivision.
31. One of the neighbouring properties is listed for sale for \$2.4 million. This is a similar property to my property, before we rebuilt our home. This property is 10 acres, and was similar to ours when we bought it but the owners kept the original home without renovating or rebuilding. The listing is attached hereto as Exhibit "G".
32. CIBC has brought this Application to recover funds under a line of credit extended to Compuquest in 2015. The Ashburn Property was purchased in 2007. CIBC did not require that the Ashburn Property be used as collateral for the line of credit and did not ask me to provide a personal guarantee on the line of credit. They are now seeking to recover the funds from me because I am the easiest target. They have not made claims against monies that were transferred to creditors by Gary in the period leading up to the bankruptcy. They are not making a claim against Gary's current business income, even though he has simply moved the Compuquest operations, with most of the employees, to another location and under another name.
33. If the sale is approved without the distribution of any proceeds to me, I will have nowhere to live. My mother lives with me and my father lives in Newfoundland. It would be unfair and unjust to leave my family homeless while the proceeds of sale of the Ashburn Property, which is owned solely by me, sit in a trust account. There is no reason that the sale of the property should be approved without approval of the distribution of the proceeds of sale. I will be able to carry the property until the distribution is resolved so there is no prejudice to creditors.
34. I have been reasonable and cooperative throughout this process, and have attempted to work with the Receiver. I have found a solution that would re-house my family, including my children, my mother, and all our animals. I have come up with a business plan whereby I would be able to support my family, in the face of the complete absence of child support or spousal support from Gary. I have found a horse farm that I could purchase in Campbellford. There are good schools nearby for Emalee and Jenna to attend, and it is close to Trent University, where Nicholas will be attending school. This would allow him to live at home and ease the financial strain on the family, so he can continue with his education. The property has stables so I could board horses

and teach riding lessons, and could earn enough income to maintain the property and support myself and my children. This would allow the children and me to have a fresh start, which the children desperately need. This plan would require me to receive 50% of the proceeds of sale of the home.

35. My children and I have become victims of Gary's bankruptcy, even more so than Gary himself. Gary has a roof over his head, as he is living with his girlfriend in her home. Gary is continuing to operate the Compuquest business under a slightly different name, and the business somehow barely missed a beat through the bankruptcy and receivership. Gary is continuing to live the lifestyle he lived before his bankruptcy, carrying large amounts of cash, driving expensive vehicles, going out for dinners daily, buying new clothes, and spending money wherever he chooses. The children, my mother and I, on the other hand, are facing the prospect of having nowhere to live, and having to euthanize our pets as we won't have a home for them.
36. The Receiver has taken the position that it cannot deal with the distribution of the proceeds of sale until the issues surrounding the claims by Dean Salem and Norris Technologies have been resolved. If the distribution depends on the resolution of these issues, I am seeking an order that the motion to approve the sale be adjourned until these issues have been determined.
37. I am seeking an order that 50% of the net proceeds of sale of the Ashburn Property be paid to me on the closing of the sale. Alternatively, I am opposing the approval of the sale until the distribution of sale proceeds can be resolved.

Sworn before me at the Town of Uxbridge
in the Regional Municipality of
Durham, on July 14, 2017.


.....
Commissioner for Taking Affidavits


.....
AIMEE LYNN BODIMEADE

Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

(Court Seal)

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

**1299746 ONTARIO INC. o/a COMPUQUEST2000 and 2252709 ONTARIO
INC.**

Respondents

AFFIDAVIT OF DEAN SALEM

I, Dean Salem, of the County of Campbell, in the State of Tennessee in the United States of America, MAKE OATH AND SAY:

1. I am the principal of Norris Technologies, LLC ("**Norris**"), a creditor of the Respondent, 1299746 Ontario Inc. o/a Compuquest2000 ("**Compuquest**"), and its principals, Gary Bodimeade and Aimee Bodimeade. Together with Norris, I am the personal Applicant in the application bearing court file number CV-17-11698-00CL (formerly CV16-555283) and therefore have knowledge of the matters hereinafter deposed. To the extent that I refer to any information that is not within my personal knowledge, I have stated the source of the information and verily believe such information to be true.

The Parties and Players

2. I am an individual ordinarily resident in the County of Campbell, in the State of Tennessee in the United States of America. I am the principal of Norris.

3. Norris is a corporation incorporated pursuant to the laws of the State of Tennessee. Norris carries on as an asset management company specializing in redeployment, remarketing and retirement of personal computers, laptops and workstations.

4. Compuquest, is a corporation incorporated pursuant to the laws of the Province of Ontario. Compuquest carried on business as a purchaser and reseller of off-lease electronic and computer equipment until it was petitioned into bankruptcy on May 25, 2016.

5. Gary Bodimeade ("**Mr. Bodimeade**"), is an individual ordinarily resident in the City of Whitby, in the Province of Ontario. At all material times, Mr. Bodimeade was a principal of Compuquest and a 50% shareholder of Compuquest.. Mr. Bodimeade was petitioned into bankruptcy on the same day as Compuquest, May 25, 2016.

6. Aimee Bodimeade ("**Mrs. Bodimeade**"), is an individual ordinarily resident in the City of Whitby, in the Province of Ontario. Mrs. Bodimeade is Mr. Bodimeade's wife, however they are separated. Mrs. Bodimeade was a principal of Compuquest and a 50% shareholder in Compuquest.

Off-Lease Resale and Refurbishment Business

7. I met Mr. Bodimeade in 2003 through business contacts as we are both in the off-lease computer equipment resale and refurbishment business. There are not a lot of large players in this market and almost all of them source their product from large computer manufacturers (HP, Dell etc.) that have leasing divisions. When computer equipment comes off-lease from companies, such as accounting firms, design firms, etc., the manufacturer sells the equipment to a resale and refurbishment business, such as Norris, or Compuquest, who, in turn, resells the refurbished equipment to an end user. It is a high volume, low margin business. The key to success in the industry is turning orders over quickly and minimizing overhead, particularly shipping and freight costs.

8. Some of the players in the industry, such as Norris, are able to secure a significant share of a manufacturers' off-lease equipment. These large players sell directly to end users, but also sell to smaller resellers that receive less inventory from the manufacturer, such as Compuquest,

who in turn sell to end users. While sales to smaller resellers is not as profitable for Norris as selling directly to end users (because the small resellers take part of the margin), it is sometimes necessary if Norris does not have an end user customer for the product. Computer equipment declines in value fairly quickly as the units become obsolete, so moving product is of paramount importance. Moving product quickly also keeps the manufacturers happy since it reduces their risk by reducing their off-lease inventory.

General Purchase Structure

9. On the majority of transactions, Norris would drop ship from their vendor, such as HP or Dell, directly to Compuquest or other reseller customers or end users. Drop shipping is where a party moves goods from a manufacturer directly to a retailer or end user without going through the usual distribution channels. This was done to save money on freight since most transactions are done on very low profit margin. Compuquest, or whoever was receiving the product, would normally arrange freight through their own freight forwarding companies. Freight forwarding companies are typically regional and therefore offer the best rates and terms to companies in their home region, thus Compuquest used freight forwarding companies in the Toronto area.

10. The Bills of Lading generated for these shipments to end users were written as “Blind Shipments”. The term “Blind Shipment” is when one or more parties to a shipment don't know the identity of the shipper, receiver, or both. In other words, they are in “the Blind”. In order to ship blind, the shipment must be prepaid and Blind Shipment service requested prior to the freight pickup. Blind Shipments are used to protect confidential client information, ie – a wholesale company does not want to give their customer information to their vendor and risk being cut out of a transaction.

11. Compuquest also occasionally made purchases from Norris' inventory.

Vendor Specific Structure

HP US

12. With respect to HP US shipments, products are purchased in lots separated by machine type (NB=notebook computer, DT or DKT=desktop computer, WS=workstation computer,

AIO=all in one computer, etc). HP would send a confirmation of the order. When the order is ready, Norris would wire for the product and send HP a wire confirmation and a blind ship Bill of Lading. The blind ship Bill of Lading would also be sent to Compuquest and/or their freight forwarder.

Dell US

13. With respect to Dell US Shipments, products are also purchased in lots separated by machine type (with the same notations). Dell would send a confirmation of the order. When the order is ready, Norris would wire for the product and send Dell a wire confirmation. Compuquest would be notified by Norris that the shipment was ready. Compuquest would generate a blind ship Bill of Lading and send to an Norris rep who would send to Dell so Compuquest could pick up the product.

Dell Canada

14. With respect to Dell Canada, products are purchased in lots separated by machine type (with the same notations). Dell would send a confirmation of the order. When the order is ready, Norris would wire for the product and send Dell a wire confirmation. Compuquest would be notified by Norris that the shipment was ready. Compuquest usually sent their in-house truck to pick up the product as Dell Canada was close to the Compuquest office.

Compass / Impulse / Sycamore / Esco

15. When the orders from these vendors were ready for pickup, Norris would send payment and notify Compuquest the product was ready for pickup. Compuquest arranged their own freight for these pickups.

HP Mexico

16. For a period of time, Norris used an agent in Mexico (known as a “Maquila”) to perform these transactions. All purchases in Mexico require payment of the government’s value-add tax. A Mexican business entity must pay this tax. A Maquila acts as an agent for US companies to purchase in Mexico and pay the tax. In late 2015, Norris opened a Mexican branch as it is

cheaper than using a Maquila to pay the tax. Early transactions were performed by a Maquila (Compax) acting on Norris' behalf. Later transactions were performed by Norris' branch in Mexico.

The Revolving Line of Credit

17. Compuquest started purchasing product from Norris in 2003. Norris and I also made transaction loans to Compuquest whereby Compuquest would borrow money from Norris for a purchase, then repay the loan when the product on that purchase was sold. Transaction loans were usually repaid within 2 weeks.

18. In January 2011, Norris and I agreed to provide a revolving line of credit to Compuquest in cash and equipment in an amount up to \$1,500,000 (the "**RLOC**"). In return for providing the RLOC, Mr. Bodimeade agreed to be personally responsible for the debt, and also to guarantee the debt and that he and Mrs. Bodimeade's personal assets would act as security for the RLOC.

19. At the time the revolving line of credit was granted in January 2011, Mr. Bodimeade and Mrs. Bodimeade were happily married, both principals of Compuquest and the business appeared to be doing very well. Having conducted business with Compuquest and Mr. Bodimeade for approximately ten years at this point, I trusted Mr. Bodimeade and did not proceed with formalizing the RLOC into a written agreement at the time.

20. In July 2015, I started developing concerns regarding Norris and my position. I understood from Mr. Bodimeade that his marriage with Mrs. Bodimeade was failing. Mrs. Bodimeade was having an affair with her 23-year-old horse farm employee. In September 2015, Mrs. Bodimeade decided she wanted a divorce. As the principal asset securing the RLOC was their residence at 7472 Ashburn Rd. Whitby, Ontario, L1M 2E8 (the "**Property**"), which Mr. Bodimeade advised was held solely in Mrs. Bodimeade's name, I no longer felt comfortable having significant credit extended without distilling our 2011 agreement into writing and registering a mortgage on title to the Property. Attached hereto and marked as **Exhibit "A"** is a copy of the parcel registry for the Property.

21. In late December 2015, Mr. Bodimeade traveled to Tennessee to meet me and discuss the situation. On December 31, 2015, as a result of our discussions, Mr. Bodimeade and I (on behalf of myself and Norris) executed an RLOC agreement, with Reid Troutman, a notary public in Campbell County Tennessee, acting as notary public ("**Mr. Bodimeade's RLOC Agreement**"). The purpose of Mr. Bodimeade's RLOC Agreement was to distill the terms of our 2011 agreement into writing, including the collateral previously pledged as security, and in consideration for the continued extension of credit under the RLOC. The only way I could continue to stay in business with Compuquest was to get Mr. Bodimeade's RLOC Agreement signed and get the security registered. Once Mr. Bodimeade's RLOC Agreement was executed, I felt comfortable enough to continue to supply product and carry on business in the ordinary course. In fact, I continued to supply product and receive payment on account of product, in the same manner that we had been doing for years, up until March 2016. Attached hereto and marked as **Exhibit "B"** is a copy of Mr. Bodimeade's RLOC Agreement.

22. The key provisions of Mr. Bodimeade's RLOC Agreement were as follows:

- (a) Pursuant to the Agreement, Mr. Bodimeade and Compuquest agreed, as principal debtors, to pay Norris and myself, all outstanding balances on the revolving line of credit, payable on demand no later than December 31, 2016. Mr. Bodimeade and Compuquest further agreed to secure their obligation to pay the revolving line of credit with any and all equity available in certain personal property and real property as detailed in Mr. Bodimeade's RLOC Agreement, including the Property;
- (b) Mr. Bodimeade, Compuquest, myself and Norris acknowledge that the RLOC was originally established in January 2011;
- (c) Mr. Bodimeade certified that all assets identified were part of his marital estate and that he is a 50% owner of all said assets;
- (d) Mr. Bodimeade and Compuquest agreed to, at their expense, legally formalize, in Canada, Norris and myself in the 2nd secured position on all properties and assets;

-7-

(e) Among the properties listed in Mr. Bodimeade's RLOC Agreement over which Mr. Bodimeade agreed to grant security was the Property;

(f) Mr. Bodimeade and Compuquest guaranteed the RLOC personally and with all business inventory and assets owned by Compuquest;

23. On January 5, 2016, I sent Mrs. Bodimeade an email which stated:

Aimee,

I apologize for having to introduce myself in this manner, however, I am forced due to circumstance. I am not sure what you know of my relationship with Gary and Compuquest 2000 (C2K), so, at the risk of redundancy, I will give you some background. I have worked with Gary and C2K for 15+ years. My company, Norris Technologies, LLC, has been a supplier for C2K for most of those years. In 2010, I also began personally financing transaction for C2K at Gary's request. As you may or may not be aware, in December 2013 and January 2014, C2K faced a major tax issue and expulsion from HP which, had I not stepped in, would have bankrupted the company- everything would have been lost. For the last 2 years, I have worked closely and diligently with Gary to rebuild C2K.

Most of what Gary and I have accomplished has been on our relationship and our word. However, with the personal turmoil your family is experiencing, I can no longer rely on Gary's word, particularly in light of the fact that you are half owner in C2K and the marital assets Gary has always offered as security for our financial arrangements. With those personal assurances in jeopardy, it is necessary to formalize our line of credit to secure my investments in C2K. The purpose of Gary's visit to TN [Tennessee] was to execute a formal legal agreement to protect my position (see attached).

Due to your position with C2K and your ownership in the marital assets, I will need for you to also execute a formal legal agreement to protect my position and keep the line of credit and the HP product flow open. My goal is to keep C2K's business operating, protect my investment and not become embroiled in any disagreement in your family. I have also attached a formal legal agreement in your name, identical to the agreement Gary executed. Please review the document and reply with any questions or concerns. We will need to execute the agreement before the end of the month. I am looking at visiting the week of the 18th, or you are certainly welcome to come to TN- please confirm this timeline works for you...

Attached hereto and marked as **Exhibit "C"** is a copy of my January 5, 2016 email to Mrs. Bodimeade.

24. On January 11, 19 and 29 2016, I followed up with Mrs. Bodimeade, having not received a response to my January 5, 2016 email. Attached hereto and marked as **Exhibit "D"** is a copy of my January 11 and 19, and 29 2016 emails.

25. On February 3, 2016, having not heard back from Mrs. Bodimeade or her counsel, I emailed Mrs. Bodimeade and copied her counsel. In the email, I stated:

...I require a very reasonable level of security to keep our line of credit and vendor relationship with Compuquest 2000 open...with a contested divorce in the process, I do not care to be caught in the middle with no security... I have already sold Compuquest's orders for Feb to date (\$630,000 in revenue) to other customers. I will not do business with Compuquest until the line is paid off- currently \$857,927.40...

Attached hereto and marked as **Exhibit "E"** is a copy of the complete February 3, 2016 email chain.

26. I have no knowledge of the contents of the discussion at the mediation that took place between Mr. Bodimeade and Mrs. Bodimeade on February 11, 2016, as detailed at paragraph 8

of Mrs. Bodimeade's affidavit. These negotiations, as I understand them now, were in relation to the matrimonial breakdown between Mr. Bodimeade and Mrs. Bodimeade, and dealt with the larger issue of their collective assets and liabilities. As I was not a party to these discussions, and did not agree to their terms, I do not consider myself or Norris to be bound by them.

27. At paragraphs 10 through 14 of her affidavit, Mrs. Bodimeade details discussions she had with Mr. Bodimeade whereby they negotiated the allocation of risk under the RLOC as between them. I was not party to these negotiations. I believe that whatever agreement was struck between Mr. Bodimeade and Mrs. Bodimeade regarding their respective assets and liabilities is an issue between them, in the matrimonial proceeding.

28. My only concern during this time was obtaining an executed copy of the RLOC agreement and that the terms of such executed copy of the RLOC agreement would be binding on the parties. Since both Mr. Bodimeade and Mrs. Bodimeade were agreeing to the registration of the mortgage to cover off the RLOC, the only real concern I had was obtaining registration of the mortgage.

29. On March 3, 2016, I received two emails. The first email was an email from Mr. Bodimeade forwarding me a letter from Mrs. Bodimeade's counsel addressed to Mr. Bodimeade's matrimonial counsel. The letter referred to a promissory note and an interim separation agreement and stated that Mrs. Bodimeade wished to make a number of changes to both documents, which I can only assume arose as part of the discussions between her and Mr. Bodimeade. The promissory note referenced in the letter appears to refer to the RLOC agreement. The letter addresses the following points regarding the promissory note:

- (a) The Promissory Note states that the proceeds of sale of the assets will be paid to the line of credit. This is not the agreement between the parties. They have agreed that the proceeds of sale of the King Aire RV will be shared equally between the two of them. Aimee will not agree to the sale of the King Aire if the proceeds are not divided between them equally.

(b) The Promissory Note limited the collateral of the home to one million dollars but does not specify that this is from Gary's share of the home, and that Aimee's share of the home will not be used as collateral.

(c) Aimee's liability under the Promissory Note shall be limited to the assets specifically listed as collateral in the Promissory Note, and the inventory and assets of Compuquest 2000.

Attached hereto and marked as **Exhibit "F"** is a copy of the March 3, 2016 letter from Andrea Robertson to Gary Stern.

30. With respect to the first point, I was not involved in any discussions whatsoever regarding the proceeds of the sale of assets. These discussions were held between Mr. and Mrs. Bodimeade, and I was neither a party to these discussions, nor bound by them.

31. With respect to the second point, Mrs. Bodimeade is correct that the collateral against the Property is limited to one million dollars (even though the RLOC is \$1.5 million). While Mr. Bodimeade and Mrs. Bodimeade may have agreed between themselves that the mortgage against the Property be as against Gary's share of the Property, and not Aimee's share of the Property, I was not party to those discussions, am not bound by those discussions, did not agree to those terms, and the RLOC agreement that was signed by Mrs. Bodimeade does not indicate that to be the case. If Mrs. Bodimeade had a side agreement with Mr. Bodimeade, I can only assume that it was part of the matrimonial proceedings as I had no notice of or involvement in negotiating their agreement.

32. In fact, Mrs. Bodimeade, together with her counsel, made whatever modifications they felt necessary to the RLOC agreement and return a copy to me. Despite four changes being made to the RLOC agreement by Mrs. Bodimeade and her counsel, no change was made to limit the mortgage against the Property to half Mr. Bodimeade's interest.

33. With respect to the third point raised in Mrs. Bodimeade's counsel's correspondence, which purported to limit Aimee's liability, changes were made to the RLOC agreement executed by Mrs. Bodimeade to reflect this change. The fact that the RLOC agreement was amended to

reflect this change, but not amended to reflect the change in the second point confirms my view that the agreement regarding the second point was as between Mr. Bodimeade and Mrs. Bodimeade in the matrimonial proceeding.

34. The second email I received on March 3, 2016, was an email from Mr. Bodimeade forwarding me a copy of the RLOC agreement dated December 31, 2015, amended and executed by Mrs. Bodimeade. Mrs. Bodimeade's counsel, Andrea Robertson, acted as commissioner to witness Mrs. Bodimeade's execution, in consideration for the continued provision of the RLOC, wherein she agreed to pledge collateral as security for the RLOC ("**Mrs. Bodimeade's RLOC Agreement**"). Attached hereto and marked as **Exhibit "G"** is a copy of Mrs. Bodimeade's RLOC Agreement dated and executed by me (on behalf of myself and Norris) on December 31, 2015 and amended and executed by Mrs. Bodimeade March 3, 2016.

35. The key provisions of Mrs. Bodimeade's RLOC Agreement were as follows:

- (a) Pursuant to the Agreement, Mrs. Bodimeade and Compuquest agreed, as principal debtors, to pay Norris and myself, all outstanding balances on the revolving line of credit, payable on demand no later than December 31, 2016. Mrs. Bodimeade and Compuquest further agreed to secure their obligation to pay the revolving line of credit with any and all equity available in certain personal property and real property owned by Mrs. Bodimeade and Compuquest, as detailed in Mrs. Bodimeade's RLOC Agreement;
- (b) Mrs. Bodimeade, Compuquest, myself and Norris acknowledge that the RLOC was originally established in January 2011;
- (c) Mrs. Bodimeade certified that all assets identified were part of her marital estate and that she is a 50% owner of all said assets;
- (d) Mrs. Bodimeade and Compuquest agreed to, at their expense, legally formalize, in Canada, Norris and myself in the 2nd secured position on all properties and assets.
- (e) Among the properties listed in Mrs. Bodimeade's RLOC Agreement over which Mrs. Bodimeade agreed to grant security was the Property;

(f) Mrs. Bodimeade and Compuquest guaranteed the RLOC with all business inventory and assets owned by Compuquest.

36. Significantly, Mrs. Bodimeade's RLOC Agreement was amended in four separate places, none of which had the effect of limiting the mortgage against the Property to be only as against Mr. Bodimeade's half interest. In fact, one amendment specifically changes the word "his" to "her" obligation to pay the RLOC with respect to any and all equity in a number of assets including the Property.

Attempts to Register the Mortgage and the Application Bearing Court File CV16-555283

37. On or about May 9, 2016, I sent Mr. Bodimeade the mortgage documents that needed to be executed by Mrs. Bodimeade in order to register the collateral mortgage contemplated by Mr. Bodimeade's RLOC Agreement and Mrs. Bodimeade's RLOC Agreement against the Property. I am advised by Mr. Bodimeade and verily believe that he provided the documents to Mrs. Bodimeade. Attached hereto and marked as **Exhibit "H"** is a copy of the email and documents attached thereto sent to Mr. Bodimeade and Mrs. Bodimeade.

38. On May 16, 2016, I received an email from Andrea Robertson, counsel for Ms. Bodimeade, asking for documentation demonstrating the outstanding amounts owing to Norris and myself up to April 28, 2016, the date Compuquest ceased operations. Attached hereto and marked as **Exhibit "I"** is a copy of the May 16, 2016 email from Andrea Robertson.

39. On May 17, 2016, I responded to Mrs. Robertson advising that Mr. Bodimeade had already provided Mrs. Bodimeade with the documents needed to register the collateral mortgage and advised that the total amount owing on the RLOC as at that date was \$803,585.49US, and that no additional advances had been made. Attached hereto and marked as **Exhibit "J"** is a copy of the May 17, 2016 email.

40. Mrs. Robertson and Mrs. Bodimeade did not respond to my May 17, 2016 email and I subsequently commenced the application in the matter bearing Ontario Superior Court file number CV16-555283 to an order, among other things, permitting the registration of a mortgage against Mrs. Bodimeade's interest in the Property.

41. If Mrs. Bodimeade believed that she had simply agreed that a mortgage could be registered as against Mr. Bodimeade's half interest in the Property, there would be no reason for her to question the amount owing (which was within the cap contemplated in the RLOC), or refuse to execute the documents permitting the registration of the mortgage against the Property.

42. Compuquest and Mr. Bodimeade were both petitioned into bankruptcy on May 25, 2016. Attached hereto and marked as **Exhibit "K"** is a copy of the May 25, 2016 Bankruptcy orders.

43. Once Mr. Bodimeade and Compuquest had been petitioned into bankruptcy, I became concerned that Mrs. Bodimeade would suffer the same fate, or that Mrs. Bodimeade may convey, or refinance the Property despite our written agreement that Norris and I would be secured in 2nd position on the Property. As a result, I commenced the application bearing court file number CV16-555283, now CV-17-11698-00CL, in order to obtain the necessary court order to have my mortgage registered against Mrs. Bodimeade's interest in the Property. Attached hereto and marked as **Exhibit "L"** is a copy of the Amended Notice of Application.

44. Once the application was commenced, on June 30, 2016, I brought a motion to obtain a certificate of pending litigation that would prevent Mrs. Bodimeade from conveying or otherwise dealing with the Property. Attached hereto and marked as **Exhibit "M"** is a copy of the motion record and affidavit from the supplementary record. The bankruptcy was disclosed at the motion. However the certificate of pending litigation was being sought in the application which only dealt with Mrs. Bodimeade's interest in the Property, so any impact on Mr. Bodimeade or the estate was limited. This was especially true since the trustee had a registration on title. An Order was obtained and a certificate of pending litigation was registered on title. Attached hereto and marked as **Exhibit "N"** is a copy of the Order.

45. On the return date of the application on August 9, 2016, Mrs. Bodimeade's counsel sought an adjournment. As I was concerned about the prospect of Mrs. Bodimeade going bankrupt before the next return date of the application, I asked the court for an Order permitting me to register a non-interest bearing mortgage against the Property until such time as the application could be decided, and a determination made on the entitlement and quantum of a mortgage to be registered against Mrs. Bodimeade's interest in the Property. The Honourable Justice Glustein granted the Order requested, and with knowledge of the bankruptcy proceedings,

ordered that a copy of the Order be sent to the trustee and receiver and that service of the application materials be made on the trustee and receiver on a go-forward basis. Attached hereto and marked as **Exhibit "O"** is a copy of the endorsement and Order of the Honourable Justice Glustein.

46. Ultimately, I was unable to register the mortgage permitted by the Order of the Honourable Justice Glustein on title to the Property as Mr. Bodimeade was required to sign as a spouse but was unable to do so due to the bankruptcy. Instead, the Order of the Honourable Justice Glustein itself was registered on title to the Property. Attached hereto and marked as **Exhibit "P"** is a copy of the parcel registry showing registration of the Order registered on title.

47. The receiver seems to be taking the position that I should have disclosed to the court that Mrs. Bodimeade did not grant me a mortgage over her interest in the Property. This runs completely counter to my view and position that, despite any agreements Mrs. Bodimeade may have had with Mr. Bodimeade in connection with the matrimonial proceeding, she did in fact grant a mortgage against her half interest in the Property.

48. The receiver itself seemed to share this view when it was convenient for a position CIBC was advancing regarding the appointment of an equitable receiver (also Grant Thornton) over the Property. In its third report, which was successfully relied upon by CIBC in support of its motion, the receiver stated at paragraph 80(d):

Aimee appears to have mortgaged whatever equity she may have to
Salem/Norris Technologies.

49. This statement from the receiver's third report was made after the receiver had knowledge of the emails from Mrs. Bodimeade and Mr. Bodimeade regarding the alleged terms upon which security was being granted against the Property pursuant to the RLOC agreements (see paragraph 45-50 of the receiver's second report). The changes in the receiver's position to support CIBC's motion and now its own is extremely concerning and cast doubt on the independence, impartiality and objectivity of the receiver.

50. In any event, I am not opposing the receiver's motion to clear the CPL and Order of Justice Glustein from title because the Property needs to be sold, and my only concern is ensuring that I am treated as a secured creditor of Compuquest, Mr. Bodimeade and Mrs. Bodimeade.

Proofs of Claim and Supporting Documentation

51. On July 18, 2016, I contacted Jan Oros of Grant Thornton which is acting as both receiver and trustee for Compuquest and Mr. Bodimeade. I requested that Mr. Oros, who is acting on the trustee engagement, send me a creditor's package for the proceedings. The next day, Mr. Oros emailed me the proofs of claim packages advising that they had previously been sent to Norris' address on file. Mr. Oros asked that I complete the forms, and provide a statement of the balance owing as well as the applicable outstanding invoices. On July 29, 2016, I emailed Mr. Oros copies of the completed proofs of claim and an accounting of the debt owing. Attached hereto and marked as **Exhibit "Q"** is a copy of the email thread.

52. On July 29, 2016, I received a response from Mr. Oros which stated in part:

The claim you have submitted is incomplete and cannot be admitted until further details are provided. Your claim will need to be supported with more than just the excel spreadsheet which you provided. You will need to provide paperwork that supports the comment you made on the proof of claim that Gary personally guaranteed the debt with his marital assets and as well, we will need copies of all the advances you made and payments you received along with copies of all the invoices, shipping documents etc to show what you supplied/sold to Gary/Compuquest.

Attached hereto and marked as **Exhibit "R"** is a copy of the July 29, 2016 email from Mr. Oros.

53. The same day, I responded to Mr. Oros advising that since Grant Thornton was also acting on the receivership, it was in possession of all the documents requested. I then explained to Mr. Oros the difference between the two sheets on the excel spreadsheet as follows "Sheet 1

refers to funds that were advanced directly from Dean Salem's personal account. Sheet 2 refers to product shipped. Both are simple to account for in both Compuquest 2000's bank statements and accounting software. At your request, I will have my accounting department pull copies of invoices at their earliest convenience." Finally, I advised Mr. Oros that because we drop shipped product in the blind, the proofs of delivery were under Grant Thornton's control at Compuquest. However, I enclosed the proofs of delivery received from Mr. Bodimeade for the last 20 or so shipments which accounted for the outstanding balance. Attached hereto and marked as **Exhibit "S"** is a copy of the July 29, 2016 email to Mr. Oros.

54. Mr. Oros responded to me the same day advising that the onus was on me to provide a complete claim for his review. He noted that in Mr. Bodimeade's bankruptcy I was not noted as a creditor, and for Compuquest, I was only showing being owed \$324,785. Mr. Oros closed by saying that he urged me "to prepare a complete and properly referenced claim that makes it easy for us to review and confirm that your claim is correct and accurate and valid, otherwise we will have no choice but to disallow your claim." Attached hereto and marked as **Exhibit "T"** is a copy of Mr. Oros' email.

55. On August 3, 2016, I emailed Mr. Oros advising:

Attached you will find the Sales Orders for all the 2016 shipments to Compuquest 2000. I previously supplied the proofs of delivery for these SO's.

In addition, a copy of the loan document you requested. These documents satisfy your request. Please confirm receipt and confirmation of our claim.

Attached hereto and marked as **Exhibit "U"** is a copy of my August 3, 2016 emails and the attachments.

56. On August 5, 2016, Mr. Oros responding to my email indicating, among other things, that he wanted me to organize the information in a certain manner that would make it easier to review and digest. He attached copies of documents I previously forwarded to him and marked them up

to indicate how he wanted me to organize the materials. One of the documents had a notation indicating that a portion of my claim was disallowed. I thought this was strange since Mr. Oros was asking me to re-organize and submit the information to prove the claims, but at the same time had made a notation that a portion of the claim was disallowed. It is unclear to me if Mr. Oros accidentally sent me a copy of the document with the handwriting indicating a portion of the claim would be disallowed, but I believe that to be the case as he made no comment about the notation in his email. Attached hereto and marked as **Exhibit "V"** is a copy of Mr. Oros August 5, 2016 email with the attached documents.

57. On August 10, 2016 I responded to Mr. Oros indicating that my accounting department was pulling the requested documentation but that it would take some time given the volume of his request. Attached hereto and marked as **Exhibit "W"** is a copy of my August 10, 2016 correspondence.

58. On August 16, 2016, my counsel emailed Mr. Oros as follows:

I have reviewed your correspondence to my client and note that while you indicate that you will allow him to submit a more detail package of materials to establish his claim, you, or someone from your office has written on his documents "claim disallowed". Please confirm that you have not in fact disallowed his claim, and that you have not prejudged this claim. I am growing concerned about the detail and volume of the materials that you are requiring my client to produce to approve his claim. Was CIBC required to produce the same level of detail?

59. Mr. Oros responded to my counsel advising:

We have not formally disallowed your clients claim at this time.

We have taken the time to provide your client a clear explanation of the information required and a format to present it in to prove his claim and extended the courtesy of allowing him more time, thus far, to do so.

That said, if further information is not received shortly, a formal disallowance will be issued by the Trustee and sent to your client.

Attached hereto and marked as **Exhibit "X"** is a copy of the August 16, 2016 email thread.

60. On August 26, 2016, I emailed Mr. Krieger at Grant Thornton who was handling the receivership. In my email to Mr. Krieger, I indicated:

As part of the Compuquest 2000 bankruptcy proceeding, Norris Technologies has been asked to produce proofs of delivery (POD's). However, Compuquest 2000 arranged freight and received all POD's for all orders from Norris Technologies. I have contacted Compuquest 2000's freight forwarders to request the POD's, but they have been unresponsive.

Grant Thornton, as acting receiver of Compuquest 2000, is in possession of the proofs of delivery. Mr. Chaminda Malwatta, Compuquest 2000's logistics coordinator, had all proofs of delivery in a file at his workstation. Thus, I believe you, as acting receiver, can produce the POD's more quickly than the freight forwarders. Please provide scanned copies of the POD's in PDF format.

Attached hereto and marked as **Exhibit "Y"** is a copy of the August 26, 2016 email.

61. The same day, I emailed Mr. Oros attaching an excel spreadsheet setting out the transactions with Compuquest that gave rise to the debt and included next to each transaction embedded PDF documents evidencing the transaction. I indicated to Mr. Oros that Compuquest arranged all freight and so I did not have copies of the proofs of delivery but had contacted the freight forwarders regarding obtaining them. I emailed Mr. Oros shortly thereafter advising him that I had also requested the proofs of delivery from Mr. Kreiger. Attached hereto and marked as **Exhibit "Z"** is a copy of my August 26, 2016 emails and the attached excel spreadsheet.

62. On October 6, 2016, after multiple follow-ups, my counsel received an email from Catherine Francis ("**Ms. Francis**"), counsel for the receiver (and trustees) indicating that there had been a communication mix up with her client. She advised as follows:

Grant Thornton had proposed to respond to your client that they would look at available documents to assist him but that it was unlikely they would be found as the books and records of the company were not maintained for several months prior to the Receiver's appointment and documents were not properly filed.

Since then, however, the Receiver has spent some time reviewing the records and was unable to find the information to support your client's claim. (emphasis added)

Attached hereto and marked as **Exhibit "AA"** is a copy of the October 6, 2016 email.

63. On November 24, 2016, the receiver delivered its second report. In its second report, at paragraph 55, the receiver states "the receiver strongly **suspects** that the debts allegedly owing by Compuquest, Bodimeade and Aimee to Norris and Salem are unfounded..". This despite the fact that I had submitted significant supporting documentation to establish the debts (which appears to be dismissed out of hand) to the trustee and receiver, and had requested from the receiver the freight documentation that was in Compuquest (and therefore the receiver's possession). As detailed above, the receiver indicated that it spent time reviewing the record and was unable to find the information. This information was in the possession of the receiver and was the very information that the trustee (also Grant Thornton) was demanding before it would consider accepting the proofs of claim. As will be detailed later in this affidavit, the information was in fact in the receiver's possession and it simply failed to locate it (or attempt to locate it), despite very clear requests and directions as to where to find it.

64. The receiver provides no concrete evidence to support its "suspicion" that the debts are unfounded. Instead, it relies on email correspondence which has been taken out of context and misconstrued. The receiver relies on an email from Mr. Bodimeade to me on April 25, 2016 in

-20-

support of the "suspicion" that Norris and my debts are unfounded. However, the receiver cherry-picks from the content of the email for its own purposes.

65. According to paragraph 54 of the receiver's second report, on April 25, 2016, Mr. Bodimeade emailed me indicating the following:

"I have given you every penny I have received from the sales of any personal assets and will continue to do so...I will continue you (sic) to sell whatever I can and forward any equity to you to pay down the debt".

66. The receiver has unfairly cherry-picked and cobbled together snippets of this email in order to make me look as though I was conspiring with Mr. Bodimeade. The receiver's spin on the email is misleading and inaccurate. The email in its entirety states:

From: Gary Bodimeade
Sent: Monday, April 25, 2016 11:00 AM
To: Dean Salem (dean@norris1.com)

I have sent another email to Greg with regards to the new letter received last week and again asked for some reassurances about the nature of the letter. I will advise as soon as I hear something back.

I totally understand your concerns and fears with what has been happening over the last few months and would feel the exact same way. In the close to 3 years you have been saving my sorry ass and going above and beyond what any normal person would have done for me, we have had a relationship that has been up and down, I would like to think its been up more than down and with your continued help I know I can get it back on the rails. Even though it's going to be a huge uphill battle but it's one I know I can win.

I have been able to cut expenses substantially and will continue to cut wherever I can. For the first time in 10 years they are manageable and with what's happening personally those expenses should go down even more. I have cut all my staff other than 3 and am looking at another 1 or 2 if need be.

In the past 3 years we have moved a lot of product and gone from well over a million down to under \$300k and the only way I can do that is by getting product and working to squeeze every penny of profit from each and every unit. Over the last 2 months we have only received 2 loads in total. Given the circumstances I totally understand why we have not been able to see product and would more than likely do the exact same thing to you that said the only way I can pay you back, as I have proven in the past in to continually move product and do what I do best. With only 2 loads received it's really hard to generate any profits. Our sales to date in April are \$175k down from \$1.2 YTD. I have given you every penny I have * received from the sales of any personal assets and will continue to do so, unfortunately when I am relying on other people to come through for me it seems it never happens in a timely fashion. I tell you what these guys are telling me and ultimately makes me look bad even though I am only sharing the information they provide to me, I apologize for seeming like I am stringing you along but that's not the case at all. I will continue you to sell whatever I can and forward any equity ,
 ➤ to you to pay down the debt. ☺

-21-

With what's going on with Aimee and the bank I would not blame you for wanting to bail and if you did I would have no ill feelings towards you at all. What you have done over the last 3 years for me is un-real and nobody would have ever done what you have done and for that I am forever in debited to you. I would never not pay you back every dime that is owed, if that means me selling the house then that's what I need to do but rest assured your debt is not and will never be in danger of not being paid back in full. I have asked my insurance agent to cash in my RRSP (\$160k), I will be taxed huge but its another 90-125 k that can send to you as soon as I receive it. With the 2 trailers and the smaller RV and my RRSP I will be able to get over another approx. \$260k or so.

I did finally dial in and it looks like TD held one of my deposits last week that made that check bounce, I have already left a message for John as to why they would hold a check from another TD account, once I get it figured out I will send over the wire and see if I can get a letter from them. I'm sorry once again. I can't seem to get anything right these days.

I have to deal with Amex as well, not sure what I am going to do but I will figure it out without your help, they are going to have to get in line I guess, that's all I can do at this point. That is another thing I relied on you for and should not have.

It's a sinking ship that I still believe can be saved with a lot of hard work and the continued support from you but again, I totally understand if you have had enough and will back you 100% on whatever you decide.

Either way, I am truly grateful for everything you have done for me and will never forget it ☺

1

67. It is important to understand the context of this email. I was receiving this email, as Norris and I (as principal) were Compuquest's key supplier and therefore critical to its survival. If Norris stopped providing product to Compuquest, it would be game over. Mr. Bodimeade's assurances that he would pay every penny he could is no different from what any debtor would tell their key supplier to keep the business operating. Further, Mr. Bodimeade's references to my concerns and fears and the tightening product pipeline should assuage any concerns about my legitimacy as a creditor and the legitimacy of the debts (which is supported by hundreds of pages of supporting documentation).

68. It is also important to recognize that in order for the receiver to find the quoted snippet from the email reproduced above, the receiver would have had to sift through voluminous emails between Mr. Bodimeade, freight forwarding companies, Norris representative and I detailing the bidding, purchase and shipment of product between Norris and Compuquest. None of these important emails, which Norris has now produced as exhibits to this affidavit, and which support Norris and my position, were given any consideration by the receiver. Instead, the receiver simply cherry-picked and mischaracterized two phrases from a page long email.

69. The receiver also relies on an email from me to Mr. Bodimeade sent March 5, 2016, wherein Mr. Bodimeade confirms that he would be making certain payments (from accounts

receivables, an HST refund and the sale of assets) to Norris on account of the debt. The receiver relies on this email to demonstrate that I was aware I was receiving proceeds from the sale of Compuquest's assets.

70. The receiver fails to mention in its second report that on March 2, 2016, I received an email from Mr. Bodimeade with the subject line "**personal assets that are closed**" (emphasis original). The email then lists assets which Mr. Bodimeade that identified to me as being personally owned, which he was selling to pay outstanding amounts owing in order to continue receiving product from Norris. The email is reproduced below:

From: Gary Bodimeade <garyb@compuquest2000.com>
To: Dean Salem <dean@norris1.com>
Cc:
Date: Wed, 2 Mar 2016 13:35:44 -0500
Subject: **personal assets that are closed**

KING AIRE – SOLD AT \$505 USD \$245255 owed – Equity of \$259744 USD

OPTIMUS – SOLD AT \$135000 USD - \$71167 owed – Equity of \$63833

STACKER TRAILER SOLD AT \$39500 USD - \$0 owed – Equity of \$39500

Working on the business ones now also

Gary Bodimeade

CQ2K

1935 Silicone Drive

Pickering, Ontario, Canada

Email: garyb@compuquest2000.com

Im: garyb@compuquest2000.com

71. As a result, it was clear to the receiver that I was advised by Mr. Bodimeade that the assets being sold, and the funds provided came from personal sources, and not from Compuquest, yet this information did not make it into any of the receiver's reports.

72. It is unclear to me that basis on upon which the receiver concluded from these emails that the debts owing to Norris and I were unfounded (or even became suspicious that they were unfounded). What was clear to me was the fact that the receiver did not appear to be acting objectively, independently and fairly in conducting its investigation and that the trustee was simply relying on the receiver's position with respect to its assessment of Norris and my claim.

73. On November 30, 2016, my counsel emailed Ms. Francis an updated excel spreadsheet containing a running balance for sales and loans, including PDF documents embedded next to each transaction as evidence of each transaction. In his email, my counsel advised that I was able to get some freight forwarding documentation from the freight forwarders and renewed his request to have the receiver, which had control over Compuquest's books and records to locate the freight forwarding documents. My counsel advised that he understood the documents to be kept in the desk drawer of the employee responsible for shipping (I had spoken to Mr. Bodimeade who indicated the documents would be there). Attached hereto and marked as **Exhibit "BB"** is a copy of my counsel's email with the attached excel spreadsheets.

74. The same day, my counsel emailed Ms. Francis a diagram of Compuquest's office which I requested and received from Mr. Bodimeade. The email indicated that the freight forwarding/proof of delivery documents would have been in Chaminda Malwatta's desk and asked that the receiver review and forward any freight forwarding documentation. Attached hereto and marked as **Exhibit "CC"** is a copy of the email and diagram sent to the receiver's counsel.

75. Less than 30 minutes later, my counsel received an email from Ms. Francis enclosing an inventory of records found by the receiver on Compuquest's premises, including the location the documents were found. There were six boxes that had been found in Mr. Malwatta' office. Ms. Francis indicated that if I identified which boxes I wished to review, and undertook to pay \$200 per hour for supervisory costs, plus copying costs, the receiver would make the documents

available for inspection. Attached hereto and marked as **Exhibit "DD"** is a copy of the email and attached inventory from the receiver's counsel.

76. On January 11, 2017, the receiver delivered its third report. In its third report, at paragraph 80(d), the receiver stated "Aimee appears to have mortgaged whatever equity she may have to Salem/Norris Technologies". Notwithstanding the fact that the receiver possessed all the materials it is relying on in support of this motion at the time of the preparation of the third report, the receiver has inexplicably changed its position.

77. On January 10, 2017, my counsel emailed Ms. Francis advising that I would like to attend and review documents from Mr. Malwatta's office in the receiver's possession sometime between January 17 and January 31, 2017. Attached hereto and marked as **Exhibit "EE"** is a copy of my counsel's January 10, 2017 email.

78. On January 13, 2017, having not received a response, my counsel followed up with Ms. Francis. Attached hereto and marked as **Exhibit "FF"** is a copy of the follow up email.

79. The same day, Ms. Francis advised that I could attend after January 18th, 2017. Attached hereto and marked as **Exhibit "GG"** is a copy of the January 18, 2017 email.

80. On January 19, 2017, my counsel emailed Ms. Francis advising that I would review the documents, with Mr. Malwatta on January 24, 2017. My counsel advised that I was reserving my rights to recover the costs of the attendance, since we had requested these documents from the receiver months before and were advised that they could not locate them.

81. On January 24, 2017, I attended at Grant Thornton's office and reviewed the boxes from Mr. Malwatta's office. As expected, the freight forwarding documents, which the receiver denied having in its possession, were located in the materials that had been in Mr. Malwatta's office. I requested that copies be made of the 231 pages of freight forwarding documents that were located during my review. In the course of my discussions with Mr. Oros, who was supervising my review, he advised me that he had still not received a copy of the excel spreadsheet with embedded documents that my counsel forward to Ms. Francis on November 30, 2017. Attached

hereto and marked as **Exhibit "HH"** is a copy of the 231 pages of freight forwarding documents located during my attendance at Grant Thornton.

82. Despite locating 231 pages of freight forwarding documents that evidence delivery of product sold by Norris to Compuquest, the receiver and trustee still have not changed their position.

83. On February 8, 2017, Ms. Francis delivered Grant Thornton's invoice for my attendance and indicated that the 231 pages of documents would be provided once payment was made. Attached hereto and marked as **Exhibit "II"** is a copy of the email with attached invoice.

84. Despite numerous attempts to pay the invoice the very next day and the proceeding weeks, the receiver delayed, and the freight forwarding documents were not received until approximately a month after my attendance.

85. On February 15, 2017, the receiver brought a motion, returnable February 21, 2017, for, among other things, an Order authorizing Grant Thornton as receiver and trustee to conduct an examination of a number of parties including myself and Norris. The receiver obtained the order it was seeking, however, it has never sought to examine me or Norris. Attached hereto and marked as **Exhibit "JJ"** is a copy of the notice of motion.

86. On February 24, 2017, Ms. Francis emailed my counsel advising that they were unable to find proof of delivery in the flagged documents (the ones I flagged from my attendance) for the delivery of products to Compuquest after 2015. Ms. Francis also indicated in her email that she wanted dates for a motion in March 2017 for a motion to discharge the registrations from title. Attached hereto and marked as **Exhibit "KK"** is a copy of Ms. Francis' email.

87. Ms. Francis' email was surprising to me because I had forwarded all the proofs of delivery documents for the last 20 or so shipments to Mr. Oros on July 29, 2016 (see paragraph 53 of my affidavit).

88. On February 24, 2017, my counsel responded advising, among other things that he was available for a motion returnable March 21, 23 or 28th but that he was out of the country between

March 30 and April 16, 2017. The same day, Ms. Francis advised that she would check with the court to determine if March 28, 2017 was available.

89. On February 28, 2017, having not heard anything, my counsel email Ms. Francis asking if she had contacted the court regarding the March 28th date and expressing concern that there was insufficient time to complete the necessary steps before the motion.

90. The same day Ms. Francis responded advising that she had not had the opportunity to contact the court because her clerk had been away but she shared my counsel's concerns that there would be insufficient time to complete the necessary steps before the return date. Ms. Francis also inquired about my counsel's availability the last two weeks of April. The same day my counsel responded suggested that Ms. Francis circle back regarding dates when her clerk had returned. He further advised that he had available dates the last two weeks in April, but reminded her that he was away between March 30 and April 16, 2017.

91. Six weeks later, on April 17, 2017, Ms. Francis emailed my counsel advising that she wished to proceed with scheduling a motion to discharge the CPL and Order from title to the Property and to dismiss my Application. Attached hereto and marked as **Exhibit "LL"** is a copy of Ms. Francis' April 17, 2017 email.

92. Ultimately, my counsel and Ms. Francis attended a 9:30 appointment on April 24, 2017, and the within matter was scheduled for July 17, 2017 for two hours. Attached hereto and marked as **Exhibit "MM"** is a copy of the Honourable Justice Newbould's endorsement.

93. On April 24, 2017, following the 9:30 appointment, Ms. Francis emailed my counsel requesting any additional documentation supporting the shipping of product in 2016 and inquiring about particulars (without specifying) Norris' relationship with Phase5, the new company Mr. Bodimeade is working for. Attached hereto and marked as **Exhibit "NN"** is a copy of Ms. Francis' email.

94. In response to Ms. Francis' questions, I went back and scoured Norris for any additional information that would assist in proving the shipping of product in 2016. As detailed throughout this affidavit and explained in detail above (in the general purchase structure and vendor

purchase structure sections) and below, neither I, nor Norris would ever take possession of the product, nor would we ever have any of the executed freight forwarding documentation in our possession. Shipping of all product was arranged, paid for and coordinated by Compuquest with transportation companies.

95. On June 3, 2017, Ms. Francis emailed my counsel asking for an update to her question and advising that the receiver had carefully compared the spreadsheet attached to the proofs of claim with the documents obtained from Compuquest's records for 2016 and were unable to find any meaningful correlation evidencing the shipment of product. Ms. Francis unilaterally imposed a deadline of June 6, 2017 to provide any additional documentation evidencing the shipment of product in 2016. Ms. Francis also advised for the first time that the receiver had entered into an agreement of purchase and sale to sell the Property, with a closing date in September 2017. Attached hereto and marked as **Exhibit "OO"** is a copy of the June 3, 2017 email.

96. On June 6, 2017, my counsel emailed Ms. Francis an excel spreadsheet for the 2016 transactions with embedded PDF documents which evidenced the shipping of product as requested. In his email, my counsel asked that Ms. Francis carefully review the attached PDFs and reconsider her position with respect to Norris and my claim. Attached hereto and marked as **Exhibit "PP"** is a copy of the June 6, 2017 email and the attached excel spreadsheet.

97. The same day, Ms. Francis emailed my counsel with a series of questions about the attached excel spreadsheet and the embedded PDFs. Attached hereto and marked as **Exhibit "QQ"** is a copy of Ms. Francis' email.

98. On June 7, 2017, I emailed my counsel answers to Ms. Francis' questions and my counsel forwarded the answers to Ms. Francis. Attached hereto and marked as **Exhibit "RR"** is a copy of my counsel's email to Ms. Francis with the attached documents.

99. On June 12, 2017, the receiver delivered a fourth report. The fourth report does not appear to have much relevance to the matters involving Norris and me. Attached hereto and marked as **Exhibit "SS"** is a copy of the fourth report.

100. On June 12, 2017, my counsel emailed Ms. Francis inquiring when the receiver's motion materials would be delivered. The same day, Ms. Francis responded indicating that her attention had been diverted to another matter and that she was finalizing her materials. She outlined the issues for the motion as she saw them, and requested that my counsel advise her when his materials would be ready. Attached hereto and marked as **Exhibit "TT"** is a copy of the June 12, 2017 email.

101. On June 19, 2017, the receiver delivered its motion record for the within motion.

102. On June 20, 2017, Ms. Bodimeade delivered her affidavit in support of the receiver's position vis a vis Norris and me.

103. On June 23, 2017, my counsel served Ms. Francis with amended proofs of claim, and supporting documentation. The amended proofs of claim were revised to reflect the debts as secured as opposed to unsecured. Attached hereto and marked as **Exhibit "UU"** is a copy of the amended proofs of claim (the excel spreadsheet and RLOC agreements attached are reproduced in other exhibits in this affidavit).

104. On June 27, 2017, my counsel served Ms. Francis with additional materials supporting Norris and my claim, and evidencing the debt. My counsel asked that these materials be included as part of the proofs of claim package. As the file size was too large to send by email, I am advised by my counsel and verily believe that he uploaded them to a file sharing program provided by Ms. Francis.

105. The documents provided to Ms. Francis on June 23 and June 27 have been organized to correspond to entries on updated excel spreadsheets which contain the embedded PDF supporting documentation previously provided. The documents include the purchase orders, sale orders, bills of lading, wire confirmations, and emails between the transport companies and Compuquest and I. The additional documents include further evidence supporting the transactions. As requested by the trustee, the excel spreadsheet includes an exhibit column on the left (running from 1-94) for each transaction and the excel spreadsheet appended to this affidavit has 1-94 subtabs, with each subtab containing documents evidencing each of the 94 transactions.

Attached hereto and marked as **Exhibit "VV"** is a copy of the updated excel spreadsheets and the embedded PDFs.

106. Following delivery of the amended proofs of claim and the supporting documentation, my counsel proposed dealing with the issue of the secured proofs of claim (which Ms. Francis indicated would be disallowed), without dealing with the issue of the quantum of any security.

107. On June 29, 2017, Ms. Francis emailed my counsel indicating the following:

Rather than issuing formal disallowances, we are going to amend the Notice of Motion to seek declaratory relief related to your clients' secured claims. We will not be asking the court to quantify your clients' unsecured claims for the purposes of the motion being heard on July 17, 2017. For the purpose of the motion we are prepared to assume that Norris was an unsecured creditor of Compuquest as of December 31, 2015, with the quantification to be determined at some subsequent date if this becomes relevant. We will also not seek a determination of whether your client(s) are legitimate unsecured creditors of Gary Bodimeade by virtue of the December 31, 2015 RLOC Agreement. This will only become relevant in the event that there are funds available for distribution in Gary's estate.

Attached hereto and marked as **Exhibit "WW"** is a copy of Ms. Francis' June 9, 2017 email.

108. On July 6, 2017, Ms. Francis served my counsel with a sixth report of the receiver and a fresh as amended notice of motion, seeking additional relief at the return of the July 17, 2017 motion. Attached hereto and marked as **Exhibit "XX"** is a copy of the sixth report of the receiver and the fresh as amended notice of motion.

Receiver and Mrs. Bodimeade's Allegations of Misconduct against Norris and I

109. As detailed above under the Proofs of Claim and Supporting Documentation section of my affidavit, Norris and I have made every effort, regardless of the unreasonableness of the request, to satisfy the receiver of the legitimacy of our claims. Notwithstanding these efforts, the

receiver has dismissed out of hand all evidence we have provided. Since the receiver was appointed, it has failed to conduct a fair, balanced, and objective review of the evidence and investigation into Compuquest's affairs. Its reports are supported with words like "suspects" and "suspicion" when referring to our claims, which betrays the fact that its position is based on speculation, and innuendo rather than evidence.

110. I should expressly draw the court's attention to the fact that Mrs. Bodimeade was a principal and 50% shareholder of Compuquest, drew significant sums out of the company and diverted employees to work on her side projects. She is the only title holder to the Property, which consists of:

- (a) An approximately 5,680 square foot two storey detached residential dwelling, excluding the basement;
- (b) An approximately 3,196, square foot finished basement with dance studio, family room, gym, bedroom and three piece bathroom;
- (c) An outdoor pool with pool house;
- (d) An approximately 800 square foot heated and insulated SUV garage;
- (e) An approximately 11,000 square foot equestrian barn complete with riding centre and stalls for 14 hours; and
- (f) An approximately 2,400 square foot insulated hay/equipment barn.

111. According to the receiver, the vast majority of the Property was paid for with Compuquest's money. I understand that Mrs. Bodimeade leased and/or drove luxury vehicles on Compuquest's dime, bought horses costing as much as \$50,000 and directed Compuquest's employees to do personal work for her benefit. The court should remember that while Mrs. Bodimeade is accusing Norris and I of improper conduct, we are simply creditors owed money, and she is, at minimum, a beneficiary of significant improper conduct who has lived a life in incredible luxury for the past 8 years.

112. The receiver and Mrs. Bodimeade have made many unfounded allegations against Norris and I. I respond to these allegations as follows:

(a) The receiver alleges that Norris' involvement in supplying Phase5 with product is evidence that it is somehow involved in improper conduct perpetrated by the company in which Mr. Bodimeade now an employee.

(i) As I understand it, Mr. Bodimeade is only an employee of Phase5, not an officer, director or shareholder.

(ii) In any event, Norris does business with Phase5 on a cash on delivery basis, so as to avoid another situation like the one with Compuquest. No credit has been extended to Phase5 and since Norris is dealing on a cash on delivery basis, there is little to no risk in these transactions. Further, since Compuquest's insolvency, I have to make up for the lost orders.

(iii) Mr. Bodimeade confirmed this on his examination but the receiver failed to include this information in its reports as well. (page 75, question 458)

(iv) I am advised by my counsel and verily believe that in response to a question he received from Catherine Francis, the receiver's counsel, to provide "particulars of Norris's relationship with CQ2K Computer Sales Inc. (Phase5 IT Solutions)", he advised Ms. Francis that she could ask questions of my relationship with Phase5 at an examination as her client had obtained a court order which permitted her to conduct an examination of me. No examination has been conducted to date. Attached hereto and marked as **Exhibit "YY"** is a copy Ms. Francis' April 24, 2017 email with the broad question regarding Norris' relationship with Phase5.

(b) The receiver is alleging that because Norris received the proceeds of the King Aire RV, it has received a preference and has engaged in improper conduct.

(i) As Gary Bodimeade pointed out on his examination conducted by counsel for the receiver on February 22, 2017, Norris was Compuquest's key supplier. I

understand from Mr. Bodimeade that 95% of Compuquest's business was done through HP and Norris subsequently took over as the supplier of that business. As a result, while Compuquest could have paid the proceeds of the King Aire to CIBC, or other creditors, it would have been of no benefit to Compuquest at the time, and would not have assisted Compuquest in attempting to remain solvent. All it would have done is reduce a debt obligation. Paying the proceeds of the King Aire to Norris, its key supplier, was not done with the intention of preferring one creditor over another but rather to ensure that Compuquest was able to continue to order product from its key supplier and continue to operate. Attached hereto and marked as **Exhibit "ZZ"** is a copy of instant messages between Mr. Bodimeade and I which highlights my constant requests for payment in order to continue to ship product. At the time payments were made, it was in the ordinary course, and I had no indication that Compuquest would be forced into bankruptcy.

(ii) The receiver is attempting to rely on this payment to allege improper conduct. Neither Norris or I knew that Compuquest was going to be petitioned into bankruptcy at the time of the payment, and, while we knew that Compuquest was going through a challenging time, we did not have particulars of its financial situation. It was not unusual in the history of the relationship to receive large payments from Compuquest on account of its debts (as is evident from the spreadsheets setting out the balance owing), and we were advised by Mr. Bodimeade that the King Aire was a personal asset (and then that Compuquest was co-listed on the financing), not a corporate asset, that he was selling in order to make payment to Norris in order to continue to receive product.

(c) The receiver is alleging that because I assisted Mr. Bodimeade in preparing a couple email responses to CIBC's concerns, that I am somehow engaged in improper conduct or am non-arm's length to Mr. Bodimeade.

(i) The truth is that Norris was Compuquest's key supplier and is owed a lot of money. When Mr. Bodimeade contacted me and indicated that he was having trouble with CIBC, he requested my advice and I gave him the best advice I

-33-

could, as someone who has been in the industry for decades, in order to assist Compuquest and protect my investment and relationship. There was nothing nefarious about me assisting Mr. Bodimeade in responding to CIBC.

Attached hereto and marked as **Exhibit "AAA"** is a copy of the emails that I drafted as suggested responses by Mr. Bodimeade to CIBC.

(d) The receiver is alleging that somehow Norris and I have engaged in improper conduct because the receiver has been unable to ascertain the whereabouts of inventory it anticipated being at Compuquest's facility and the proofs of delivery for the 2016 shipments were not executed.

(i) As detailed in the proofs of claim section of my affidavit, Norris and I provided the receiver with a spreadsheet documenting the transactions between Norris and Compuquest from 2015 through to Compuquest's bankruptcy. In addition to the spreadsheet, supporting documentation was provided for each transaction where available. In addition to the transaction documentation, hundreds of pages of related emails between the vendor, Norris, Compuquest and the freight companies have been provided, all to no avail. I am advised by my counsel that as of July 6, 2017, he was advised by Ms. Francis that these hundreds of pages of evidence were not even provided to the receiver to consider. The fact that the receiver has been unable to locate inventory belonging to Compuquest in no way indicates that Norris or I engaged in improper conduct and it is disappointing that the receiver seems to be failing to even review evidence I have provided and is drawing conclusions based on suspicion without supporting evidence. The spreadsheets I have provided in support of the shipments contain all the documentation I have in my possession and control and is more than sufficient to establish that the product was shipped. I have advised the receiver (and my counsel has advised Ms. Francis) on many occasions that the freight forwarding documentation would not be in Norris' or my possession as that is not how the process works in the industry. The receiver has produced no evidence whatsoever to the contrary and merely relies on suspicion.

(ii) I have produced hundreds of documents in support of Norris and my claim. I provided the receiver with freight forwarding documents for the 2016 transactions (that I obtained from Mr. Bodimeade) at the outset of my communications. As neither Norris or I would ever see or possess the freight forwarding documents, I requested that the receiver retrieve them from Compuquest (having unsuccessfully tried to obtain them from the freight forwarders) and provide a copy. The receiver's counsel advised that a search was conducted and they were not located. I was then made to attend at the receiver's office and very quickly located the documents in the exact place I had indicated they would be. Even with the provision of these 231 pages of freight forwarding documents, the receiver still not accept my claims.

(iii) I am advised by my counsel and verily believe that on July 13, 2017, he contacted Laura Blackman at QuikX transportation, one of the freight forwarders used by Compuquest, requested the freight forwarding documents and advised her of the urgency due to the pending court date. I am advised by my counsel that Ms. Blackman requested the bills of lading of the shipments, which my counsel provided her. Ms. Blackman also requested the dates for the shipments, which were provided. Shortly thereafter, Ms. Blackman produced the executed proof of delivery documents for the 2016 deliveries that QuikX Transportation handled. This information, together with all the other documents previously provided by Norris and I (and included as exhibits) demonstrates conclusively that there was no suspicious or fraudulent activity between Norris and I, and Compuquest. The receiver's position is just wrong. Attached hereto and marked as **Exhibit "BBB"** is a copy of the correspondence with Ms. Blackman and the 2016 freight forwarding documentation.

(e) The receiver alleges in its fifth report that Norris and I are involved in improper conduct because the timing of our relationship with Compuquest coincides with the termination of Mr. Bodimeade's contact at HP for taking kickbacks.

(i) According to the fifth report of the receiver, Compuquest's HP contact was terminated in September 2013. (see paragraph 51c).

(ii) Contrary to what the receiver has asserted in its fifth report wherein it states at paragraph 49 "the receiver has found... no evidence that Norris supplied product to Compuquest prior to approximately January 2014", Mr. Bodimeade testified during his examination that his relationship with Norris and I started years earlier than 2014 and that we had been conducting business back and forth during that time (page 59-60 questions 349-355). The receiver simply chose to ignore this evidence and failed to refer to it in its report because it does not support its position.

(iii) Norris and I have had a business relationship with Compuquest and Mr. Bodimeade since 2003. I have gone back to my records as far as possible, and while my emails from before 2009 were on a different system, I have many emails dating from prior to 2014. I have provided a couple of emails, and a number of purchase orders and sales orders that demonstrate a business relationship with Mr. Bodimeade and Compuquest as far back as 2008, 2009 and 2010- years before Compuquest's HP contact was terminated. These emails and documents demonstrate that the statement in paragraph 49 of the receiver's fifth report is simply false. Attached hereto and marked as **Exhibit "CCC"** is a copy of the 2008, 2009 and 2010 documentation. In addition, the receiver is in possession of all Compuquest historical documents dating back to at least 2008, including financial records detailing the business relationship between Compuquest and Norris, which I witnessed at my inspection at the Grant Thornton offices in Toronto while conducted my search for the 2016 freight forwarding documents. Notwithstanding, the receiver has indicated in its report that it has not seen any evidence that Norris supplied product prior to 2014.

(iv) I have also provided some instant message history between Mr. Bodimeade and I showing our normal course of business in bidding, purchasing, arranging freight, and payments between Norris and Compuquest. See Exhibit

"ZZ". The Instant Messages demonstrate that payments were required to pay down the RLOC in order for Norris to continue to provide product.

(f) The receiver has levelled very serious, likely criminal, allegations that Norris and I have engaged in circular cheque writing with Compuquest. I am advised by my counsel and verily believe that the receiver's counsel has referred to it many times as cheque-kitting.

(i) The receiver has alleged that Norris and I have engaged in circular cheque writing with Compuquest and that no loans were extended to Compuquest before 2015 (paragraph 49 of receiver's fifth report). In fact, I explained to both the receiver and the trustee that the loans defined on the spreadsheet I supplied to Grant Thornton were for transaction funding to Compuquest. Transaction funding is a short term loan to facilitate the purchase of product. The term of the loan is the time it takes for the product to be received and sold, usually a very short period of time, such as 2 weeks (sometimes shorter, sometimes longer). Interest on such a loan is commonly charged at 3%. Repayment of the loan is sent in the form of a cheque at the inception of the loan (the cheque is held until the borrower confirms the cheque can be deposited). I have consistently provided transaction funding since 2007. It is clear that the receiver does not understand the nature of transaction funding and has ignored the evidence I provided and evidence easily ascertained in the Compuquest bank statements the receiver has referenced on multiple occasions in the receiver reports (and which have not been produced to me despite my requests). I have provided transaction funding to Compuquest on a monthly and sometimes weekly basis since at least 2011. Attached hereto and marked as **Exhibit "DDD"** is an email chain outlining one instance of transaction funding originating January 28, 2011 between Compuquest and I. I will outline the transaction step by step to serve as an example of transaction funding and also prove the receiver's assertion that no funding was provided prior to December 31, 2015 is false and misleading.

-37-

(A) On January 28, 2011 at 4:39, Mr. Bodimeade sends an email to me requesting a loan for “another month end opportunity for a big load...I would need \$155k (\$4k to you), same old, Product is sold, Just need it too land and deliver”. This indicates that Mr. Bodimeade has a large purchase opportunity from his vendor, wants to borrow \$155,000 to make the purchase, and is paying \$4,000 in interest for the loan. The language in this email illustrates that, as far back as 2011, this is not the first time transaction funding of this nature has been requested.

(B) The next several email responses on the same day between 4:42PM and 5:34PM shown on pages 2 through 7 of the exhibit confirm the wire for the loan being sent by me to Compuquest and Mr. Bodimeade sending repayment in the form of a cheque.

(C) The final email shown on page 8 of the exhibit is from Mr. Bodimeade to me and shows in the subject line of the email, “cheque cleared this am, thanks again”, referring to the repayment cheque. Mr. Bodimeade would always confirm the cheque had cleared for me as my bank sometimes held foreign checks. This way I could notify my account representative at my bank that the funds were clear. In the body of the last email, Mr. Bodimeade asks, “I could use one more for 165K” indicating that he has another transaction he needs funding for in the amount of \$165,000.

(D) The receiver has placed significant emphasis on the fact that Mr. Bodimeade maintained some cheques made out to Compuquest signed by me, but with the amount blank. These cheques were left with Mr. Bodimeade as a convenient and quick way for us to complete transaction financing, as Mr. Bodimeade would simply call me to confirm the amount of the funds (and that the cheque would clear) before writing in the amounts that he was borrowing. The receiver has completely

misunderstood the purpose for the cheques and has drawn incorrect conclusions.

(E) Compuquest is not my only client for transaction funding. Attached hereto and marked as **Exhibit "EEE"** is an email chain outlining another instance of transaction funding originating July 5, 2016 between CDM Technologies and I. The exhibit shows the email from CDM to me acknowledging the terms for the transaction funding and includes attachments showing copies of the repayment cheque, CDM's vendor invoice, and CDM's customer's purchase order for the product.

(F) I also provided funding to Memory Dogg Inc. Attached hereto and marked as **Exhibit "FFF"** is a copy of a spreadsheet, in the same format shown for Compuquest, which sets out the transaction funding that has been extended to Memory Dogg Inc.

(ii) The receiver asserts in paragraph 53 and 54 of the receivers fifth report that he has found evidence of "circular cheque-writing activities", however, this is totally false and unfounded. I am advised by Mr. Bodimeade and verily believe that, prior to this assertion, Mr. Doug MacLaine of CIBC leveled the same accusation at Mr. Bodimeade during conversation but never made the accusation in writing. This is because the evidence doesn't exist. The nature of transaction funding has been explained to both the receiver and Mr. MacLaine, however, the receiver has chosen to ignore the facts and present speculative suspicion in his report.

(iii) The receiver fails to recognize or acknowledge that transaction funding is a short term loan and has misrepresented the dates of deposit. For instance, in paragraph 54 of the receiver's fifth report, the receiver claims in paragraph 54(a) . that a Compuquest deposit for \$280,000 took place on "February 5, 2016", and then in paragraph 54(b) claims a Salem deposit occurred on the same day. This is false. The Salem deposit, in the amount of \$256,000, occurred 7 days earlier, on January 29, 2016 and was for payment of a previous balance. The receiver then

states in paragraph 54(c). that a Compuquest deposit for \$195,000 took place on Feb 10, 2016, and then in paragraph 54(d) claims a Salem deposit occurred on the same day. This is false. The Compuquest deposit was made on Feb 17, 2016 and the Salem deposit was made on Feb 3, 2016. Attached hereto and marked as **Exhibit "GGG"** are the correct deposit slips for the deposits per my statements above.

(iv) There is lengthy historical evidence of transaction financing between Salem and Compuquest shown in Compuquest's CIBC account history dating back to 2010. However, the trustee and receiver have refused to provide Compuquest's CIBC account statements, despite requests. By February 16, 2016, CIBC began refusing all cheques presented against the Compuquest account even when I confirmed with Mr. Bodimeade that cleared funds were available. This made it impossible to continue a normal course of business with Compuquest and severely damaged the company's ability to move forward with Norris and I, without the receipt of payments on account of the amounts owing. The receiver's references in paragraph 54(e) through (i) all contain incorrect dates, but more importantly, these transactions all came after CIBC began refusing all cheques presented. Once the refusals began, I had to protect my investment and insisted on payments in order to continue business with Compuquest. Funds for the refused items were 2 to 4 weeks late.

(v) In paragraph 52 of the receiver's fifth report, the receiver alleges that I was aware of Compuquest's financial difficulties. In fact, Norris had a very good year with Compuquest in 2015. My concerns were primarily with Mr. Bodimeade's divorce and the fact that the collateral he had always referenced (the Property and other assets in the RLOC), were going to be liquidated for the divorce. The negotiation for the RLOC began in October of 2015, well before CIBC ever stepped in. In fact, I never considered Compuquest a bankruptcy risk until the weeks leading up to CIBC petitioning Compuquest into bankruptcy.

(vi) In paragraph 6 of the receiver's fifth report, the receiver states there was diminished inventory and accounts receivable in Compuquest when it took over. This should not be a surprise in light of the fact that CIBC, Compuquest's financial partner, refused to work with the company in even the most basic terms of paying cheques presented with collected funds.

(g) The receiver has alleged that the transactions and supporting documentation outlined in the spreadsheets provided in support of the proofs of claim do not all reconcile and therefore Norris and I have engaged in improper conduct.

(i) At paragraph 95 of the receiver's fifth report, the receiver indicates that there are documents supporting of a shipment of \$228,000 worth of off-lease computers on March 11, 2016. The receiver indicates that there is a discrepancy in the quantum of product shipped in some of the documentation and further incorrectly indicates that an invoice from Norris to Compuquest, which was used for customs purposes is in the amount of \$42,500 rather than \$228,000.

(ii) It is clear that the receiver does not understand the nature of the documents or the process for ordering and shipping product as outlined earlier in this affidavit. I will outline the March 11, 2016 transaction step by step as an example.

(A) On March 11, 2016, Norris issued a purchaser order to HP Financial services in the amount of \$220,210USD for 1816 off-lease desktop computers. Attached hereto and marked as **Exhibit "HHH"** is a copy of the purchaser order.

(B) The same day, Norris wired payment in full to HP Financial Services for the 1816 off-lease desktop computers. Attached hereto and marked as **Exhibit "III"** is a copy of the wire transfer confirmation from JP Morgan Chase.

(C) The same day, Norris issued a sales order to Compuquest in the amount of \$228,000USD for the 1816 off-lease desktop computers purchased from HP Financial Services. Attached hereto and marked as **Exhibit "JJJ"** is a copy of the sale order from Norris to Compuquest. The difference between the purchase order amount (\$220,210USD) and the sales order amount (\$228,000USD), \$7,790USD, is Norris' small margin of profit on this transaction.

(D) The same day, Mr. Bodimeade, on behalf of Compuquest, contacted QuikX Transportation, a freight company, to arrange for the shipping of the 1816 off-lease desktop computers directly from HP Financial Service to Compuquest. Laura Blackman, operations supervisor at QuikX emailed Mr. Bodimeade indicating that Boston Creek Transportation would pick up the product after 2pm. In her email, Ms. Blackman requested that Mr. Bodimeade send her the Bill of Lading and Custom Documents as soon as possible. Attached hereto and marked as **Exhibit "KKK"** is a copy of the emails from Ms. Blackman to Mr. Bodimeade.

(E) The same day, Norris prepares the Bill of Lading and provides it to HP Financial Services, and Mr. Bodimeade, who in turn provides it to QuikX Transportation, who in turn provides it to Boston Creek Transportation. Once Boston Creek Transportation has the Bill of Lading, they are able to complete the blind shipment as explained earlier in my affidavit. The Bill of Lading identifies the shipper (HP Financial Services), the consignee (Norris), describes the product being picked up and provides directions to the freight company on how to access the shipper's premises. Because the shipment is being done in the blind, it does not indicate that the purchaser of the product is Compuquest. Once Boston Creek Transportation picks up the product, they deliver it directly to Compuquest. Attached hereto and marked as **Exhibit "LLL"** is a copy of the Bill of Lading.

(F) Because this particular shipment originated in the United States, Compuquest was required to complete certain documents for customs. The custom documents consist of a Bill of Lading from the freight company (which is also for freight insurance purposes) and a commercial invoice describing the product and value. Norris and I have no role whatsoever in the preparation of these custom documents and are not provided with copies of these documents. While the receiver correctly notes that the number of computers described on the documents is incorrect (1450 vs 1816), and the price reflected as \$42,500 rather than \$228,000, the receiver is incorrect in describing the documents as an invoice from Norris. Norris never prepared, or saw these documents (until these proceedings). I can't speak for the errors, other than to speculate that Compuquest wanted to reduce the payment of duty. This in no way benefits Norris or me as our margin is fixed as the difference between the Purchase Order price and the Sale Order price \$7,790 USD. Attached hereto and marked as **Exhibit "MMM"** is a copy of the custom documents prepared by Compuquest.

(G) The receiver seems to take issue with the fact that Norris and I do not have executed copies of these documents, however we would never have executed copies as we are not directly involved in the shipping process. As detailed in this affidavit, we obtained copies of the freight documents for 2016 Mr. Bodimeade, and the balance from the receiver after the receiver initially denied it had them, and I was required to attend and review documents in the receiver's possession.

(H) As detailed earlier in my affidavit, my counsel was able to obtain many of the executed 2016 shipping documents on July 13, 2017 from QuikX Transportation. This included the QuikX Transportation bill of lading prepared by Compuquest. Attached hereto and marked as **Exhibit "NNN"** is a copy of the executed QuikX Transportation bill of lading.

(iii) With respect, the receiver's inability to account for the location of product that shipped directly from the manufacturer to Compuquest, using freight organized by Compuquest, is not Norris' or my issue. If Compuquest moved equipment or disposed of it prior to the receiver's appointment, Norris and I had no involvement in it and no knowledge of it.

(h) The receiver has alleged that because Mr. Bodimeade, Norris and I both retained Foglers (although separately), we are colluding.

(i) The truth is I live and work in the United States and did not have any lawyer contacts in Toronto. Mr. Bodimeade recommended Foglers and he and I retained separate counsel at Foglers. As advised by Mr. Bodimeade and I verily believe, once he was petitioned into bankruptcy, given the amounts involved, there was no chance of him recovering any assets, all of which vested in the trustee, and therefore our interests, were not in conflict. In any event, Mr. Bodimeade's counsel left Foglers for Miller Thomson several months ago and he continues to act for Mr. Bodimeade.

(i) The receiver is alleging that because I put a stop payment on a cheque, at Mr. Bodimeade's request, that I have engaged in improper conduct.

(i) At paragraph 59 of its fifth report, the receiver states that on February 25, 2016, Mr. Bodimeade emailed me and asked me to put a stop payment on a cheque I had written for \$125,000USD. According to the receiver, the email stated:

This is the check you will need to put a stop on. I just got off the line with my bank, based on the overdrafts and the few checks that were stopped they have put me on a 21 day hold for any US deposits. Give me a buzz when you get a second as I have a resolution the email records.

It is unclear whether it is a typo on the receiver's part, but the last three words "the email records" does not actually appear in the email. The email reproduced in its entirety below.

From: Gary Bodimeade
Sent: Thursday, February 25, 2016 1:54 PM
To: Dean Salem (dean@norris1.com)
Subject: FW:
Attachments: IMG_20160224_1722110.jpg

This is the check you will need to put a stop on.

I just got off the line with my bank, based on the overdrafts and the few checks that were stopped they have put me on a 21 day hold for any USD deposits.

Give me a buzz when you get a second as I have a resolution

(ii) A stop payment was put on this cheque at Mr. Bodimeade's request. Mr. Bodimeade indicated to me that a 21 day hold would be placed on the funds and that he needed to access the funds more quickly. As a result, instead of borrowing \$125,000 by way of the cheque, he asked me to stop payment on the cheque, so we could discuss a resolution that would not result in a 21 day hold, and would allow him to continue doing business. Since I was lending him the money, I was perfectly within my rights to put a stop payment on the cheque, at his request, and to discuss possible alternatives for advancing him the funds.

(j) Mrs. Bodimeade has made allegations that Mr. Bodimeade and I do not have a "normal business relationship", are not arm's length and that I engaged in improper conduct;

(i) At paragraph 16 of her affidavit, Mrs. Bodimeade states "In April 2016, my son Nicholas told me that he had tried to pay for gas for his Jeep but his American Express card didn't work. I asked Gary about it, and asked him when Nicholas could use the card again, and Gary said 'probably never, because Dean won't pay it'. When I asked why Dean would pay Gary's personal American Express, Gary told me that Dean would charge the American Express card, and

then Dean would either pay Gary to pay it off, or Dean would pay it off directly, and then Dean would charge the card close to its limit again. The credit limit on the American Express account was \$500,000." Let me be clear and unequivocal. I never paid Gary's American Express bill or Nicholas' American Express bill. I never paid for anything for Mr. Bodimeade, Mrs. Bodimeade or any of their children. Mrs. Bodimeade's affidavit on this point is completely false, and I note, contains no supporting documentation as evidence. In fact, contrary to paying off the Amex, Mr. Bodimeade actually paid Norris using the Amex on several occasions (see the various attached spreadsheets)

(ii) With respect to paragraphs 21-22 of Mrs. Bodimeade's affidavit, the only statement that is accurate is that I met Mr. Bodimeade and Mrs. Bodimeade in August 2016. On August 17, 2016, after the adjournment of the application, I met with Mr. Bodimeade and Mrs. Bodimeade. Mrs. Bodimeade's affidavit outlines an offer I purportedly made which makes no sense. According to her affidavit, I agreed to advance up to \$800,000 to purchase a home, \$100,000 for expenses and an additional \$200,000, for a total of \$1.1 million, which would be secured by increasing the mortgage against her interest in the property to \$2 million. This makes no sense for a couple of reasons. Firstly, Mrs. Bodimeade's half interest in the Property was only worth about \$1.5 million. Secondly, a \$2 million mortgage wouldn't have covered the initial mortgage amount of \$1 million plus the additional offer of \$1.1 million- there would be a \$100,000 shortfall.

(iii) Contrary to paragraph 21 and 22 of Mrs. Bodimeade's affidavit, the only offer of assistance I made was to lend Mrs. Bodimeade \$500,000, which would be added to the mortgage against her interest in the Property, bringing the mortgage amount to \$1,500,000. The \$500,000 loan would allow Mrs. Bodimeade to purchase a new home and move out of the Property. Mr. Bodimeade would have been able to remain in the Property, service the mortgage and the Property could be sold when most advantageous from a price perspective, and I would be paid out on the mortgage. After several weeks of discussion, Mrs. Bodimeade refused . due to the fact that she did not feel \$500,000 was enough money and she could

not obtain a mortgage to make up the difference on the \$1,200,000 horse farm she was attempting to buy. In the correspondence with Mrs. Bodimeade, she indicated to me that if we did not reach a deal, "she would try to cut a deal with the receiver", which appears to be what has happened as the receiver has opted not to pursue Mrs. Bodimeade's stable of horses (with the corresponding equipment), which I understand are worth approximately \$300,000, and were paid for with Compuquest's money.

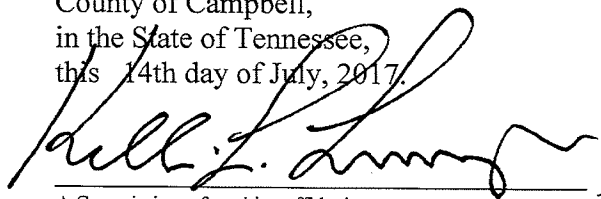
(iv) I should point out that at paragraph 26 of her affidavit Mrs. Bodimeade states that since February 3, 2016, Compuquest has paid Norris and me sufficient funds to cover any debt owing by Compuquest. However, paragraph 4 of Mrs. Bodimeade affidavit states "I was not involved in the day to day operations of Compuquest. I visited the office and warehouse very infrequently, and knew only what Gary told me about the business. In light of this admission, Mrs. Bodimeade's statement at paragraph 26 is not credible.

(v) At the meeting with Mr. and Mrs. Bodimeade on August 17, 2016, Mrs. Bodimeade acknowledged that the debts owed to Norris and I were real and accurate and stated that she fully intended to sign the mortgage paperwork as she was obligated to in the RLOC. She handed me a handwritten Budget outlining her expenses for which she requested assistance in paying. She stated that, in her first meeting with Grant Thornton, Mr. Oros, told her, "our common enemy is Dean Salem". This further demonstrates that from the commencement of the trustee and receiver's mandate, Norris and I have been painted with the same brush as Mr. Bodimeade and considered guilty by association.

113. I therefore make this affidavit in response to the motion brought by the receiver, and for no other or improper purpose or motive.

-47-

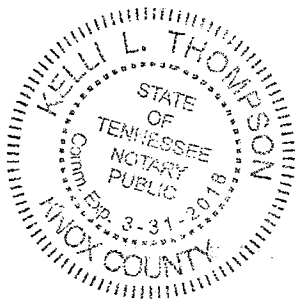
SWORN before me at the
County of Campbell,
in the State of Tennessee,
this 14th day of July, 2017.



A Commissioner for taking affidavits.



DEAN SALEM



Court File No. CV-16-11369-00CL

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

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.

Respondent

SEVENTH REPORT OF THE RECEIVER

July 17, 2017



Grant Thornton Limited
Receiver of the Respondents

200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4

TABLE OF CONTENTS

INTRODUCTION AND BACKGROUND.....	1
SCOPE AND TERMS OF REFERENCE	1
RESPONSE TO AFFIDAVIT OF AIMEE BODIMEADE SWORN JULY 14, 2017	2
RESPONSE TO AFFIDAVIT OF DEAN SALEM SWORN JULY 14, 2017	6
CONCLUSION	15

APPENDICES

Appendix “1” – email dated July 12, 2017 together with an assessment report from Sterling Stables LLC dated July 11, 2017

Appendix “2” – email and cheque stub reflecting payments

Appendix “3” – Sales Order issued by Norris on May 5, 2016 to CQ2K in the amount of \$38,655.00

Appendix “4” – sample email indicating that Gary and Salem were running up the Amex card in order to pay Norris

INTRODUCTION AND BACKGROUND

1. This report (the “**Seventh Report**”) is being filed by Grant Thornton Limited (“**GTL**”) in its capacity as the receiver (in such capacity, the “**Receiver**”) of 1299746 Ontario Inc. o/a Compuquest2000 (“**Compuquest**”) and 2252709 Ontario Inc. (“**225**”) (together, the “**Debtors**”) and as Receiver of a real property at 7472 Ashburn Road, Whitby, Ontario (the “**Ashburn Property**”). The Seventh Report is being filed in response to the Affidavits of Aimee Bodimeade and Dean Salem sworn July 14, 2017.
2. The same defined terms will be used herein as in the Fifth Report of the Receiver dated June 19, 2017, unless otherwise defined.

SCOPE AND TERMS OF REFERENCE

3. In preparing this Seventh Report, the Receiver has relied upon certain unaudited financial information, the Debtors’ records, the Debtors’ bank statements and supporting records received from its financial institutions and other financial information. While the Receiver has performed a preliminary review of available books and records of Compuquest and 225, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with GAAP or IFRS. Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.
4. This Seventh Report has been prepared for the use of this Court and the Debtors’ stakeholders for the purpose of obtaining approval of the Ashburn Sale Agreement and ancillary relief and to assist the Court in making a determination of the claims by Salem and Norris to an interest in the Ashburn Property. Accordingly, the reader is cautioned that this Seventh Report may not be appropriate for any other purpose. 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 Seventh Report for any other purpose.

5. All references to dollars in this Seventh Report are in Canadian currency unless otherwise noted.

RESPONSE TO AFFIDAVIT OF AIMEE BODIMEADE SWORN JULY 14, 2017

6. On the afternoon of July 14, 2017, Aimee delivered an affidavit opposing approval of the Ashburn Sale Agreement unless proceeds of the sale are distributed to her.
7. Paragraphs 1, 2, 4, 5, 6, 7, 8 (except the last sentence), 9, 10, 11, 12, 18 and 19 of Aimee's affidavit are virtually identical to an affidavit sworn by Aimee on January 6, 2017 opposing the Receiver's appointment to market and sell the Ashburn Property. These allegations were addressed in the Receiver's Third Report and on Aimee's cross-examination held January 13, 2017.
8. With respect to paragraphs 13 and 14 of Aimee's affidavit, the rights and interests of the Receiver and the Trustee in the Ashburn Property are not limited to an equalization claim between Aimee and Gary pursuant to the *Family Law Act*. Among other things:
 - a. Aimee admitted in paragraph 3 of her June 20, 2017 affidavit that she insisted on the title being put in her name after Gary was charged with fraud to protect her and her children from "further financial instability with Gary";
 - b. The initial down payment was funded with the proceeds of a previous property jointly held by Gary and Aimee and financing from BNS that was co-signed by Gary;
 - c. The BNS financing was augmented and later replaced by a first mortgage held by CIBC, which is in default;

- d. Aimee admitted in the RLOC Agreement that Gary had an interest in the Ashburn Property;
 - e. The interests of Gary and Aimee are subject to claims by the Receiver of Compuquest;
 - f. To date, the Receiver has already traced over \$1 million of Compuquest funds/assets into the Ashburn Property;
 - g. The Receiver's investigation is not complete.
9. Aimee has provided no support or breakdown for the statement in paragraph 14 of her affidavit that Gary's net family property was allegedly higher than hers on the date of separation. To date, there have been no meaningful recoveries in Gary's bankruptcy.
10. In paragraph 15 of her affidavit, Aimee alleges that she consented to the sale of the Ashburn Property on the basis that the distribution of sale proceeds would be agreed or ordered before the sale transaction was approved. There was no such agreement. The only agreement was a term of the Receiver's appointment order that Aimee could address distribution of funds on the sale approval motion.
11. Since the Receiver's appointment, Aimee has taken no steps to deal with the issues of entitlement among the Receiver, the Trustee and Aimee. In any event, the determination of these issues first requires the determination of the claims of Salem and Norris. Aimee took no steps herself to deal with the Norris Application.
12. Paragraph 16 of Aimee's affidavit is similar to paragraph 22 of her January 6, 2017 affidavit, but includes 25 more animals than referred to in the earlier affidavit (four cats, one cow, four goats and sixteen chickens). Aimee does not indicate when she acquired these additional animals.

13. Aimee has known since at least the summer of 2016 that the Ashburn Property has to be sold. Aimee does not appear to have taken any steps to sell or otherwise deal with the nine horses located at the Ashburn Property since the Receiver's appointment.
14. On July 12, 2017, counsel for Salem and Norris provided the Receiver's counsel with a report from Sterling Stables LLC assessing the value of the nine horses, as well as a tenth horse located off-site. The assessed value provided was \$162,000.00, exclusive of equipment. A copy of the covering email and assessment is attached as **Appendix "1"**.
15. According to the assessment, the cost of professional training for the horses to work them and have them sale ready would average between \$800-1200 per horse per month, plus additional expenses for vet and farrier work.
16. Only one of the horses ("Chase What Matters") is registered to Gary. According to information provided by Aimee in January 2017, this horse was purchased in 2013 for \$2,500.00.
17. The remaining horses are registered either to Aimee or her children. It is apparent that she and her children do not have the financial means to keep and maintain the horses.
18. With respect to paragraph 20 of Aimee's affidavit, the Receiver acknowledges that Aimee cooperated in the sale of the Ashburn Property. Aimee was permitted to continue residing at the Ashburn Property on the understanding that she would cooperate in the sale process. Aimee and her children have been living at the Ashburn Property without paying either the mortgage or, it appears, property taxes since the Receiver's appointment on January 25, 2017.
19. As addressed in previous reports, the Bodimeades lived well above their means for years, at the expense of Compuquest and their personal

creditors. Gary's and Aimee's extravagant lifestyle included the construction and maintenance of the Ashburn Property, leasing a fleet of luxury vehicles and the purchase and maintenance of a stable of horses. The vehicle leasing costs alone appear to have greatly exceeded the Bodimeades' annual income, let alone the construction of the Ashburn Property, purchase and care of the horses and care and maintenance of the Ashburn Property, as well as other personal expenses paid by Compuquest.

20. Although Aimee is the registered owner of the Ashburn Property, she has been unable to provide any further evidence related to the construction costs or the source of funds used to construct the Ashburn Property.
21. The Receiver disputes that Aimee is entitled to 50% of the net sale proceeds. This fails to take into consideration the interests of the Receiver of Compuquest. At this stage, there is no certainty that Aimee has any entitlement to proceeds from the sale of the Ashburn Property, after considering the use of Compuquest's assets to purchase and maintain the Ashburn Property and the withdrawal of equity through the BNS and CIBC mortgages.
22. In paragraph 32 of Aimee's affidavit, she accuses the Receiver/Trustee of failing to make claims against moneys that were transferred to creditors by Gary in the months leading up to the bankruptcy. She also alleges that the Receiver/Trustee "are not making a claim against Gary's current business income, even though he has simply moved the Compuquest operations, with most of the employees, to another location and under another name".
23. The Receiver/Trustee is continuing to investigate and intends to pursue both the transfer of assets in the months leading up to the bankruptcies and the new business being operated by Gary under the name CQ2K/Phase5.

24. The Receiver/Trustee is reviewing the transfer of assets to Salem/Norris and others, including Aimee herself. For example, Aimee acknowledged to the Receiver that after the bankruptcy, she personally received 50% of the proceeds of a trailer that she mistakenly believed was owned by her and Gary. The other 50% was paid to Gary's girlfriend. A copy of an email and cheque stub reflecting these payments is attached as **Appendix "2"**.
25. The issues with respect to CQ2K/Phase5 will be addressed further below.

RESPONSE TO AFFIDAVIT OF DEAN SALEM SWORN JULY 14, 2017

26. On the afternoon of July 14, 2017, Salem and Norris delivered a five-volume responding motion record containing approximately 1,900 pages of material, a lengthy affidavit sworn by Salem and 73 exhibits.
27. The vast majority of the exhibits are already included elsewhere in the court record.
28. In paragraph 18 of his affidavit, Salem alleges that in January 2011, he and Norris agreed to provide a revolving line of credit to Compuquest in the amount of \$1,500,000, that Gary agreed to be personally responsible for the debt and that Gary's and Aimee's assets would act as security for this agreement.
29. Although Salem and Norris have had over a year to substantiate their claims and despite the volume of the responding motion record, Salem and Norris have not produced any evidence supporting the existence of any such agreement prior to Gary's execution of the RLOC Agreement on December 31, 2015.
30. The schedule supporting Salem's proofs of claim only reflected transactions commencing on January 29, 2016.

31. The schedule supporting Norris's proofs of claim reflected shipments of product commencing on January 22, 2014. Up until April 1, 2014, the shipments appear to have been paid by COD.

32. In his cross-examination testimony, Gary alleged that Norris had been supplying product since 2014 and that they had a "verbal agreement" for the line of credit:

805.Q. I want to go back to your trip to Tennessee in December of 2015. When did you first come up with the idea of entering into a line of credit agreement with Mr. Salem and his company?

A. We always had a verbal agreement up until he found out that Aimee and myself were separating.

806.Q. So this is from when he started supplying the HP product in 2014?

A. 2014, yes.

816.Q. And at what point did Dean also start supplying funds as well as product?

A. Again, from 2014. If I bought a load that I couldn't -- that I couldn't sell right away or if I had residual inventory that I needed to pay him for, I would borrow money from him to pay it.

33. This is inconsistent with Salem's allegation that there was an agreement three years earlier. Further, there is no corroborating evidence for this alleged agreement either in 2011 or in 2014 and no evidence of either a personal guarantee from Gary or an undertaking to provide security prior to December 31, 2015.

34. Moreover, there is no evidence that Salem or Norris had any discussions or dealings with Aimee at all prior to 2016.

35. In paragraph 23 of his affidavit, Salem quotes from an email dated January 5, 2016, in which he apparently introduced himself to Aimee for the first time and asked her to execute the RLOC Agreement.

36. In paragraph 29 of his affidavit, Salem admits that he received a copy of Robertson's March 3, 2016 letter, setting out the terms on which Aimee would sign the RLOC Agreement.
37. The Receiver has no knowledge as to whether the condition that the mortgage would only apply to "Gary's share" was deliberately documented by way of a "side agreement", rather than on the face of the RLOC Agreement. However, there is no doubt that:
 - a. Salem was fully aware at that time that Gary and Compuquest were in trouble with CIBC;
 - b. Salem was assisting Gary in trying to hold off CIBC;
 - c. Salem was fully aware of the "side agreement" before Aimee signed the RLOC Agreement.
38. With respect to paragraphs 37 - 42 of Salem's affidavit, CIBC issued the bankruptcy applications against Gary and Compuquest on May 3, 2016, exactly two months after Aimee executed the RLOC Agreement.
39. Salem's attempts to require Aimee to execute a mortgage over the Ashburn Property, as detailed in paragraphs 37 – 29 of his affidavit, took place after the appointment of GTL as Interim Receiver and after the issuance of the bankruptcy applications.
40. Salem and Norris issued the Norris Application after Gary and Compuquest were both bankrupt.
41. Salem and Norris now take the position that they are secured creditors in the bankruptcies of Compuquest and Gary, by virtue of the "equitable mortgage" they are seeking to enforce by way of the Norris Application. However, they did not name either the Receiver or the Trustee in the Norris Application or seek leave of the court to bring this proceeding to pursue an equitable mortgage.

42. With respect to paragraph 48 of Salem's affidavit, the Receiver did not know at the time of preparing the Second and Third Reports that Gary and Aimee, with the knowledge and consent of Salem, had a "side deal" that the mortgage would only cover "Gary's share" of the Ashburn Property.
43. The Receiver was also unaware that Aimee was deliberately stalling the listing of the Ashburn Property for sale while she tried to negotiate a deal with Salem to assist her in purchasing a new property.
44. Following the Receiver's appointment in respect of the Ashburn Property, the Receiver learned that Salem was offering to provide financial assistance to Aimee in consideration of obtaining the mortgage, as reflected in the emails attached as Exhibit "H" to Aimee's June 20, 2017 affidavit.
45. The Receiver's position remains the same as previously. If Aimee is found to have committed to mortgage the Ashburn Property under the RLOC Agreement, this can only affect Aimee's interest, if any, in the Ashburn Property, not the interests of the Receiver or the Trustee.
46. With respect to paragraphs 51 – 62 of Salem's affidavit, it is not the Receiver's or the Trustee's responsibility to prove a creditor's claim. The Receiver's previous reports address the Receiver's concerns with the claims of Salem and Norris.
47. Ordinarily, a supplier's claim should be supported by the bankrupt's books and records. In this case, Compuquest's records did not substantiate the claims of Salem and Norris. To the contrary, as indicated previously, the accounts receivable records for Compuquest showed that Norris owed Compuquest \$353,901.00 as of December 31, 2015 and that Compuquest owed Norris \$189,058.00. In other words, according to Compuquest's records, Norris owed money to Compuquest.

48. The documents furnished by Norris did not – and still do not – include the kinds of evidence that would normally be available to prove a claim, such as purchase orders from Compuquest that could be tied into Compuquest's records.
49. In paragraphs 63 – 72 of his affidavit, Salem responds to the Receiver's Second Report and alleges that the Receiver "did not appear to be acting objectively, independently and fairly in conducting its investigation".
50. The Receiver's Second Report is dated November 24, 2016, almost eight months ago. Salem and Norris had a full opportunity to ask any questions they wished in respect of the Second Report, to provide any information they wished the Receiver to consider and to make full disclosure of their dealings with Gary and Compuquest. To this date, they have not done so.
51. In paragraphs 73 – 108 of his affidavit, Salem discusses in detail the dealings between the Receiver and Salem/Norris from November 30, 2016 to July 6, 2017. These events have been discussed previously in the Fifth and Sixth Reports.
52. The Receiver's reports detail the suspicions about the relationship between Gary and Salem, including the irregular banking activity (circular cheques), Salem's involvement in coaching Gary on his responses to CIBC, preferential payments, the lack of business activity or assets discovered by the Receiver on its appointment and the apparent transfer of the Compuquest business to a new entity to which Norris is supplying inventory.
53. The emails found by the Receiver showed a clear intention by Gary/Compuquest to dispose of assets and pay the proceeds to Salem and Norris. This is in fact what happened, as a result of which Salem and Norris received preferences.

54. The Receiver and Trustee have not only the right but the duty to investigate preferences and transfers at undervalue.
55. With respect to the quantum of the claims filed by Salem and Norris, the Receiver has incurred an enormous amount of time addressing the unsecured proofs of claim. Both CIBC and Business Development Bank of Canada (“**BDC**”) are secured creditors of Compuquest in priority to Salem and Norris. In addition to CIBC and BDC, there are other creditors of Gary, including American Express (“**Amex**”). There is no reason to determine quantum unless and until there are funds for distribution in Gary’s estate, at which time Salem and Norris will share *pro rata* with other unsecured creditors of Gary.
56. It was only on June 23, 2017, two months after the July 17, 2017 motion was booked, that Salem and Norris decided to file secured proofs of claim, claiming an equitable mortgage over the Ashburn Property in priority to the interests of the Receiver and the Trustee. Apart from the sale of the Ashburn Property, the only issue for determination on this motion is whether Salem and Norris are entitled to an equitable mortgage.
57. With respect to paragraphs 109 – 111 of Salem’s affidavit, the Receiver does not dispute that Aimee and Gary lived a life of luxury at Compuquest’s expense. This is a matter for the Receiver’s investigation. However, the fact that Gary and Aimee misappropriated funds from Compuquest to fund a luxury lifestyle does not excuse the conduct of Salem and Norris or entitle them to a priority over Compuquest’s secured creditors or other creditors of Gary and Aimee.
58. In paragraph 112(a) of his affidavit, Salem addresses CQ2K/Phase5.
59. The Receiver does not accept Salem’s position that Gary is merely an “employee” of CQ2K/Phase5. It appears that this company is a continuation of Compuquest’s business that is being run by Gary.

60. It also appears that Salem has not been forthcoming about his relationship with CQ2K/Phase5.
61. The Receiver has obtained a copy of a Sales Order issued by Norris on May 5, 2016 to CQ2K in the amount of \$38,655.00. A copy of the Sales Order is attached as **Appendix “3”**. This Sales Order was issued on the very day that CQ2K was incorporated.
62. The address on the Sales Order is 88 Beachgrove Cres, Whitby, Ontario. The Receiver has learned that this is the former home address of Gary's girlfriend, with whom he currently resides.
63. The Receiver has repeatedly asked Salem/Norris to provide an accounting of their dealings with CQ2K. They have refused to do so. Although the Receiver has obtained a court order authorizing the Receiver to examine Salem, Salem has refused to attend in Ontario for his examination.
64. The Receiver will be addressing these issues further following the completion of the sale of the Ashburn Property.
65. In paragraph 112(b) of his affidavit, Salem addresses the sale of the King Aire and delivery of the proceeds to Norris. This transaction did not take place in the ordinary course of Compuquest's business. This and other payments were made at a time when Compuquest was patently insolvent and resulted in Norris receiving a preference. The Trustee has not yet commenced a preference proceeding, but intends to do so.
66. In paragraph 112(c) of his affidavit, Salem addresses the fact that he was drafting Gary's responses to CIBC. It is clear that Gary and Salem were not dealing at arm's length. It is also clear that Salem was fully aware of Compuquest's financial difficulties. It appears that they were collaborating on a strategy to deal with CIBC, transfer assets of Gary and Compuquest to Norris and move Compuquest's business to a new entity.

67. The Receiver has been unable to obtain further particulars of this strategy because Gary has claimed privilege over his communications with Salem and Fogler Rubinoff LLP.
68. In paragraph 112(f) of his affidavit, Salem addresses the circular cheque transactions. The Receiver's Fifth Report set out the sequence of events as presented on Compuquest's bank statements. The fact is that there were circular cheques being written back and forth between Compuquest and Salem/Norris, which were caught by CIBC's fraud detection group.
69. Exhibit "DDD" to Salem's affidavit includes multiple copies of an email chain between Gary and Salem dated January 28, 2011, wherein Gary appears to be offering Salem a \$4,000.00 fee to advance \$155,000.00 to Compuquest and receive a cheque back on the same day.
70. In paragraph 112(f)(i)(A)-(C) of his affidavit, Salem purports to outline this transaction "step by step" in order to "prove the receiver's assertion that no funding was provided prior to December 31, 2015 is false and misleading".
71. Although the Receiver has been requesting supporting documents for the claims of Salem and Norris since August 2016, these emails were provided for the first time on July 14, 2017.
72. These documents do not evidence the existence of a revolving credit line. Rather, the documents and Salem's explanation suggest that:
 - a. Salem advanced \$155,000.00 to Compuquest on Monday, January 31, 2011 by way of a wire transfer;
 - b. Compuquest provided a cheque to Salem on or about the same day, which cleared on February 9, 2011;
 - c. Compuquest paid "interest" of \$4,000.00 to Salem for this short-term "loan".

73. This evidence is very disturbing. Compuquest had a Revolving Line of Credit with CIBC. It does not make sense that Compuquest would be borrowing short term funds from third parties at extremely high rates of interest to purchase inventory unless Compuquest was in financial difficulties.
74. The Receiver is continuing to investigate similar types of unusual transactions with other third parties, such as Pinfold.
75. The fact that Compuquest was seeking this kind of funding does not appear to be consistent with Salem's suggestion that the business was doing well at the time.
76. This sample 2011 transaction provided by Salem does not explain the circular transactions that took place in Compuquest's account in 2016, where Salem was allegedly funding Norris's own supply of product.
77. In paragraph 112(f)(iv) of his affidavit, Salem alleges that the Trustee and the Receiver have refused to provide Compuquest's CIBC account statements. The Receiver is not aware of such a request.
78. In paragraph 112(g) of his affidavit, Salem tries to explain the discrepancy between the quantum and value of the product allegedly shipped by Norris on March 11, 2016 (USD \$228,000 for 1,816 off-lease desktop computers v. USD \$42,500.00 for 1,450 computers). The only explanation that Salem can provide is that Compuquest created the invoice in the amount of USD \$42,500.00 "to reduce payment of duty".
79. This is a serious matter. This suggests that Compuquest was engaging in customs fraud. The Receiver will be investigating these issues further.
80. Salem takes the position that it is not his or Norris's issue that the Receiver has been unable to account for the whereabouts of the product supplied by Norris. The diversion of Compuquest's assets is also a

serious matter. Salem is uniquely in a position to assist the Receiver in determining the whereabouts of the product shipped by Norris, as a result of the ongoing relationship between Salem/Norris and Gary. Salem and Norris have failed to cooperate in this regard.

81. In paragraph 112(j) of his affidavit, Salem addresses the issues with Amex. Amex is a major unsecured creditor in both Gary's and Compuquest's bankruptcy. The Receiver has obtained emails indicating that Gary and Salem were running up the Amex card in order to pay Norris. A sample email is attached as **Appendix "4"**.
82. In paragraph 112(j)(v) of his affidavit, Salem alleges that he and Norris "have been painted with the same brush as Mr. Bodimeade and considered guilty by association." There remain many suspicious circumstances about the relationship between Gary and Salem, in addition to the fact that they have an ongoing relationship in the operation of CQ2K/Phase5.

CONCLUSION

83. With respect to the Ashburn Property, the Receiver acted in good faith in marketing and selling the Ashburn Property in accordance with its mandate. If the sale is not approved and is lost, there is a risk that the Receiver will be unable to re-sell the Ashburn Property for the same price. In addition, there will be ongoing carrying costs.
84. Both the CIBC mortgage and the property taxes are in default. Aimee's suggestion that she will be able to carry the Ashburn Property pending a further sale is inconsistent with the email sent by her lawyer to the lawyers for CIBC and the Receiver on April 26, 2017 asking for additional relief as a result of her difficulty in carrying the home.
85. In any event, it appears that Aimee will not consent to any sale unless she receives 50% of the sale proceeds or some other amount that she

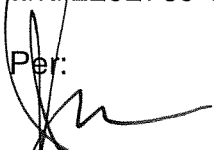
demands. Aimee is not entitled to 50% of the sale proceeds. Even if the claims of Salem and Norris are dealt with, the Receiver is not prepared to recommend a distribution of funds to Aimee which does not fairly consider the fact that the Ashburn Property was built using funds diverted from Compuquest and the rights and interests of the secured and unsecured creditors of Compuquest and Gary.

86. With respect to the claims of Salem and Norris, the Receiver seeks an Order discharging the CPL and the Glustein Order and dismissing the Norris Application. Salem and Norris have not demonstrated that they are entitled to an equitable mortgage in priority to the interests of the Receiver and the Trustee.

All of which is respectfully submitted to the Court.

GRANT THORNTON LIMITED,
Court-Appointed Receiver of
1299746 Ontario Inc. o/a Compuquest2000
and 2252709 Ontario Inc.

Per:


J. Krieger, CPA, CA, CIRP, LIT
Senior Vice President

#2918186 | 4099972

Court File No. CV-16-11369-00CL

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

THE HONOURABLE MADAM

)

MONDAY, THE 17TH

JUSTICE CONWAY

)

DAY OF JULY, 2017

B E T W E E N:

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

- and -

**1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.**

Respondents

APPROVAL, POSSESSION AND VESTING ORDER

THIS MOTION, made by Grant Thornton Limited ("GTL" or the "Receiver") in its capacity as the Court-appointed Receiver of the real property municipally known as 7472 Ashburn Road, Whitby, Ontario (the "Ashburn Property") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and 862015 Ontario Inc. dated May 26, 2017 and marked as a confidential appendix to the Fifth Report of the Receiver dated June 19, 2017 (the "Fifth Report") and assigned to 1977056 Ontario Limited by way of an Assignment of Agreement of Purchase and Sale dated June 26, 2017 (the "Purchaser"), granting possession of the Ashburn Property to the Purchaser and vesting all of Aimee Bodimeade's and Gary Bodimeade's right, title and interest in the Ashburn

Property and other the assets described in the Sale Agreement (the "Purchased Assets") in the Purchaser, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Fifth Report dated June 19, 2017, the Sixth Report of the Receiver dated July 6, 2017 and the Seventh Report of the Receiver dated July 17, 2017, the Affidavit of Antonino Pizzolato sworn July 13, 2017, the Affidavits of Aimee Bodimeade sworn June 19, 2017 and July 14, 2017, the Affidavit of Diana McMillen sworn July 14, 2017 and the Affidavit of Dean Salem sworn July 14, 2107 and on hearing the submissions of counsel for the Receiver, Canadian Imperial Bank of Commerce, Aimee Bodimeade, Dean Salem and Norris Technologies, LLC, no one appearing for any other person on the service list, although properly served as appears from the affidavits of service, 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 the Receiver be and is hereby granted possession of the Ashburn Property and that Aimee Bodimeade and all other occupants of the Ashburn Property are required to deliver vacant possession of the Ashburn Property to the Receiver on or before September 12, 2017.
3. **THIS COURT ORDERS** that the Receiver is hereby granted leave to issue a Writ of Possession with respect to the Ashburn Property.
4. **THIS COURT ORDERS AND DECLARES** 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 Aimee Bodimeade's and Gary Bodimeade'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 Madam Justice Conway dated January 25, 2017; (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; and (iii) those Claims listed on Schedule C hereto (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.

5. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Registry Division of Durham of a Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

6. **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.

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

8. **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.



#2902285 v2 | 4099972

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ON / BOOK NO:
LE / DANS LE REGISTRE NO:
JUL 21 2017

PER / PAR:



Schedule A – Form of Receiver's Certificate

Court File No. CV-16-11369-00CL

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

B E T W E E N:

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

- and -

**1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.**

Respondents

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Madam Justice Conway of the Ontario Superior Court of Justice (the "Court") dated January 25, 2017, Grant Thornton Limited was appointed as the receiver (the "Receiver") of the real property municipally known as 7472 Ashburn Road, Whitby, Ontario (the "Ashburn Property").

B. Pursuant to an Order of the Court dated July 17, 2017, the Court approved the agreement of purchase and sale between the Receiver and 862015 Ontario Inc. dated May 26, 2017 and assigned to 1977056 Ontario Limited (the "Purchaser") and provided for the vesting in the Purchaser of all right, title and interests of Aimee Bodimeade and Gary Bodimeade 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) 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 Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**GRANT THORNTON LIMITED, in its
capacity as Receiver of the undertaking,
property and assets of 1299746 Ontario
Inc. o/a Compuquest2000 and 2252709
Ontario Inc., and not in its personal
capacity**

Per: _____
Name:
Title:

Schedule B – Purchased Assets

1. Real Property described as:

PIN 26578-0082(LT)

PT LT 27 CON 7 TOWNSHIP OF WHITBY; PT LT 28 CON 7 TOWNSHIP OF WHITBY AS IN D144416; TOWN OF WHITBY

and

- 2, Chattels described as:

gas stove, built in refrigerator, wall ovens, washer and dryer in basement, all mirror attached to walls, all window coverings, garage door openers and remotes, 2 forced air furnaces, 2 humidifiers, water softener, purifier, dishwasher, bar fridge, all pool and hot tub equipment, pool slide, jungle gym equipment in children's play area, fire pit, all electrical light fixtures and ceiling fans, all closet built ins, all bathroom mirrors, all propane/electric fireplaces, all built in speakers and automation equipment, Alarm system and power entry gates, in ground sprinkler system

Schedule C – Claims to be deleted and expunged from title to Real Property

1. Instrument No. DR1334796 registered January 23, 2015 is a Charge/Mortgage given by Aimee Lynn Bodimeade to Canadian Imperial Bank of Commerce
2. Instrument No. DR1436575 registered December 31, 2015 is a Construction Lien registered by Scott Reed
3. Instrument No. DR1437193 registered January 5, 2016 is a Construction Lien registered by Scott Reed
4. Instrument No. DR1446246 registered February 4, 2016 is an Application to register Designation of a Matrimonial Home by Gary Bodimeade
5. Instrument NO. DR1449635 registered February 18, 2016 is a Certificate registered by Scott Reed re Construction Lien DR1437193
6. Instrument No. DR1478658 registered June 1, 2016 is an Application to register an Order of the Ontario Superior Court of Justice
7. Instrument No. DR1489206 registered June 30, 2016 is an Certificate of Pending Litigation registered by Dean Salem and Norris Technologies LLC
8. Instrument No. DR1504505 registered August 12, 2016 is an Application to register an Order of the Ontario Superior Court of Justice

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**

(unaffected by the Vesting Order)

BETWEEN

CANADIAN IMPERIAL BANK OF COMMERCE

-and-

1299746 ONTARIO INC. o/a COMPUQUEST2000, et al.

Applicant

Respondents

Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Catherine Francis (LSUC# 26900N)
cfrancis@mindengross.com
Tel: 416-369-4137
Fax: 416-864-9223

Lawyers for Receiver, Grant Thornton Limited

Court File No. CV-16-11369-00CL

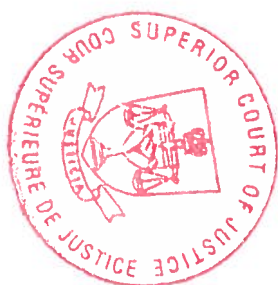
**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE
MADAM JUSTICE CONWAY

)
)
)

MONDAY, THE 17TH
DAY OF JULY, 2017

B E T W E E N:



CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

**1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.**

Respondents

ORDER

THIS MOTION, made by Grant Thornton Limited ("GTL" or the "Receiver") in its capacity as Court-Appointed Receiver and Manager of 1299746 Ontario Inc. o/a Compuquest2000 ("Compuquest") and 2252709 Ontario Inc. ("225"), Receiver of a real property municipally known as 7472 Ashburn Road, Whitby, Ontario (the "Ashburn Property") and Trustee in Bankruptcy of Compuquest and Gary Bodimeade personally for an Order, among other things, sealing the confidential appendices to the Fifth Report of the Receiver, discharging construction liens and a certificate registered on title to the Ashburn Property, discharging a certificate of pending litigation registered by Dean Salem

("Salem") and Norris Technologies LLC ("Norris") against title to the Ashburn Property (the "CPL"), setting aside the Order of Mr. Justice Glustein dated August 9, 2017 (the "Glustein Order") and discharging the Glustein Order against title to the Ashburn Property, declaring that the Revolving Line of Credit ("RLOC") Agreements executed by Gary and Aimee Bodimeade in favour of Salem and Norris are void and unenforceable against GTL in its capacity as Receiver of Compuquest and as Trustee in Bankruptcy of Compuquest and Gary Bodimeade and an Order dismissing the Application in Court File No. CV-17-11698-00CL (the "Norris Application") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Fifth Report of the Receiver dated June 19, 2017, the Sixth Report of the Receiver dated July 6, 2017 and the Seventh Report of the Receiver dated July 17, 2017, the Affidavit of Antonino Pizzolato sworn July 13, 2017, the Affidavits of Aimee Bodimeade sworn June 19, 2017 and July 14, 2017, the Affidavit of Diana McMillen sworn July 14, 2017 and the Affidavit of Dean Salem sworn July 14, 2107 and on hearing the submissions of counsel for the Receiver, Canadian Imperial Bank of Commerce, Aimee Bodimeade, Salem and Norris, no one appearing for any other person on the service list, although properly served as appears from the affidavits of service, filed:

1. **THIS COURT ORDERS** that the Construction Lien bearing Instrument No. DR1436575 registered on December 31, 2015 be and it is hereby discharged from title to the Ashburn Property.

2. **THIS COURT ORDERS** that the Construction Lien bearing Instrument No. DR1437193 registered on January 5, 2016 be and it is hereby discharged from title to the Ashburn Property.

3. **THIS COURT ORDERS** that the Certificate bearing Instrument No. DR1449635 registered on February 18, 2016 be and it is hereby discharged from title to the Ashburn Property.

4. **THIS COURT ORDERS** that the CPL bearing Instrument No. DR1489206 be and it is hereby discharged from title to the Ashburn Property, without prejudice to the rights of Salem and Norris to claim an equitable mortgage in respect of the Ashburn Property, such rights to be determined on August 10, 2017.

5. **THIS COURT ORDERS** that the Glustein Order be and is hereby discharged from title to the Ashburn Property, without prejudice to the rights of Salem and Norris to claim an equitable mortgage in respect of the Ashburn Property, to be determined on August 10, 2017.

6. **THIS COURT ORDERS** that the confidential appendices to the Fifth Report of the Receiver shall remain sealed until closing of an Agreement of Purchase and Sale (the "Sale Transaction") approved by this Court on July 17, 2017 or until further Order of this court.

7. **THIS COURT ORDERS** that the balance of the Receiver's motion returnable on July 17, 2017 be and is hereby adjourned to August 10, 2017, to be heard

together with Aimee Bodimeade's claim for an interim distribution of funds to her from the proceeds of the Sale Transaction.

8. **THIS COURT ORDERS** that Salem may file materials that respond only to new issues raised in the Seventh Report of the Receiver by July 20, 2017.

9. **THIS COURT ORDERS** that Aimee Bodimeade shall attend for cross-examination by the Receiver, Salem and Norris on her affidavits sworn June 20, 2017 and July 14, 2017 on July 24, 2017.

10. **THIS COURT ORDERS** that Salem shall attend for cross-examination on his affidavit sworn July 14, 2017 via videoconference or its equivalent at the Receiver's expense, on July 26, 2017.

11. **THIS COURT ORDERS** that updated facts, if any, are to be filed by August 4, 2017.

12. **THIS COURT ORDERS** that the costs of today's attendance shall be reserved to the judge hearing the motion on August 10, 2017.

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LE / DANS LE REGISTRE NO:

JUL 21 2017

#2920276 | 4099972

PER / PAR:


(Signature of Judge)

B E T W E E N

CANADIAN IMPERIAL BANK OF COMMERCE

-and-

1299746 ONTARIO INC. o/a COMPUQUEST2000, et al.

Applicant

Respondents

Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Catherine Francis (LSUC# 26900N)
cfrancis@mindengross.com
Tel: 416-369-4137
Fax: 416-864-9223

Lawyers for Receiver, Grant Thornton Limited

From: Catherine Francis
 Sent: Tuesday, July 18, 2017 11:58 AM
 To: 'Levangie, David W.' <dlevangie@foglers.com>
 Subject: Compuquest

EXHIBIT No. 12
 ON THE EXAMINATION OF
Dean Salem Jr.
CIBC V 1299746
 HELD ON July 26, 2017
 NEESON COURT REPORTING INC

David,

As you are aware, we act as counsel for Grant Thornton Limited in its capacity as court-appointed Receiver of 1299756 Ontario Inc. o/a Compuquest2000 ("Compuquest") and 2252709 Ontario Inc., Receiver of 7472 Ashburn Road, Whitby and Trustee in Bankruptcy of Compuquest and Gary Bodimeade personally.

We refer you to the Affidavit of Aimee Bodimeade sworn July 14, 2017 in which she alleges in paragraphs 32 and 35:

"32. ... They [the Receiver] have not made claims against monies that were transferred to creditors by Gary in the period leading up to the bankruptcy. They are not making a claim against Gary's current business income, even though he has simply moved the Compuquest operations, with most of the employees, to another location and under another name." ...

"35. ... Gary is continuing to operate the Compuquest business under a slightly different name, and the business somehow barely missed a beat through the bankruptcy and receivership. Gary is continuing to live the lifestyle he lived before his bankruptcy, carrying large amounts of cash, driving expensive vehicles, going out for dinners daily, buying new clothes, and spending money wherever he chooses. ..."

I am enclosing a further copy of the Order of Mr. Justice Hainey dated February 21, 2017. I am writing to you as counsel for Dean Salem.

Pursuant to this Order, the Receiver is authorized to conduct examinations, including examinations of the persons listed in paragraph 3 of the Order. The list includes Mr. Salem.

Pursuant to paragraph 4 of the Order, all persons listed in paragraph 3 of the Order, including Mr. Salem, are directed to provide documents and information related to any of the matters listed in paragraph 2 as may be requested by the Receiver and/or the Trustee.

In order to allow the Receiver to investigate the transfer of the business of Compuquest to CQ2K/Phase5 and Gary Bodimeade's current income and expenses and lifestyle, as described in Ms. Bodimeade's affidavit, we request that your client provide to us forthwith the following information:

1. I am attaching an email from Dean Salem to Greg Azeff dated April 8, 2017 which discusses among other things Compuquest's financial position and assets, the CIBC financing/mortgage and line of credit, the appointment of GTL, a financing request to

BDC and ongoing strategy. In this regard, please provide all communications (email, text, instant messaging etc.) and all other documentation in Mr. Salem's possession or control related in any way to any of these matters.

2. Please provide all evidence in Mr. Salem's possession or control related in any way to the incorporation of CQ2K and commencement of this company's operations, including but not limited to what firm incorporated the company, how the company was financed, any communications with Brad Fisher, etc.
3. Please provide all documents and other evidence related in any way to the relationship between Norris and CQ2K from its inception to date, to the extent not covered by the above request.
4. please provide all communications (email, text, instant messaging etc.) between Mr. Salem and Mr. Bodimeade, directly or indirectly, from and after December 31, 2015 that have not already been produced.

These requests are being made without prejudice to any additional requests for information that may be made pursuant to the attached Order.



CATHERINE FRANCIS

T: [416.369.4137](tel:416.369.4137) F: [416.864.9223](tel:416.864.9223) www.mindengross.com
 145 King St. West, Suite 2200, Toronto, ON M5H 4G2
 Save contact details: [Catherine Francis](#)

MERITAS LAW FIRMS WORLDWIDE

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Court File No. CV-16-11369-00CL

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

BETWEEN:

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.

Respondent

NOTICE OF MOTION

AIMEE BODIMEADE, a Respondent herein, and the registered owner of the real property municipally known as 7472 Ashburn Road, Whitby, Ontario (the "Ashburn Property") and Trustee in Bankruptcy of Compuquest and Gary Bodimeade personally, will make a Motion to a Judge presiding over the Commercial List on Thursday the 10th of August, 2017 at 9:30 a.m. or as soon after that time as the matter can be heard at the court house, 330 University Avenue, Toronto, Ontario, M5G 1R7.

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);

☒ orally.

THE MOTION IS FOR:

1. An Order requiring the Receiver to pay to Aimee Lynn Bodimeade on the sale of the Ashburn Property the sum of \$1,000,000 (one million) dollars, or an amount to be determined by the Court.
2. Such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

1. Aimee is the sole registered owner of the Ashburn Property.
2. The Ashburn Property has been sold pursuant to an Order for the sale of the Property by an equitable receiver. The sale price is \$3,470,000.
3. There is a mortgage registered against the property with a balance owing of approximately \$1,000,000.
4. An interim distribution of \$1,000,000 to Aimee Bodimeade, after payment of the first mortgage in the amount of approximately \$1,000,000, and the payment of real estate commission and legal fees associated with the sale, will leave approximately \$1,200,000 remaining in trust pending a final distribution of the proceeds of sale.

5. Aimee purchased the Ashburn Property in 2007. She and Gary had a new home built on the property, between 2007 and 2009, while they resided with Aimee's parents.

6. The cost of the construction was paid from lines of credit registered against the property, and eventually a mortgage in the amount of \$1,350,000, which was later reduced to the current mortgage of \$1,000,000. Aimee has serviced these debts throughout the marriage.

7. Much of the value of the home is an increase in market value of homes in the area. Properties in the area are selling to developers for up to \$300,000 per acre. Aimee's 13 acre property could be worth 3 million dollars for the land alone.

8. Any funds paid by Compuquest to third parties for improvements to the Ashburn Property were accounted for in the financial records of Compuquest, Gary and Aimee, as income, dividends, and repayment of shareholder loans.

9. Gary and Aimee separated in September 2015. Pursuant to matrimonial law in Ontario, Gary does not have a proprietary interest in the Ashburn Property. Neither Gary nor his trustee has made a claim to equalize the net family properties of the parties, nor have they made a claim that Aimee holds the property in trust for Gary.

10. Any amounts owing to Dean Salem and Norris Technologies were paid between February 3, 2016 when Dean Salem advised that he would not lend any further funds; and April 12, 2016 when the last payment from Compuquest to Norris Technologies was made.

11. The construction of the home on the Ashburn Property was completed between 2007 and 2009, seven years before the bankruptcy of Gary Bodimeade and Compuquest.

12. Aimee is the sole registered owner of the Ashburn Property and therefore has a right to the full proceeds of sale subject to any claims by the Receiver, the Trustee, and Norris Technologies. The remaining funds in the amount of \$1,200,000 to be held in trust will be more than sufficient to deal with these claims.

13. In February, 2017, the Receiver obtained a Court Order to examine numerous individuals involved in this matter, including Alan Hogan, Dean Salem, Jay Clausner, Craig Pinfold and Brent Jeffery. It is unfair to Aimee to hold the proceeds of sale in trust pending the continued investigation by the Receiver, when the Receiver has not been expeditious in its investigation.

14. Funds disbursed to Aimee will be used to purchase a new home. Aimee has agreed to hold the equity in the new home as security pending the final distribution of funds, so there is no prejudice to other parties or creditors of Compuquest or Gary.

15. *The Bankruptcy and Insolvency Act;*

16. *The Courts of Justice Act;*

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

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

1. Motion Record of Aimee Bodimeade dated July 20, 2017;
2. Motion Record of Aimee Bodimeade dated July 17, 2017;
3. Such further and other evidence as the lawyers may advise and this Honourable Court permit.

July 20, 2017

ANDREA ROBERTSON

Barrister and Solicitor

#212 – 304 Toronto Street South

Uxbridge, ON L9P 1Y2

Tel: 905-862-2777

Fax: 905-862-2391

Email: andrearobertson27@yahoo.ca

Lawyer for Aimee Lynn Bodimeade

TO: THE ATTACHED SERVICE LIST

CANADIAN IMPERIAL BANK OF COMMERCE -and-
Applicant

1299746 ONTARIO INC. o/a COMPUQUEST2000 et al.
Respondents

Court File No. CV-16-11369-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

PROCEEDING COMMENCED AT Toronto

NOTICE OF MOTION OF AIMEE BODIMEADE

DATED JULY 20, 2017

Robertson, Munro
Barristers and Solicitors
212-304 Toronto Street South
Uxbridge, ON L9P 1R1

Tel: 905-862-2777
Fax: 905-862-2391

Andrea L. Robertson
LSUC #39770A

Solicitor for Aimee Bodimeade

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.

Respondents

AFFIDAVIT OF AIMEE BODIMEADE
DATED JULY 20, 2017

I, AIMEE LYNN BODIMEADE of the Regional Municipality of DURHAM, Province of ONTARIO, MAKE OATH AND SAY:

1. I am the registered owner of the property municipally known as 7472 Ashburn Road, Whitby, Ontario ("the Ashburn Property"). I swear this Affidavit in support of my motion for the distribution of funds from the sale of the Ashburn Property.
2. Gary Bodimeade is my spouse ("Gary"), although we are now separated. There are three children of our marriage, Nicholas who is 18 year old, Jenna who is 16 years old, and Emalee who is 13 years old. All three children reside with me. My mother also resides with us, and has done so since her separation from my father approximately 6 years ago.

THE ASHBURN PROPERTY

3. I took title to the Ashburn Property on September 28, 2007. The purchase price was \$638,000, which was paid from a first mortgage in favour of The Bank of Nova Scotia in the amount of \$410,000, and a bridge loan from the Bank of Nova Scotia in the amount of \$229,235. The Trust Ledger Statement from the purchase is attached hereto as Exhibit "A".
4. The first mortgage in favour of the Bank of Nova Scotia was registered in the amount of \$638,000.
5. The bridge loan was paid out from the sale of 72 McBeth Place in Brooklin, which sale took place on November 2, 2007. A copy of the Trust Ledger Statement is attached hereto as Exhibit "B".
6. Upon the sale of 72 McBeth Place, Gary and I and our children moved into my parents' home while our house was built on the Ashburn Property. We lived with my parents for two years, until the end of 2009.
7. My parents assisted us while we resided with them. We didn't pay any rent or carrying costs of their home even though the five of us lived there for two full years. This allowed us to put most of our income into the construction of our home.
8. We hired Brent Jeffery to build our home. Attached hereto as Exhibit "C" is the quote from Brent Jeffery Construction Ltd. dated September 10, 2007. The amount quoted for the construction was \$756,902.50.
9. Upon the payout of the bridge loan on the sale of McBeth Place, the Bank of Nova Scotia extended to me a line of credit in the amount of \$250,000 which was secured under the first mortgage registration. The funds from this line of credit, along with the \$57,802 from the proceeds of sale of 72 McBeth Place, were used for the payment of the renovation expenses.
10. Attached hereto as Exhibit "D" is a cheque, written by me on the account I held jointly with Gary, payable to Brent Jeffery, dated June 20, 2008 in the amount of \$150,000.

11. Attached hereto as Exhibit "E" are two cheques written on our line of credit, for the construction of our home. The first one is payable to Lawson Home Improvements dated July 2, 2008 in the amount of \$41,300; and the second is dated August 12, 2008 payable to Brent Jeffery in the amount of \$50,000.
12. In June 2008, the Bank of Nova Scotia registered a new first mortgage in the amount of \$1,350,000 in order to pay for the continued renovations. This mortgage incorporated different products, including the first mortgage, which enabled us to continue to borrow money as the house construction progressed.
13. Attached as Exhibit "F" is a statement from Brent Jeffery dated September 14, 2009, showing the payments made and the balance due, and showing the cost to build the house was \$806,902.50.
14. The Receiver continues to allege that the cost to build the Ashburn Property was in excess of 3 million dollars, but this doesn't make sense. Attached hereto as Exhibit "G" are two MPAC notices showing the assessed value of the Ashburn Property was \$510,000 in 2007 and \$1,474,000 in 2016. The Receiver is relying on an email from Gary to William Ferguson, an appraiser, who was appraising the property for Gary, who wanted the appraisal to be as high as possible. The Receiver has repeatedly alleged that Gary is not credible, but then is content to believe Gary's completely unsupported numbers when it appears to be advantageous to do so.
15. Attached hereto as Exhibit "H" are statements from the first line of credit, from January, and March through July, showing the cheques that I wrote against the line of credit. The statements also show the payments made by me from our joint account. I was unable to find statements before 2009, and I was unable to find a statement from February 2009.
16. In April, 2009, the bank advanced to us an additional line of credit with a limit of \$250,000. Attached hereto as Exhibit "I" is a copy of the first statement, showing the funds advanced on April 17, 2009, as well as statements from June and July 2009, showing payments made by me from our joint account.
17. In January, 2015, the first mortgage in favour of the Bank of Nova Scotia was paid through an advance from Canadian Imperial Bank of Commerce ("CIBC"), who registered a first mortgage

in the amount of \$1,000,000. The Scotiabank mortgage payout was \$812,753.22, and the line of credit was paid out in the amount of \$33,563.84. The CIBC mortgage was \$1,000,000, with cash back of \$30,000. The difference in the amount of the CIBC mortgage and the Scotiabank payout was approximately \$183,000. These funds were used to pay Compuquest debts and were not paid to me, even though the mortgage is in mine name and I have been paying it. If the Receiver is successful in its claims that Compuquest funds went into the Ashburn Property, I am seeking to have these funds setoff against any such amounts, as these funds were paid to Compuquest from the Ashburn Property. Attached hereto as Exhibit "J" are the documents showing the payout to Scotiabank and the new mortgage from CIBC.

18. Contrary to the allegations of CIBC in this motion, the funds used to renovate the Ashburn Property came from the sale of 72 McBeth Place, and funds borrowed against the Ashburn Property, which I continue to repay. Attached hereto as Exhibit "K" are bank statements from CIBC account number 70-12098 held solely by me, showing a mortgage payment of \$2,000 towards the Bank of Nova Scotia mortgage on November 3, 2014, and a mortgage payment of \$1,933.73 towards the CIBC mortgage on February 2, 2015.
19. I also paid the property taxes on the Ashburn Property. Attached hereto as Exhibit "L" is the 2016 interim tax bill showing that I paid the February installment online in the amount of \$3,736.
20. Attached hereto as Exhibit "M" are copies of my notices of assessment for the years 2006 through 2015, showing income of \$135,308 in 2006; \$34,902 in 2007; \$68,643 in 2008; \$133,866 in 2009; \$105,250 in 2010; \$159,750 in 2001; \$124,750 in 2012; \$75,000 in 2013; \$92,000 in 2014; and \$118,000 in 2015. These are all amounts from Compuquest, either in the form of payments made directly to me, or dividends paid to me by Compuquest.
21. Although I was not involved in the day to day operations of Compuquest, I have been advised by both Gary and by Alan Hogan, the accountant for Compuquest, that payments from Compuquest were made to Gary and me in three ways: as employment income, as divided income, and as repayment of shareholder loans. Attached hereto as Exhibit "N" is the financial statement for Compuquest 2000 for the year ending May 31, 2013, which shows the shareholder loan was \$1,112,604 in 2013; \$1,109,580 in 2012; and \$1,120,374 in 2011.

22. Throughout the marriage, I was aware that the cash flow in Compuquest was very inconsistent. From time to time, Gary put our personal funds into Compuquest, or borrowed money privately to get through the difficult cash flow times. I recall on one occasion that Gary withdrew a total of approximately \$90,000 from the children's accounts because he needed it for Compuquest. He assured me that it was just a loan and would be characterized as a shareholder loan and paid back.

PAYMENTS FROM COMPUQUEST TO THIRD PARTIES

23. The mortgage registered in favour of Craig Pinfold on September 3, 2009 was registered to secure a debt of Compuquest. To the best of my knowledge, Craig Pinfold is the principal of Pinfold and Associates, a computer company that conducted business with Compuquest2000. At the time the mortgage was registered, I was advised by Gary that Compuquest had a debt to Pinfold and Associates for which Craig Pinfold was demanding security. I agreed to register the mortgage on the Ashburn Property as security. To the best of my knowledge, no funds from Pinfold and Associates were used for improvements to the Ashburn Property.
24. To the best of my knowledge, the payments from Compuquest2000 to Craig Pinfold or Pinfold and Associates were made in the course of the business of Compuquest2000, which is why the Receiver has found payments of \$885,500, rather than simply the \$250,000 for which the mortgage was registered.
25. Likewise, I am not aware of any connection between Jay Clausner and the cost of improvements to the Ashburn Property. To the best of my knowledge, Jay Clausner owns a company in the computer industry which conducted business with Compuquest2000. To the best of my knowledge, any payments made to Jay Clausner or to Virtual Tech were made in the course of the business of Compuquest2000.
26. I have been advised by Alan Hogan, the accountant for Gary and for Compuquest2000, and verily believe, that any payments made directly from Compuquest2000 to third parties for personal expenses of mine or Gary's were considered in the financial statements and income tax returns of Gary and me, as income, dividends or through shareholder loans.

27. I was not involved in the day to day operations of Compuquest2000. I did not have access to financial records and did not have signing authority on the company's accounts.

28. The payments made to Reed Ridge Farms were made in 2016 and therefore they do not yet appear in income tax returns of either me or Gary.

SALE OF THE ASHBURN PROPERTY

29. From the beginning of the bankruptcy and receivership process, I have been cooperative in the sale of the Ashburn Property. In the summer of 2016, I wanted to list the property with real estate agents Dan Plowman and Rachel Plowman, who are experienced agents with expertise in high end properties in Durham Region. However, the Receiver would only agree to the sale on the condition that all funds were held in trust pending a final resolution of all claims. I could not possibly agree to these terms.

30. I reside in the Ashburn Property with my three children and my elderly mother. We have five dogs, four cats and nine horses. Most of the horses are registered to the children and are their pets. It will be very difficult for the children to have their horses sold at auction for meat, or euthanized.

31. Only one of the horses is registered to Gary, namely Chase What Matters. Chase was purchased in 2013 for \$2,500. I have paid to feed and take care of Gary's horse since his bankruptcy, and therefore I am asking that the horse be signed over to me or to the children.

32. I also have livestock on the property – a cow, four goats and sixteen chickens. These animals will produce food and income for my family.

33. My mother has lived with me since shortly after my father left her and moved out of the province. My mother is elderly and does not have anywhere else to live.

34. I have been cooperative and forthcoming with the Receiver since the bankruptcy, even allowing them into my home. I have worked with the real estate agent, spending hours and hours keeping

the home and property in immaculate condition so it would attract buyers and the highest possible price. I was completely devastated by counsel for both CIBC and the Receiver, who told the Court I was not adequately maintaining the property. Attached hereto as Exhibit "O" is a letter from the real estate agent, Teresa Hoffman, attesting to the efforts I put into the sale of the home.

35. The Receiver claims that the equity in the home is rightly owned by Compuquest, because they have traced funds from Compuquest to third parties who did work on the home. I am assured by Alan Hogan that all of these funds were accounted for in the financial records and statements of Compuquest.
36. In its claims, the Receiver has not taken into account the funds from the sale of 72 MacBeth Place, in the amount of \$287,037; the mortgage on the home which has been paid by me from my income; the lines of credit which were used to pay for construction of the property, in the amount of \$500,000; and the increase in the market value of the property to which I am entitled.
37. The increase in market value of the property cannot be underestimated. In April, 2016, Aran Pope, from Ashlar Crosby Cairo Realty Inc., a commercial real estate broker wrote to me inquiring about selling our land for development, and quoted a price of somewhere between \$128,000 and \$300,000 per acre, depending on the number of buildable acres. For my property of 13 acres, this amounts to \$1,664,000 to \$3,000,000 for the land alone. The letter is attached hereto as Exhibit "P".
38. I am seeking payment of one million dollars from the proceeds of sale of the Ashburn Property, on an interim and without prejudice basis, based on entitlement and need. This is less than half of the net sale proceeds, as I believe the sale price was \$3.47 million and the amount owing to CIBC under the first mortgage is \$1 million.
39. I am in need of sufficient funds to purchase a home for me, my children, my mother, our pets and our livestock. I have been greatly assisted by Teresa Hoffman, and have been searching for months for properties to rent or purchase. There are no suitable properties to rent, which means, if I rent, I will have to try to give away the children's horses, dogs and cats, or more likely, have several of them euthanized, or sell the horses for meat. This would be devastating for the children.

40. My best prospect of earning an income is through farming and an equestrian business. I was employed as a veterinary technician before I had children, but I have not worked in the field for almost 20 years and therefore am no longer qualified to do so. I have developed a business plan whereby I can board horses, train horses, teach riding lessons, and run summer riding camps, as well as raise and sell livestock. My partner Don Hamilton is employed full-time, and is also trained in blacksmithing for horses. Between the two of us, we have the skills and knowledge necessary to run a successful horse farm. This is the best opportunity for my children to survive this devastating chapter of their lives.
41. Further, I am entitled to at least 50% of the proceeds of sale of the Ashburn Property. I am the sole registered owner of the property. Since Gary and I separated before the date of bankruptcy, his Trustee may be entitled to some payment from an equalization of net family property, however this claim has not been made. Under matrimonial law in Ontario, Gary does not have a quantified proprietary interest in the property except through the equalization of net family property.
42. The Receiver claims entitlement to approximately \$950,000 that was paid directly from Compuquest to third parties. However, these amounts were accounted for in the financial records of Compuquest, as income, dividends and shareholder loans.
43. Additionally, many of the payments on which the Receiver relies, were made in 2009 and 2010. They were not made to defraud creditors in anticipation of bankruptcy. All of the payments shown by the Receiver were made before the \$1.7 million line of credit was extended to Compuquest by CIBC.
44. I have put everything I own into the Ashburn Property. It was purchased from the proceeds of our previous home. I made the payments on the lines of credit which were used to build the home. After the home was built, I paid the mortgage payments in the amount of approximately \$4,000 per month, and the property taxes of approximately \$13,000 per year.
45. Even in the event that Dean Salem and Norris Technologies are successful in their claim that they are secured creditors and entitled to an equitable mortgage, they have not proven that they

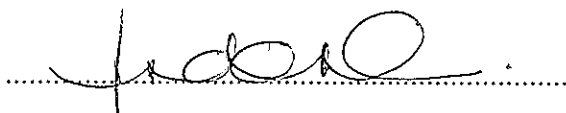
are owed the amounts claimed. Attached as Exhibit "Q" is an email from Dean Salem to Aimee Bodimeade, which states that at the time Compuquest owed to him \$857,927.40, and that he wouldn't do any further business with Compuquest until the line was paid off, and then it would be on a COD basis only.

46. Between February 3, 2016 and April 12, 2016, Compuquest paid to Norris Technologies six payments totalling \$858,697.09, and therefore any debt that may have been owed by me, was paid. Attached as Exhibit "R" is a spreadsheet from Dean Salem showing these amounts.
47. Gary also must have believed that the amounts owed to Norris Technologies had been paid down. In the Claims Register, Gary provided that the amount owing to Norris Technologies was \$324,785, and that the amount owing to NT LLC was \$5,950. Attached as Exhibit "S" is a copy of the Claims Register for 1299746 Ontario Inc. dated April 29, 2016.
48. The payment made to Norris Technologies on April 12, 2016, in the amount of \$253,000, was comprised of funds that were rightly mine. The funds were from the sale of the King Aire RV.
49. In August 2006, I purchased a Winnebago from Pickering RV Centre, with a purchase price of \$104,880. I made three payments: \$10,000 by cheque on August 14, 2006; \$38,200 by CIBC bank draft on November 24, 2006; and \$75,000 by Scotiabank bank draft on November 27, 2006. The bill of sale and copies of bank drafts are attached hereto as Exhibit "T".
50. The Winnebago was traded in for a new vehicle, followed by a series of upgrades to new vehicles over the years. The vehicles belonged to me and were registered in my name. At some point, unbeknownst to me, the new vehicle, likely the recent King Aire, was put into the name of Compuquest without my knowledge or consent. However the asset did not rightly belong to Compuquest but to me. Attached as Exhibit "U" are insurance documents showing that the vehicles were each in my name.
51. Over and above any funds from the sale of the Ashburn Property, I am seeking repayment for the playset that was sold with the property but belonged to me. I purchased the playset in 2007 and had it installed in June 2008. The purchase price was \$13,644.32. A similar set now sells for \$18,000. The Receiver never asked me if they could include it in the sale of the home, even

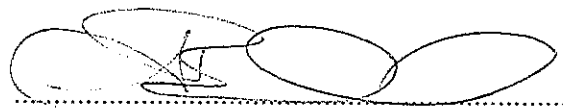
though it is a chattel and not a fixture. I could have sold the playset for \$10,000-\$12,000, which is income I could have used. The receipt for the playset is attached hereto as Exhibit "V".

52. I have not yet even had the courtesy of knowing what other chattels have been included in the sale of the Ashburn Property. The real estate agent informed me that both sets of washers and dryers were included, when I specifically asked for the second set to be excluded. I am seeking payment for any chattels belonging to me which were sold with the Ashburn Property.
53. When I consented to the sale of the Ashburn Property, I did so with the assurance by counsel for CIBC and the Receiver that they would not leave my family homeless. I now find myself in a position where my home is being sold on September 12 and I have nowhere to live and no funds with which to buy a new home. My children do not know where they will be living or where they will be in school next year.
54. If funds from the home are distributed to me so I can purchase a property for me and my children, I am willing to secure the equity in the property pending final resolution of this matter.

Sworn before me at the Town of Uxbridge
in the Regional Municipality of
Durham, on July 20, 2017.



Commissioner for Taking Affidavits



AIMEE LYNN BODIMEADE

Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

- B E T W E E N:
- *(Court Seal)*

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

**1299746 ONTARIO INC. o/a COMPUQUEST2000 and 2252709 ONTARIO
INC.**

Respondents

AFFIDAVIT OF DEAN SALEM

I, Dean Salem, of the County of Campbell, in the State of Tennessee in the United States of America, MAKE OATH AND SAY:

1. I am the principal of Norris Technologies, LLC ("**Norris**"), a creditor of the Respondent, 1299746 Ontario Inc. o/a Compuquest2000 ("**Compuquest**"), and its principals, Gary Bodimeade and Aimee Bodimeade. Together with Norris, I am the personal Applicant in the application bearing court file number CV-17-11698-00CL (formerly CV16-555283) and therefore have knowledge of the matters hereinafter deposed. To the extent that I refer to any information that is not within my personal knowledge, I have stated the source of the information and verily believe such information to be true.
2. Since the delivery of my affidavit sworn July 14, 2017, my counsel was served with a copy of the receiver's 7th report. This affidavit is provided in response to the new issues raised for the first time in the receiver's 7th report.

3. At paragraph 29 of the receiver's report, the receiver indicates "Salem and Norris have not produced any evidence supporting the existence of any such agreement prior to Gary' execution of the RLOC Agreement on December 31, 2015. This is incorrect. As indicated in my affidavit sworn July 14, 2017 (which I understand from my counsel is treated by the court as evidence), there was a verbal agreement for the provision of a line of credit dating back to 2011, which was backstopped with a guarantee and security. Mr. Bodimeade testified under oath (which I understand is also evidence) that "we always had a verbal agreement" and while he incorrectly stated that the agreement came into effect in 2014 (after Ms. Francis put that year to him), it is clear from his evidence that it was much earlier than December 31, 2015. An excerpt from Mr. Bodimeade's transcript is at paragraph 32 of the receiver's 7th report.
4. At paragraph 30 of the receiver's 7th report, the receiver correctly indicates that my proof of claim only reflected loan transactions commencing on January 29, 2016. This is because Mr. Oros, the trustee, advised me that I should limit the proofs of claim to the last time there was a zero balance to present, which is exactly what I did. In an email sent to me by Mr. Oros on August 5, 2016, he advised "**I took your worksheet and looked for the most recent time where the balance owing was zero and I would say is your starting point**" (emphasis added). This makes complete sense as a review of what was provided and paid off (and does not form part of my claim) is not relevant. Attached hereto and marked as **Exhibit "A"** is a copy of the email from Mr. Oros.
5. At paragraph 31 of the receiver's 7th report, the receiver correctly indicates that Norris' proof of claim only reflected loan transactions commencing on January 22, 2014. A spreadsheet dating back to January 22, 2014 was provided initially without supporting

documentation. When Mr. Oros requested supporting documentation and advised that the last zero balance should be the starting point, I proceeded on that basis and provided supporting documentation for all entries from the last zero balance.

6. Contrary to paragraph 34 of the receiver's 7th report, neither I nor Norris claimed to have had discussions or dealings directly with Mrs. Bodimeade prior to 2016.
7. With respect to paragraphs 39-41 of the receiver's 7th report, the steps taken by Norris and I were as against Mrs. Bodimeade's interest in the Property and as a result, none of the steps were improper.
8. Contrary to paragraph 42 of the receiver's 7th report, neither Norris or I ever consented to the side deal reached by Mr. Bodimeade and Mrs. Bodimeade that a mortgage against the Property would only be as against Mr. Bodimeade's interest in the Property.
9. Norris and I have no knowledge of Mrs. Bodimeade stalling the listing of the Property as alleged by the receiver at paragraph 43 of the 7th report. The discussions with Mrs. Bodimeade were detailed in my July 14, 2017 affidavit.
10. With respect to paragraph 47 of the receiver's 7th report, Compuquest did issue many purchase orders to Norris. Attached hereto and marked as **Exhibit "B"** is a copy of the purchase orders from Compuquest to Norris pertinent to the timeframe requested by the trustee.
11. Neither the receiver nor the trustee requested copies of these purchase orders at any point in time (although Ms. Francis did inquire on June 6, 2017 if purchase orders were issued by Compuquest). As detailed in my July 14, 2017 affidavit, Mr. Oros was very specific in

requesting the documentation he required to satisfy himself of Norris and my claims. The documentation he requested has been provided and is appended to my July 14, 2017 affidavit as exhibit VV. While Compuquest often issued purchase orders, in late 2015 and 2016 there was a decline in formal purchase orders being issued as Mr. Bodimeade's marriage was failing and staff were being cut to reduce Compuquest's costs. Instead of issuing purchase orders, Mr. Bodimeade would call me or email me to place an order and bid on lots and if the bid was successful, Compuquest would arrange for freight to pick-up the product. Attached hereto and marked as **Exhibit "C"** are emails to that effect.

12. The receiver's incredulity appears to be in part caused by its lack of knowledge of the wholesale business, which operates much differently than the retail business. Wholesale business transactions are often acknowledged verbally or electronically during the negotiation process, without a formal purchase order because a wholesaler is dealing with the same customers and product lines over and over again and a degree of informality is acceptable. In addition, Mr. Bodimeade didn't always keep up with his paperwork as stated on pages 212-213 of Mr. Bodimeade's examination of February 22, 2017, "My paperwork towards the last six to eight months of Compuquest existence was lacksa daisy to say the least...my focus was left - was gone, yes. And that, potentially, after this, my bookkeeping wasn't up to snub."
13. In any event, hundreds of pages of supporting documentation, including instant messages (setting out available lots, bid prices etc.), emails from Mr. Bodimeade organizing transportation companies to pick up product (along with the corresponding purchase orders, sales orders, wire confirmations and bills of lading) have been provided to substantiate Norris and my claims.

14. Contrary to paragraph 50 of the receiver's 7th report wherein it states "Salem and Norris had a full opportunity to ask any questions they wished in respect of the Second Report, to provide any information they wished the Receiver to consider and to make full disclosure of their dealings with Gary and Compuquest. To this date, they have not done so", Norris and I have provided approximately 1900 pages of documentation for the receiver to consider. As of July 6, 2017, approximately a third of this documentation had not even been provided to the receiver to consider. I have also produced a 57 page instant messaging history between Mr. Bodimeade and myself going back a year and when the receiver took over Compuquest's premises, it obtained access to Mr. Bodimeade's email account, including emails between Mr. Bodimeade and I. I am not sure what additional "full disclosure of their dealings with Gary and Compuquest" the receiver expects.
15. To correct paragraph 56 of the receiver's report, the outstanding issues on the motion are whether Norris and I have an equitable mortgage against Mr. Bodimeade's interest in the Property or a mortgage (legal or equitable) as against Mrs. Bodimeade's interest in the Property. In order to decide this issue, I am advised by my counsel and verily believe that other related issues such as the preferences will need to be determined (especially if the preference issue is being raised as the basis to invalidate an equitable mortgage).
16. At paragraph 60 of the receiver's 7th report, the receiver states that I have not been forthcoming about my relationship with Phase5. I have set out my relationship with Phase5 in my July 14, 2017 affidavit. At appendix 3 to its report, the receiver provides a sales order from Norris to Phase5 dated May 5, 2016 in the amount of \$38,655.00 and states that the sales order was issued the same day Phase5 was incorporated. The receiver also points out

that the sales order was addressed, according to the receiver, to Mr. Bodimeade's girlfriend's old address.

17. This document has been taken completely out of context and the facts have been twisted and distorted. First, it is important to understand that Norris is not a fly by night business operating out of a garage. Norris employs approximately 55 people at any given time, has annual revenues of 30-40 million over last several years and is the largest MAR (Microsoft Authorized Refurbisher) in the world. Norris is one of the largest 3 computer equipment refurbishers in the United States and is one of the top three vendors to HP and Dell in the US handling their off-lease and excess inventory product.
18. On or about March 15, 2016, Mr. Bodimeade flew to the United States to meet with myself, Norris' VP Michael Spero, and Norris' CFO, Connie Teodorescu regarding Compuquest's significant debt to Norris and Mr. Bodimeade's desire to try to continue Compuquest's business, and in particular to salvage the relationship with its key supplier.
19. I took notes at our meeting, and while they are not dated, they provide a snapshot into the discussions that were taking place. The notes at the very top of the page refer to an unrelated bid and the bid contact's phone number (I received a call during the meeting, hence the contamination of the notes). The next three notations refer to payments that Mr. Bodimeade indicated that he would be able to make to Norris in order to reduce the amount owing and continue doing business (the \$450 and \$100 refer to thousands). The notation after that refers to an HP lot that was available for \$220,000 with Mr. Bodimeade requesting 10 days to "roll" or sell the product and make payment. The notation after that refers to a discussion we had with Mr. Bodimeade regarding a way to obtain security on product being provided

going forward and refers to the consignment of inventory and a Uniform Commercial Code Lien (the Uniform Commercial Code is, from what I understand, similar to Ontario's PPSA). The last notation on the page deals with a discussion that we had with Mr. Bodimeade to implement a review requirement whereby Mr. Bodimeade would have to obtain Norris' approval before any major decision were made on behalf of Compuquest. Attached hereto and marked as **Exhibit "D"** is a copy of the notes from the March 15, 2016 meeting. The notes demonstrate that in fact Norris was not actively involved in a conspiracy or strategy to move Compuquest's business over to Phase5 as alleged. Rather, we were attempting to work with Compuquest, as its key supplier to help it stay in business, but also secure our investment.

20. In late April, 2016, Mr. Bodimeade called me and advised that despite his best efforts, he was not going to be able to salvage Compuquest. When we were advised of this development we were concerned about our investment because we did not have a mortgage registered on title to the Property despite having executed RLOC Agreements from Mr. and Mrs. Bodimeade obligating them to perfect said mortgage. In addition, at this time, CIBC improperly moved to subvert my counsel's efforts to have the mortgage perfected as the Bodimeade's committed to in the RLOC agreements. Attached hereto and marked as **Exhibit "E"** is a copy of the May 8, 2016 letter from CIBC counsel.
21. On the call, Mr. Bodimeade introduced me to Brad Fisher, who was an acquaintance of his and investor looking to get into the industry. Mr. Bodimeade advised that Mr. Fisher had \$400,000 of startup capital and that he would be assisting Mr. Fisher in starting a new business and would need me to set up a new account with Norris. Mr. Bodimeade indicated that he wanted Norris to supply Mr. Fisher's business. Because of Norris' situation with

Compuquest and the large outstanding debt, I consulted Mr. Spero and Mrs. Teodorescu for their views. We felt the best course of action in due to Norris' dire situation with Compuquest was to accept Mr. Bodimeade's proposal and supply Mr. Fisher's company to help make up for the large amount owing to Norris, and the fact that we would be losing significant orders from Compuquest.

22. We concluded that we would supply this new business, but that we would not extend credit and would only supply on a cash on delivery basis. We proceeded to open a new account and Mr. Bodimeade provided us with the particulars, including the 88 Beachgrove Crescent address.
23. On Thursday May 5, 2016, as a result of a bid that we received, we issued a sales order to Phase5 in the amount of \$38,655.00. This is the document at appendix 3 of the receiver's 7th report. This product was provided to Phase5 as a new customer and paid cash on delivery. Payment in full was received Monday May 9, 2016, prior to the pick-up of the product, as evidence by the Bill of Lading. Attached hereto and marked as **Exhibit "F"** is a copy of the May 9, 2016 wire payment confirmation and Bill of Lading.
24. With respect to the allegation at paragraph 62 of the receiver's 7th report, I do not know who currently or formerly resided at 88 Beachgrove Crescent Whitby Ontario. I was directed by Mr. Bodimeade to issue the sales order for Phase5 to that address at the time.
25. Paragraph 63 of the receiver's 7th report is false. The receiver never asked Norris and I to provide an accounting of its dealings with Phase5. Rather, on one occasion, the receiver emailed my counsel asking "Particulars of Norris's relationship with CQ2K Computer Sales Inc. (Phase5 IT Solutions)". I am advised by my counsel and verily believe that he

advised the receiver's counsel that she could ask questions relating to the particulars the receiver was seeking on an examination because the email request was too vague. Contrary to paragraph 63 of the receiver's 7th report, I never refused to attend in Ontario for my examination. Instead, I am advised by my counsel and verily believe that he advised Ms. Francis that I would come to Ontario to be examined if the receiver paid the reasonable cost of my travel and accommodations for the attendance, alternatively, I would make myself available for examination in Tennessee or by way of videoconference in Tennessee if the receiver covered the cost. Ms. Francis refused all of these proposals, however, on July 17, 2017, the Honourable Justice Conway ordered that if the receiver wanted to examine me, it had to pay for the reasonable cost of my travel and accommodations, or the cost of the videoconferencing. This had been our position all along.

26. With respect to paragraph 67 of the receiver's report, I am advised by my counsel and verily believe that Mr. Bodimeade's communications with Foglers, during the course of Foglers' retainer, are protected by solicitor-client privilege. Norris and I have never asserted solicitor-client privilege on correspondence with Mr. Bodimeade, and as I detailed earlier, 57 pages of instant message history between Mr. Bodimeade and I has been produced to the receiver (spanning the period June 2015 until the end of April 2016). Further, upon taking control of Compuquest's premises, the receiver came into possession of Mr. Bodimeade's email account, which would provide access to all our email communication. Despite having access to all this information, the receiver has found no evidence whatsoever of the strategy alleged at paragraph 67 of the receiver's report.
27. At paragraph 71 of the receiver's 7th report, the receiver takes issue with the fact that an email chain from January 28, 2011 demonstrating transaction financing between Mr.

Bodimeade and I, which was included in my July 14, 2017 affidavit, was not produced as supporting documents for Norris and my claim since August 2016. The explanation is simple. Norris and my claim do not include product from 2011. The email chain from 2011 wasn't relevant to our claims, and only became relevant when the receiver brought a motion in which it alleges circular cheque writing. The receiver's materials were delivered June 19, 2017, and the email chain, which sets out an example of transaction financing to rebut the circular cheque writing allegation, was provided as an exhibit to my affidavit.

28. At paragraph 76 of the receiver's 7th report the receiver seems to take issue with the concept that Salem could fund Norris' supply of product to Compuquest. This is not only a very common business practice, it is also a very profitable one. Many car manufacturers have financing divisions whereby they lend money to customers to buy their cars, and generate a profit on the repayment of a loan. Most department stores do the same thing. The 2016 transactions worked the same way as the 2011 example as described in my July 14, 2017 affidavit.
29. Contrary to paragraph 77 of the receiver's 7th report, I asked for CIBC's account statements during my attendance at Grant Thornton. I was advised by Jan Oros that Compuquest's records and files were a mess and they could not be produced.
30. Contrary to paragraph 80 of the receiver's 7th report, Norris and I are not in a position to assist the receiver locate inventory that should have been at Compuquest. As detailed in my July 14, 2017 affidavit, I am not involved in the shipping process other than providing a bill of lading which gets the product into the hands of the shippers hired by Compuquest. Aside from that I have no involvement. Norris and I have no knowledge of any diverted

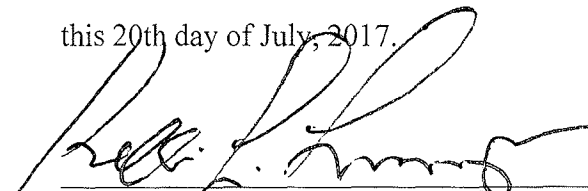
inventory nor has the receiver produced any evidence that Norris planned to or did divert any inventory because such evidence does not exist. Contrary to the receiver's allegation, Norris and I have not failed to cooperate. From the outset of this matter, I advised the receiver that I was not involved in the freight forwarding and had no idea what happened to product once it was shipped. My counsel managed to secure the executed freight forwarding documents for 2016 directly from the shipper to disprove the receiver's allegation that Norris and I had not shipped product. Not satisfied with this evidence, the receiver has now shifted its allegation for the first time to say that Norris and I have failed to cooperate. I am surprised given the tenacity with which the receiver has conducted its investigation into Norris and Salem, that it apparently failed to even contact the freight forwarders to ascertain whether the product was dropped off at Compuquest, and if so, if they were retained to move it to a different location at a later date.

31. With respect to paragraph 81 of the receiver's 7th report, in February 2016, Mr. Bodimeade was making every attempt to reduce the amount drawn on the line of credit in order to continue to receive product. As his key supplier, Norris required this, especially since the security had not been registered on title to the Property. The email referred to by the receiver at appendix 4 of its 7th report is an email in which Mr. Bodimeade is discussing paying Norris amounts toward the outstanding balance on the line of credit using his Amex card. These payments have always been disclosed and Amex, as source of the funds, explicitly listed on the spreadsheets I have provided the receiver and trustee.
32. At paragraph 82 of the receiver's 7th report, it indicates "there remain many suspicious circumstances about the relationship between Gary and Salem, in addition to the fact that

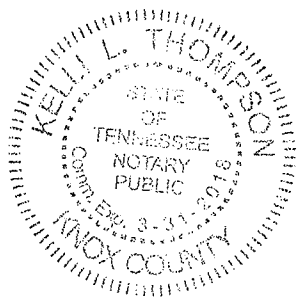
they have an ongoing relationship in the operation of CQ2K/Phase5". The receiver has made it clear its position is based on "suspicious circumstances" rather than evidence.

33. I make this affidavit in response to the motion brought by the receiver, and for no other or improper purpose or motive.

SWORN before me at the County of
Campbell, in the State of Tennessee,
this 20th day of July, 2017.


A Commissioner for taking affidavits.


DEAN SALEM



1 insurance on the vehicles yourself from 2009 to
2 2015?

3 A. I don't know. I don't know at
4 what point things got switched over.

5 595 Q. Do you know what the insurance
6 payments were on vehicles from 2009 to 2015?

7 A. Not off the top of my head, no.

8 MS. ROBERTSON: Well, I think we have
9 to be specific about vehicles. You've talked about
10 the entire schedule of vehicles that Compuquest and
11 Gary paid for. Aimee is talking about a specific
12 vehicle here.

13 BY MS. FRANCIS:

14 596 Q. Okay. You are aware that the
15 King-Aire was leased by Compuquest?

16 A. I'm aware that the King-Aire was
17 not in my name. Other than that, the details of
18 any leasing, I don't know anything about.

19 MS. ROBERTSON: Sorry, was the question
20 are you aware or were you aware, because I think
21 that's a different question.

22 BY MS. FRANCIS:

23 597 Q. I'll ask them both. Were you
24 aware that the King-Aire was leased by Compuquest?

25 A. I was not aware of what the

1 details of the leases were.

2 598 Q. All right. Were you making lease
3 payments on the King-Aire?

4 A. No, I was not.

5 599 Q. Did you know who was making lease
6 payments?

7 A. No, I did not. I didn't know how
8 Gary was paying for that.

9 600 Q. And were you paying the insurance
10 on the King-Aire?

11 A. No, I was not.

12 601 Q. Did you know what the lease
13 payments were on the King-Aire?

14 A. No, I did not.

15 602 Q. Did you know what the insurance
16 payments were?

17 A. No, I did not.

18 603 Q. And you didn't know what the
19 insurance payments were on all of the other
20 vehicles?

21 A. Which vehicles? I'm sorry.

22 604 Q. Well, there was a whole fleet, as
23 it were, of vehicles that were being leased by
24 Compuquest.

25 A. I was not. I don't know anything

1 640 Q. So the money was disbursed
2 directly by CIBC?

3 A. I believe it was.

4 641 Q. Okay. Can you find out?

5 U/T A. Yes.

6 642 Q. Okay. Thank you. When you say
7 credit cards, do you mean --

8 A. I am not exactly sure the exact
9 ones. It was -- it was part of the deal that
10 was -- you know.

11 643 Q. Were you aware that Gary and
12 Compuquest refinanced their line of credit in 2015?

13 A. No, I was -- I didn't have
14 anything to do with Compuquest business. So he may
15 have mentioned something in passing, but I don't
16 know. I don't know the details and stuff.

17 644 Q. Okay. And you're aware of
18 obtaining BDC financing in 2015?

19 A. I'm aware of what I signed.

20 645 Q. Okay, and nothing more?

21 A. No.

22 646 Q. With respect to paragraph 20, just
23 to be clear, the amounts that you're showing with
24 respect to your income and dividends, those are
25 gross amounts?

1 659 Q. Right?

2 A. Yes.

3 660 Q. And Dean was promising to help you
4 buy another property?

5 A. Yes.

6 661 Q. And was that in exchange for your
7 cooperation in providing the mortgage?

8 A. Gary was trying to buy me out of
9 the property. I think that's why he had that
10 assessment done that we were looking at earlier. I
11 think he was getting a mortgage or something from
12 CIBC right before the bankruptcy hit, I believe.
13 Gary did not want me to sell the house. He wanted
14 the house, and it wasn't something that I could
15 carry indefinitely. So, yeah, once -- yeah, I
16 guess, he said he was going to try to help us to
17 get me out of the situation, I guess, get me out of
18 the house, get me into something else.

19 662 Q. When you signed the revolving line
20 of credit agreement on March 3, 2016, what was your
21 understanding as to the basis on which you were
22 signing?

23 A. It was my understanding that Gary
24 was putting up whatever equity he had in the house.
25 It was Gary's equity, and there was a few other

1 assets that were in there. I was not -- it really
2 had nothing to do with me other than the fact that
3 I was going to allow him to tie up his equity in
4 the home. I did not want to be responsible for
5 anything to do with Compuquest at all.

6 663 Q. Was there a reason why the
7 agreement didn't say it on its face that it was
8 only with respect to Gary's equity?

9 A. I'm sorry?

10 664 Q. Was there a reason why the
11 agreement didn't say on its face that it was only
12 with respect to Gary's equity?

13 A. I don't know what on its face
14 means.

15 MS. ROBERTSON: On this document, it
16 says up to a million dollars, but it doesn't say
17 from Gary's share.

18 THE DEPONENT: Well, we had other
19 documentation that stated that. I'm not sure why
20 it wasn't exactly stated in there, but we did have
21 it removed that it wasn't -- but we did have other
22 documentation that -- you know, that showed that
23 that was the agreement.

24 BY MS. FRANCIS:

25 665 Q. Did you know at the time whether

1 Dean was aware of that arrangement?

2 A. I think Dean knew of that
3 arrangement, yeah. I think there was
4 correspondence, was there not, that stated that
5 Dean knew that he was aware. I mean, it wasn't a
6 secret. I mean...

7 666 Q. Did you receive any advances or
8 consideration from signing that agreement?

9 A. No, I did not. We had a -- it was
10 part of an agreement that we had, but Gary did not
11 uphold his half of the agreement.

12 667 Q. And part of the agreement was you
13 would receive half the proceeds of the King-Aire?

14 A. The part of the agreement was is
15 that the King-Aire would not be on that agreement,
16 but yes, because we were -- you know, that was
17 monies that I was going to receive, yes, half.

18 668 Q. And that did not happen?

19 A. No, it did not happen.

20 669 Q. In fact, the total proceeds --

21 A. Went to Dean Salem, yes.

22 670 Q. And did you agree to that?

23 A. No, I did not.

24 671 Q. Paragraph 43, you state that
25 payments that came out of Compuquest in 2009, 2010

1 representations made. That's what I'm getting at.

2 MS. ROBERTSON: Okay. I didn't hear
3 that in a question.

4 MS. FRANCIS: Okay.

5 MS. ROBERTSON: I don't know where that
6 paragraph is.

7 BY MS. FRANCIS:

8 709 Q. The reports filed by the receiver
9 indicated that at that point there was no certainty
10 that you would have any equity in the property.

11 MS. ROBERTSON: Do you know that that's
12 the receiver's position?

13 THE DEPONENT: Yes.

14 BY MS. FRANCIS:

15 710 Q. Okay, and that hasn't changed?

16 MS. ROBERTSON: She knows that that is
17 currently the receiver's position.

18 THE DEPONENT: Receiver's position.

19 BY MS. FRANCIS:

20 711 Q. And that was the receiver's
21 position on the day that the appointment as well,
22 correct?

23 MS. ROBERTSON: Can I rephrase this
24 question? Well, okay, you can answer the question.

25 MS. FRANCIS: Try answering it.

1 A. Yeah. We started out with a
2 little bit of new stuff, but it ended up being just
3 resale clothing. So it didn't -- like we just took
4 in people's used clothing.

5 838 Q. Was any of Compuquest's money ever
6 put into that business?

7 A. I don't think so.

8 ---Court reporter intervenes.

9 THE DEPONENT: I'm sorry. I'm tired.
10 I'm sorry.

11 BY MR. LEVANGIE:

12 839 Q. And you say it was in 2000?

13 A. No, I'm saying -- I don't know the
14 exact dates. I would have to -- I don't even know
15 where I would look for that to be honest. It was a
16 long time ago.

17 840 Q. Would it be fair to say it would
18 be prior to the sort of dates that we're looking at
19 in these proceedings?

20 A. Much prior, yes.

21 841 Q. Much prior?

22 A. Much prior.

23 842 Q. Prior to 2008?

24 A. Yeah. Yes, sorry.

25 843 Q. Okay, have you -- was January 2016

1 your first contact with Mr. Salem?

2 A. Yes. Sorry, I'm just -- the dates
3 are kind of... Sorry, yes.

4 844 Q. And that was the -- there's an
5 e-mail that's produced in your June 20th affidavit
6 that is from Mr. Salem to you, and he purports to
7 be introducing himself.

8 A. Is that the one from the beginning
9 of January? Yes. Yes, that would be.

10 845 Q. That's the first you've ever had
11 any direct communication with Mr. Salem?

12 A. Yeah.

13 846 Q. Okay. I understood that you did
14 meet him in person at some point in time?

15 A. I think he was down in August, I
16 think it might have been, of -- I think it would
17 have been last year, I guess.

18 847 Q. 2016. So subsequent to the
19 January 2016?

20 A. After that, yes.

21 848 Q. And that's when you met in
22 Brooklin, Ontario?

23 A. Yes.

24 849 Q. And you indicated to Ms. Francis
25 that you had heard Dean Salem and Norris

1 would be Gary. I don't know who else I would ask
2 that question to.

3 855 Q. Okay. If you can turn up the June
4 20th affidavit, please.

5 MS. ROBERTSON: Yeah.

6 BY MR. LEVANGIE:

7 856 Q. You state at paragraph 15 of the
8 affidavit that, after you signed the revolving line
9 of the credit agreement, it became clear to you
10 that Gary and Dean did not have a normal business
11 relationship and then you detail an example, I
12 presume --

13 A. Mm-hmm.

14 857 Q. -- of that at paragraph 20 --
15 pardon me, paragraph 16 of the affidavit.

16 A. Mm-hmm.

17 858 Q. And is that explanation, is that
18 the basis for your conclusion in paragraph 15?

19 A. Well, yeah, I guess it was -- I
20 thought -- at that point, I thought, okay, this
21 is -- there's something strange happening, like
22 something isn't quite right. I didn't -- when he
23 said that, I thought, okay, this is -- this is
24 not -- this is not okay.

25 859 Q. So you're basing it on what is

1 alleged in paragraph 16?

2 A. I wouldn't say entirely on that.
3 I mean, I spoke to a real estate agent, my
4 next-door neighbor. My neighbor asked -- you know,
5 she had been asked by Gary about the mortgage and
6 about -- you know, Gary didn't want me to sell the
7 house. He wanted to keep the house, he wanted to
8 stay in the house and, you know, he had asked her
9 like her opinion as a real estate agent if, you
10 know, with a million dollar mortgage already
11 pre-existing with the CIBC, if he had managed to
12 get another million dollar mortgage or lien on that
13 property, would I be able to sell the property, and
14 she said she told him, no, she didn't think that if
15 he had encumbered the property, you know, that he
16 would be able to sell it.

17 860 Q. And when was that conversation?

18 A. That was slightly thereafter. I
19 don't know. I know Gary spoke to Lydia quite a
20 bit. I think he was trying to figure out how he
21 would be able to stay in the house, so -- I don't
22 know exact dates. I'm sorry.

23 861 Q. Okay. So in paragraph 16, you
24 say:

25 "In April 2016, my son told me

1 that he tried to pay for gas for his
2 Jeep but his American Express card
3 didn't work."

4 A. Yes.

5 862 Q. Okay. So your son is the one that
6 advised you that --

7 A. His credit -- his card was
8 declining, yes.

9 863 Q. So, when you say his card, it was
10 your son's personal American Express card?

11 A. It was a card that Gary had given
12 him.

13 864 Q. Okay. Whose card was the name in?

14 A. Well, Nicholas's name was on the
15 card, but it was Gary's card. It was Gary's bill.

16 865 Q. Okay. It was Gary's bill, but it
17 was Nicholas's card?

18 A. Okay. Yes.

19 866 Q. Is that what you're saying?

20 A. Well, yeah. I have no idea who --
21 like it was -- you know, I'm just saying it was --
22 Gary had gotten Nicholas an American Express card
23 on his account, on Gary or Compuquest. I have no
24 idea whose account that was. I'm sure that can be
25 looked at.

1 867 Q. So you're not sure whose account
2 it was?

3 A. Well, it was Gary's. It was
4 Gary's or Compuquest, I'm not sure, but it was
5 obviously...

6 868 Q. So it wasn't Nicholas's account?

7 A. No, it wasn't Nicholas's account.

8 869 Q. It was Gary's account?

9 A. It was Gary's -- yes, it was a
10 card that Gary had gotten for Nicholas on his
11 account or on a business account, I'm not sure.

12 870 Q. Okay. So Nicholas had been
13 charging his personal fuel use to Compuquest?

14 A. Again, I don't know if it was
15 Gary's card or if it was -- I have no idea. I just
16 know that Gary got the card for Nicholas.

17 871 Q. Okay. And then you proceeded to
18 ask Gary about this --

19 A. Yeah.

20 872 Q. -- incident?

21 A. Nicholas was concerned, so I asked
22 him. I said, Look, Nick wants to know when he's
23 going to be able to use his card. He said he tried
24 to use it and -- you know, and that's when Gary
25 made that statement to me.

1 873 Q. Okay, and it's in quotation marks,
2 so is that a quote directly from Gary, "probably
3 never because Dean won't pay it"?

4 A. Yes.

5 874 Q. Okay, and do you have any
6 knowledge as to whether or not Dean was actually
7 paying off the American Express card?

8 A. I have only what Gary told me.

9 875 Q. Okay, and so you don't have any
10 corroborating evidence, no support? Just -- you're
11 just relying on what Gary told you?

12 A. Just what Gary said to me.

13 876 Q. Okay, and in April 2016, were you
14 of the view, as you are now at this point in time,
15 that you couldn't believe Gary because he was a
16 liar?

17 A. Sorry, can you say that one more
18 time?

19 877 Q. You said today that you can't
20 believe necessarily anything that comes out of his
21 mouth because he is a liar.

22 A. I said -- yeah. Oh, yeah,
23 definitely. Yes.

24 878 Q. And so you were of that view at
25 the time you swore this affidavit, which was a

1 month ago?

2 A. Okay.

3 879 Q. I'm asking you.

4 A. Do I think Gary is a liar? Yes, I
5 do think Gary is liar.

6 880 Q. Do you think he was a liar a month
7 ago when you swore the affidavit?

8 A. I do think that Gary lies, yes.

9 881 Q. Okay. So you don't know, in fact,
10 whether Dean was paying off Nicholas's credit card,
11 do you?

12 A. I do not have credit card
13 statements, but I'm very sure that somebody could
14 get them. This is what Gary said to me. I just
15 simply repeated what Gary said to me.

16 882 Q. Okay. Is it possible that what
17 Gary meant was he had been borrowing money from
18 Dean and using that money to pay off things, like
19 expenses, and that, perhaps, he wasn't able to
20 borrow any more money from Dean?

21 A. That is not -- Gary did not imply
22 that at all. This was -- this is what Gary said to
23 me.

24 883 Q. He said probably never because
25 Dean won't pay it?

1 A. Probably never. That was his
2 statement.

3 884 Q. Okay. And when in April was this?

4 A. I don't have an exact date. I'm
5 sorry.

6 885 Q. Do you know if Dean advanced any
7 funds to Compuquest or Gary after this conversation
8 took place?

9 A. I have no knowledge of that at
10 all.

11 886 Q. You don't. Okay. So the entire
12 statement at paragraph 16 is based on what Gary --

13 A. Verbalized to me.

14 887 Q. Okay. Did Lydia Hartley, your
15 neighbour, ever mention Dean Salem's name?

16 A. No, she did not.

17 888 Q. Okay. After you signed the
18 revolving line of credit agreement, I understand
19 that you were sent through your counsel directly --
20 pardon me, through your counsel or directly copies
21 of the mortgage documents to register a mortgage
22 against the Ashburn property, is that correct?

23 A. Yes.

24 889 Q. And that you refused to sign them,
25 is that correct?

1 A. Yes.

2 890 Q. And your counsel advised, at the
3 time that you refused to sign them, that she wasn't
4 clear on the outstanding balance at the time,
5 correct?

6 A. Is that...

7 MS. ROBERTSON: I don't know. I don't
8 know what -- again, are you asking Aimee that
9 question?

10 BY MR. LEVANGIE:

11 891 Q. I'm asking her that question, and
12 if not, I can take her to your e-mail to Dean.

13 A. Yeah, if you could, that would be
14 great, because honestly, I'm...

15 892 Q. Okay. I'll have to bring it up.
16 It's going to take me a minute.

17 MS. ROBERTSON: Sorry, there were a lot
18 of negatives in there. You were asking at the time
19 of --

20 BY MR. LEVANGIE:

21 893 Q. The mortgage documents were sent
22 over, you responded to Mr. Salem saying, please
23 advise of the outstanding balance that's owing, and
24 Mr. Salem responded saying it hasn't changed. It's
25 857,000 or whatever it was?

1 MS. ROBERTSON: Okay.

2 THE DEPONENT: Okay. So yes. Okay.

3 BY MR. LEVANGIE:

4 894 Q. Okay? Neither you, nor your
5 counsel at the time, indicated, in response to
6 Mr. Salem sending over the mortgage documents, that
7 you had not agreed to grant a mortgage, correct?

8 A. I don't understand that question.

9 895 Q. Okay. So I'll break it down.
10 When the mortgage documents were sent over, did you
11 write back to Mr. Salem and say, I never agreed to
12 grant a mortgage over the Ashburn property?

13 A. I am not sure if we wrote that
14 back or not.

15 896 Q. Let's start with you. I'm asking
16 if you personally wrote that back.

17 A. I had very little -- I wanted
18 everything to go through my lawyer, so --

19 897 Q. So the answer is no?

20 A. -- I had very little
21 communication.

22 898 Q. The answer is no?

23 A. I'm sorry? Pardon me?

24 899 Q. So is the answer no?

25 A. To what question?

1 900 Q. The one I just --

2 A. I'm getting very confused. I'm
3 very sorry.

4 901 Q. The question I just asked you
5 about, when Dean sent the mortgage documents over,
6 you did not respond to him and say I didn't agree
7 to provide a mortgage over the Ashburn property,
8 did you?

9 A. Did I respond?

10 MS. ROBERTSON: I don't know off the
11 top of my head. I don't know how you responded,
12 but you can answer that question.

13 BY MR. LEVANGIE:

14 902 Q. I'm asking you first.

15 A. To be honest, I do not recall how
16 I responded to that, or if I responded to that at
17 all.

18 903 Q. Okay. Well, then I would like you
19 to provide an undertaking to go and search your
20 records.

21 U/T A. I definitely will.

22 904 Q. And if you sent Mr. Salem an
23 e-mail indicating, at the time you received the
24 mortgage documents, that Hey, Dean, I don't know
25 what you're talking about, I never agreed to grant

1 a mortgage on the property, --

2 A. Okay.

3 905 Q. -- I would like you to produce a
4 copy of that e-mail.

5 U/T A. All right. I can try.

6 906 Q. Similarly, if your counsel was
7 instructed to provide such an e-mail, I haven't
8 seen it, I would like production of that.

9 U/T A. Okay.

10 907 Q. Is it your position sitting here
11 today that Mr. Bodimeade does not have an ownership
12 interest in the Ashburn property?

13 A. Is that my position? I don't...

14 908 Q. Well, okay, before we go there --

15 A. I'm sorry, I --

16 909 Q. -- let me ask you -- I'm going to
17 back up. I want your view as to whether
18 Mr. Bodimeade has an ownership interest in the
19 Ashburn property.

20 MS. FRANCIS: Well, and in all
21 fairness, we're talking about a trustee, so how can
22 he have an ownership --

23 MR. LEVANGIE: It would have vested in
24 the trustee.

25 MS. ROBERTSON: Okay, but I think

1 you're asking her a legal question here. Did Gary
2 have --

3 MR. LEVANGIE: So I'm breaking it down.

4 MS. ROBERTSON: Okay.

5 MR. LEVANGIE: So before -- I'm not
6 asking for your position. I'm asking for her
7 personal view. She'll object. You don't need to
8 object.

9 MS. FRANCIS: I'm objecting because
10 you're cutting out the trustee.

11 MR. LEVANGIE: Well, we're not cutting
12 it out because you step in the shoes of the
13 bankrupt.

14 MS. FRANCIS: Well, I do not step in
15 the shoes of the bankrupt.

16 BY MR. LEVANGIE:

17 910 Q. Not you. Is it your view that
18 Mr. Bodimeade, prior to the bankruptcy, let's say
19 the day before the bankruptcy, had an interest in
20 the Ashburn property?

21 A. I don't think that that interest
22 has ever been determined, the value of or what
23 number is on that interest.

24 911 Q. So I'm not asking about the value.
25 I'm not asking whether a court has decided it. I'm

1 asking your personal view, as the person on title
2 to the property and his wife, whether you
3 understood that he had an ownership interest in a
4 property?

5 MS. ROBERTSON: There are a lot of
6 legal issues there. The wording of is there an
7 interest, you know, there's different types of
8 interest. So if you're asking Aimee what her legal
9 position is on that, she's not going to answer
10 that.

11 BY MR. LEVANGIE:

12 912 Q. So thank you. I've already said
13 I'm not asking for her legal position. I'm
14 asking --

15 A. I'm not comfortable answering the
16 question at all at this point. I'm sorry.

17 913 Q. Well, you are not entitled to
18 object. Your counsel is entitled to object.

19 A. Okay, so --

20 914 Q. That's not how it works, and if
21 your counsel has an objection, she can put it on
22 the record, and it has to be a proper objection, so
23 you just can't say I am not answering questions.

24 MS. ROBERTSON: Ask the question again.

25 BY MR. LEVANGIE:

1 915 Q. Did you, on the day before the
2 bankruptcy, in your mind, understand that
3 Mr. Bodimeade had any interest whatsoever in the
4 Ashburn property? We'll start there.

5 MS. ROBERTSON: You can answer that.

6 THE DEPONENT: I don't know what his
7 interest would have been. It wasn't determined. I
8 was hoping -- I don't know, because at the time we
9 separated, it wasn't determined what his -- so did
10 he have some interest? Maybe. I don't know. I
11 don't know what that interest would have been.

12 BY MR. LEVANGIE:

13 916 Q. So you don't know. So at the time
14 you signed the revolving line of credit agreement,
15 which said that you acknowledged that he has a 50
16 percent interest in the property, what did you
17 understand that to mean at the time you signed that
18 document?

19 A. I understood that there was a -- a
20 revolving line that Gary told me would never come
21 due. He said that he had a relationship with
22 Mr. Salem and that this was just securing things up
23 for him. There were other items on that document
24 that were worth lots, and I didn't know at that
25 point what his legal stand was with the house

1 but -- and at that point, I didn't think that
2 Mr. Salem -- you know, that Compuquest owed
3 Mr. Salem that amount of money. I had no idea. I
4 mean, from what Gary had said, he was owed a lot
5 less than that.

6 917 Q. Okay. So at the time you signed
7 the revolving line of credit agreement, you had no
8 idea what you say Mr. Bodimeade's interest was in
9 the property?

10 A. I don't know what the exact figure
11 was, no, I don't.

12 918 Q. But did you know that he had an
13 interest?

14 A. I'm going to assume he may have
15 had some interest, but I don't know what that
16 interest was because we haven't determined it yet.
17 We haven't even looked into it yet.

18 919 Q. Okay. If we go to your June 20th
19 affidavit, at paragraph 8, you state:

20 "We also agreed that the
21 liability on the matrimonial home
22 would be limited to \$1 million from
23 Gary's share of the home."

24 A. Mm-hmm.

25 920 Q. Do you see that?

1 A. Yes.

2 921 Q. Okay. So you understood that
3 Mr. Bodimeade had an interest in the home?

4 A. Okay.

5 922 Q. Correct?

6 A. Yeah. Well, I just said that. I
7 just didn't know what that interest would be, you
8 know.

9 923 Q. Okay. So when you say it would be
10 from Mr. Bodimeade's -- the liability on the
11 matrimonial home would be limited to \$1 million
12 from Gary's share of the home, and the revolving
13 line of credit agreement says that he has a 50
14 percent interest and that you acknowledge that, --

15 A. Okay.

16 924 Q. -- you're saying that despite
17 those two statements, it's your view that he may or
18 may not have had an interest, and you don't know
19 how much it was? Is that your evidence?

20 A. I don't know.

21 MS. ROBERTSON: Yes, that's what she
22 said, that his interest in the home has not been
23 quantified.

24 THE DEPONENT: Has not been quantified.
25 That's what I'm trying -- I feel like you're -- I

1 don't know. Anyways. Yes.

2 BY MR. LEVANGIE:

3 925 Q. Okay. So if the mortgage
4 documents that were sent to you and your counsel
5 were for, as you've testified in your sworn
6 evidence, for a registration against Gary's
7 interest, whatever that may be, not your interest,
8 why did you refuse to register the mortgage?

9 A. Okay. First of all, did we not
10 receive something from CIBC saying that we
11 shouldn't be signing anything?

12 926 Q. I want this answer from you,
13 Ms. Bodimeade.

14 A. Well, I'm sorry, but this is --
15 MS. FRANCIS: She was answering.

16 THE DEPONENT: I am answering.

17 MR. LEVANGIE: I know. I'm just...

18 MS. ROBERTSON: You can answer the
19 question.

20 THE DEPONENT: Yeah, we received
21 something stating at that time that I was not to
22 encumber the property further, that there was a
23 bankruptcy happening and that I was not to sign
24 anything.

25 BY MR. LEVANGIE:

1 927 Q. And what was the date that you
2 received that letter?

3 A. I don't know what the date is of
4 that letter.

5 928 Q. Is that towards the end of April?

6 A. I don't know. I don't know to be
7 honest.

8 MS. ROBERTSON: It might be in
9 somebody's affidavit.

10 MS. FRANCIS: I think I just saw it.

11 MS. ROBERTSON: I can't point to it off
12 the top of my head.

13 MS. FRANCIS: Is it in yours?

14 MS. ROBERTSON: No.

15 MS. FRANCIS: I thought it was.

16 MS. ROBERTSON: It's somewhere. It is
17 somewhere.

18 THE DEPONENT: There is a document.

19 MS. ROBERTSON: I think it's in the
20 sixth report, but I could be wrong.

21 MS. FRANCIS: Do you want to go off,
22 and I'll take a look? I don't think I put it in.

23 ---Discussion off the record

24 BY MR. LEVANGIE:

25 929 Q. So when we were last on the

1 record, you indicated that you didn't sign the
2 mortgage documents because you had received a
3 letter from CIBC advising you that there was a
4 pending bankruptcy and not to encumber the
5 property.

6 We have looked. That document has not
7 been produced as part of this motion or, as far as
8 counsel here is aware right now, as part of these
9 proceedings at all. So we're asking for an
10 undertaking for you to produce a copy of that
11 correspondence.

12 U/T MS. ROBERTSON: That's fine. We'll
13 look for it.

14 BY MR. LEVANGIE:

15 930 Q. Did you ever write to Mr. Salem or
16 direct your counsel to write to Mr. Salem and say
17 we are not going to signed the mortgage
18 documentation as a result of a correspondence we
19 received from a third party's lawyer advising us
20 that we shouldn't be encumbering the property?

21 A. I'm not sure if there was
22 something sent to him or if it was just assumed
23 that he received the same letter. I don't know.

24 931 Q. Okay. So I would like an
25 undertaking to search for any response to Mr. Salem

1 wherein he is advised that a letter was received
2 from whoever it was, CIBC or his counsel, that they
3 were not to encumber the property.

4 U/T And is that the only reason that you
5 didn't sign the mortgage documentation?

6 A. Also, there was a question as to
7 how much Mr. Salem was actually owed at the time.

8 932 Q. Okay. And do you know if
9 Mr. Salem provided a response to your counsel's
10 e-mail inquiry about the amount that was owing?

11 A. I'm not sure.

12 933 Q. You're not sure?

13 A. I'm not sure.

14 934 Q. Your counsel never advised you
15 that Mr. Salem e-mailed her and said --

16 A. I didn't say that. I said I'm not
17 sure. I said I'm not sure, but I'm sure Andrea, if
18 there is something, she could produce it for you.

19 935 Q. We have it already.

20 A. Okay. So I'm not sure.

21 936 Q. Okay, and then after that response
22 was provided to your counsel, there were a number
23 of follow-ups by Mr. Salem?

24 A. Okay.

25 937 Q. And none of them were ever

1 responded to. Do you know why the rest of his
2 e-mails went unresponded to?

3 A. I don't know why, no, not right at
4 this time. I mean, I was getting a lot of
5 harassment from Gary. I was getting a lot of
6 pressure. There was a lot going on, and I felt
7 like something wasn't right.

8 938 Q. What kind of pressure was
9 Mr. Bodimeade --

10 A. Mr. Bodimeade was saying that, you
11 know, I had to sign it or Compuquest -- you know,
12 Mr. Salem wouldn't do business with Gary anymore,
13 and he wouldn't provide product and that, you know,
14 it was my fault, and it was my responsibility
15 and -- I'm sorry, but that's -- I just wasn't
16 comfortable. There was no -- you know, you hear
17 different things. You know, he's owed this, he's
18 owed that, and I just wasn't...

19 939 Q. So let me ask you this. You said
20 earlier that you were only signing to register the
21 mortgage as against any interest that Gary may
22 have, which interest was undetermined at that point
23 in time.

24 A. Okay.

25 940 Q. Right?

1 MS. ROBERTSON: I don't think that's
2 what she said. I don't think she said she was
3 signing to register a mortgage against Gary.

4 THE DEPONENT: No, I did not.

5 BY MR. LEVANGIE:

6 941 Q. She signed a revolving line of
7 credit agreement. That's what she said, correct?

8 A. Okay.

9 942 Q. Okay?

10 A. Yeah.

11 943 Q. And then you've now just said that
12 Gary was frantically trying to get you to sign the
13 mortgage documentation.

14 A. Yes, he was frantically trying to
15 get me to sign everything, yes.

16 944 Q. And the mortgage documentation was
17 only going to be as against whatever interest he
18 had in the house; correct?

19 A. I don't --

20 945 Q. The mortgage that was to be
21 registered that's contemplated in the agreement --

22 A. Okay.

23 946 Q. -- was only going to be as against
24 Mr. Bodimeade's interest in the property, correct,
25 if any?

1 A. Okay. I'm not sure about that,
2 but okay.

3 947 Q. Well, I thought that was your
4 evidence.

5 A. I'm not following you. I'm sorry.

6 948 Q. So when you were sent a copy of
7 the mortgage documentation --

8 A. Okay.

9 949 Q. -- that was not signed, was it
10 your understanding that, if you signed that
11 documentation, it would be a mortgage as against
12 Mr. Bodimeade's interest, your interest or both of
13 your interests in the property?

14 A. It wasn't my interest in the
15 property.

16 950 Q. Okay.

17 A. And we hadn't determined what
18 Gary's interest was in the property. So to sign
19 something -- I'm not sure how to answer that.

20 951 Q. So it wasn't your interest that
21 you were going to be encumbering?

22 A. No, it was -- if Gary had any, it
23 was Gary's interest, and it wasn't even determined
24 what Mr. Salem was owed at that time.

25 952 Q. So why would that matter to you if

1 Gary -- if the registration would be against Gary's
2 interest --

3 A. I just felt like something wasn't
4 right. I didn't feel it was the right thing to do.
5 I felt something wasn't right.

6 953 Q. So you felt something wasn't
7 right. So even though you signed the document
8 saying you were going to register a mortgage on
9 title to the property as second charge, which is
10 what the revolving line of credit agreement says,
11 you then refused to do that because you felt like
12 something wasn't right? That's your evidence?

13 MS. ROBERTSON: She's answered that
14 question twice. She also answered saying she had
15 correspondence with CIBC.

16 BY MR. LEVANGIE:

17 954 Q. Well, I'm not clear on what her
18 answer is, so I'm trying to ask the question in a
19 way that's precise and clear.

20 A. I didn't feel that I was in a
21 position where I could do so. I mean,
22 especially getting that correspondence from CIBC.
23 I mean, I didn't want to get into trouble. I
24 didn't want to do something I wasn't -- I was
25 being -- under a lot of pressure at that point from

1 Gary, and I felt like it just wasn't the right
2 thing to do at that time until, you know, it was
3 figured out, I guess.

4 955 Q. Okay.

5 A. I don't know.

6 956 Q. If you go to paragraph 18 in your
7 affidavit, it states:

8 "On April 15, 2016, Gary's
9 lawyer, Gary Stern, wrote to my
10 lawyer..."
11 I presume that would be Ms. Robertson?

12 A. Mm-hmm.

13 957 Q. Yes?

14 A. Yes.

15 958 Q. "...and stated the house has
16 been valued at 3.2 million with a
17 \$978,000 mortgage. Your client's
18 share from the sale of the
19 matrimonial home would be
20 approximately one million."

21 Okay? And it continues.

22 Did you or your counsel ever respond to
23 Mr. Stern and say, What are you talking about? I
24 am the sole title holder, and this entire property
25 belongs to me or otherwise challenge the assertion

1 that your entitlement would be a million dollars?

2 A. I'm not sure.

3 959 Q. Okay. I would like an undertaking
4 to review and to produce any correspondence in
5 response to Mr. Stern's letter wherein he sets out
6 that your "client's share from the sale of the
7 matrimonial property would be approximately one
8 million." Yes?

9 U/T MS. ROBERTSON: That's fine.

10 MR. LEVANGIE: Okay.

11 MS. ROBERTSON: If we responded to
12 that, to that letter on April 15th?

13 BY MR. LEVANGIE:

14 960 Q. Or otherwise challenge that
15 assertion.

16 Now, at paragraph 21 of your affidavit,
17 you indicate that you met with Mr. Salem, and he
18 was trying to find a resolution and that there were
19 offers to provide you with money to assist you in
20 finding a new residence.

21 A. Mm-hmm.

22 961 Q. And in return, you would grant
23 security over the property for an increased amount,
24 correct?

25 A. Okay. He was trying to find a

1 legal way to do that, correct.

2 962 Q. Okay, and one way that was
3 proposed, although it's disputed -- the amounts in
4 your affidavit, as you know, --

5 A. Okay.

6 963 Q. -- are disputed if you read
7 Mr. Salem's affidavit, but he indicated that he
8 would provide you with some money to buy -- or
9 relocate, whether you chose to rent or buy, I don't
10 know, and that there would be a registration of a
11 larger mortgage than a million on the Ashburn
12 property, correct?

13 A. I believe that was what he had
14 offered, yes.

15 964 Q. Okay. So he wasn't giving you
16 money without getting security for it or a
17 registration in return? He wasn't cutting you a
18 cheque for free? The idea was he would get his
19 mortgage for the principal amount, plus for
20 whatever funds he advanced to you, correct?

21 Paragraph 22 of your affidavit should
22 help. It says, the last sentence:

23 "In exchange for this, I would
24 register encumbrances on the Ashburn
25 property in favour of Dean for \$2

1 million."

2 A. Okay.

3 965 Q. So he was trying to secure the
4 mortgage on the Ashburn property?

5 A. Mm-hmm.

6 966 Q. Find a way for you to relocate and
7 not be on the street?

8 A. Yes.

9 967 Q. And he would take out a larger
10 mortgage to, I guess, compensate for the fact that
11 he had extended money to you to live somewhere
12 else, correct?

13 A. Okay. Yes.

14 968 Q. Okay. I wanted to clarify that
15 that was the situation. Paragraph 24 of your
16 affidavit, you say:

17 "I signed the revolving line of
18 credit agreement specifically on the
19 basis that it was only over the
20 collateral shown in the agreement
21 and that the one million collateral
22 on the Ashburn property was over
23 Gary's share of the property only."

24 A. Mm-hmm.

25 969 Q. So does that -- can we take from

1 that that you understood that Gary had a million
2 dollar interest in the property?

3 A. It's hard, because at the time of
4 separation, Gary had a lot of assets, and the house
5 is what I had. So we hadn't yet determined -- like
6 it was -- it was assumed that whatever Gary's
7 equity -- it was just Gary's equity in the house,
8 yes. Whether it was a million dollars or not, it
9 hadn't been determined yet.

10 970 Q. Okay. Do you know what product
11 was shipped by Norris Technologies to Compuquest in
12 2016?

13 A. No, I don't.

14 971 Q. Do you know what amounts were lent
15 by Mr. Salem to Compuquest in 2016?

16 A. I don't.

17 972 Q. You don't. Okay. So you have no
18 basis to dispute the amounts that are set out in
19 Mr. Salem's affidavit?

20 A. I only have the numbers that I was
21 provided with by counsel or through e-mails from
22 Mr. Salem directly, through Gary, and what was
23 provided by the trustee.

24 973 Q. So sitting here today, you can't
25 point me to something to show that the figures

1 provided by Mr. Salem with respect to what was
2 shipped in 2016, for example, are false or
3 incorrect?

4 A. All I can say is that he sent my
5 counsel an e-mail stating that this was what was
6 owing, that anything that shipped after that would
7 be cash on delivery, and he would not be extending
8 any more credit. Gary showed payments. He
9 indicated that he was owed much less than that.
10 That's the information that I have.

11 974 Q. Have you not read Mr. Salem's
12 affidavit in this proceeding?

13 A. I don't know. Did you --

14 MS. ROBERTSON: It's fairly recent.

15 THE DEPONENT: Is it? I'm not sure.

16 BY MR. LEVANGIE:

17 975 Q. It's long.

18 A. Is it long?

19 976 Q. It's about 50 pages.

20 A. I probably haven't read it all. I
21 probably scanned it. It's not a great time for us.

22 977 Q. So it shows -- in that affidavit,
23 it sets out amounts that were advanced --

24 A. Okay.

25 978 Q. -- by Norris and Mr. Salem in

1 about establishing a line of credit. I want to
2 know what, if anything, was ever done by Norris or
3 Mr. Salem to determine Compuquest's and Gary
4 Bodimeade's financial situation at any time, and I
5 want to know what was provided from time to time,
6 because I think, as you probably know now, that the
7 lines of credit or whatever arrangement was in
8 place with Norris and Mr. Salem was not recorded in
9 Compuquest's financial records.

10 MR. LEVANGIE: Okay. So the
11 questions -- the first part of that is a question
12 that you can ask him about what steps he took.

13 U/A The second part, which is the request
14 for the documents, again, I'm going to take it
15 under advisement, because I don't see the
16 relevance.

17 I mean, we're talking about -- the
18 issues for this motion are very discreet. There's
19 three issues really; whether or not there's an
20 equitable mortgage as against Gary's interest,
21 whether there's a mortgage as against Aimee's
22 interest, and whether there is something that
23 invalidates an equitable mortgage or a mortgage
24 against Aimee's interest, if there is one.

25 So I'll think about it. We can have

1 254 Q. Well, it's a -- you might look at
2 page 257 of the receiver's fifth report, please.

3 A. 257.

4 MR. LEVANGIE: Are we taking that break
5 soon? You said you were just marking the
6 documents.

7 MS. FRANCIS: Yeah, we're going to take
8 a break. Yeah. I'm just going to follow up my
9 question and then we can take a break.

10 THE DEPONENT: All right. It shows
11 991,297.35.

12 BY MS. FRANCIS:

13 255 Q. Okay, and I've add those two
14 together, and I get \$1,283,797.35.

15 MR. LEVANGIE: Okay. Are you asking
16 him to do the arithmetic to get there?

17 MS. FRANCIS: He can do it during the
18 break, if you like.

19 MR. LEVANGIE: Do you have a calculator
20 with you?

21 THE DEPONENT: We'll stipulate. That's
22 fine. So what's the point?

23 MS. FRANCIS: That was the point. All
24 right. We'll take a break.

25 ---Short recess at 12:14 p.m.

1 2011, how frequently did you go up to Compuquest
2 premises?

3 MR. LEVANGIE: He said not frequently.

4 BY MS. FRANCIS:

5 340 Q. I wanted to know how frequently.
6 Does that mean every three years, or does that mean
7 every month? I don't know.

8 A. Maybe once a year.

9 341 Q. And when you went up, did you ever
10 ask to see any of Compuquest's records?

11 A. No.

12 342 Q. And did you ever ask to see any
13 bank statements?

14 A. No.

15 343 Q. And did you ever ask whatever
16 creditors Compuquest had?

17 A. No.

18 344 Q. Or whether Compuquest had secured
19 creditors?

20 A. No.

21 345 Q. Did you understand that Compuquest
22 had bank financing?

23 MR. LEVANGIE: That's been asked and
24 answered.

25 BY MS. FRANCIS:

1 was against the house?

2 A. I did not at the time, no.

3 364 Q. All right.

4 A. No. I mean, you know, Gary
5 presented -- Mr. Bodimeade presented himself as a
6 wealthy individual. You know, you would tend to
7 assume that people who own 16 horses and have a
8 horse farm are wealthy individuals, and he, of
9 course, always mentioned that he was driving a
10 fancy sports car or whatever the case may be.

11 365 Q. Did Gary come down to see --

12 A. So very similar, you know, in any
13 situation like that, you know, those things, when
14 you're doing business with people, those are all
15 indicators.

16 366 Q. So Gary presented himself as
17 wealthy because he talked about his horses and his
18 fancy cars?

19 A. And his home that he owned, yes.
20 Well, and also -- also, you know, there was a lot
21 of business being done as well.

22 367 Q. All right, but you had no idea
23 what kind of profits Compuquest had?

24 A. No, I did not have the specifics
25 of that.

1 BY MS. FRANCIS:

2 383 Q. Did you know anything -- prior to
3 2016, did you know anything about Gary's education
4 and qualifications?

5 A. No.

6 384 Q. Did you know if he had any kind
7 of -- well, did you know if he finished high
8 school?

9 A. I did not.

10 385 Q. Or if he had a university
11 education?

12 A. I did not.

13 386 Q. And you never asked for a personal
14 net worth statement?

15 A. As I said before, it was things
16 that we had discussed, but no, I didn't
17 specifically ask him for one.

18 387 Q. All right, and prior to --

19 A. When it became a concern, as I
20 said, in July of 2015 and moving forward, that was
21 when we asked to formalize the debt.

22 388 Q. And that doesn't get formalized
23 until December 31, 2015 --

24 A. Correct.

25 389 Q. -- vis-a-vis Gary, and prior to

1 December 31, 2015, you have nothing in writing from
2 Gary agreeing to be responsible for the supply of
3 product to Compuquest?

4 A. We did not. It was all verbal.
5 Verbal agreements.

6 390 Q. Okay. And I take it the supply
7 was all to Compuquest, correct?

8 MR. LEVANGIE: Sorry, what do you mean
9 by that? I don't understand the question.

10 BY MS. FRANCIS:

11 391 Q. You supplied product to
12 Compuquest, not to Gary personally?

13 A. Correct, yes.

14 392 Q. All right, and the loans were to
15 Compuquest?

16 A. Correct.

17 393 Q. Okay. When did you learn about
18 Gary's criminal past?

19 A. During these bankruptcy
20 proceedings.

21 394 Q. Gary never told you?

22 A. Never.

23 395 Q. And prior to the middle of 2015,
24 what did you know about Gary's family situation?

25 A. The way that he painted the

1 I don't personally understand it. Maybe it's my
2 fault, but if you could reword it, then...

3 MS. FRANCIS: I want to know what was
4 provided to Mr. Salem. I'm suggesting that
5 Mr. Salem knew that there were other debts and knew
6 that his debt was not reflected in the books and
7 records of Compuquest, and he would have known if
8 he had asked for any information from Compuquest
9 that this line of credit was not reflected in the
10 books and records of Compuquest.

11 MR. LEVANGIE: And does that go to the
12 issue of whether he's entitled to an equitable
13 mortgage as against Gary?

14 MS. FRANCIS: It goes to the issue of
15 the relationship between the two, and it goes to
16 lots of other issues. I don't need to explain
17 every single question.

18 U/A MR. LEVANGIE: We'll take it under
19 advisement.

20 BY MS. FRANCIS:

21 416 Q. Did you do anything to verify the
22 ownership of the assets that were listed in the
23 second paragraph of this document?

24 A. Beyond asking Gary? No.

25 417 Q. Were you aware that you could do

1 425 Q. All right. As of December --

2 A. He told me -- he told me that he
3 had loans as are indicated on that document. Okay?
4 It shows right there mortgage, end date, original
5 price, projected sale value. So the assumption was
6 made that that was the equity that he had in these
7 items.

8 426 Q. All right. It didn't occur to you
9 that, perhaps, the ownership was in, say,
10 Compuquest and that there might be other creditors
11 of Compuquest?

12 A. I assumed that the information
13 that he gave me about the mortgages was correct.

14 427 Q. All right, and you now know, for
15 example, that -- you now know that there was
16 secured creditors of Compuquest who had registered
17 security interests against Compuquest's assets,
18 correct?

19 A. That's what we're being told.

20 428 Q. Well, sorry. Are you disputing
21 it?

22 MR. LEVANGIE: Well, that's not what
23 you asked him.

24 THE DEPONENT: I'm sorry?

25 MR. LEVANGIE: You asked him if he

1 you know that there were secured creditors of
2 Compuquest?

3 A. I don't recall. I don't recall
4 the exact date, Catherine. I would have to go back
5 and review a timeline.

6 436 Q. Well, as of February of 2016, you
7 did become aware that CIBC was a secured creditor,
8 correct?

9 A. Yes.

10 437 Q. Okay. So then that would suggest
11 you did know as of March 3 of 2016.

12 MR. LEVANGIE: Would know what?

13 MS. FRANCIS: That CIBC was a secured
14 creditor.

15 MR. LEVANGIE: Secured creditor over
16 which assets?

17 MS. FRANCIS: Secured creditor of
18 Compuquest.

19 MR. LEVANGIE: Okay, but just in that
20 general sense?

21 MS. FRANCIS: You know, you really
22 don't need to interrupt so much.

23 MR. LEVANGIE: No, because your
24 question is not clear.

25 MS. FRANCIS: It's as clear --

1 A. We communicated on the telephone a
2 lot.

3 444 Q. And when Gary was telling you
4 about trying to salvage the relationship with CIBC,
5 did he disclose to you how much he owed?

6 A. No, I do not believe he did at
7 that time.

8 445 Q. And did you ask?

9 A. No, I don't believe I did at that
10 time.

11 446 Q. And did he disclose to you that he
12 owed money to other creditors, such as BDC?

13 A. No, I don't believe he did at that
14 time.

15 447 Q. All right, and did you have any --

16 A. When we talked about his credit
17 facility, he felt that his -- what he communicated
18 to me was that he had equity in the building and
19 that he was going to be able to, you know, cover
20 everything, but he also felt like, if worse came to
21 worse, he would be able to move to another bank.

22 448 Q. All right, but did you have any
23 idea -- at the time that you were having these
24 discussions in what, February of 2016, did you have
25 any idea what assets Compuquest had?

1 me in 2016.

2 453 Q. I'm not --

3 A. But yes, we did speak about
4 inventory during that time period.

5 454 Q. I'm not asking you exactly. I'm
6 asking you what he told you roughly in terms of
7 what kind of inventory level Compuquest had. Was
8 it 50,000? Was it two million?

9 MR. LEVANGIE: And when in 2016 are we
10 talking about?

11 BY MS. FRANCIS:

12 455 Q. In February of 2016.

13 A. It would change daily. As you can
14 see on the spreadsheet, there were times when he
15 was buying loads from us and times when he wasn't,
16 so it changed on a regular basis. I don't remember
17 on an exact day, but we did have conversations
18 regularly. I did supply him with the spreadsheet
19 with the updates regularly.

20 456 Q. I'm not asking about the inventory
21 that you were shipping. I'm asking what did he
22 have in inventory in that time period? Was it
23 50,000? Was it two million? Do you have any idea?

24 A. It could have been anywhere from
25 200,000 to a million five.

1 business and that was what I did.

2 471 Q. All right. I'm going to ask the
3 question again. All right. As of January 2016,
4 you had no idea what assets Compuquest had,
5 correct?

6 A. No, I did have some idea --

7 472 Q. All right. What was your --

8 A. -- what assets Compuquest had.

9 473 Q. What was your idea as to what
10 assets Compuquest had as of January 2016?

11 A. Well, as I said before, Gary and I
12 spoke regularly, and I would ask him, Where are
13 you? What do you have? Are you moving inventory?
14 What do you have coming back in? And he would let
15 me know.

16 474 Q. Okay, and what was he telling you?

17 A. Well, if we take a look at the
18 spreadsheet that I provided, in January, let's see,
19 the debt went from 998,000 down to 463,000.

20 475 Q. Okay. You're not actually
21 answering my question. Did you have any idea what
22 assets Compuquest had as of January 2016? Again,
23 I'm going to break it down.

24 A. I just gave you the answer,
25 Catherine.

1 476 Q. You did not.

2 A. I just gave you the answer. I
3 did. We spoke regularly. The amount that Gary
4 would give me was generally somewhere between
5 200,000 and a million five maybe, but it fluctuated
6 daily, because in this business, you roll product.
7 You roll your money several times a month. That's
8 the way this business operates. It's very similar
9 to a commodities brokerage.

10 477 Q. Okay.

11 A. Things move very quickly.

12 478 Q. So you thought --

13 A. So to be able to tell you -- it's
14 not like a regular distribution business. This is
15 not like a regular distribution business where you
16 can say we have average inventories of \$2 million
17 all the time. That's not the way this business
18 works.

19 479 Q. What about --

20 A. This is a brokerage business.
21 Does that clarify it any more for you?

22 480 Q. A brokerage business meaning that
23 Compuquest was selling to wholesalers?

24 A. A brokerage business meaning we
25 buy and sell on a daily basis.

1 to me?

2 MR. LEVANGIE: For which period of
3 time?

4 THE DEPONENT: Let's see. I think
5 we've already supplied a lot of that to you. If
6 you go through the instant messages that I sent to
7 you, on a regular basis, I was asking him, Did you
8 get the wire in from your customer? Did you get
9 this in? Did you get that in? When can you send a
10 payment?

11 It was a regular conversation, and if
12 you read through those instant messages, you'll see
13 that almost exactly what I'm telling you, what I'm
14 describing to you now, took place in those
15 conversations.

16 BY MS. FRANCIS:

17 486 Q. Do you know, as we speak, whether
18 Compuquest had meaningful inventory and accounts
19 receivable as of January 2016 -- and I'll give you
20 the second part -- and if so, what happened to it?

21 A. I don't know exactly what they had
22 in inventory at that time.

23 487 Q. I'm not asking you exactly.

24 A. And as far as what happened to it,
25 I would say that they've sold it.

1 488 Q. And what happened to the proceeds?

2 A. I don't know, Catherine. I didn't
3 keep their books. What I do know is that I sold
4 product to the company, I lent money to the company
5 and that money is owed to us.

6 489 Q. Okay.

7 A. We delivered all of the product on
8 those spreadsheets. We delivered all of the loans
9 on those spreadsheets. All payments were properly
10 noted on those spreadsheets. There's nothing
11 nefarious about what I provided you.

12 490 Q. Okay.

13 A. It's common, everyday business.

14 491 Q. Compuquest was paying you in
15 various different ways, correct?

16 A. They're paying me in very
17 different ways?

18 492 Q. Various different ways.

19 A. Generally, it was either a cheque
20 or a wire.

21 493 Q. Or AmEx?

22 A. Or AmEx, yeah.

23 494 Q. And cheques --

24 A. So three different ways.

25 495 Q. And cheques to different banks,

1 A. No, I did not ever provide blank
2 cheques to Gary.

3 501 Q. Well, you provided cheques that
4 you signed that didn't have the amounts filled in,
5 correct?

6 A. They had the payee, and they would
7 have my signature on it.

8 502 Q. And they wouldn't have the amounts
9 and the dates filled in?

10 A. Correct, because we did not know
11 what we were going to -- you know, where a specific
12 opportunity would wind up as far as pricing went.

13 503 Q. And --

14 A. Because things change in this
15 business very, very quickly, and a lot of times,
16 when somebody says I have this opportunity to sell
17 to you and then they find out the next day that
18 they didn't have as many as they thought, or they
19 were purchasing it from a leasing company, and the
20 leasing company didn't get back as many as they
21 thought, or they got them back, and out of 2,000
22 machines, 350 were bad, so they change -- the
23 amounts change regularly as -- during the course of
24 a transaction.

25 504 Q. All right. Can you turn to tab 12

1 of the receiver's fifth report, please?

2 MR. LEVANGIE: Do you have the page
3 number?

4 THE DEPONENT: What page?

5 MS. FRANCIS: 170, 171 and 172.

6 MR. LEVANGIE: You want us to start on
7 170?

8 BY MS. FRANCIS:

9 505 Q. Sure.

10 A. 170.

11 506 Q. So 170 is a joint cheque written
12 by you and Connie Teodorescu on Community Trust
13 Bank?

14 A. Yes.

15 507 Q. And then on page 171 is a cheque
16 written by you on BB&T?

17 A. Yes.

18 508 Q. And you signed your name and wrote
19 in Compuquest2000, but Gary signed the -- put in
20 the amounts and the dates?

21 A. Correct.

22 509 Q. And the dates are the same,
23 February 9, 2016, and the amounts are the same for
24 each of them, 195,000?

25 A. That's what they show.

1 510 Q. Okay, and Gary would communicate
2 with you or send you e-mails telling you what he
3 had filled in in terms of the dates and the
4 amounts?

5 A. That's correct.

6 511 Q. All right. Okay, we'll take a
7 lunch break.

8 MR. LEVANGIE: Half an hour? Is that
9 enough for you?

10 MS. FRANCIS: Half an hour is fine.

11 MR. LEVANGIE: Okay, we're going to
12 take a half hour lunch.

13 MS. FRANCIS: I mean, it's fine with
14 me. I'm sorry, I didn't mean to be presumptuous.

15 MR. LEVANGIE: So back at 2:10, Dean?

16 THE DEPONENT: 2:10.

17 MR. LEVANGIE: Half an hour. Is that
18 enough for you?

19 THE DEPONENT: Yeah. So what are we
20 looking at timing on this?

21 ---Discussion off the record

22 ---Noon recess at 1:40 p.m.

23 ---Upon resuming at 2:16 p.m.

24 BY MS. FRANCIS:

25 512 Q. Okay. Back on. As of December of

1 known that my money was going to be taken by a
2 taxing authority, no, I probably would not have
3 lent it.

4 517 Q. So, sorry, your money was taken by
5 a taxing authority and that put you behind? Is
6 that what caused the financial difficulties?

7 A. For Compuquest?

8 518 Q. Yes. And --

9 A. Yes.

10 519 Q. And that's what resulted in
11 Compuquest being unable to pay you or Norris for
12 product?

13 A. That was -- yes, that was the
14 reason I was given for them not being able to pay
15 back the money. That's correct.

16 520 Q. All right, and I take it you
17 weren't comfortable with this high rate of debt
18 from Compuquest?

19 A. I wasn't excited about it.

20 521 Q. Okay. Is it fair to say you were
21 worried about being able to get repaid?

22 A. I wasn't particularly worried
23 because, once again, you know, Gary was assuring me
24 that he was a high net worth individual, that he
25 was going to get it taken care of, he had been in

1 business for 15 years or whatever at the time,
2 and -- you know, so I was dealing with a bad
3 situation.

4 522 Q. All right, and --

5 A. And the best way that I knew how
6 to deal with it was to continue with business and
7 move forward and try to make it happen, try to make
8 him profitable, try to help him so that the debt
9 could be repaid.

10 523 Q. Okay. Although you didn't know
11 the details, you did know that there were other
12 creditors, correct?

13 A. No. At the time that that taxing
14 authority came in, no, I had no idea.

15 524 Q. All right. When was the first
16 time --

17 A. I was not really...

18 525 Q. When was the first time you
19 learned there were other creditors of Compuquest?

20 A. Probably when his divorce came up
21 in 2015.

22 526 Q. Okay, and what did you learn about
23 the other creditors?

24 A. I didn't real delve that deeply
25 into it. Basically what I found out was that the

1 house was not in Gary's name, that he had other
2 debts and that I needed to secure my debt.

3 I am -- I run a business that is
4 responsible for the livelihoods of 55 people and
5 their families, and so it's important for me -- I
6 have an obligation to those people.

7 527 Q. Okay. I appreciate that.

8 A. So I needed to secure that debt to
9 make sure that our company can continue and move
10 forward. So in order to secure that debt, you know
11 what I did.

12 528 Q. Okay.

13 A. I secured it with the revolving
14 line of credit.

15 529 Q. Now, the other debts included
16 CIBC, right? You learned about CIBC in around the
17 time you learned about Gary's divorce proceedings,
18 correct?

19 A. I would say it was probably more
20 around 2016.

21 530 Q. Like early 2016?

22 A. Yeah, yeah, about the time they
23 started to have problems with him but, you know,
24 Mr. Bodimeade would always kind of brush that off,
25 because he felt like he had equity in the building,

1 540 Q. It's pages 164 to 168.

2 A. 164.

3 MR. LEVANGIE: Do you want us to start
4 at the top or the bottom?

5 MS. FRANCIS: Start with the end,
6 January 5th.

7 MR. LEVANGIE: So 168?

8 MS. FRANCIS: Yes.

9 THE DEPONENT: Okay.

10 BY MS. FRANCIS:

11 541 Q. Okay. So January 5, 2016 is the
12 first time you ever communicated with Aimee,
13 correct?

14 A. January what?

15 542 Q. Five, 2016.

16 A. Yes, that was the first e-mail
17 that I sent to Aimee.

18 543 Q. Okay, and the reason you're
19 writing to her is because you want her to sign a
20 revolving line of credit agreement similar to the
21 document that Gary had signed a few days earlier?

22 A. That's correct.

23 544 Q. And did Gary tell you when he
24 signed it that Aimee would sign a similar
25 agreement?

1 A. When he signed it, yes.

2 545 Q. And do you know whether he had
3 actually spoken to Aimee about it?

4 A. I have no idea.

5 546 Q. All right, and do you know what
6 information Aimee had as to Compuquest's financial
7 situation as of January 5, 2016?

8 A. I have no idea.

9 547 Q. All right, and in fact, it appears
10 from what we've heard that you actually didn't know
11 what Compuquest's financial situation was as of
12 January 5, 2016?

13 A. I don't have specific information
14 about their financial situation at that time.

15 548 Q. Well, you didn't know the assets,
16 the liabilities, the revenue, the profits or the --

17 A. You've just mischaracterized all
18 the answers that I've given you previously.

19 549 Q. Okay. All right. I'll break it
20 down. At that point, as of January 5, 2016, you
21 didn't know what assets Compuquest had?

22 A. I did not know specifically what
23 assets. I told you that it was -- that it's a
24 moving target, that their receivables and their
25 inventory changed on almost a daily basis, and I

1 told you that I could not pinpoint exactly, but I
2 gave you a range.

3 550 Q. You gave me a range of what you
4 thought would be the total assets, somewhere
5 between 200,000 and 1.5 million?

6 A. That's correct.

7 551 Q. All right, and we now know --

8 A. You're asking me to pinpoint a
9 moving target, so I have to give you a range.

10 552 Q. Okay. The range was 200,000 to
11 1.5 million, and we now know that CIBC alone had a
12 line of credit of \$1,750,000, right?

13 A. We -- no, I did not know that at
14 the time.

15 553 Q. Well, we now know that, right?

16 A. We now know that.

17 554 Q. All right, and we now know that
18 BDC had loans of about half a million dollars?

19 A. I still don't have any idea what
20 BDC's loans are exactly. I've not been presented
21 anything through the bankruptcy.

22 555 Q. Well, you've looked at what was on
23 the financial statements.

24 A. On what financial statements?

25 556 Q. Compuquest's financial statements.

1 A. Yes.

2 573 Q. And the re line is AmEx?

3 A. Yeah.

4 574 Q. And Gary is talking about trying
5 to bump his AmEx limit to 750 or \$800,000?

6 A. That's what he's talking about,
7 yes.

8 575 Q. All right, and did you know what
9 his limit was at that time before the bump that he
10 was trying to get?

11 A. I did not.

12 576 Q. All right.

13 A. I did not, and frankly, you know,
14 any of Gary's talk about any of this stuff, I
15 didn't consider it to be any of my business, and I
16 did not respond to this e-mail if you checked your
17 record.

18 577 Q. All right, but you were continuing
19 to charge the AmEx card for product that you
20 delivered, right?

21 A. Just as I told you previously, the
22 last time that we made a chart on the card is
23 accurately reflected in the record that I gave to
24 you on the 17th of February, 2016. It's always
25 been accurately reflected. We have never shown

1 anything different. We haven't manipulated anyone
2 or anything. That was how Gary chose to pay for
3 the product that he was buying and that was what we
4 accepted as payment.

5 578 Q. Okay. So we now know at least
6 three major creditors that add up to about
7 two-and-a-half million dollars besides Norris and
8 yourself, right?

9 A. Besides me?

10 579 Q. Yes.

11 A. Okay.

12 580 Q. CIBC, BDC and AmEx. I think you
13 would agree we have about at least two-and-a-half
14 million dollars of Compuquest creditors besides
15 yourself?

16 A. That's what you presented today,
17 yes.

18 581 Q. And two of them were secured?

19 A. Yes, I considered my debt secured
20 as well.

21 582 Q. Against the assets of Compuquest?

22 A. Against the assets that were
23 listed on the revolving line of credit.

24 583 Q. Not in priority to CIBC and BDC,
25 right?

1 R/F MR. LEVANGIE: Don't answer that.
2 You're asking him a legal question.

3 BY MS. FRANCIS:

4 584 Q. Well, no, did you consider
5 yourself to have priority over BDC and CIBC?

6 MR. LEVANGIE: On which assets?

7 MS. FRANCIS: On any assets.

8 MR. LEVANGIE: As against who? Gary?
9 Aimee? Compuquest?

10 BY MS. FRANCIS:

11 585 Q. You know what? Did you consider
12 yourself to have a first priority security?

13 MR. LEVANGIE: That's not specific
14 enough. It's not even referring to which asset.

15 BY MS. FRANCIS:

16 586 Q. Okay. Let's go back to what I was
17 asking on page 168 of the fifth report.

18 A. Fifth report. Yeah.

19 587 Q. Okay. So you're writing to Aimee
20 on January 25th, 2016, okay?

21 A. Mm-hmm.

22 588 Q. And you're trying to get her to
23 sign a revolving line of credit agreement that
24 would encumber the house, correct?

25 A. That's correct.

1 589 Q. And you don't tell Aimee anything
2 about Compuquest's financial position?

3 A. Was I obligated to do so?

4 590 Q. My question was, you don't --

5 A. I assumed that as a person who was
6 taking a paycheque from this company for years,
7 that she had some knowledge.

8 591 Q. How do you know that she --

9 A. I made certain assumptions that
10 she spoke with her husband. I made certain
11 assumptions that, if she spent thousands of dollars
12 a month on her hobby, that she assumed that it came
13 from somewhere.

14 592 Q. All right. What --

15 A. And that she had some knowledge
16 thereof.

17 593 Q. What made you think that she was
18 receiving a salary from Compuquest?

19 A. Because Gary said she was.

20 594 Q. Okay, and what did you refer to as
21 her hobby?

22 A. Her horses.

23 595 Q. And you said she was spending how
24 much on her horses?

25 A. I don't know exactly how much she

1 was spending, but it was a considerable amount.

2 596 Q. You said --

3 A. You don't own 16 horses and not
4 spend money on them.

5 597 Q. And you said thousands of dollars
6 a month?

7 A. I would say yes. Wouldn't you
8 assume?

9 598 Q. All right. Did Gary tell you
10 that?

11 A. No, that was just an assumption
12 that I made.

13 599 Q. Okay. And Aimee is not responding
14 to you, correct?

15 A. When?

16 600 Q. Well, you wrote to her on January
17 5th and then you wrote to her again on January 11th
18 saying you hadn't heard back.

19 A. Yes, then if I wrote to her and
20 said I hadn't heard back, then she did not respond.

21 601 Q. Okay, and then you wrote to her
22 again on January 19th saying that she hadn't
23 responded, correct?

24 A. Yes.

25 602 Q. Okay. And on January 19th, you

1 tell her that more than 80 percent of Compuquest's
2 business is purchased from or financed by Norris
3 and you personally?

4 A. On what date?

5 603 Q. On January 19th.

6 A. January 19th? Where is that?

7 604 Q. It's on page 166 to 167.

8 A. Yeah, that's correct.

9 605 Q. Okay, and how did you know that
10 more than 80 percent of Compuquest's business was
11 purchased from Norris and/or financed by you
12 personally?

13 A. Because that was what Gary told
14 me.

15 606 Q. Oh, you just told me a few minutes
16 ago that you had no idea.

17 A. I don't have any specific
18 knowledge, and I don't remember those specific
19 dates, Catherine, but if I wrote it in the e-mail,
20 it must have come from Gary.

21 607 Q. Okay. And then you write again on
22 January 29th, 2016, and is it fair to say you still
23 hadn't received a response?

24 A. January 29th. Yes, that's
25 correct.

1 A. 164?

2 613 Q. 165.

3 A. February 3rd, yes.

4 614 Q. Okay, and you're writing to her
5 now saying that you require security to keep the
6 line open, right?

7 A. That's correct, and it appears
8 from the context of this letter that at that point
9 I had heard from Andrea.

10 615 Q. Okay, and Andrea was Aimee's
11 lawyer, right?

12 A. Yes.

13 616 Q. All right, and at this point,
14 you're taking the position that you were the one
15 who has kept Compuquest alive?

16 A. I was their primary supplier.

17 617 Q. Okay, and so by that point, you
18 actually know that you're the primary supplier,
19 right?

20 A. I knew that I was the primary
21 supplier, yes.

22 618 Q. Okay, at this point, you've done
23 nothing to find out what Compuquest's financial
24 situation is with its other creditors, right?

25 A. That's correct, I have not.

1 619 Q. All right.

2 A. My primary goal was to secure my
3 debt.

4 620 Q. Okay.

5 A. As is indicated by the e-mails
6 that you've just read.

7 621 Q. Because you were worried that you
8 wouldn't be able to be paid out of Compuquest's
9 assets?

10 A. That's correct. I wanted my debt
11 secured, just as any creditor would, just as I
12 state in that e-mail.

13 622 Q. All right, and you were worried
14 about Compuquest becoming insolvent, correct?

15 A. I wanted my debt secured.

16 623 Q. Okay. As of February 3, 2016,
17 you're saying that there have been, I think,
18 several audits by Canada Revenue Agency?

19 A. There had been what?

20 624 Q. You're referring to audits by
21 Canada Revenue Agency.

22 A. In what e-mail?

23 MR. LEVANGIE: It's at bullet point 4.

24 BY MS. FRANCIS:

25 625 Q. Point 4.

1 A. But frankly, I felt that \$25,000 a
2 month for anyone was an incredibly high monthly
3 income.

4 632 Q. As of February 3rd, had you sold
5 Compuquest orders to other customers?

6 A. I did, yes.

7 633 Q. And you told Aimee you wouldn't do
8 business with Compuquest until the line of credit
9 was paid off?

10 A. That's right.

11 634 Q. And was that true?

12 A. It was true.

13 635 Q. Okay, and then you're told --

14 A. And actually -- actually to
15 clarify that, to clarify that, you have to
16 understand there's two sides happening in this
17 conversation at once, and so I have Gary telling me
18 that this is going to be signed, please don't drop
19 us, please keep us going, and so while I did not
20 want to continue doing business with them, I've got
21 him telling me don't worry about it, I'm taking
22 care of this, this is going to be done, she's
23 telling me that she's going to do this, we just
24 have to get the matrimonial issue resolved.

25 636 Q. Okay. And then you're told that

1 they are going to go a mediation?

2 A. Okay.

3 637 Q. Are you?

4 A. I don't remember to be honest with
5 you. There was so many things happening at that
6 time as far as the banter back and forth and me
7 trying to secure the debt, I don't remember exactly
8 when.

9 638 Q. And your one goal is to secure
10 your debt? That's your single goal at this time?

11 A. That is my primary focus.

12 639 Q. Okay. And at some point, you
13 become aware in February of 2016 that CIBC is
14 advising Compuquest to find a new lender?

15 A. That's correct.

16 640 Q. And when you discover that, do you
17 ask how much is owed to CIBC?

18 A. Yeah, I think Gary told me at that
19 time, you know, in approximate numbers, you know.
20 I don't remember anything exact being thrown out,
21 but, you know, it was one more thing sort of being
22 thrown into a mix at that point in time.

23 641 Q. Well, so you're told it's over a
24 million dollars, right?

25 A. Yes, but like I said, all along

1 BY MS. FRANCIS:

2 644 Q. No, we're not. We're referring to
3 the building where Compuquest is carrying on
4 business, correct?

5 A. Silicone Drive.

6 645 Q. Right, and that's owned by another
7 numbered company that Gary and Aimee own?

8 A. I'm sorry, were you asking a
9 question?

10 646 Q. That's owned by another company
11 that is owned by Gary and Aimee?

12 A. Oh, yes. I didn't know the
13 structure at the time.

14 647 Q. Well, you knew that it was
15 financed by CIBC, right?

16 A. I did, yes.

17 648 Q. And you knew that CIBC had a \$3
18 million loan on the building?

19 A. I didn't know exactly what the
20 loan was.

21 649 Q. Well, when did you find out?

22 A. Sometime later. I don't remember
23 exactly when.

24 650 Q. Well, didn't you make your own
25 assessment and conclude that the building was

1 worthless as collateral because there was hardly
2 any equity in it?

3 A. Well, I think I knew that from the
4 time that the revolving -- that the revolving line
5 was written.

6 651 Q. That --

7 A. And I think the revolving line
8 reflects that.

9 652 Q. That there was hardly any equity
10 in the building?

11 A. Yeah.

12 653 Q. And you didn't actually seek to
13 register a mortgage against the building?

14 A. Well, I assumed that, you know,
15 most of the equity was eaten up by the first
16 mortgage, so I wasn't nearly as concerned with
17 that, and Gary had always stated that the primary
18 equity that he held, the biggest piece of equity
19 that he held was the house.

20 654 Q. Okay. Now, you knew that
21 Compuquest's accounts were flagged by CIBC's fraud
22 group?

23 A. I didn't know the specifics of why
24 it was flagged until later, but Gary told me that
25 he had been called into a meeting and then later he

1 told me what the reason was, but the -- I think, if
2 I remember correctly, the initial meeting -- gosh,
3 you know what? I would be speculating to say.
4 I don't remember the exact time frame of when it
5 all happened, but yes, I did become aware that it
6 was flagged by their security unit.

7 655 Q. Okay. Can you turn to
8 paragraph -- or sorry, page 213 of the fifth
9 report, please?

10 A. Yeah.

11 656 Q. Okay. This is an e-mail that you
12 drafted for Gary to send to CIBC?

13 A. Well, I didn't draft it. Gary
14 asked me for advice and asked me if I would help
15 him because he doesn't consider his strong point
16 this type of communication, so he requested that I
17 help him.

18 657 Q. Okay. So --

19 A. And he being my client, I did.

20 658 Q. All right. So Gary is your
21 client, and he's asking you for help on how to
22 respond to CIBC's concerns, right?

23 A. That's correct.

24 659 Q. Okay, and at that point, you don't
25 even ask him how much is owed to CIBC or what the

1 MS. FRANCIS: Why?

2 MR. LEVANGIE: Well, first off, he's
3 not a lawyer.

4 MS. FRANCIS: So?

5 MR. LEVANGIE: So he wouldn't be
6 Mr. Bodimeade's lawyer, but anyway, he's not
7 answering that.

8 BY MS. FRANCIS:

9 681 Q. No, I was referring to why was he
10 writing to Greg Azeff, not why -- so were you
11 writing to Greg as Gary's lawyer or as your lawyer?

12 R/F MR. LEVANGIE: Don't answer that.

13 BY MS. FRANCIS:

14 682 Q. Well, did you retain Greg Azeff at
15 Fogler Rubinoff?

16 R/F MR. LEVANGIE: Don't answer that. He
17 retained the firm, not the lawyer.

18 BY MS. FRANCIS:

19 683 Q. Okay. You saw CIBC's letter of
20 February 11, 2016?

21 A. I'm sorry?

22 684 Q. February 11, 2016, CIBC had sent a
23 letter to Gary Bodimeade related to concerns of
24 CIBC?

25 A. Yes, Gary sent that to me.

1 685 Q. All right, and when did Gary send
2 that to you?

3 A. I don't remember exactly, but I
4 think it was about a month after he received it.

5 686 Q. All right. So you think in March
6 of 2016?

7 A. Somewhere in there.

8 687 Q. But you already knew before that
9 about the suspected cheque kiting, right?

10 A. Yes, Gary had mentioned it to me.

11 688 Q. You knew about that in February
12 because CIBC had put a hold on cheques, right?

13 A. Correct.

14 689 Q. And Gary had asked you to put a
15 stop payment on one of your cheques?

16 A. He did.

17 690 Q. Okay, and then Gary sends you this
18 letter from CIBC of February 11, 2016?

19 A. Sometime later, yes.

20 691 Q. All right. You were under the --
21 you were of the view that the demands being made by
22 CIBC were not reasonable?

23 A. I did not feel they were
24 reasonable, no.

25 692 Q. And what did you do to investigate

1 e-mail.

2 A. Okay. And what specifically are
3 you asking about?

4 702 Q. I'm asking about point No. 3.

5 A. Yes, and what would you like to
6 know about it?

7 703 Q. I would like to know how you knew
8 about the negotiations for the CIBC mortgage and
9 working line of credit?

10 A. Because Mr. Bodimeade informed me.

11 704 Q. And you're going entirely on what
12 Mr. Bodimeade said?

13 A. Yes. I didn't have any paperwork
14 or anything else. You know, I don't run the
15 company. I'm not -- yes, that's exactly what I was
16 going on.

17 705 Q. Did you meet with Mr. Azeff?

18 R/F MR. LEVANGIE: Don't answer that.

19 THE DEPONENT: No.

20 BY MS. FRANCIS:

21 706 Q. Did you have discussions with
22 Mr. Azeff?

23 R/F MR. LEVANGIE: Don't answer that.

24 BY MS. FRANCIS:

25 707 Q. You've refused to say when you,

1 yourself, retained Fogler Rubinoﬀ, but as of the
2 date of this e-mail, I think I'm entitled to know
3 whether there was a solicitor-client relationship.

4 MR. LEVANGIE: I don't agree that
5 you're entitled to know when counsel was retained.

6 MS. FRANCIS: Well, I want to know
7 whether this e-mail is part of the solicitor-client
8 relationship.

9 All right -- or let me put it another
10 way. Are you claiming privilege over
11 communications between Mr. Salem and Mr. Azeﬀ?

12 MR. LEVANGIE: Over Mr. Salem and
13 Mr. Azeﬀ? We're claiming -- with respect to this
14 document that you have in front of me, there's a
15 number of basis for the objection.

16 MS. FRANCIS: Well, you've given the
17 one about somehow that I had to have it in the
18 report in order to ask questions.

19 MR. LEVANGIE: Or in the motion
20 material, yes.

21 MS. FRANCIS: Okay. Now -- and it
22 wasn't good enough to provide it to you ahead of
23 time, that's fine, but with respect to --

24 MR. LEVANGIE: Not without advising.
25 Yes, the e-mail is going to be protected by

1 solicitor-client privilege because --

2 MS. FRANCIS: What's the -- what kind
3 of privilege are you claiming?

4 MR. LEVANGIE: Solicitor-client
5 privilege.

6 MS. FRANCIS: But we don't know if
7 there's a solicitor-client relationship.

8 MR. LEVANGIE: Well, you can infer what
9 you want from the refusal, but it's being refused
10 on the basis of a solicitor-client relationship.

11 BY MS. FRANCIS:

12 708 Q. All right. Was there a joint
13 retainer of --

14 R/F MR. LEVANGIE: Privileged. Refused.

15 MS. FRANCIS: So you are claiming
16 privilege over the communications with Gary
17 Bodimeade and Greg Azeff, is that...

18 MR. LEVANGIE: No, I'm claiming
19 privilege over the e-mails in which Mr. Salem and
20 Fogler Rubinoff are copied.

21 MS. FRANCIS: And you're refusing to
22 advise whether there was some kind of a joint
23 retainer relationship at that point?

24 MR. LEVANGIE: Yes.

25 BY MS. FRANCIS:

1 Mr. Stern, as well as, I presume, by fax?

2 MR. LEVANGIE: Sorry, you're asking him
3 if he knows that, or you're stating that?

4 BY MS. FRANCIS:

5 737 Q. Well, I'm stating that and asking
6 if he knows it.

7 A. No, I was not involved in this
8 negotiation for their matrimonial separation.

9 738 Q. All right. You know, let me go
10 off. I've got to find the reference in ours.

11 ---Discussion off the record

12 BY MS. FRANCIS:

13 739 Q. Sorry, Mr. Salem, you started to
14 say you were not involved in the matrimonial
15 negotiations between Gary and Aimee Bodimeade?

16 A. No, I tried to stay out of their
17 matrimonial business.

18 740 Q. Well, why are you writing to Gary
19 on February 11th, 2016 giving him information and
20 pointers of the things that he should cover on his
21 matrimonial negotiations?

22 A. What document are you specifically
23 referring to?

24 741 Q. I'm referring to the February 11th
25 e-mail that has been marked as Exhibit No. 2 --

1 R/F MR. LEVANGIE: Don't answer the
2 question.

3 BY MS. FRANCIS:

4 742 Q. -- on your examination. Well,
5 wait a minute. You told me if I was challenging
6 credibility, that I could refer to these documents.

7 MR. LEVANGIE: If you're impeaching
8 him.

9 MS. FRANCIS: That's right, and --

10 THE DEPONENT: Which can be found
11 where?

12 BY MS. FRANCIS:

13 743 Q. Which can be found in the
14 package -- 61 pages that was scanned to you this
15 morning. You've just told me that you had no
16 involvement in the matrimonial negotiations,
17 Mr. Salem.

18 A. I didn't tell you that I had no
19 involvement. I told you that I tried to stay out
20 of them.

21 744 Q. All right. Well, this doesn't
22 look like you were staying out of them.

23 MR. LEVANGIE: So let's put the
24 document to him.

25 THE DEPONENT: Well, let me take a look

1 745 Q. And you're giving Gary pointers on
2 what to say at his mediation with Aimee.

3 A. No, I'm giving Gary -- I'm
4 reiterating how this is all affecting my
5 relationship with Norris Technologies. Okay?
6 Basically, what I'm trying to do is I am trying to
7 secure my debt at this point, and I am trying to,
8 as my responsibility as the president of the
9 company would be, to make sure that this debt is
10 secured.

11 746 Q. Okay, and --

12 A. If you read through -- if you read
13 through those points, I don't think you see where
14 I'm telling him about his children, his -- anything
15 to do with their matrimonial split.

16 747 Q. The only thing --

17 A. The points I'm making are related
18 to my business relationship with Compuquest and my
19 efforts to secure the debt that was owed to me.

20 748 Q. Okay. Now, turning back to the
21 March 3, 2016 letter, which, by the way, on the
22 break I did find it in my record of the -- included
23 in the fifth report. So it's at tab 27, if we can
24 go to that version.

25 MR. LEVANGIE: What's the page number?

1 MS. FRANCIS: Page No. 323.

2 MR. LEVANGIE: Okay.

3 THE DEPONENT: Of what?

4 MS. FRANCIS: Of the fifth report.

5 MR. LEVANGIE: Trying to get there.

6 THE DEPONENT: Fifth report. Oh, here,
7 here. Yeah.

8 BY MS. FRANCIS:

9 749 Q. Okay, and so this is the letter of
10 March 3, 2016, and it addresses the terms upon
11 which Aimee is prepared to sign the promissory note
12 or what she refers to as a promissory note, but
13 which, in fact, is what you call the revolving line
14 of credit, right?

15 A. Yes.

16 750 Q. Okay, and one of the terms was
17 that the proceeds of the King-Aire would not be
18 used to pay down the line of credit but would be
19 split between Gary and Aimee.

20 MR. LEVANGIE: Is that a question?

21 BY MS. FRANCIS:

22 751 Q. Yeah. Point 1.

23 A. What is the question? That was a
24 statement.

25 752 Q. Yes, the statement is that that

1 was one of the terms that Andrea set out in her
2 letter, that Aimee would not --

3 A. Okay. Well, that was not a
4 negotiation with me. That was a negotiation with
5 Gary.

6 753 Q. You were aware that that was one
7 of the terms on which she would sign, right?

8 A. No.

9 754 Q. You were not aware of this?

10 A. I was not aware, no. At the time
11 that this was negotiated, I was not brought in. I
12 was not asked to be a party. I was not asked if I
13 accepted.

14 755 Q. You saw this letter?

15 A. I saw it after the fact.

16 756 Q. No, you saw it before the fact.

17 MR. LEVANGIE: I think you need to
18 define what the fact is.

19 THE DEPONENT: No, I didn't.

20 BY MS. FRANCIS:

21 757 Q. You saw it before Aimee signed the
22 revolving line of credit, right?

23 A. No. No, I did not.

24 758 Q. That's not true, Mr. Salem.

25 A. That is absolutely accurate, Ms.

1 Francis.

2 759 Q. Okay. No. 2 is that it would be
3 limited to Gary's share of the home and that
4 Aimee's share would not be used as collateral.

5 Do you see that?

6 A. I see it, but again, I was not
7 part of any of this negotiation.

8 760 Q. And --

9 A. You would think, if you were going
10 to negotiate the terms of an agreement that you
11 were signing, that you would speak to the person
12 who was responsible on the other side of that
13 agreement.

14 761 Q. No. 3 --

15 A. But that isn't what happened.

16 762 Q. No. 3 --

17 A. And in addition to that, if you
18 review the instant messages that we provided to
19 you, if you look at the March 1st, really what I
20 knew about Aimee changing anything was Gary saying,
21 can you send a me a copy of the agreement for
22 Aimee? I think we were going to amend it to state
23 that she would guarantee up to a million on the
24 house, and so after that, you know, I didn't really
25 pay attention to their matrimonial dealings, and

1 frankly, they didn't include me. I wasn't asked to
2 be a party to the meeting.

3 763 Q. No. 3 was that Aimee's liability
4 would be limited to the assets specifically listed
5 as collateral and the inventory and assets of
6 Compuquest2000.

7 Do you see that?

8 A. I do see it.

9 764 Q. And you saw --

10 A. But once again, this was part of
11 their matrimonial separation agreement. I was not
12 a party to this.

13 765 Q. Okay. So turn to the next page,
14 325.

15 MR. LEVANGIE: That's two pages.

16 BY MS. FRANCIS:

17 766 Q. Well, the next page after this
18 letter. The letter was two pages.

19 A. Yeah.

20 767 Q. Okay, and you see that Andrea sent
21 this letter to Gary Stern?

22 A. I do.

23 768 Q. And you see that Gary Stern sent
24 it to Gary Bodimeade?

25 A. I do.

1 769 Q. And you see that Gary Bodimeade
2 then sent it to you.

3 A. I do, but what I do not see is
4 anywhere where I was invited into this negotiation.

5 770 Q. 3:11 --

6 A. And this negotiation was a
7 matrimonial separation negotiation.

8 771 Q. 3:11 --

9 A. I don't see anywhere where it says
10 that it's a negotiation of my interest in the home.

11 772 Q. 3:11 p.m. --

12 A. And if it was a negotiation of
13 that, then they didn't properly contact me.

14 773 Q. You see that when Gary sends it to
15 you, he says, Please see attached. I will call you
16 in few minutes to discuss.

17 A. I do.

18 774 Q. And he did, in fact, call you to
19 discuss it?

20 A. He did not.

21 775 Q. Do you have a copy of this e-mail?
22 Can you check your records?

23 A. I can't right this moment.

24 776 Q. No, but you can, and you can let
25 me know if you received a copy of this e-mail?

1 A. Sure.

2 MR. LEVANGIE: Sorry, just for the
3 record so we're clear, which e-mail are you asking?

4 MS. FRANCIS: The March 3 e-mail sent
5 at 3:11 p.m. which says, I will call you in a few
6 minutes to discuss.

7 U/T MR. LEVANGIE: We'll make a
8 best-efforts undertaking. You want us to confirm
9 if it was received, is that the undertaking you're
10 asking for?

11 BY MS. FRANCIS:

12 777 Q. Yes. And was there a particular
13 number in which you would typically communicate
14 with Gary Bodimeade at?

15 A. No.

16 778 Q. Well, did he have your cell number
17 maybe?

18 A. He has my cell number. He has my
19 office number.

20 779 Q. Okay. Gary Bodimeade's testimony
21 was that he did, in fact, call you to discuss and
22 that you approved the terms, and that's why he
23 wrote back, I confirm the above in response to the
24 subsequent e-mail of 5:24 p.m.

25 MR. LEVANGIE: That's not how I recall

1 his evidence. If you would like him -- if you
2 would like to take us to the transcript.

3 MS. FRANCIS: I didn't bring the
4 transcript, but that's certainly what I understood.

5 MR. LEVANGIE: Okay. That's not my
6 understanding.

7 BY MS. FRANCIS:

8 780 Q. On that same day, you are
9 communicating with Gary about the March 3 letter to
10 CIBC?

11 A. On the same day what?

12 781 Q. On the same day, you're
13 communicating with Gary about the CIBC letter?

14 A. On the same day as what?

15 782 Q. On the same day as this e-mail
16 from Andrea Robertson setting out the terms upon
17 which Aimee would sign the agreement. Page 213 of
18 the letter -- of the record, that's your response
19 to Gary. It's at 5:26 p.m., so it's about two
20 hours later.

21 A. Yeah.

22 783 Q. All right, and I'm presuming that
23 it arose out of a discussion between you two.

24 A. I would not make that -- I would
25 not make that inference or reference. They're two

1 totally unrelated matters, and one came several
2 hours after the other.

3 784 Q. Well, the response is almost
4 simultaneously, both in the afternoon on March 3,
5 2016.

6 MR. LEVANGIE: They're a couple hours
7 apart, counsel, to be fair.

8 MS. FRANCIS: Well, no, to be fair,
9 they're not, because the subsequent e-mail was
10 5:25.

11 MR. LEVANGIE: What subsequent e-mail?

12 MS. FRANCIS: The subsequent -- excuse
13 me, after the exchange at 3:11 p.m., Ms. Robertson
14 writes at 5:24 p.m. -- this is at page 327 --
15 saying that Aimee has signed the revolving line of
16 credit on these conditions, and Mr. Bodimeade then
17 responds at 5:25 p.m. and also sends a written
18 confirmation signed by him on those terms.

19 MR. LEVANGIE: But there's no record
20 that Mr. Salem received those e-mails.

21 MS. BY FRANCIS:

22 785 Q. Well, Mr. Salem received the one
23 at 3:11 p.m., and they had a conversation that
24 afternoon.

25 A. Oh, I don't doubt that I reviewed

1 them, but the bottom line is is the only
2 negotiation that I was included in was what
3 transpired on IM two days earlier on March 1st,
4 which we've given to you, and I read to you.

5 786 Q. So you're not denying --

6 A. Otherwise, I was not consulted.

7 787 Q. You're not denying that you
8 received Andrea's letter, and you knew the terms
9 upon which Aimee was prepared to sign the
10 agreement, right?

11 A. No, I did not know the terms that
12 Aimee was agreeing to. The terms that I was told
13 on March 1st was that she would guarantee up to a
14 million dollars on the house. That was what I had
15 received and that was my assumption.

16 788 Q. All right. Did you open the
17 letter from Andrea?

18 MR. LEVANGIE: Which letter?

19 BY MS. FRANCIS:

20 789 Q. The March 3 letter.

21 A. I do not remember opening it, no.

22 790 Q. All right. I want your phone
23 records for the afternoon of March 3 of 2016, both
24 your business phone and your cell phone records,
25 please.

1 MR. LEVANGIE: If it's possible to
2 obtain them.

3 MS. FRANCIS: It's possible.

4 MR. LEVANGIE: If there's a cost,
5 you're going to foot the cost. Otherwise, we're
6 not producing them.

7 MS. FRANCIS: Oh, no, I want --

8 MR. LEVANGIE: If the telephone company
9 is going to charge him \$200 to produce the records
10 because they're going back 18 months, we're not
11 paying for your fishing expedition.

12 MS. FRANCIS: It's not a fishing
13 expedition. I don't think you can tell me that
14 this is not relevant to the very issues that are
15 before the court.

16 U/T MR. LEVANGIE: And if you want the
17 records, we will advise if they are available, and
18 if they are available, and there's no cost, we will
19 obtain them. If there is a cost, then we'll advise
20 you what the cost is, and you can make your
21 decision.

22 MS. FRANCIS: It's your case.

23 MR. LEVANGIE: Actually, it's your
24 motion.

25 MS. FRANCIS: It's actually your --

1 MR. LEVANGIE: As a matter of fact, you
2 have the onus.

3 MS. FRANCIS: As a matter of fact, you
4 have the onus. It's your application for an
5 equitable mortgage.

6 MR. LEVANGIE: Your motion.

7 MS. FRANCIS: We agreed to do it this
8 way because you changed your claim to a secured
9 claim after we had already filed our motion.

10 MR. LEVANGIE: A separate issue.

11 BY MS. FRANCIS:

12 791 Q. Oh, it's not a separate issue at
13 all. Okay.

14 You would agree with me that the March
15 3 letter sets out Aimee's understanding of the
16 basis on which she was signing, correct?

17 MR. LEVANGIE: Signing what?

18 BY MS. FRANCIS:

19 792 Q. Signing the revolving line of
20 credit agreement.

21 MR. LEVANGIE: The basis upon which
22 she's reached that agreement with who? With
23 Mr. Salem?

24 BY MS. FRANCIS:

25 793 Q. No, the basis upon which she --

1 well, let me put -- you didn't have direct
2 negotiations with Aimee, did you?

3 A. For this? No.

4 794 Q. No. In fact --

5 A. No, I was not invited into the
6 negotiation. This was a matrimonial separation
7 agreement that they were negotiating.

8 795 Q. You had --

9 A. And when they decided that they
10 were going to start talking about what was due to
11 me for security, I should have been invited into
12 it, but I was not.

13 796 Q. You had not spoken to Aimee at all
14 prior to March 3, 2016?

15 A. No, I believe I had only spoken to
16 Andrea.

17 797 Q. Okay, and that was just on the one
18 occasion?

19 A. No, we probably had more than one
20 conversation.

21 798 Q. All right. Can you tell me what
22 conversations you had with Andrea?

23 A. I can't off the top of my head.

24 799 Q. All right. Can you provide me
25 with any information that you're able to obtain

1 about the conversations with Andrea?

2 A. Yeah, I can review and take a look
3 and see what I can come up with, but I can tell you
4 this, as an attorney, Andrea should have known
5 that, if she was going to change the substance of a
6 document that was negotiated with my company, she
7 should have contacted me.

8 800 Q. Well, I don't think there were any
9 negotiations with your company. You just sent it
10 over and wanted it signed, and you left it for Gary
11 to negotiate, right?

12 A. No, I sent it over, and I never
13 got responses. Ordinarily, people respond.

14 801 Q. Okay, and if they don't respond --

15 A. So I resorted to whatever means
16 were available to me to secure the debt.

17 802 Q. Okay. You were aware of the
18 bankruptcy application?

19 MR. LEVANGIE: When?

20 BY MS. FRANCIS:

21 803 Q. That's going to be my question.

22 A. Yes, I am aware of it.

23 804 Q. All right, and you were aware of
24 the bankruptcy application before it was granted?

25 A. I don't remember exactly when it

1 was put to me. I think when the Compuquest
2 employees were locked out of the building, I think
3 that the assumption was made.

4 805 Q. That would have been on April 29,
5 2016, correct?

6 A. It was sometime around that time.
7 I don't remember the exact date.

8 806 Q. All right, and what about --

9 A. But yes, it was late April or
10 early May, somewhere in there.

11 807 Q. And you are aware of the personal
12 bankruptcy application against Gary?

13 A. I believe they came at the same
14 time, didn't they?

15 808 Q. They did, indeed, and despite
16 that, you're still trying to get Aimee to sign the
17 mortgage on the Ashburn property, right?

18 MR. LEVANGIE: Which dates are you
19 talking about?

20 THE DEPONENT: Yes, she had obligated
21 herself to do so. It should have -- frankly, it
22 should have been done long before that time.

23 BY MS. FRANCIS:

24 809 Q. And you continued to try to get
25 Aimee to put the mortgage on despite the fact that

1 of fraud that you're now making for the very first
2 time. We haven't heard that allegation before in
3 this proceeding.

4 MS. FRANCIS: Well, first of all, I
5 didn't make it as an allegation of fraud. I made
6 it as an allegation of fact, and secondly, it's not
7 for the first time. It's obvious if you read all
8 of this. It's obvious, and if you want to talk
9 about fraud, it's obvious that there's a fraud.
10 It's obvious, because the entire business of
11 Compuquest disappeared. The financial statements
12 said that there was \$5 million of inventory and
13 accounts receivable, and the receiver went in and
14 found nothing.

15 MR. LEVANGIE: I agree that there's a
16 fraud, but it has nothing to do Dean Salem or
17 Norris Technologies.

18 BY MS. FRANCIS:

19 852 Q. Well, I don't know what it has to
20 do, because we don't have the answers. So you're
21 refusing to say how much has been shipped -- how
22 much product you're shipping to CQ2K?

23 MR. LEVANGIE: I still don't understand
24 how understanding the product amount would help you
25 locate where missing product went. I don't see the

1 point out where it is in the record --

2 MS. FRANCIS: You know what? I don't
3 have to play this game. I am allowed to ask
4 questions about his dealings --

5 MR. LEVANGIE: And I'm allowed to
6 refuse them.

7 BY MS. FRANCIS:

8 885 Q. Okay. Why are you telling Gary on
9 April 19th not to send anything to Grant Thornton
10 about your -- Norris?

11 R/F MR. LEVANGIE: Don't answer that. This
12 document, despite Ms. Francis's representation it's
13 in the materials, is not something that I'm
14 familiar with. It may be in the materials, but she
15 can't point us to where, and I don't recall it
16 being in the materials.

17 MS. FRANCIS: And there's some rule
18 that says, if the document is not in the materials,
19 I can't ask him any questions?

20 MR. LEVANGIE: There is a rule that
21 says you cannot conduct a trial by ambush after all
22 of our materials are in by springing documents we
23 haven't seen before us on, asking us questions
24 about those documents and then we don't have the
25 chance to provide any evidence in response about

1 proceeds of an investment that was cashed by Gary
2 Bodimeade personally and provided to you?

3 Do you recall that?

4 A. I received what?

5 889 Q. Gary Bodimeade cashed some
6 investments that he had and provided --

7 A. Some documents?

8 890 Q. Investments.

9 A. Oh, investments. Okay.

10 891 Q. Right?

11 A. All of the payments that were made
12 by Compuquest to Norris are accurately reflected in
13 the record that I've given you.

14 MR. LEVANGIE: That wasn't the
15 question, Dean. The question was that Gary
16 liquidated some investments to pay you. Is that
17 true?

18 THE DEPONENT: Yes. Yes, I believe so,
19 but you know, I don't know exactly what he did or
20 didn't do. What I do know is that we made
21 agreements that he was making payments.

22 BY MS. FRANCIS:

23 892 Q. And Compuquest returned the
24 inventory to you?

25 A. Returned inventory? No.

1 893 Q. March 23, 2016.

2 MR. LEVANGIE: What are you looking at?

3 BY MS. FRANCIS:

4 894 Q. I'm looking at page 258 of the
5 fifth report.

6 A. That's an invoice where they sold
7 us some materials.

8 895 Q. Well --

9 A. But that wasn't returning them to
10 us. We gave him credit on the account, but he sold
11 those materials us. We paid for them.

12 896 Q. Well, you didn't pay for them in
13 cash. You paid for them by way of a credit to the
14 account, is that what you're saying?

15 A. Yes. He shipped us the product,
16 and we credited the account. That's correct.

17 897 Q. Was this product that you had
18 previously shipped to Compuquest?

19 A. No, I don't think so.

20 898 Q. And that was within three months
21 of the bankruptcy.

22 MR. LEVANGIE: Is that a question?

23 BY MS. FRANCIS:

24 899 Q. Yes.

25 A. I'm sorry?

Court File Number: CV-16-11369-716-COCL

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

CIBC

Plaintiff(s)

AND

1299746 Ont Inc.

Defendant(s)

Case Management ☐ Yes ☐ No by Judge: _____

Counsel	Telephone No:	Facsimile No:

- ☐ Order ☐ Direction for Registrar (No formal order need be taken out)
☐ Above action transferred to the Commercial List at Toronto (No formal order need be taken out)

☒ Adjourned to: Nov. 6/17 (1 day)
☐ Time Table approved (as follows):
Aug 10/17

23 has looked for this matter is
woefully inadequate, given the amount of
material and the various interests that
are claimed in the property that is
being sold. This matter is
adjourned to Nov. 6/17 (1 day). No
further material is to be filed and counsel
are encouraged to prepare a Compendium
of documents for the hearing. The issues are

limited to whether Morris & Solon have any
interest and ~~Mr. B~~ Bernier's claim for relief in

disturbance. Costs of today's ^{Date} hearing ^{Judge's Signature} ordered and
reserved to judge hearing the matter

☐ Additional Pages _____

Pedro

Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.

Respondents

**UNOFFICIAL TRANSCRIPT OF THE ENDORSEMENT OF
LEDERMAN, J. DATED AUGUST 10, 2017**

Adjourned to: November 6, 2017 (1 day)

August 10, 2017

2 ½ hours booked for this matter is woefully inadequate, given the amount of material and the various interests that are claimed in the property that is being sold. This matter is adjourned to Nov. 6/17 (1 day). No further material is to be filed and counsel are encouraged to prepare a Compendium of documents for the hearing. The issues are limited to whether Norris and Salem have any interest and Aimee's claim for interim distribution. Costs of today's attendance reserved to judge hearing the matter.

Lederman, J.

Court File No. CV-16-11369-00CL

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

CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.

Respondent

EIGHTH REPORT OF THE RECEIVER

August 21, 2017



Grant Thornton Limited
Receiver of the Respondents

200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4

TABLE OF CONTENTS

INTRODUCTION AND BACKGROUND	1
SCOPE AND TERMS OF REFERENCE.....	5
APPROVAL OF THE INTERIM DISTRIBUTION OF FUNDS.....	6
CONCLUSION.....	11

INTRODUCTION AND BACKGROUND

1. This report (the “**Eighth Report**”) is being filed by Grant Thornton Limited (“**GTL**”) in its capacity as the receiver (in such capacity, the “**Receiver**”) of 1299746 Ontario Inc. o/a Compuquest2000 (“**Compuquest**”) and 2252709 Ontario Inc. (“**225**”) (together, the “**Debtors**”) and as Receiver of a real property at 7472 Ashburn Road, Whitby, Ontario (the “**Ashburn Property**”). GTL was appointed as Interim Receiver of Compuquest pursuant to the Order of Madam Justice Mesbur dated April 29, 2016 (the “**IR Order**”). The IR Order was sought by CIBC due to, among other things, serious concerns with the financial viability of the Debtors, the lack of financial reporting as required by the Debtors’ security agreement, and the apparent absence of ongoing operations at Compuquest’s premises. Compuquest was engaged in the business of purchasing used electronics and selling them as refurbished units, or disassembling the units to salvage key parts for resale. Compuquest’s assets consisted mainly of computer equipment, furniture and warehouse support equipment.
2. GTL filed a report as Interim Receiver on May 13, 2016 which discussed, among other things, the Debtors’ minimal assets, limited business operations and deteriorating financial position (the “**Interim Receiver’s Report**”).
3. GTL was appointed as Receiver of the Debtors by Order of Mr. Justice Newbould dated May 17, 2016.
4. GTL was appointed as trustee in bankruptcy (in such capacity, the “**Trustee**”) of Compuquest and Gary Bodimeade (“**Gary**”) (the principal of the Debtors) pursuant to Orders made by Mr. Justice Newbould dated May 25, 2016, on application by CIBC.
5. GTL filed its First Report as Receiver dated September 16, 2016 (the “**First Report**”) in support of a motion, among other things, to approve the activities and fees of the Receiver and to approve the sale of 225’s

principal asset, being a real property at 1935 Silicon Drive, Pickering, and the distribution of the sale proceeds to CIBC

6. As discussed in the Interim Receiver's Report and the First Report, there appeared to have been limited business operations for several months leading up to the Receiver's appointment. Compuquest had minimal inventory and accounts receivable, as compared to what had been represented on its most recent financial statements. As of May 31, 2015, Compuquest's financial statements showed assets of \$5,681,326, including accounts receivable of \$2,705,143, inventory of \$2,397,177 and property, plant and equipment valued at \$432,618.
7. In contrast, there were no collectible accounts receivable noted effective on the date of the Interim Receiver's appointment. The Receiver's total realization on inventory and equipment was \$129,610.00 plus HST of \$16,849.30 less the liquidator's expenses of \$21,917.71. There have been no distributions to CIBC as first-position secured creditor of Compuquest.
8. The Receiver filed its Second Report as Receiver dated November 24, 2016 (the "**Second Report**") in support of a motion brought by CIBC for an Order appointing GTL as receiver, without security, of Ashburn Property, with the power to market and sell the Ashburn Property and hold the proceeds of any such sale pending a further Order of the Court.
9. The Ashburn Property is the former matrimonial home of Gary and his wife, Aimee Bodimeade ("**Aimee**"). Gary and Aimee separated several months before GTL's appointment as Interim Receiver, Receiver and Trustee.
10. The Ashburn Property was purchased in Aimee's name on or about September 28, 2007 for \$638,000. Since 2007, the Ashburn Property has been subject to significant improvements, including the construction of:

- a. An approximately 5,680 square foot two-storey detached residential dwelling, excluding the basement;
 - b. An approximately 3,196 square foot finished basement with dance studio, family room, gym, bedroom and three piece bathroom;
 - c. An outdoor pool with pool house;
 - d. An approximately 800 square foot heated and insulated SUV garage;
 - e. An approximately 11,000 square foot equestrian barn complete with riding centre and stalls for 14 horses; and
 - f. An approximately 2,400 square foot insulated hay/equipment barn.
11. In addition to holding first-position security against Compuquest, CIBC holds a conventional first mortgage over the Ashburn Property and is a major creditor in Gary's personal bankruptcy. CIBC is owed in excess of \$1.7 million under a revolving line of credit provided to Compuquest and guaranteed by Gary.
12. CIBC sought the appointment of GTL as Receiver of the Ashburn Property based on, among other things:
- a. Gary's spousal interest in the Ashburn Property, which was registered on title and vested in the Trustee;
 - b. Admissions made by Gary (found in Compuquest's email records) that Compuquest had funded the construction of improvements to the Ashburn Property and other personal expenses of the Bodimeades;
 - c. Substantial corroborating evidence uncovered by Receiver in the form of, among other things, cheques issued by Compuquest to

- pay for improvements to the Ashburn Property as well as other personal expenses of the Bodimeades;
- d. Registrations against title surrounding unsubstantiated claims by Dean Salem ("**Salem**") and Norris Technologies LLC ("**Norris**") claiming an interest in the Ashburn Property;
 - e. Aimee's failure to list the Ashburn Property for sale on a timely basis, despite having initially agreed to do so.
13. Salem and Norris issued a Notice of Application bearing Court File No. CV-16-555283 (the "**Norris Application**") against Aimee on June 22, 2016 and obtained and registered a Certificate of Pending Litigation ("**CPL**") against the Ashburn Property on or about June 30, 2016. Thereafter, Salem and Norris obtained an Order of Mr. Justice Glustein dated August 9, 2017, which they also registered against the Ashburn Property (the "**Glustein Order**"). Both the CPL and the Glustein Order were obtained by Salem and Norris after Gary's bankruptcy and without prior notice to the Trustee or the Receiver.
 14. By Order of Mr. Justice Hainey dated November 30, 2016, the Norris Application has been transferred to the Commercial List to be dealt with in conjunction with the receivership and bankruptcies of Compuquest and Gary.
 15. Gary and Aimee filed affidavits in response to CIBC's motion to appoint GTL as Receiver of the Ashburn Property.
 16. The Receiver filed its Third Report dated January 11, 2017 supplementary to the Second Report and in response to the affidavits of Gary and Aimee.
 17. After cross-examinations of Gary and Aimee on their affidavits, CIBC's motion was heard on January 25, 2017. By Order of Madam Justice

Conway, GTL was appointed as Receiver of the Ashburn Property (the “**Ashburn Appointment Order**”).

18. The Receiver actively marketed the Ashburn Property for sale, through a listing agent and with Aimee’s cooperation, and entered into an Agreement of Purchase and Sale on May 26, 2017 (the “**Ashburn Sale Agreement**”), which was conditional on court approval.
19. The Ashburn Sale Agreement was approved on July 17, 2017 and a vesting order was issued. The Ashburn Sale Agreement is scheduled to close on September 12, 2017.
20. As will be addressed below, Aimee, the Receiver and CIBC have agreed on an interim distribution of funds from the sale proceeds.
21. The same defined terms will be used herein as in the Receiver’s previous reports, unless otherwise defined.

SCOPE AND TERMS OF REFERENCE

22. In preparing this Eighth Report, the Receiver has relied upon certain unaudited financial information, the Debtors’ records, the Debtors’ bank statements and supporting records received from its financial institutions and other financial information. While the Receiver has performed a preliminary review of available books and records of Compuquest and 225, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles (“**GAAP**”) or International Financial Reporting Standards (“**IFRS**”). Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.
23. This Eighth Report has been prepared for the use of this Court and the Debtors’ stakeholders for the sole purpose of approving an interim

distribution of funds from the proceeds of sale of the Ashburn Property pursuant to the interim settlement negotiated between the Receiver with Aimee. Accordingly, the reader is cautioned that this Eighth Report may not be appropriate for any other purpose. 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 Eighth Report for any other purpose.

24. All references to dollars in this Eighth Report are in Canadian currency unless otherwise noted.

APPROVAL OF THE INTERIM DISTRIBUTION OF FUNDS

25. Paragraph 11 of the Ashburn Appointment Order expressly provided that the Order was without prejudice to Aimee's or any other party's right to address distribution of funds on any motion to address approval of the sale of the Ashburn Property.
26. In April 2017, the Receiver booked a hearing date of July 17, 2017 to discharge the CPL and the Glustein Order from title to the Ashburn Property and to dismiss the Norris Application. The Receiver's Fifth Report addresses delays in obtaining information from Salem and Norris. The Receiver's Motion Record was served on June 19, 2017 and also sought approval of the Ashburn Sale Agreement.
27. On July 17, 2017, Madam Justice Conway approved the Ashburn Sale Agreement. The CPL and Glustein Order were ordered discharged on consent and without prejudice.
28. Madam Justice Conway was unable to deal with the Receiver's motion to dismiss the Norris Application or Aimee's request for an interim distribution of funds as a result of the last-minute delivery by Salem/Norris of a 1,900 page responding motion record on July 14, 2017. The Receiver delivered its Seventh Report dated July 17, 2017 responding to this record.

29. Madam Justice Conway recognized the urgency of dealing with the Norris Application and Aimee's request for an interim distribution of funds prior to the sale closing and repeatedly urged the Receiver to attempt to negotiate an interim distribution of funds. The motions were adjourned to an expedited date of August 10, 2017.
30. On July 20, 2017, Aimee delivered a formal cross-motion record seeking the distribution of \$1 million from the sale proceeds to her, supported by a further lengthy affidavit. The Receiver disputed Aimee's entitlement to \$1 million from the sale proceeds.
31. Cross-examinations of Aimee and Salem were held on July 24, 2017 and July 26, 2017 respectively.
32. The parties were ready to proceed on August 10, 2017. However, Mr. Justice Lederman determined that, given the volume of materials and disputed evidence, there was insufficient time to hear the motions. The motions were adjourned to a full day hearing on November 6, 2017.
33. Following the adjournment, Aimee, through her counsel, approached the Receiver to settle her motion for an interim distribution of funds. The Receiver was prepared to make an interim distribution of funds to Aimee, conditional on Aimee's consent to an interim distribution of funds to GTL as Receiver of Compuquest in respect of its tracing claim.
34. Pursuant to the settlement, the agreed distributions are as follows:
 - a. Payment of all sums required to discharge CIBC's \$1 million first mortgage against the Ashburn Property;
 - b. \$250,000.00 to Aimee or as she may direct;
 - c. \$500,000.00 to GTL in its capacity as Receiver of Compuquest and 225;

- d. The balance to be deposited into the Ashburn Property Account as defined in the Order of Madam Justice Conway dated January 25, 2017, to be held by the Receiver pending any further Order of the Court.
 - e. The distribution of funds pursuant to subparagraphs (b) and (c) is without prejudice to the rights of all parties.
- 35. The Receiver requires a formal Order authorizing the interim distribution of funds.
 - 36. After being advised of the settlement of Aimee's motion and the agreed distribution of funds, Salem and Norris objected to the settlement. The Receiver's position is that the settlement does not affect the rights or interests of Salem and Norris and that they have no standing to object.
 - 37. As a result of this objection, the Receiver was required to book an urgent appointment for approval of the distribution.
 - 38. The approved sale price of the Ashburn Property is \$3,470,000.
 - 39. CIBC holds a first mortgage over the Ashburn Property in the amount of \$1,000,000, which was registered on January 23, 2015. This is separate from the debts of Compuquest to CIBC. There is no issue that the CIBC mortgage is first in priority and must be paid.
 - 40. To date, the Receiver has traced approximately \$1,000,000 of Compuquest funds into the Ashburn Property. The Receiver's investigation is not complete. The Receiver's position is that it is entitled to a tracing/constructive trust claim in priority to the interests, if any, of Gary and Aimee in the Ashburn Property.
 - 41. All of Gary's rights and interests have vested in the Trustee.

42. The only other claimants to an interest in the sale proceeds are Salem and Norris. Salem and Norris originally delivered unsecured claims in the estates of Compuquest and Gary.
43. Following the delivery of the Receiver's motion returnable on July 17, 2017, Salem and Norris purported to file secured claims in the estates of Compuquest and Gary, based on the RLOC Agreements. The parties agreed that the validity of the secured claims would be dealt with on the Receiver's motion on July 17, 2017.
44. The Receiver strongly disputes the validity of the claim by Salem and Norris to a secured interest in the Ashburn Property. Among other things:
 - a. There is no evidence that Gary guaranteed the indebtedness of Compuquest to Salem or Norris prior to December 31, 2015;
 - b. Salem was aware of Compuquest's financial difficulties at the time of the RLOC Agreement;
 - c. Salem and Gary were not dealing at arm's length;
 - d. Salem was actively coaching Gary on how to deal with CIBC;
 - e. Salem was aware that Aimee executed the modified RLOC Agreement on March 3, 2016 based on express written representations that it would only cover "Gary's share" of the Ashburn Property;
 - f. Gary's interest in the Ashburn Property vested in the Trustee on Gary's bankruptcy, which took place less than three months later;
 - g. The RLOC Agreements are void against the Receiver and the Trustee as fraudulent conveyances and/or preferences;

- h. Compuquest and Gary made significant preferential payments to Salem and Norris at a time when Compuquest and Gary were both insolvent.
 - i. The alleged interests of Salem and Norris in the Ashburn Property are subordinate to the interests of the Receiver and the Trustee;
 - j. Salem and Norris did not make full disclosure on their *ex parte* applications for the CPL and the Glustein Order;
 - k. Salem and Norris do not have “clean hands” and are not entitled to equitable relief.
45. These and other issues related to the claims and conduct of Salem and Norris will be determined at the November 6, 2017 hearing.
46. Regardless of the merits of the “equitable mortgage” claimed by Salem and Norris, their interests will not be affected by the interim distribution of funds pursuant to the settlement with Aimee. The Receiver will be holding sufficient funds in the Ashburn Property Account to cover these claims, if they are found to be valid and to have priority of the interests of Aimee, the Receiver and the Trustee.

CONCLUSION

47. The Receiver requests an urgent order approving the interim distribution of funds pursuant to the settlement between the Receiver and Aimee.

All of which is respectfully submitted to the Court.

GRANT THORNTON LIMITED,
Court-Appointed Receiver of
1299746 Ontario Inc. o/a Compuquest2000
and 2252709 Ontario Inc.

Per:

A handwritten signature in black ink, appearing to be 'J. Krieger', written in a cursive style.

J. Krieger, CPA, CA, CIRP, LIT
Senior Vice President

B E T W E E N

CANADIAN IMPERIAL BANK OF COMMERCE

-and-

1299746 ONTARIO INC. o/a COMPUQUEST2000, et al.

Applicant

Respondents

Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

EIGHTH REPORT OF THE RECEIVER

MINDEN GROSS LLP

Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Catherine Francis (LSUC# 26900N)

cfrancis@mindengross.com

Tel: 416-369-4137

Fax: 416-864-9223

Lawyers for Receiver, Grant Thornton Limited

Court File No. CV-16-11369-00CL

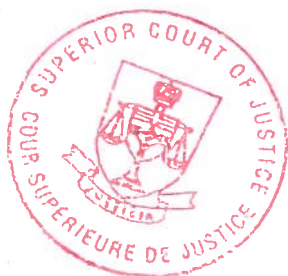
**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE
MR. JUSTICE HAINEY

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)
)

WEDNESDAY, THE 23RD
DAY OF AUGUST, 2017

BETWEEN:



CANADIAN IMPERIAL BANK OF COMMERCE

Applicant

and

**1299746 ONTARIO INC. o/a COMPUQUEST2000 and
2252709 ONTARIO INC.**

Respondents

ORDER

THIS MOTION made by Aimee Bodimeade for an interim order for the distribution of funds from the sale of the real property municipally known as 7472 Ashburn Road, Whitby, Ontario (the "Ashburn Property") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of Aimee Bodimeade, the Order of Madam Justice Conway dated January 25, 2017 appointing Grant Thornton Limited ("GTL" or the Receiver") as Receiver of the Ashburn Property, the Fifth, Sixth, Seventh Reports and Eighth Reports of the Receiver, the Orders of Madam Justice Conway dated July 17,

2017 and the Affidavit of Aimee Bodimeade sworn July 20, 2017 and on consent of Canadian Imperial Bank of Commerce, Aimee Bodimeade and the Receiver,

1. **THIS COURT ORDERS** that the Receiver be and is hereby authorized and directed to distribute the following amounts forthwith on closing of the sale of the Ashburn Property as approved by the Approval, Possession and Vesting Order of Madam Justice Conway dated July 17, 2017 as follows:

- (a) All sums required to discharge the first mortgage held by Canadian Imperial Bank of Commerce pursuant to Instrument No. DR1334796 registered on January 23, 2015;
- (b) \$250,000.00 to Aimee Bodimeade or as she may direct;
- (c) \$500,000.00 to GTL in its capacity as Receiver of 1299746 Ontario Inc. o/a Compuquest2000 and 2252709 Ontario Inc. pursuant to the Order of Mr. Justice Newbould dated May 17, 2016;
- (d) The balance to be deposited into the Ashburn Property Account as defined in the Order of Madam Justice Conway dated January 25, 2017, to be held by the Receiver pending any further Order of this Court.

2. **THIS COURT ORDERS** that the distribution of funds pursuant to subparagraphs 1(b) and (c) herein is without prejudice to the rights of all parties.

ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

AUG 23 2017

PER / PAR: 


(Signature of Judge)
#2948880 | 4099972

BETWEEN

CANADIAN IMPERIAL BANK OF COMMERCE

-and-

1299746 ONTARIO INC. o/a COMPUQUEST2000, et al.

Applicant

Respondents

Court File No. CV-16-11369-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

MINDEN GROSS LLP
Barristers and Solicitors
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Toronto, ON M5H 4G2

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cfrancis@mindengross.com
Tel: 416-369-4137
Fax: 416-864-9223

Lawyers for Receiver, Grant Thornton Limited

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2128393
 Estate No. 31-2128393

FORM 77

Notice of Disallowance of Claim, Right to Priority or Security or Notice of Valuation of Claim
 (Subsection 135(3) of the Act)

In the matter of the bankruptcy of
 Gary Wayne Bodimeade
 of the Town of Brooklin, in the Province of Ontario

Dean Salem
 751 Fox Ridge Ln
 CARYville TN 37714 USA

Take notice that:

As trustee acting in the matter of the bankruptcy of Gary Wayne Bodimeade, we have disallowed your claim (or your right to priority or your security on the property) in whole, pursuant to subsection 135(2) of the Act, for the following reasons:

The alleged indebtedness claimed in your proof of claim relates to product shipped to 1299746 Ontario Inc. o/a Compuquest2000 ("Compuquest") and/or advances made to Compuquest. You have not submitted any evidence that the bankrupt personally guaranteed this debt prior to the execution of a Revolving Line of Credit ("RLOC") Agreement dated December 31, 2015;

b. Both the bankrupt and Compuquest were insolvent at the time of the bankrupt's execution of the RLOC Agreement;

c. You were not dealing at arm's length with the bankrupt at the time of execution of the RLOC Agreement and up to the date of bankruptcy;

d. The RLOC Agreement was executed with the intention and effect of delaying or defrauding the creditors of the bankrupt and Compuquest and/or of fraudulently preferring your interests over the interests of creditors of the bankrupt and Compuquest and is void and unenforceable against the Trustee;

e. The bankrupt did not hold legal title to the assets set out in the RLOC Agreement, including 7472 Ashburn Rd., Whitby, Ontario (the "Ashburn Property") and did not have the ability to pledge such assets, including the Ashburn

And further take notice that if you are dissatisfied with our decision in disallowing your claim in whole (or a right to rank or your security or valuation of your claim), you may appeal to the court within the 30-day period after the day on which this notice is served, or within any other period that the court may, on application made within the same 30-day period, allow.

Dated at the City of Toronto in the Province of Ontario, this 12th day of September 2017.

Grant Thornton Limited - Licensed Insolvency Trustee
Per:



Ann Lakeram - Licensed Insolvency Trustee
11th Floor, 200 King Street West, Box 11
Toronto ON M5H 3T4
Phone: (416) 366-0100 Fax: (416) 360-4948

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2128389
 Estate No. 31-2128389

FORM 77

Notice of Disallowance of Claim, Right to Priority or Security or Notice of Valuation of Claim
 (Subsection 135(3) of the Act)

In the matter of the bankruptcy of
 1299746 ONTARIO INC.
 of the City of Pickering, in the Province of Ontario

Dean Salem
 751 Fox Ridge Ln
 CARYville TN 37714 USA

Take notice that:

As trustee acting in the matter of the bankruptcy of 1299746 ONTARIO INC., we have disallowed your claim (or your right to priority or your security on the property) in whole, pursuant to subsection 135(2) of the Act, for the following reasons:

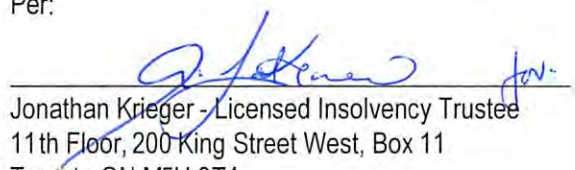
- a. You did not hold any security over the assets of 1299746 Ontario Inc. o/a Compuquest2000 ("Compuquest") on the date of bankruptcy;
- b. In the alternative, to the extent that the Revolving Line of Credit ("RLOC") Agreement dated December 31, 2015 executed by Gary Bodimeade purported to provide you with security over the assets of Compuquest, the RLOC Agreement is void and unenforceable against the Trustee as a fraudulent conveyance, fraudulent preference and/or transfer at undervalue;
- c. Any security which you held over Compuquest was unperfected at the date of bankruptcy and is therefore void and unenforceable against the Trustee;
- d. The interests of Compuquest in the property at 7472 Ashburn Rd., Whitby, Ontario (the "Ashburn Property") have vested in Grant Thornton Limited in its capacity as Receiver of Compuquest and are subject to the claims of creditors holding registered security against Compuquest on the date of bankruptcy;
- e. Such further and other grounds as may be available to the Trustee.

And further take notice that if you are dissatisfied with my decision in disallowing your security, you may appeal to the court within the 30-day period after the day on which this notice is served, or within any other period that the court may, on application made within the same 30-day period, allow.

And further take notice that if you are dissatisfied with our decision in disallowing your claim in whole (or a right to rank or your security or valuation of your claim), you may appeal to the court within the 30-day period after the day on which this notice is served, or within any other period that the court may, on application made within the same 30-day period, allow.

Dated at the City of Toronto in the Province of Ontario, this 12th day of September 2017.

Grant Thornton Limited - Licensed Insolvency Trustee
Per:


Jonathan Krieger - Licensed Insolvency Trustee
11th Floor, 200 King Street West, Box 11
Toronto ON M5H 3T4
Phone: (416) 366-0100 Fax: (416) 360-4948

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2128393
 Estate No. 31-2128393

FORM 77

Notice of Disallowance of Claim, Right to Priority or Security or Notice of Valuation of Claim
 (Subsection 135(3) of the Act)

In the matter of the bankruptcy of
 Gary Wayne Bodimeade
 of the Town of Brooklin, in the Province of Ontario

Norris Technologies LLC
 751 Fox Ridge Ln
 CARYville TN 37714 USA

Take notice that:

As trustee acting in the matter of the bankruptcy of Gary Wayne Bodimeade, we have disallowed your claim (or your right to priority or your security on the property) in whole, pursuant to subsection 135(2) of the Act, for the following reasons:

The alleged indebtedness claimed in your proof of claim relates to product shipped to 1299746 Ontario Inc. o/a Compuquest2000 ("Compuquest") and/or advances made to Compuquest. You have not submitted any evidence that the bankrupt personally guaranteed this debt prior to the execution of a Revolving Line of Credit ("RLOC") Agreement dated December 31, 2015;

- b. Both the bankrupt and Compuquest were insolvent at the time of the bankrupt's execution of the RLOC Agreement;
- c. You were not dealing at arm's length with the bankrupt at the time of execution of the RLOC Agreement and up to the date of bankruptcy;
- d. The RLOC Agreement was executed with the intention and effect of delaying or defrauding the creditors of the bankrupt and Compuquest and/or of fraudulently preferring your interests over the interests of creditors of the bankrupt and Compuquest and is void and unenforceable against the Trustee;
- e. The bankrupt did not hold legal title to the assets set out in the RLOC Agreement, including 7472 Ashburn Rd., Whitby, Ontario (the "Ashburn Property") and did not have the ability to pledge such assets, including the Ashburn

And further take notice that if you are dissatisfied with our decision in disallowing your claim in whole (or a right to rank or your security or valuation of your claim), you may appeal to the court within the 30-day period after the day on which this notice is served, or within any other period that the court may, on application made within the same 30-day period, allow.

Dated at the City of Toronto in the Province of Ontario, this 12th day of September 2017.

Grant Thornton Limited - Licensed Insolvency Trustee
Per:



Ann Lakeram - Licensed Insolvency Trustee
11th Floor, 200 King Street West, Box 11
Toronto ON M5H 3T4
Phone: (416) 366-0100 Fax: (416) 360-4948

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2128389
 Estate No. 31-2128389

FORM 77

Notice of Disallowance of Claim, Right to Priority or Security or Notice of Valuation of Claim
 (Subsection 135(3) of the Act)

In the matter of the bankruptcy of
 1299746 ONTARIO INC.
 of the City of Pickering, in the Province of Ontario

Norris Technologies
 751 Fox Ridge Ln
 CARYville TN 37714 USA

Take notice that:

As trustee acting in the matter of the bankruptcy of 1299746 ONTARIO INC., we have disallowed your claim (or your right to priority or your security on the property) in whole, pursuant to subsection 135(2) of the Act, for the following reasons:

- a. You did not hold any security over the assets of 1299746 Ontario Inc. o/a Compuquest2000 ("Compuquest") on the date of bankruptcy;
- b. In the alternative, to the extent that the Revolving Line of Credit ("RLOC") Agreement dated December 31, 2015 executed by Gary Bodimeade purported to provide you with security over the assets of Compuquest, the RLOC Agreement is void and unenforceable against the Trustee as a fraudulent conveyance, fraudulent preference and/or transfer at undervalue;
- c. Any security which you held over Compuquest was unperfected at the date of bankruptcy and is therefore void and unenforceable against the Trustee;
- d. The interests of Compuquest in the property at 7472 Ashburn Rd., Whitby, Ontario (the "Ashburn Property") have vested in Grant Thornton Limited in its capacity as Receiver of Compuquest and are subject to the claims of creditors holding registered security against Compuquest on the date of bankruptcy;
- e. Such further and other grounds as may be available to the Trustee.

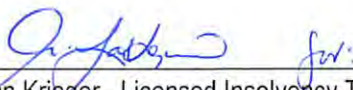
And further take notice that if you are dissatisfied with my decision in disallowing your security, you may appeal to the court within the 30-day period after the day on which this notice is served, or within any other period that the court may, on application made within the same 30-day period, allow.

And further take notice that if you are dissatisfied with our decision in disallowing your claim in whole (or a right to rank or your security or valuation of your claim), you may appeal to the court within the 30-day period after the day on which this notice is served, or within any other period that the court may, on application made within the same 30-day period, allow.

Dated at the City of Toronto in the Province of Ontario, this 12th day of September 2017.

Grant Thornton Limited - Licensed Insolvency Trustee

Per:



Jonathan Krieger - Licensed Insolvency Trustee
11th Floor, 200 King Street West, Box 11
Toronto ON M5H 3T4
Phone: (416) 366-0100 Fax: (416) 360-4948

District of: Ontario
Division No. 09- Toronto
Estate No. 31-2128389
Court File No: 31-2128389

ONTARIO

SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF 1299746 ONTARIO INC.
OF THE CITY OF PICKERING, IN THE PROVINCE OF ONTARIO

NOTICE OF MOTION

Dean Salem will make a motion to a Judge of the Ontario Superior Court of Justice and/or the Registrar in Bankruptcy on November 6, 2017, at 10:00am, or as soon after that time as the motion can be heard, at 330 University Avenue, by way of appeal from the disallowance by the trustee dated September 12, 2017 of the claim of Dean Salem dated July 29, 2016 and amended June 23, 2017.

THE MOTION IS FOR:

1. An order declaring that the claim against the said estate, as filed by Dean Salem, is a valid and subsisting secured claim.
2. In the alternative to paragraph 1 above an order declaring that the claim against the said estate, as filed by Dean Salem, is a valid and subsisting unsecured claim
3. Such further or other order as to this Honourable Court may seem just.

THE GROUNDS FOR THE MOTION ARE:

1. The validly executed Revolving Line of Credit ("RLOC") Agreement dated December 31, 2015 grants Dean Salem security over the assets of 1299746 Ontario Inc. for the indebtedness.
2. The execution of the RLOC Agreement in December 2015 was distilling a previously reached agreement into writing.
3. Dean Salem and 1299746 Ontario Inc. were at all times dealing at arm's length.
4. The RLOC Agreement was executed in order to permit Dean Salem as a critical supplier to continue to advance funds and supply product to 1299746 Ontario Inc. and was not executed with the intention of delaying or defrauding creditors or fraudulently preferring Dean Salem's interest over the interest of creditors, and is not void and unenforceable.

5. The Bankrupt maintained a legal and/or beneficial interest in the title to the assets set out in the RLOC Agreement, and in any event Norris Technologies LLC is entitled to rely on the doctrine of feeding the estoppel.
6. Section 135(4) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended.
7. Such further and other material as counsel may advise and this Honourable Court may permit.

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

1. The affidavits and materials filed in support of the motion returnable November 6, 2017.
2. Such further and other material as counsel may advise and this Honourable Court may permit.

October 4, 2017

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District of: Ontario
Division No. 09- Toronto
Estate No. 31-2128393
Court File No: 31-2128393

ONTARIO

SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF GARY WAYNE BODIMEADE
OF THE TOWN OF BROOKLIN, IN THE PROVINCE OF ONTARIO

NOTICE OF MOTION

Dean Salem will make a motion to a Judge of the Ontario Superior Court of Justice and/or the Registrar in Bankruptcy on November 6, 2017, at 10:00am, or as soon after that time as the motion can be heard, at 330 University Avenue, by way of appeal from the disallowance by the trustee dated September 12, 2017 of the claim of Dean Salem dated July 29, 2016 and amended June 23, 2017.

THE MOTION IS FOR:

1. An order declaring that the claim against the said estate, as filed by Dean Salem, is a valid and subsisting secured claim.
2. In the alternative to paragraph 1 above an order declaring that the claim against the said estate, as filed by Dean Salem, is a valid and subsisting unsecured claim
3. Such further or other order as to this Honourable Court may seem just.

THE GROUNDS FOR THE MOTION ARE:

1. The validly executed Revolving Line of Credit ("RLOC") Agreement dated December 31, 2015 grants Dean Salem security and provides him a guarantee from Mr. Bodimeade of the indebtedness.
2. There is no evidence that the bankrupt and Compuquest were insolvent at the time of the execution of the RLOC.
3. The execution of the RLOC in December 2015 was distilling a previously reached agreement into writing.
4. Dean Salem and Gary Bodimeade were at all times dealing at arm's length.
5. The RLOC Agreement was executed in order to permit Dean Salem as a critical supplier to continue to advance funds and supply product to Compuquest and was not executed

with the intention of delaying or defrauding creditors or fraudulently preferring Dean Salem's interest over the interest of creditors, and is not void and unenforceable.

6. The Bankrupt maintained a legal and/or beneficial interest in the title to the assets set out in the RLOC Agreement, and in any event Dean Salem is entitled to rely on the doctrine of feeding the estoppel.
7. Section 135(4) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended.
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District of: Ontario
Division No. 09- Toronto
Estate No. 31-2128389
Court File No: 31-2128389

ONTARIO

SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF 1299746 ONTARIO INC.
OF THE CITY OF PICKERING, IN THE PROVINCE OF ONTARIO

NOTICE OF MOTION

Norris Technologies LLC will make a motion to a Judge of the Ontario Superior Court of Justice and/or the Registrar in Bankruptcy on November 6, 2017, at 10:00am, or as soon after that time as the motion can be heard, at 330 University Avenue, by way of appeal from the disallowance by the trustee dated September 12, 2017 of the claim of Norris Technologies LLC dated July 29, 2016 and amended June 23, 2017.

THE MOTION IS FOR:

1. An order declaring that the claim against the said estate, as filed by Norris Technologies LLC, is a valid and subsisting secured claim.
2. In the alternative to paragraph 1 above an order declaring that the claim against the said estate, as filed by Norris Technologies LLC, is a valid and subsisting unsecured claim
3. Such further or other order as to this Honourable Court may seem just.

THE GROUNDS FOR THE MOTION ARE:

1. The validly executed Revolving Line of Credit ("RLOC") Agreement dated December 31, 2015 grants Norris Technologies LLC security over the assets of 1299746 Ontario Inc. for the indebtedness.
2. The execution of the RLOC Agreement in December 2015 was distilling a previously reached agreement into writing.
3. Norris Technologies LLC and 1299746 Ontario Inc. were at all times dealing at arm's length.
4. The RLOC Agreement was executed in order to permit Norris Technologies LLC as a critical supplier to continue to advance funds and supply product to 1299746 Ontario Inc. and was not executed with the intention of delaying or defrauding creditors or fraudulently preferring Norris Technologies LLC's interest over the interest of creditors, and is not void and unenforceable.

5. The Bankrupt maintained a legal and/or beneficial interest in the title to the assets set out in the RLOC Agreement, and in any event Norris Technologies LLC is entitled to rely on the doctrine of feeding the estoppel.
6. Section 135(4) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended.
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District of: Ontario
Division No. 09- Toronto
Estate No. 31-2128393
Court File No: 31-2128393

ONTARIO

SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF GARY WAYNE BODIMEADE
OF THE TOWN OF BROOKLIN, IN THE PROVINCE OF ONTARIO

NOTICE OF MOTION

Norris Technologies LLC will make a motion to a Judge of the Ontario Superior Court of Justice and/or the Registrar in Bankruptcy on November 6, 2017, at 10:00am, or as soon after that time as the motion can be heard, at 330 University Avenue, by way of appeal from the disallowance by the trustee dated September 12, 2017 of the claim of Norris Technologies LLC dated July 29, 2016 and amended June 23, 2017.

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2. In the alternative to paragraph 1 above an order declaring that the claim against the said estate, as filed by Norris Technologies LLC, is a valid and subsisting unsecured claim
3. Such further or other order as to this Honourable Court may seem just.

THE GROUNDS FOR THE MOTION ARE:

1. The validly executed Revolving Line of Credit ("RLOC") Agreement dated December 31, 2015 grants Norris Technologies LLC security and provides it a guarantee from Mr. Bodimeade of the indebtedness.
2. There is no evidence that the bankrupt and Compuquest were insolvent at the time of the execution of the RLOC.
3. The execution of the RLOC in December 2015 was distilling a previously reached agreement into writing.
4. Norris Technologies LLC and Gary Bodimeade were at all times dealing at arm's length.
5. The RLOC Agreement was executed in order to permit Norris Technologies LLC as a critical supplier to continue to advance funds and supply product to Compuquest and was not executed with the intention of delaying or defrauding creditors or fraudulently

preferring Norris Technologies LLC's interest over the interest of creditors, and is not void and unenforceable.

6. The Bankrupt maintained a legal and/or beneficial interest in the title to the assets set out in the RLOC Agreement, and in any event Norris Technologies LLC is entitled to rely on the doctrine of feeding the estoppel.
7. Section 135(4) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended.
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B E T W E E N

CANADIAN IMPERIAL BANK OF COMMERCE

-and-

1299746 ONTARIO INC. o/a COMPUQUEST2000, et al.

Applicant

Respondents

Court File No. CV-16-11369-00CL

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

Proceeding commenced at Toronto

RECEIVER'S COMPENDIUM

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in its capacity as Trustee in Bankruptcy of Compuquest
and Gary Bodimeade