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

Grant Thornton Limited
Receiver of the Respondents

200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4

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CONFIDENTIAL APPENDIX

1. Package of documents located by they 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 Recever 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