

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.

Respondents

MOTION RECORD OF RECEIVER

(Returnable April 9, 2025)

March 28, 2025

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Grant Thornton Limited

TO: Service List

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(March 28, 2025)

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AND TO:	Sebastijan Zupanec 6750 Patterson Side Road Caledon, ON L7K 1H2
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AND TO:	1762815 Ontario Ltd. 192 Smoothwater Terrace, Markham, ON, L6B 0M8, Canada
AND TO:	CANADA REVENUE AGENCY c/o Department of Justice Ontario Regional Office 120 Adelaide St. W., Suite 400 Toronto, ON M5H 1T1 Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca
AND TO:	HIS MAJESTY THE KING IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTRY OF FINANCE Revenue Collections Branch – Insolvency Unit 33 King Street W., P.O. Box 627 Oshawa, ON L1H 8H5 Email: insolvency.unit@ontario.ca

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Tab 1

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

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED; AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**NOTICE OF MOTION
(Returnable April 9, 202)**

Grant Thornton Limited ("**GTL**") in its capacity as court-appointed receiver (in such capacity, the "**Receiver**"), will make a Motion to a Judge presiding over the Commercial List.

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

- ☐ In writing under subrule 37.12.1 (1) because it is on consent;
- ☐ In writing as an opposed motion under subrule 37.12.1 (4);
- ☐ In person;
- ☐ By telephone conference;
- ☒ By video conference.

at the following location:

On April 9, 2025, at 10:00 a.m., or as soon after that time as the Motion can be heard by judicial teleconference via Zoom at Toronto, Ontario.

THE MOTION IS FOR:

1. An Approval and Vesting Order, substantially in the form at Schedule “A” to this Notice of Motion, approving the transaction (the “**Sale Transaction**”) contemplated by the Agreement of Purchase and Sale (the “**Sale Agreement**”) contained in the Second Report of the Receiver dated March 27, 2025 (the “**Second Report**”) and the Confidential Appendices, for the sale of the Real Property (as defined below) and vesting all of the right, title and interest in and to the Real Property of 2777463 Ontario Ltd. (“**2777463**”) absolutely in and to is 890 Dillingham Inc. (the “**Purchaser**”), free and clear of and from any security, charge or other encumbrance.
2. An Ancillary Order, substantially in the form at Schedule “B” to this Notice of Motion:
 - a) abridging the time for service, filing and confirmation of the Notice of Motion and the Motion Record, and validating service so that this motion is properly returnable on April 9, 2025;
 - b) approving the Second Report, and the activities and conduct of the Receiver set out therein provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the Second Report;
 - c) approving the Receiver's Interim Statement of Receipts and Disbursements as detailed in the Second Report;
 - d) Authorizing the Receiver to make the CPSI Distribution and the 277 Distribution (both as detailed and defined in the Second Report);
 - e) approving the fees and disbursements of the Receiver and its counsel, Harrison Pensa LLP, and authorizing payment of same;
 - f) sealing the Confidential Appendices to the Second Report until the completion of a sale of the Real Property, or until a further order of this Court;
 - g) the costs of this motion on a substantial indemnity basis, if opposed; and,

- h) Such further and other relief as counsel may request and this honourable court may permit.

THE GROUNDS FOR THE MOTION ARE:

The Appointment of the Receiver and the Real Property

1. Pursuant to an Order of this Court made on May 21, 2024 (the “**Appointment Order**”), GTL was appointed Receiver, without security, of the assets, undertakings and properties of Commercial Packaging Solutions Inc (“**CPSI**”) and 2777463 (collectively, the “**Debtors**”).
2. 2777463 owns real property located at 890 Dillingham Road, Pickering, Ontario (the “**Real Property**”). The Real Property is a stand alone industrial commercial building. CPSI operated from the Real Property.
3. The Applicant creditor, Royal Bank of Canada (hereinafter “**RBC**”) is a secured creditor of the Debtors. The Debtors were indebted to RBC in the approximate sum of \$10,340,215.22 million as at March 25, 2025, with interest and legal costs continuing to accrue (the “**Indebtedness**”), pursuant to certain financing provided by RBC to the Debtors.

The Receiver’s Activities

4. As reported in the Receiver’s First Report dated August 15, 2024 (the “**First Report**”) the Receiver did enter into the Khattra APS for the sale of the Real Property. The Khattra APS did not close, and the Receiver proceeded to list the Real Property for sale with Colliers and commenced the Sale Process approved by this Court pursuant to the Ancillary Order dated August 27, 2024 (the “**Sales Process**”).
5. The Receiver’s activities since its First Report to have concentrated on:
 - a. The collection of CPSI accounts
 - b. The dealing with Third Party Personal Property
 - c. Administering the Sale Process and dealing with the Purchaser and its counsel to completed the New Sales Transaction

- d. Selling the equipment and Inventory of CPSI pursuant to the Shinol Transaction
 - e. Dealing with Canada Revenue Agency.
6. The Receiver states that its actions, as outlined in the Second Report, should be approved by this Honourable Court.

The Sales Process and the APA

- 7. Prior to the Receiver's appointment, the Real Property has been listed for sale commencing November 28, 2023.
- 8. The Receiver completed the Sales Process by listing the Real Property with Colliers on September 12, 2024 with a listing price of \$10,200,000, and reducing the list price on October 29, 2025 to \$9,700,000 based on the lack of interest in the Real Property and the advice of Colliers.
- 9. The Receiver received two offers, and after negotiations on the terms and sale price finalized the Sale Agreement on December 13, 2025.
- 10. The Sale Agreement included conditions including a Due Diligence Review 45 days from execution of the Sale Agreement and for the Purchaser to obtain financing within 45 of signing the Sale Agreement.
- 11. The Purchaser requested a 14-day extension as its lender had not yet provided financing approval. The Receiver agreed to extend the financing condition to February 10, 2025.
- 12. On February 10, 2025, the Purchaser waived the financing condition. The Sale Agreement required a further deposit in the amount of \$100,000 within 2 business days of waiving conditions. The Purchaser paid the deposit to Colliers as required.
- 13. The details of the Sale Agreement are provided in the Second Report. The Receiver recommends the approval and completion of the Sale Agreement for, *inter alia*, the following:
 - a. The Sale Agreement provides certainty as to realizations, subject to the terms of the Sale Agreement;
 - b. The Sale Agreement eliminates any future risk to the Receiver as regards to market conditions; and,

- c. The proposed selling price is reasonable given the appraised value of the Real Property and the exposure of the Real Property to the market.
14. The Receiver is of the view that the Sale Agreement represents a commercially reasonable transaction which will maximize the recovery and is in the best interests of all stakeholders.

Sealing Order

15. The disclosure of the information contained in the Confidential Appendices could potentially impair the maximizing of a sale of the Real Property, and the sealing order sought in relation to the Confidential Appendices (i) aligns with the purpose of the Appointment Order and the interest promoted therein; (ii) is fair and reasonable in the circumstances; and (iii) will achieve the desired benefit without unduly impairing the openness of the Court's process
16. Until such time as the Real Property is sold, or until further order of this Court, the Receiver is of the view that the information and documentation contained in the Confidential Appendices should be sealed in order to avoid the negative impact that the dissemination of the confidential information contained therein would have.

Professional Fees

17. The Appointment Order requires the Receiver and its legal counsel to pass its accounts from time to time.
18. The Receiver and its counsel have each properly incurred fees and disbursements as detailed in the Second Report.
19. The Receiver seeks the approval of its fees and disbursements and its counsel's fees and disbursements, and payment of same.

Distribution

20. The Receiver has been advised that the Bank will be moving for an Order that the stay of proceedings against CPSI be lifted to permit the Receiver to file an assignment in bankruptcy on behalf of CPSI.
21. Once CPSI is a bankrupt, the Receiver proposes to distribute from the CPSI Proceeds on hand, in the following priority and payment:
 - a. the charges under the Appointment Order
 - b. the CPSI Source Deduction Priority Claim;
 - c. the WEPPA Priority Claim to Service Canada; and
 - d. the secured claim owing to RBC.
22. The Receiver also proposes to distribute the proceeds of the sale of the Real Property, in the following priority:
 - a. the charges under the Appointment Order; and
 - b. the secured claim owing to RBC.

General

23. Section 243 and 249 of the Bankruptcy and Insolvency Act.
24. Sections 100 and 137(2) of the Courts of Justice Act.
25. Rules 1.04, 2, 3, 37, 38, and 60.10 of the Rules of Civil Procedure.
26. Such further and other grounds 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 Appointment Order;
2. The Second Report and the Appendices thereto; and,

3. Such materials as counsel may advise and this Honourable Court may permit.

March 27, 2024

HARRISON PENZA LLP
Barristers & Solicitors
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London, ON N6A 5R2

Timothy C. Hogan (LSO #36553S)
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Solicitors for the Receiver,
Grant Thornton Limited

TO: Service List

Schedule "A" – Approval and Vesting Order

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	WEDNESDAY, THE 9
	)	
JUSTICE KIMMEL	)	DAY OF APRIL, 2025

B E T W E E N:

ROYAL BANK OF CANADA

Plaintiff

- and -

COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.

Defendant

APPROVAL AND VESTING ORDER

THIS MOTION, made by Grant Thornton Limited in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Commercial Packaging Solutions Inc. and 2777463 Ontario Ltd. (together, the "**Debtors**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**"), as amended, between the Receiver and 890 Dillingham Inc., as assignee from Phillip Powers (the "**Purchaser**") dated December 13, 2024, and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**") and referenced in Schedule "B" hereto, was heard this day by judicial videoconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report of the Receiver and Appendices thereto, the Supplemental Report of the Receiver and Appendices thereto, and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Sydney Inghelbrecht sworn March 28, 2025, filed:

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

2. THIS COURT ORDERS 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 the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Black dated May 21, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of Durham (No. 40) of an Application for 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.

4. 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.

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

6. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

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

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

8. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order and is enforceable without the need for entry or filing.

Justice Kimmel, Ontario Superior Court of Justice

Schedule A – Form of Receiver’s Certificate

Court File No. CV-24-00719261-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

B E T W E E N:

ROYAL BANK OF CANADA

Plaintiff

- and –

COMMERCIAL PACKAGING SOLUTIONS INC. and

2777463 ONTARIO LTD.

Defendant

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Black of the Ontario Superior Court of Justice (the "**Court**") dated May 21, 2024, Grant Thornton Limited was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Commercial Packaging Solutions Inc. and 2777463 Ontario Ltd. (together, the "**Debtors**").

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of December 13, 2024 (the "**Sale Agreement**"), as amended, between the Receiver, solely in its capacity as court-appointed receiver of all of the property and assets of Commercial Packaging Solutions Inc. and 2777463 Ontario Ltd., and 890 Dillingham Inc., as assignee from Phillip Powers (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a

certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**Grant Thornton Limited, solely in its capacity
as Receiver of the undertaking, property and
assets of Commercial Packaging Solutions
Inc. and 2777463 Ontario Ltd., and not in its
personal capacity**

Per: _____

Name:

Title:

Schedule B – Purchased Assets

The Purchased Assets, as defined in the Sale Agreement including, without limitation, the Real Property described as follows:

PT LT 19, RANGE 3, CON BF, PICKERING, PTS 1 & 2, 40R761; S/T A RIGHT IN CO228510; PICKERING, being all of PIN 26327-0072 (LT)

Schedule C – Claims to be deleted and expunged from title to Real Property

1. DR2287861, being a charge in favour of Royal Bank of Canada registered December 21, 2023;
2. DR2287864, being a notice of assignment of rents in favour of Royal Bank of Canada registered December 21, 2023;
3. DR2321192, being a charge in favour of Sebastijan Zupanec registered May 30, 2024, 2021;
4. DR2321193, being a notice of assignment of rents in favour of Sebastijan Zupanec registered May 30, 2024.

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**

(unaffected by the Vesting Order)

1. CO94360, being a bylaw registered May 17, 1961;
2. Reference plan 40R761 registered August 14, 1972;
3. D154171, being a bylaw registered April 8, 1983.

ROYAL BANK OF CANADA

and

COMMERCIAL PACKAGING SOLUTIONS INC., et al.

Applicant

Respondents

Court File No. CV-24-00719261-00CL

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

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

ORDER

HARRISON PENZA LLP

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Lawyers for the Receiver,
Grant Thornton Limited

Schedule "B" – Ancillary Order

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

WEDNESDAY, THE 9TH

JUSTICE KIMMEL

)

DAY OF APRIL, 2025

)

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

**COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.**

Respondents

ANCILLARY ORDER

THIS MOTION, made by Grant Thornton Limited, in its capacity as the Court-appointed receiver (the "Receiver") of the undertakings, property and assets of Commercial Packaging Solutions Inc. and 2777463 Ontario Ltd. (collectively, the "Debtors"), appointed pursuant to the Order of the Honourable Justice W.D. Black dated May 21, 2024 (the "Appointment Order"), for an Order seeking certain ancillary relief, was heard this day by judicial teleconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion dated March 27, 2025, the Second Report of the Receiver dated March 27, 2025 (the "Second Report"), and on hearing the submissions of counsel for the Receiver and all other counsel and parties present, no one else appearing for any other person on the service list, although properly served as appears from the affidavit of Sydney Inghelbrecht sworn March 28, 2025, filed;

SERVICE

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

REPORT AND ACTIVITIES OF THE RECEIVER

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

DISTRIBUTION

3. **THIS COURT ORDERS** that the Receiver is authorized to make the CPSI Distribution and the 277 Distribution (both as detailed and defined in the Second Report).

STATEMENT OF RECEIPTS AND DISBURSEMENTS

4. **THIS COURT ORDERS** that the Receiver's Interim Statement of Receipts and Disbursements as detailed in the Second Report, are hereby approved.

FEE APPROVAL

5. **THIS COURT ORDERS** that the Receiver's fees and disbursements, as detailed in the Second Report and set out in set out in the Affidavit of Jacob Wiebe, sworn March 25, 2025 and attached as Appendix "9" to the Second Report, are hereby approved.
6. **THIS COURT ORDERS** that the Receiver's counsel's fees and disbursements, as detailed in the Second Report and set out in set out in the Affidavit of Thomas Masterson, sworn March 26, 2025 and attached as Appendix "10" to the Second Report, are hereby approved.

SEALING

7. **THIS COURT ORDERS** that the Confidential Appendices to the Second Report be and are hereby sealed, pending the completion of a court-approved sale of the Real Property, or until further Order of this Court.

GENERAL

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or any other jurisdiction, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order
9. **THIS COURT ORDERS** that this Order and all of its provisions are effective from the date of this Order and is enforceable without any need for entry or filing.

Justice, Ontario Superior Court of Justice
(Commercial List)

ROYAL BANK OF CANADA

v.

COMMERCIAL PACKAGING SOLUTIONS INC., et al.

Applicant

Respondents

Court File No. CV-24-00719261-00CL

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

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

ORDER

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Lawyers for the Receiver,
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ROYAL BANK OF CANADA

and

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Applicant

Respondents

Court File No. CV-24-00719261-00CL

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

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

NOTICE OF MOTION

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Tab 2

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

**COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.**

Respondents

**APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, RSC 1985, c B-3. AS AMENDED AND UNDER SECTION 101
OF THE *COURTS OF JUSTICE ACT*, RSO 1990, cC43, AS AMENDED**

**SECOND REPORT TO THE COURT OF GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER AND MANAGER OF COMMERCIAL PACKAGING
SOLUTIONS INC. and 2777463 ONTARIO LTD.**

MARCH 27, 2025

 **Grant Thornton**
Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4

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APPENDICES

- 1 Receivership Order and Endorsement dated May 21, 2024
- 2 Oros Affidavits Sworn on April 26, 2024 and May 15, 2024 (without exhibits)
- 3 Receiver's First Report to Court dated August 15, 2024 (without exhibits)
- 4 Receiver's Supplemental Report to the First Report dated August 22, 2024 (without exhibits)
- 5 Orders of the Honourable Justice Cavanagh dated August 27, 2024 and related Endorsements
- 6 PPSA search for CPSI current to March 25, 2025
- 7 Parcel registrar for the Real Property dated March 26, 2025
- 8 PPSA search for 27777463 current to March 25, 2025
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- 11 Notice of disclaimer of the 176 Lease
- 12 Interim Statement of Receipts and Disbursements as at March 25, 2025
- 13 Affidavit of Jacob Wiebe sworn March 25, 2025
- 14 Affidavit of Thomas Masterson sworn March 27, 2025

CONFIDENTIAL APPENDICES

- 1 Powers APS
- 2 Summary of Appraisal, Listing Proposal and Offers

INTRODUCTION

1. Grant Thornton Limited was appointed as Receiver and Manager (the “**Receiver**”), without security, of all of the assets, undertakings and properties of Commercial Packaging Solutions Inc (“**CPSI**”) and 2777463 Ontario Ltd. (“**2777463**” and collectively with CPSI, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors including the real property owned by 2777463 pursuant to an order of the Honourable Justice Black of the Ontario Superior Court of Justice (the “**Court**”) dated May 21, 2024 (the “**Receivership Order**”). A copy of the Receivership Order and related endorsement are attached hereto as **Appendix “1”**.
2. The Debtors’ primary secured creditor is Royal Bank of Canada (the “**RBC**”).
3. Samuel Arutsothy (“**Mr. Arutsothy**”) is the principal of the Debtors.
4. 2777463 owns real property located at 890 Dillingham Road, Pickering, Ontario (the “**Real Property**”). The Real Property is a stand alone industrial commercial building. CPSI operated from the Real Property.
5. CPSI is a packaging manufacturing company which manufactured a range of products including packaging film and garbage bags. CPSI owns plastic extrusion equipment as well as inventory and other equipment located at the Real Property.
6. Background information pertaining to the Debtors, including the circumstances leading to the appointment of the Receiver, is contained in the affidavits of Jan Oros sworn on April 26, 2024 and May 15, 2024 (collectively, the “**Oros Affidavits**”) in support of the RBC’s application for the appointment of the Receiver. Copies of the Oros Affidavits without exhibits are attached hereto as **Appendix “2”**.
7. The Receiver issued its first report to Court dated August 15, 2024 (the “**First Report**”). As provided in the First Report, the Receiver did enter into a Sale Agreement (with respect to the Real Property and dated August 15, 2024 and as defined in the First Report). At the date of the First Report the Receiver has not received the deposit due under the Sale Agreement. The First Report also provided details in relation to the Receiver’s dealings with certain other third-party personal property located at the Real Property.
8. The First Report was filed in support of the Receiver’s request for an order, among other things, authorizing the Receiver to dispose of the third-party property located at the Real Property, authorizing the Receiver to complete the Sale Transaction; and, in the event that

the Sale Transaction did not close in accordance with the terms of the Sale Agreement (as defined in the First Report), authorizing the Receiver to enter into a real estate listing agreement with Colliers International Group Inc. (“**Colliers**”) for the sale of the Real Property. A copy of the First Report, without appendices, is attached hereto at **Appendix “3”**.

9. The Receiver also issued a supplemental report to the First Report dated August 22, 2024 (the “**Supplemental Report to the First Report**”) in which the Receiver provided additional information related to secured creditors of the Debtors. A copy of the Supplemental Report to the First Report, without appendices, is attached hereto at **Appendix “4”**.
10. The Honourable Justice Cavanagh issued orders dated August 27, 2024 providing the relief sought by the Receiver by way of an Approval and Vesting Order and an Ancillary Order (the “**August 27, 2024 Orders**”). Copies of the August 27, 2024 Orders and related endorsement are attached hereto at **Appendix “5”**.

PURPOSE OF THIS REPORT

11. The purpose of this second report of the Receiver (the “**Second Report**”) is to inform the Court of the Receiver’s activities since the date of the Supplemental Report to the First Report and to obtain support of the Receiver’s motion for an order of the Court, among other things:
 - a. approving the actions and activities of the Receiver as described in this Second Report;
 - b. authorizing the Receiver to complete the New Sale Transaction (as defined herein);
 - c. approving the Receiver’s Interim Statement of Receipts and Disbursements and the fees and disbursements of the Receiver and its counsel, Harrison Pensa LLP (“**Harrison Pensa**”);
 - d. authorizing the Receiver to distribute the proceeds of sale of the Debtors’ asset as detailed herein; and
 - e. sealing Confidential Appendices “1” and “2” until the Real Property is sold or further order of the Court.

TERMS OF REFERENCE

12. In preparing this Second Report, the Receiver has relied upon unaudited, draft and/or other information provided by the principals of the Debtors, contractors, stakeholders and other third-party sources (collectively, the “**Information**”). The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards.
13. The Second Report has been prepared for the use of this Court to provide general information and an update relating to this receivership proceeding (the “**Receivership Proceeding**”) for the purpose of assisting the Court in making a determination as to whether to approve the relief sought. This Second Report should not be relied on for any other purpose. The Receiver will not assume responsibility or liability for losses incurred as a result of the circulation, publication, reproduction or use of this Second Report contrary to the provisions of this paragraph.
14. Capitalized terms not defined in this Second Report are as defined in the Receivership Order. All references to dollars are in Canadian currency unless otherwise noted.
15. Copies of materials filed in these Receivership Proceeding are available on the Receiver’s Case Website at www.GrantThornton.ca/CommercialPackagingSolutions .

ACTIONS OF THE RECEIVER

Vehicle Leases

16. CPSI leased a 2024 Audi Q5 VIN WA1AAAFY4R2011292 (the “**Q5**”) from VW Credit Canada Inc. (“**VW Credit**”). Mr. Arutsohy advised that he had delivered the Q5 to an Audi dealership. VW Credit provided the Receiver with a copy of its lease agreement for the Q5. The Receiver reviewed the lease agreement and VW Credit’s PPSA security registration and determined that VW Credit’s security was valid. The Receiver therefore released its interest in the Q5 to VW Credit.
17. CPSI leased a 2019 RAM 1500 VIN 1C6RR7LM0KS719882 (the “**RAM**”) from RBC. The Ram was located at the Real Property and was heavily damaged from a motor vehicle accident. RBC provided the Receiver with a copy of its lease agreement for the RAM. The Receiver reviewed the lease agreement and RBC’s PPSA security registration and

determined that RBC's security was valid. The Receiver therefore released its interest in the RAM to RBC.

18. RBC sent a representative to collect the RAM however upon inspection RBC decided that the vehicle had little or no value due to its damage and thereafter cancelled its PPSA security registration and abandoned the RAM. The Receiver thereafter authorized a liquidator to pick up and sell the RAM. The Receiver does not anticipate there will be any realization after removal and selling costs.

Accounts Receivable

19. The Receiver obtained an aged Accounts Receivable ("**AR**") schedule from the company's bookkeeper, Roblin Branwell ("**Ms. Branwell**"). The total value of AR was \$1,395,980.45. Ms. Branwell advised that there was no money owing from most of the customers on the AR listing and that she did not know why there were amounts shown as owing. The Receiver sent letters to all customers on the AR listing and requested that the amount shown as owing be paid to the Receiver. Only three customers responded to the Receiver's payment demand.
20. In the First Report the Receiver advised that Polyethics Industries Inc. ("**Polyethics**") acknowledged that it owed \$31,380.02 to CPSI. Polyethics also advised that it had made two payments towards this balance in the total amount of \$15,264.86. The supporting documents provided to the Receiver indicated that funds were paid to CPSI and were deposited into a bank account at TD Bank ("**TD**").
21. The August 27, 2024 Orders required that TD provide the Receiver with details of the ownership of the bank account into which these funds were deposited. TD complied with the Order. The funds were deposited to an account owned by 2158754 Ontario Limited also known as Clear & Durable Plastics ("**2158754**"). Mr. Arutsothy advised that 2158754 was a resin supplier to CPSI. The Receiver asked why funds were deposited to a supplier account rather than to CPSI's account and Mr. Arutsothy advised the payment must have been for payment of a resin shipment and would investigate further. Mr. Arutsothy has not provided any further details. This payment may potentially be considered a payment that has the effect of giving 2158754 a preference over other creditor and void under s. 95 of the *Bankruptcy and Insolvency Act*.
22. Prior to the Receiver's appointment CPSI's counsel issued demand for payment to two customers (each, a "**Demand Letter**" and collectively, the "**Demand Letters**"):

- a. Indian Bazaar #1 Inc. (“**Bazaar**”) - \$233,620.67; and,
 - b. Ruben Restaurant Supply (“**Ruben**”) - \$285,188.40
23. The Receiver emailed Ruben’s representative, Selvarupa Suntharalinga (“**Mr. Suntharalingam**”) to inquire if Ruben had responded to the Demand Letter. Mr. Suntharalinga replied
- ‘I have my lawyers looking into this. They have asked my accounting firm to provide more details. Working with my lawyers. Will ask my partner who is handling this for more update and get back to next week.’*
24. Ruben was storing a significant amount of inventory at the Real Property. Ruben initially advised the Receiver that he wished to remove the inventory. The Receiver requested that Ruben provide a copy of its lease with CPSI and proof of payment of rent in accordance with the lease. This information was not provided and Ruben did not respond to any further communications from the Receiver with respect to the lease, the inventory or the Demand Letter.
25. The Receiver has attempted to contact Bazaar numerous times but has not received a response.
26. The Receiver contacted CPSI’s counsel that issued the Demand Letters who advised that he was only given the name and amount owing from each customer and did not have any other documentation to support the amount owing. He also advised that he did not receive a response to the Demand Letters. The Receiver’s counsel has written to each of these customers renewing demand for payment. The customers have not responded as at the date of this Second Report.
27. The Receiver has reviewed CPSI’s books and records and has been unable to locate any documentation to support the Demand letters. There are no sales transactions recorded to either Bazaar or Ruben.

Third Party Personal Property

28. In the First Report the Receiver advised that it had identified various items, including restaurant inventory, storage trailers, tractors and car hauling trailers both inside and outside the building at the Real Property which did not appear to relate to the Debtors’ operations. The Receiver detailed the efforts taken to identify the owners of these items and to have them removed from the Real Property.

29. The August 27, 2025 Orders authorized the Receiver to engage a liquidator to sell any of these items remaining at the Real Property on September 1, 2024.
30. Most of these items were removed by their owners prior to September 1, 2024 and the Receiver arranged for all remaining items to be removed and sold by a liquidator.

SECURITY REGISTRATIONS

Commercial Packaging Solutions Inc.

31. Based on a review of registrations made under the *Personal Property Security Act (Ontario)* (the “**PPSA**”), the following parties have registered financing statements against CPSI’s personal property:
- a. VW Credit’s registration against the Q5; and
 - b. RBC with a continuing security interest in all of CPSI’s present and after acquired personal property and undertaking including, without limitation, Inventory, Equipment, Accounts and Debts, and Intellectual Property, and all intangibles, registered on December 4, 2023 (the “**RBC CPSI GSA**”).

Attached at **Appendix “6”** is a copy of the PPSA search for CPSI current to March 25, 2025.

2777463 Ontario Ltd.

32. RBC holds a Charge/Mortgage on the Real Property in the principal sum of \$10,500,000 registered as instrument no. DR2287861 (the “**RBC Mortgage**”).
33. RBC also holds a General Assignment of Rents & Leases dated December 21, 2023 registered on title to the Real Property on December 21, 2024 as instrument no. DR2287864 (the “**Assignment of Rents**”).
34. Sebastien Zupanec registered a mortgage against the Real Property on May 31, 2024 (the “**Zupanec Mortgage**”) which is after the date of the Receivership Order. In the Supplemental Report to the First Report the Receiver provided background on the Zupanec Mortgage. The anticipated proceeds from the sale of the Real Property are insufficient to repay the RBC Mortgage therefore the Receiver has not investigated the validity of the Zupanec Mortgage.

35. A copy of the parcel registrar for the Real Property dated March 26, 2025 is attached as **Appendix “7”**.
36. Based on a review of registrations made under the *Personal Property Security Act (Ontario)*, the following parties have registered financing statements against 2777463’s personal property:
- a. RBC with a continuing security interest in all of 2777463’s present and after acquired personal property and undertaking including, without limitation, Inventory, Equipment, Accounts and Debts, and Intellectual Property, and all intangibles, registered on December 5, 2023 (the **“RBC 2777463 GSA”**).
37. Attached at **Appendix “8”** is a copy of the PPSA search for 2777463 current to March 25, 2025.

Security Opinion

38. Harrison Pensa has provided the Receiver with a security opinion that, subject to customary caveats and qualifications, states;
- b. The RBC CPSI GSA is perfected and enforceable as against CPSI, and creates a valid and registered security interest granted by CPSI to RBC in the collateral described therein;
 - c. The RBC 2777463 GSA and the Assignment of Rents are attached, perfected and enforceable as against 2777463, and create a valid and registered security interest granted by 2777463 to RBC in the collateral described therein; and,
 - d. The RBC Mortgage is a first in time registered charge on title to the Real Property and creates a first in time priority charge against the Real Property.

PRIORITY CLAIMS

39. The Receiver advised Canada Revenue Agency (**“CRA”**) of its appointment. CRA scheduled trust examinations for source deductions and Harmonized Sale Tax (**“HST”**).

Source Deductions

40. CRA provided its trust exam results which detailed that \$142,881.85 is owing by CPSI for source deductions of which \$98,948.42 is a trust claim in priority to RBC's security over the assets of CPSI (the "**CPSI Source Deduction Priority Claim**").
41. The Receiver requests that the Court authorize the Receiver to pay the CPSI Source Deduction Priority Claim to CRA.

HST

42. CRA did not initially provide results of the HST trust examination with respect to CPSI therefore the Receiver followed up with CRA. CRA thereafter restarted the HST trust examination and provided a new list of information required for the examination. The Receiver called several times to try and clarify items on the list however CRA did not respond to the Receiver. On February 24, 2025, CRA issued trust exam results in which it disallowed all ITC's claim by CPSI resulting in arrears totalling \$173,153.04 (the "**HST Arrears**"). The Receiver has contacted CRA again to discuss the results but has not received a response.

WEPPA

43. The Receiver assisted the employees with filing their claims in accordance with *Wage Earners Protection Program Act* ("**WEPPA**"). WEPPA claims totalled \$31,571.02 of which \$12,000 represents a claim in priority to secured creditor over CPSI's current assets (the "**CPSI WEPPA Priority Claim**"). The Receiver requests that the Court authorize the Receiver to pay the CPSI WEPPA Priority Claim to Service Canada.

SALE OF THE REAL PROPERTY

Khattra Sale Transaction

44. In the First Report the Receiver advised that 2777463 listed the Real Property for sale with CBRE prior to the receivership and that subsequent to the expiry of that listing agreement CBRE presented the Receiver with an offer from Khattra Group Inc. ("**Khattra**") to purchase the Real Property and the manufacturing equipment owned by CPSI and installed at the Real Property (the "**Equipment**"). The Receiver and Khattra ultimately entered into an Agreement of Purchase and Sale (the "**Khattra APS**").

45. In the First Report the Receiver requested that the Court authorize and direct the Receiver to complete the Sale Transaction (as defined in the First Report”).
46. The Receiver was concerned that the sale subject to the Sale Transaction would not close. As a result, the Receiver also requested that the Court authorize the Receiver to enter into an MLS listing agreement with Colliers for the sale of the Real Property in the event that the Sale Transaction did not close.
47. The Khattra APS required that Khattra provide a deposit in the amount \$300,000 within 3 days of execution of the Khattra APS. The deposit was never paid and the Sale Transaction was not completed.

Sales Process

48. The Receiver therefore initiated the sales process for the Real Property as described in the First Report and approved by the Court in the August 27, 2024 Orders. The Receiver entered into a listing agreement with Colliers on September 12, 2024 wherein the Real Property was listed for sale for \$10,200,000.
49. The listing proposal provided by Colliers and the appraisal obtained by the Receiver both suggested that the Real Property was worth substantially less than \$10,200,000. There was little interest from interested purchasers at this listing price; therefore, the Receiver reduced the asking price to \$9,700,000 on October 29, 2024.
50. On November 21, 2004, Colliers presented the Receiver with an offer from Philip Powers for a company to be incorporated (the “**Purchaser**”). The Receiver believed the offer was too low to be negotiated and therefore rejected the offer.
51. The Purchaser submitted an amended offer on November 22, 2024 with a higher purchase price. Thereafter there were several counteroffers by the Receiver and the Purchaser that resulted in a price that was acceptable to both parties and an Agreement of Purchase and Sale was completed on December 13, 2024 (the “**Powers APS**”). The Powers APS required a deposit in the amount of \$100,000 to be paid within 3 days of signing the Powers APS. The Purchaser paid the deposit to Colliers as required.
52. While negotiations with the Purchaser were ongoing Colliers advised that another party was interested in making an offer; however, the expected offer price was lower than the price range the Receiver was negotiating with the Purchaser. A formal offer from the other

party was received on December 13, 2024 which was far lower than the selling price in the Powers APS.

53. The Powers APS contained conditions including a due Due Diligence Review expiring 45 days from execution of the Powers APS and for the Purchaser to obtain financing within 45 of signing the Powers APS.
54. A few minor changes were subsequently made to the Powers APS at the request of the Purchaser's counsel. A copy of the final Powers APS which is redacted to remove the purchase price is attached hereto at **Appendix "9"**. An unredacted copy of the final Powers APS is attached hereto at **Confidential Appendix "1"**.
55. Several days before the expiration of the financing condition the Purchaser requested a 14 day extension as its lender had not yet provided financing approval. The Receiver agreed to extend the financing condition to February 10, 2025 (the "**Powers APS Amendment**"). A copy of the Powers APS Amendment is attached hereto at **Appendix "10"**.
56. On February 10, 2025, the Purchaser waived the financing condition. The Powers APS required a further deposit in the amount of \$100,000 within 2 business days of waiving conditions. The Purchaser paid the deposit to Colliers as required.
57. Details of the appraised value of the Real Property, the listing price proposed by Colliers and CBRE as well as details of the price negotiations with Powers are provided in **Confidential Appendix "2"** attached hereto.
58. The Receiver requests that the Court authorize and direct the Receiver to complete the sale of the Real Property to the Purchaser in accordance with the terms of the Powers APS (the "**New Sale Transaction**").
59. The Real Property has been listed for sale since November 28, 2023. The proposed selling price appears reasonable given appraised values of the Real Property and the proposed listing prices in the CBRE and Colliers listing proposals. The Receiver therefore believes with the exposure of the Real Property through a professional broker, and the indication of value through the appraisal and listing proposals, that the proposed selling price is reasonable in the circumstances and the New Sale Transaction is supported by the *Soundair* principles.

60. The principals of the Debtors signed a Confidentiality Agreement after which the Receiver provided them with a copy of the Powers APS. The principals of the Debtors have advised that they are supportive of the proposed New Sale Transaction.
61. The Real Property is subject to the second Zupanec Mortgage and Notice of Assignment of Rents in favour of Sebastijan Zupanec ("**Zupanec**"), both registered on May 30, 2025 (and following the granting of the Receivership Order on May 21, 2024).
62. On June 5, 2024, the Receiver did write to Zupanec requesting details on the Zupanec Mortgage particulars of the debt. Details of same were provided to the Receiver which indicate that 27777463 appears to be a guarantor of a loan provided by Zupanec to Thayanithi Arustsothy.
63. Zupanec will be served with the Receiver's motion.

Leases

64. The Real Property is adjacent to land owned by Ontario Hydro (the "**Ontario Hydro Property**"). Mr. Arustsothy advised that 2777463 entered into a lease agreement with Ontario Hydro for the use of the Ontario Hydro Property; however, could not provide the Receiver with a copy of the lease agreement. The Receiver contacted Ontario Hydro and determined that while 2777463 submitted a request to lease this land, a lease agreement was never finalized. 2777463 therefore has no right to use the Ontario Hydro Land.
65. Despite having no lease in place as a tenant on the Ontario Hydro Property, and with no rights to do so, 2777463 entered into a sublease with 1762815 Ontario Ltd. Om Auto Transport ("**176**") for use of the Ontario Hydro Property (the "**176 Lease**"). 176 stored automobile transport trailers on the Ontario Hydro Property.
66. The Powers APS requires that the Receiver provide vacant possession of the Real Property to the Purchaser. The Receiver has notified 176 that the Receiver has entered into the Powers APS which required that the 176 Lease be vested off title to the Real Property as a condition of closing. The Receiver also notified 176 that the Receiver was moving for an Approval and Vesting Order before the Court approving the New Sale Transaction and vesting title to the Real Property in the Purchaser, free and clear of all encumbrances, including the 176 Lease.
67. Despite the fact that 2777463 had no right to enter into 176 Lease, the Receiver disclaimed the 176 Lease out of caution effective the date of closing of the New Sale Transaction

which is scheduled to occur 1 day after the expiration of the time to appeal the Approval and Vesting Order. A copy of the disclaimer of lease provided to 176 is attached hereto at **Appendix “11”** which was served on 176 by email on February 14, 2025.

68. 176 will be served with the Receiver’s motion.

SALE OF THE EQUIPMENT

69. In the First Report the Receiver advised that it obtained an appraisal of the Equipment which was included in the Khattrra APS. When Khattrra failed to complete the Sale Transaction the Receiver decided to sell CPSI’s specialized equipment and inventory so the Real Property could be marketed as a vacant building.

70. The Receiver obtained proposals from two liquidators to liquidate the Equipment and CPSI’s raw materials and finished goods inventory (the “**Inventory**”). The appraisal and liquidation proposals are summarized as follows:

Appraised value	\$23,500 - \$42,000
Danbury Global Ltd.	Net minimum guarantee of \$29,500. Danbury to retain the next \$7,000 for expenses. Danbury retains 15% of any amount greater than \$36,500.
Infinity Asset Solutions	Estimated gross sales price is \$60,000 to \$75,000. Infinity offered to purchase the Equipment for \$51,500. Infinity offered to sell the Equipment for 15% commission plus \$15,000 for costs.

71. The Receiver also contacted CPSI’s larger customers and other plastic bag manufacturers in the Toronto area to determine if any of these parties were interested in purchasing the Equipment and Inventory.

72. The Receiver obtained interest from Shinol Inc. (“**Shinol**”) who was a former customer of CPSI who wished to build its own plastic bag manufacturing facility. The Receiver negotiated a sale of the Equipment to Shinol for \$245,000, with the transaction not requiring Court Approval under the terms of the Receivership Order.

73. The Receiver also negotiated a sale of the Inventory to Shinol for \$75,000, with the transaction not requiring Court Approval under the terms of the Receivership Order.

74. Shinol paid the purchase price and removed all of the Equipment and Inventory from the Real Property (the “**Shinol Transaction**”).

STATEMENT OF RECEIPTS AND DISBURSEMENTS

75. Attached hereto as **Appendix “12”** is the Receiver’s Interim Statement of Receipts and Disbursements as at March 25, 2025 (the “**Interim SRD**”).

Professional Fees and Disbursements

76. The Receiver and its counsel have maintained detailed records of their professional fees.

77. Pursuant to paragraph 17 of the Receivership Order, the Receiver and its counsel shall be paid their reasonable fees and disbursements and a charge was granted on the Property (as defined in the Receivership Order), as security for such fees and disbursements.

78. The total fees and disbursements of the Receiver from August 1, 2024 to February 28, 2025 amount to \$98,700.19 inclusive of disbursements and HST and are more particularly described in the affidavit of Jacob Wiebe sworn March 25, 2025, a copy of which is attached hereto as **Appendix “13”**

79. The total fees and disbursements of the Receiver’s counsel, Harrisson Pensa, from August 13, 2024 to March 25, 2025 amount to \$42,298.12 inclusive of disbursements and HST and are more particularly described in the affidavit of Thomas Masterson sworn March 27, 2025, a copy of which is attached hereto as **Appendix “14”**.

80. The Receiver believes that the fees (the “**Professional Fees**”) described in the fee affidavits are fair and reasonable and respectfully requests that the Court approve same.

PROPOSED DISTRIBUTION

81. The Debtors are indebted to RBC in the approximate amount of \$10,340,215.22 as at March 25, 2025 with interest and legal costs continuing to accrue, pursuant to certain financing provided by RBC to the Debtors.

82. The Receiver has been advised that the RBC will be moving for an Order that the stay of proceedings against CPSI be lifted to permit the Receiver to file an assignment in bankruptcy on behalf of CPSI.

83. The proceeds available for distribution in relation to the assets of CPSI are \$184,834.55 (the “**CPSA Proceeds**”).

84. Once CPSI is a bankrupt, the Receiver proposes to distribute the CPSI Proceeds in the following priority:

- a. the charges under the Appointment Order securing the Professional Fees;
- b. the CPSI Source Deduction Priority Claim;
- c. the WEPPA Priority Claim to Service Canada; and
- d. the secured claim owing to RBC.

85. In the event that CPSI does not become a bankrupt, the Receiver proposes to distribute the CPSI Proceeds in the following priority:

- a. the charges under the Appointment Order securing the Professional Fees;
- b. the CPSI Source Deduction Priority Claim ;
- c. the HST Arrears;
- d. the WEPPA Priority Claim to Service Canada; and
- e. the secured claim owing to RBC.

(82 and 83 collectively the “**CPSI Distribution**”).

86. The Receiver also proposes to distribute the proceeds of the sale of the Real Property, in the following priority:

- a. the charges under the Appointment Order; and
- b. to the secured claim owing to RBC.

(the “**277 Distribution**”).

CONFIDENTIAL APPENDICES

87. The Receiver believes that Confidential Appendices “1” and “2” should remain sealed until the sale of the Real Property has been completed or further Order of the Court, as the information contained therein is commercially sensitive and could prejudice the sale of the

Real Property. In the absence of a sealing order, potential purchasers would have access to information obtained by the Receiver, which may impact the price that interested purchasers are willing to offer, should the New Sale Transaction not close.

88. The Receiver does not believe that any party will suffer prejudice if the information in Confidential Appendices "1", and "2" are sealed in this manner.

REQUEST OF THE COURT

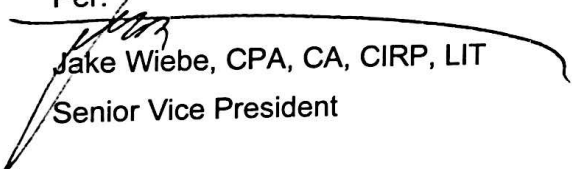
89. Based on the foregoing the Receiver respectfully requests that this Honourable Court grants the relief sought, as detailed in paragraph 10 of this Second Report.

All of which is respectfully submitted,

GRANT THORNTON LIMITED

In its capacity as Court appointed Receiver of
Commercial Packaging Solutions Inc. and
2777463 Ontario Inc. and not in its personal
or corporate capacity

Per:



Jake Wiebe, CPA, CA, CIRP, LIT
Senior Vice President

APPENDIX 1



Court File No. CV-24-719261-00CL

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

THE HONOURABLE	)	TUESDAY, THE 21 ST DAY
	)	
JUSTICE W.D. BLACK	)	OF MAY, 2024

ROYAL BANK OF CANADA

Applicant

- and -

**COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.**

Respondents

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by Royal Bank of Canada (“**RBC**”) for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing Grant Thornton Limited as receiver and manager (in such capacity, the “**Receiver**”) without security, of all of the assets, undertakings and properties of Commercial Packaging Solutions Inc. (“**CPSI**”) and 2777463 Ontario Ltd. (“**277**”) (collectively, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, was heard this day by Zoom videoconference.

ON READING the affidavits of Jan Oros sworn April 26, 2024, and May 15, 2024 including the Exhibits thereto and on hearing the submissions of counsel for RBC and the Debtors, and no one appearing for although duly served as appears from the affidavits of service of Mariela Adriana

Gasparini sworn April 26, 2024, and on reading the consent of Grant Thornton Limited to act as the Receiver, and on reading the respondents application record which includes the affidavits of Samuel Arutsothy sworn May 7, 2024 and May 13, 2024,

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 motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Grant Thornton Limited is hereby appointed as Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof as well as PT LT 19, RANGE 3, CON BF, PICKERING, PTS 1 & 2, 40r761; S/T A RIGHT IN CO228510; PICKERING, municipally known as 890 Dillingham Road, Pickering, Ontario (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 Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000.00, provided that the aggregate consideration for all such transactions does not exceed \$500,000.00; 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;
- (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 Debtors;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors 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 Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in

that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

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 DEBTORS OR THE PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. THIS COURT ORDERS that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. 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

13. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors’ behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. 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

16. 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

17. 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.

18. 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.

19. 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

20. 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 \$500,000.00 (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.

21. 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.

22. 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.

23. 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

24. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: www.GrantThornton.ca/CommercialPackingSolutions.

25. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business

day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

26. 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.

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

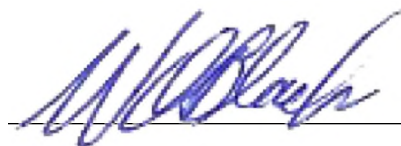
28. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, 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.

29. 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.

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

31. 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.

A handwritten signature in blue ink, appearing to read "W. Black", is written over a horizontal line.

SCHEDULE "A"

RECEIVER'S CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Grant Thornton Limited, the receiver and manager (the "**Receiver**") of the assets, undertakings and properties of Commercial Packaging Solutions Inc. and 2777463 Ontario Ltd. (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof and the PT LT 19, RANGE 3, CON BF, PICKERING, PTS 1 & 2, 40r761; S/T A RIGHT IN CO228510; PICKERING, municipally known as 890 Dillingham Road, Pickering, Ontario (the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the __ day of _____, 20__ (the "**Order**") made in an action having Court file number , has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at 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 Receiver and Manager of Commercial Packaging Solutions Inc. and 2777463 Ontario Ltd, and not in its personal or corporate capacities.

Per: _____

Name:

Title:

Court File No.: CV-24-00719261-00CL

ROYAL BANK OF CANADA
Applicant

COMMERCIAL PACKAGING SOLUTIONS INC. et al.
Respondents

- and -

ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) PROCEEDING COMMENCED AT TORONTO	
ORDER (Appointing Receiver)	
BORDEN LADNER GERVAIS LLP Bay Adelaide Centre, East Tower 22 Adelaide St W Toronto, Ontario M5H 4E3 Tel: 416-367-6000 Fax: 416-367-6749 Alex MacFarlane – LSO No. 28133Q Tel: (416) 367-6305 amacfarlane@blg.com Nick Hollard – LSO No. 831700 Tel: (416) 367-6545 nhollard@blg.com Lawyers for the Applicant	



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-24-719261-00CL DATE: May 21, 2024

NO. ON LIST: 2

TITLE OF PROCEEDING: **ROYAL BANK OF CANADA v. COMMERCIAL PACKAGING SOLUTIONS INC. et al**
BEFORE JUSTICE: **JUSTICE W.D. BLACK**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Alex MacFarlane Nick Hollard	Lawyers for the Applicant	amacfarlane@blg.com nhollard@blg.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Cameron J. Wetmore	Lawyers for the Respondents	cwetmore@srtlegal.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT:

- [1] This is RBC's application for an order under subsection 243(1) of the *Bankruptcy and Insolvency Act* (Canada) ("BIA") and section 101 of the *Courts of Justice Act* (Ontario) ("CJA") to appoint Grant Thornton Limited ("GT") as receiver and manager, without security, of all the assets, undertakings and properties (the "Property") of the respondents Commercial Packaging Solutions Inc. ("CPSI") and 2777463 Ontario Ltd. ("277") (collectively the "Debtors") including certain real property municipally known as 890 Dillingham Road in Pickering, Ontario.
- [2] RBC's evidence, which is not particularly disputed by the respondents, is that in connection with various credit facilities extended by RBC, both CPSI and 277 are substantially indebted to RBC, at or above the limit of indebtedness permitted under those facilities. These facilities and loans by RBC are supported by various security instruments, some of which expressly provide that RBC may appoint a receiver or manager over the Debtors in the event of default.
- [3] The Debtors have committed various acts of default under various of the agreements and instruments, and have acknowledged that they are unable to make certain payments due and owing.
- [4] RBC is concerned that the Debtors are compromising RBC's security in respect of the indebtedness.
- [5] In the circumstances, RBC delivered formal demands on the Debtors (and guarantors) several weeks ago, demanding immediate payment of the various debts, and giving notice of RBC's intention to enforce its security pursuant to s. 244 of the BIA.
- [6] The parties were before Steele J. on May 7, 2024.
- [7] It appears from the materials for that attendance that the Debtors, who as noted do not particularly dispute their indebtedness, their defaults, or RBC's right to enforce its security, were asking Her Honour for additional time to respond, and pointing in particular to a potential replacement lender with whom the Debtors were in discussions, the potential for a loan from a family member, and the potential to sell the 890 Dillingham Road property.
- [8] Her Honour allowed the Debtors an initial adjournment (they were asking for 10 days) to explore these options and to continue discussions with RBC, on the basis that the matter would come back on in the near term (today's attendance before me).
- [9] For purposes of today's attendance, the Debtors filed a further affidavit from their CEO Mr. Arutsothy dated May 13, 2024, (Mr. Arutsothy had previously sworn an affidavit dated May 7, 2024). The affidavit is provided to support the respondents' request for a further 10 day adjournment.
- [10] In his May 13 affidavit, Mr. Arutsothy deposed that the Debtors had delivered material requested by RBC, and had entered into a term sheet with an alternate lender (a redacted copy of which was attached to the affidavit), which Mr. Arutsothy hoped would lead to a financing commitment by May 17, 2024.
- [11] Mr. Arutsothy also provided as an exhibit to his May 13 affidavit, an updated Cash Flow for CPSI attesting to an expected increase in CPSI's revenues in the next few months, and deposed that a particular customer

“expects to increase its business to CPSI”, and that there are indications of other potential new and increasing business.

- [12] Mr. Arutsothy also deposed that he expects to receive something in the range of \$700,000.00 from his parents as of July 15, 2024.
- [13] Finally, Mr. Arutsothy deposed that CPSI has entered into a conditional agreement of purchase and sale to sell the 890 Dillingham property for over \$10 million, the closing for which, assuming the conditions are met, could be as early as approximately 70 days from now.
- [14] Mr. Arutsothy’s affidavit also discusses other efforts to source alternative funding.
- [15] In response to Mr. Arutsothy’s affidavit, RBC delivered an affidavit from Jan Oros (who had earlier delivered an affidavit dated April 26, 2024).
- [16] The Oros affidavit reviews certain events that had taken place following the attendance before Steele J. on May 7, and reviews the current indebtedness and the various efforts to which Mr. Arutsothy had deposed, that the Debtors were undertaking to address RBC’s concerns and motion.
- [17] In short, the Oros affidavit concludes that,
 - (a) the term sheet to which Mr. Arutsothy referred (and attached a redacted copy) would, if confirmed, yield financing that would be insufficient to satisfy the indebtedness owed to RBC and would leave a shortfall in the range of \$750,000.000 plus professional costs;
 - (b) that there were various inaccuracies and other shortcomings in the May 13 Arutsothy affidavit.
- [18] In his submissions, counsel for RBC reiterated some of these points, and noted that with respect to other potential sources of funding, including the funds from Mr. Arutsothy’s parents, and the sale of the 890 Dillingham property, these items are conditional and uncertain, and in any event are at best several weeks down the road.
- [19] The bottom line is that RBC is strongly opposed to a further 10-day adjournment (or any further adjournment). It notes that nothing has changed for the better since the adjournment granted by Steele J., and that as time passes RBC’s security continues to degrade.
- [20] I have concluded that it is just and convenient that RBC’s motion be granted, and that GT be appointed as receiver over the assets, undertaking and property of the Debtors.
- [21] In my view the respondents have had ample opportunity to address their indebtedness and RBC’s concerns, and have not shown appreciable progress in that regard. While the Debtors point to potential sources of alternate funding, they really have nothing concrete to offer at this stage, and RBC should not be required to wait indefinitely in the hope that something more tangible will materialize.
- [22] I am confident that GT will carefully assess the best means of maximizing value here, such that it is not a foregone conclusion that some or all of the respondents’ employees will lose their positions.

- [23] In addition, as is self-evident, if the sale of the 890 Dillingham property is concluded, and yields sufficient proceeds to pay out the indebtedness to RBC, that may yet provide an opportunity for the business to succeed as a going concern (if that is the wish and decision at that time).
- [24] However, it is not reasonable for RBC to have to wait on that possibility, and so, again, I am granting the order it seeks.



JUSTICE W.D. BLACK

DATE: MAY 21, 2024

APPENDIX 2

Court File No.

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

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

**COMMERCIAL PACKAGING SOLUTIONS INC., and
2777463 ONTARIO LTD.**

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION
243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3,
AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43, AS AMENDED**

AFFIDAVIT OF JAN OROS
(sworn April 26, 2024)

I, Jan Oros, of the Township of Georgina, in the Province of Ontario, MAKE OATH AND
SAY as follows:

1. I am a Senior Manager in the Special Loans and Advisory Services group for the Applicant, Royal Bank of Canada ("**RBC**"). I have assumed responsibility for overseeing the respective credit facilities of the Respondents, Commercial Packaging Solutions Inc. ("**CPSI**") and 2777463 Ontario Ltd. ("**277**") (collectively, the "**Debtors**"). As such, I have personal knowledge of the matters and facts hereinafter sworn to, except where stated to be based on information and belief, and where so stated, I verily believe the same to be true.

2. I make this Affidavit in support of an application (the “**Application**”) by RBC for an Order, *inter alia*, appointing Grant Thornton Limited (“**GTL**”) as receiver and manager without security (the “**Receiver**”) of all of the assets, undertakings and property of the Debtors, including, without limitation, certain real property municipally known as 890 Dillingham Road, Pickering, Ontario (the “**Property**”), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”).
3. I am authorized to make this Affidavit on behalf of RBC.

A. BACKGROUND ON THE DEBTORS

4. CPSI is incorporated pursuant to the laws of Canada. The director of CPSI is Thayanithi Arutsothy. Attached hereto as **Exhibit “A”** is a Corporate Profile Report for CPSI, dated Match 15, 2024.
5. CPSI was first incorporated on October 7, 2010, and has since been dissolved and revived on five occasions:
 - a. Dissolved August 6, 2013, and revived June 16, 2016;
 - b. Dissolved August 6, 2017, and revived November 6, 2017;
 - c. Dissolved August 11, 2018, and revived November 2, 2018;
 - d. Dissolved August 12, 2019, and revived January 30, 2020; and
 - e. Dissolved February 8, 2022, and revived September 13, 2022.
6. CPSI carries on a business manufacturing plastic packaging products such as sleeves, bags, and shrink film. CPSI leases the Property from 277 for the purpose of carrying on its manufacturing operations.
7. 277 is incorporated pursuant to the laws of Ontario. The directors of 277 are Thayanithi Arutsothy and Arutsothy Sathyanathan. Attached hereto as **Exhibit “B”** is a Corporate Profile Report for CPSI, dated Match 15, 2024.

8. According to their respective Corporate Profile Reports, the registered address for each of the Debtors is 47 Queen Isabella Crescent, Maple, Ontario, L6A 3J8.
9. 277 acquired the Property from a third-party vendor on or around November 9, 2022. Attached hereto as **Exhibit "C"** is a true copy of the Parcel Register for the Property from the Land Registry Office for the Land Titles Division of Durham (No. 40) (the "**LRO**") dated March 20, 2024.
10. 277's revenue stream consists of rental income and investments in real property..

B. LOAN AND SECURITY DOCUMENTS

i. CPSI Credit Agreement

11. Pursuant to a credit agreement dated December 4, 2023 and executed on December 7, 2023 by and among CPSI, as borrower, and RBC, as lender (the "**CPSI Credit Agreement**"), RBC extended various credit facilities to CPSI, including a revolving demand facility in the principal amount of \$750,000 (the "**Revolving Loan**"), a non-revolving term facility in the principal amount of \$55,000, and a credit card facility with a limit of \$100,000 (collectively, the "**CPSI Loans**"). Attached hereto as **Exhibit "D"** is a true copy of the CPSI Credit Agreement.
12. In accordance with the terms of the CPSI Credit Agreement, CPSI granted to and in favour of RBC the following security including, without limitation, a General Security Agreement dated as of December 7, 2023 (the "**CPSI GSA**"), pursuant to which RBC was granted a first-ranking security interest in all present of after-acquired personal property of CPSI, including all proceeds and renewals thereof, accretions thereto, and substitutions therefor (the "**CPSI Collateral**"). Attached hereto as **Exhibit "E"** is a true copy of the CPSI GSA.
13. Pursuant to a Guarantee and Postponement of Claim dated December 7, 2023 (the "**277 Secured Guarantee**"), 277 guaranteed payment to RBC of all present and future debts, liabilities and obligations at any time owing by CPSI to RBC up to a maximum amount of \$1,155,000, together with interest and costs thereon from the date of demand. Attached hereto as **Exhibit "F"** is a true copy of the 277 Secured Guarantee.

14. The CPSI Secured Guarantee is supported by (i) the 277 GSA, (ii) the Charge, and (iii) the GAR (each term defined below).
15. Pursuant to a Guarantee and Postponement of Claim dated as of December 7, 2023 (the “**CPSI Guarantee**”), Thayanithi Arutsothy and Arutsothy Sathyanathan (together, the “**Guarantors**”), on a joint and several basis, personally guaranteed payment on demand to RBC of all present and future debts, liabilities, and obligations at any time owing by CPSI to RBC up to the maximum amount of \$905,000, together with interest and costs thereon from the date of demand. Attached hereto as **Exhibit “G”** is a true copy of the CPSI Guarantee.
16. As of April 24, 2024, pursuant to the CPSI Loans, CPSI was indebted to RBC in the amount of CAD\$1,249,734.71 and USD\$5,083.43, inclusive of interest to such date, plus further interest, fees, and costs that continue to accrue from and after April 24, 2024 (the “**CPSI Indebtedness**”).

ii. 277 Credit Agreement

17. Pursuant to a credit agreement dated as of December 4, 2023 executed as of December 7, 2023 by and among 277, as borrower, and RBC, as lender (the “**277 Credit Agreement**”, and together with the CPSI Credit Agreement, the “**Credit Agreements**”), RBC extended to 277 a non-revolving term facility in the principal amount of \$8,300,000 (the “**277 Loan**”). Attached hereto as **Exhibit “H”** is a true copy of the 277 Credit Agreement.
18. In accordance with the terms of the 277 Credit Agreement, 277 granted to and in favour of RBC the following security, including, without limitation, (i) a general security agreement dated as of December 7, 2023 by 277 in favour of RBC (the “**277 GSA**”, and together with the CPSI GSA, the “**GSAs**”) pursuant to which RBC was granted a first-ranking security interest in all present of after-acquired personal property of CPSI, including all proceeds and renewals thereof, accretions thereto and substitutions therefore (the “**277 Collateral**”), (ii) a charge/mortgage of lands on the Property in favour of RBC in the principal amount of \$10,050,000 dated December 21, 2023 (the “**Charge**”), and (iii) a Notice of Assignment of Rents – General in favour of RBC, dated December 21, 2023, relating to the Charge

(the “GAR”). Attached hereto as **Exhibits “I”, “J”, and “K”** are true copies of the 277 GSA, the Charge and the GAR.

19. Pursuant to a Guarantee and Postponement of Claim dated as of December 7, 2023 in favour of RBC (the “**CPSI Secured Guarantee**”), CPSI guaranteed payment on demand to RBC of all present and future debts, liabilities and obligations at any time owing by 277 to RBC up to a maximum amount of \$8,300,000, together with interest and costs thereon from the date of demand, the CPSI Secured Guarantee is supported by the CPSI GSA. Attached hereto as **Exhibit “L”** is a true copy of the CPSI Secured Guarantee.
20. Pursuant to a Guarantee and Postponement of Claim dated as of December 7, 2023 in favour of RBC (the “**277 Guarantee**”), the Guarantors, on a joint and several basis, personally guaranteed payment on demand to RBC of all present and future debts, liabilities and obligations at any time owing by 277 to RBC up to the maximum amount of \$8,300,000, together with interest and costs thereon from the date of demand. Attached hereto as **Exhibit “M”** is a true copy of the 277 Guarantee.
21. As of April 15, 2024, pursuant to the 277 Loan, 277 was indebted to RBC in the amount of \$8,339,139.58, inclusive of interest to such date, plus further interest, fees, and costs that continue to accrue from and after April 15, 2024 (the “**277 Indebtedness**”).

iii. Registration of Security

22. Pursuant to the 277 Credit Agreement, on December 21, 2023, RBC registered the following instruments against title to the Property with the LRO:
 - a. The Charge as Instrument No. DR2287861; and
 - b. The GAR as Instrument No. DR2287864.
23. In order to perfect its security interests under the CPSI GSA and the 277 GSA respectively, RBC has given notice of its security interests pursuant to the *Personal Property Security Act*, R.S.O. 1990, c. P.10, as amended (the “**PPSA**”) by filing the following:

- a. Financing statement bearing file reference number 50089418 in respect of CPSI;
and
- b. Financing statement bearing file reference number 501109947 in respect of 277.

Attached hereto as **Exhibits "N" and "O"** are certified copies of the PPSA searches against CPSI and 277, with file currency dates of March 15, 2024.

C. DEFAULTS AND LOSS OF CONFIDENCE

- 24. The Credit Agreements specify, among other things, that upon the occurrence of certain "Events of Default" RBC is entitled to cancel any and all credit facilities (including the CPSI Loans and 277 Loan), demand immediate repayment, in full, of the CPSI Indebtedness and the 277 Indebtedness, and to realize on all or a portion of the security granted to RBC.

- 25. As detailed below, various Events of Default have occurred under the Credit Agreements. RBC has lost confidence in the Debtors' management and their ability to comply with their obligations under the Credit Agreements. RBC also believes that the Debtors may no longer be acting in good faith in respect of their lending relationship with RBC.

i. The Debtors are not able to pay their obligations

- 26. The Debtors are not able to pay their obligations to RBC. On April 1, 2024, in accordance with the 277 Credit Agreement, 277 was required to make a monthly payment in the amount of \$59,485.52 to RBC in respect of the 277 Loan. To date, 277 has failed or neglected to make this payment.
- 27. As detailed below, on April 2, 2024, RBC issued a demand on the CPSI Loans, including the Revolving Loan, which facility is payable on demand from RBC. To date, the amount owing under the CPSI Loans remain outstanding.
- 28. The Debtors are also in default of their obligations to certain other creditors in addition to RBC. Specifically:

- a. 277 has failed to pay property tax to the City of Pickering (the “**City**”) in respect of the Property and there are accrued tax arrears in the amount of \$25,367.78 due and payable on the Property (the “**Property Tax Arrears**”). Attached hereto as **Exhibit “P”** is a true copy of the tax certificate dated March 24, 2024.
- b. 277 is also in default of its obligations to the City in respect of water charges incurred for the Property. As of March 24, 2024, there were arrears of water charges in the amount of \$2,529.91 (the “**Water Arrears**”). Attached hereto as **Exhibit “Q”** is a true copy of the water certificate dated March 24, 2024.

ii. Banking activity in CPSI’s Account

29. Between March 5 and March 7, 2024, fourteen cheques (each a “**Returned Cheque**”) totaling \$1,154,893.49 were deposited by CPSI into the Account, and each cheque was returned by the issuing bank due to nonsufficient funds (“**NSF**”) in the payors’ accounts causing the Account to become overdrawn. As a result of this activity, RBC made a business decision to place the Account on “Deposit Only” until the overdraft could be addressed. Attached hereto as **Exhibit “R”** is a summary of transactions in the Account from March 5, 2024 to March 11, 2024 (the “**Transaction Summary**”).
30. On March 12, 2024, Yannick Brammer (“**Yannick**”), Senior Relationship Manager for RBC, corresponded via email with Sutharsan (Samuel) Arutsothy (“**Samuel**”), a Signing Officer at CPSI, and Roblin Branwell (“**Roblin**”), Controller of CPSI. Yannick advised Samuel and Roblin that the Account was overdrawn in the amount of approximately \$350,000, as a result of the Returned Cheques, and requested that CPSI clear the overdraft.
31. Prior to the series of cheques having been returned, the Debtors had advised RBC that they were working on obtaining further working capital for operations and capital expenditures. In his March 12, 2024 email, Yannick inquired as to the status of a deposit for \$1 million (the “**Deposit**”) in connection with the sale of the Lamont Property (defined below).
32. That same day, Roblin advised RBC that CPSI was not aware of the Returned Cheques and requested further information regarding the overdrawn balance. Regarding the Sale

Proceeds, Roblin advised RBC that CPSI expected to receive \$250,000 on March 13, 2024, with the remaining \$750,000 to be deposited on March 20, 2024.

33. Yannick responded to Roblin later that day and confirmed that almost all of the cheques that had been deposited into the Account in the week prior had been returned NSF. Yannick also requested that a meeting be scheduled for March 14 or 15, 2024.
34. On March 13, 2024, Yannick sent a follow-up email to Samuel and Roblin, demanding an urgent update regarding CPSI's overdraft in the Account and further inquired as to their availability to meet. Yannick also enclosed the Transaction Summary. Attached hereto as **Exhibit "S"** is a copy of the email chain between Yannick, Sam, and Roblin, dated March 11 to March 13, 2024.
35. To date, CPSI has not cleared the overdraft in the Account.
36. As of April 24, 2024, the Account remained in an overdraft position of \$677,669.99.

iii. The Debtors are directing payments to accounts held with other financial institutions

37. On April 8, 2024, RBC's Commercial Service Team received correspondence from a client requesting assistance regarding a payment made by the client to CPSI. The client advised that they had transferred \$51,573.71 to the Account on March 22, 2024, and initiated a stop-payment on the transfer on March 26, 2024 because CPSI had informed the client that CPSI had "changed banks". Attached hereto as **Exhibit "T"** is a copy of an email dated April 8, 2024 regarding the client's deposit.
38. On February 15, 2024, Yannick sent an email to Samuel to confirm the details of an earlier phone conversation. In his email, Yannick noted and was of the understanding that CPSI intended to close its account or accounts at the Bank of Montreal ("**BMO**") (the "**BMO Accounts**") within the next two to three months. Samuel responded on March 5, 2024, indicating that the BMO Accounts would be closed in the next month. Attached hereto as **Exhibit "U"** is a copy of an email chain dated February 15 to March 6, 2024, regarding the BMO Accounts.

39. Subsequent to the March 15 Meeting, I sent CPSI an information request, pursuant to which I requested, among other things, that Samuel provide details regarding any bank accounts that CPSI maintained at other financial institutions, including BMO. I did not receive any response.
40. Although RBC was aware of the BMO Accounts, RBC expected that CPSI would proceed to close out the BMO Accounts such that CPSI would not direct its customers to pay receivables into the BMO Accounts.
41. Other than the BMO Accounts, RBC is not aware of any other deposit accounts maintained by CPSI.
42. Since March 8, 2024, only five deposits have been received in the Account, one of which was returned as a Returned Cheque. Attached hereto as **Exhibits "V" and "W"** respectively are (i) the account statement for the Account for the period of February 29, 2024 to March 28, 2024, and (ii) the transaction history for the Account from March 27, 2024 to April 25, 2024.
43. Funds on deposit in the Account constitute part of the CPSI Collateral over which RBC has a first-ranking charge pursuant to the CPSI GSA which secures CPSI's obligations under the CPSI Credit Agreement and CPSI Secured Guarantee. By depositing CPSI sales proceeds to another financial institution, CPSI has further impaired RBC's security position.

iv. The Debtors have failed to respond to reasonable requests for information

44. On March 14, 2024, Yannick wrote to the Debtors (the "**Transition Letter**") and advised, among other things, that RBC was concerned that the Debtors were experiencing financial difficulties due to changes in their financial performance and/or financial condition and that the large number of Returned Cheques in the Account, had resulted in a serious deterioration of the Debtors' risk profile. Yannick also advised that oversight for the CPSI and 277 credit facilities had been transitioned to RBC Special Loans and Advisory Services, and that I would have responsibility for the Debtors' accounts going forward. Attached hereto as **Exhibit "X"** is a true copy of the Transition Letter.

45. On March 15, 2024, I met with Samuel to discuss the Debtors' financial condition (the "**March 15 Meeting**"). In a follow-up email, I requested various documents and information, including but not limited to copies of financial statements, information regarding the Debtors' accounts at other financial institutions, a copy of the APS (defined below), copies of certain material contracts, evidence of insurance, and details regarding the Debtors' anticipated accounts receivable collections (the "**March 15 Request**"). Attached hereto as **Exhibit "Y"** is a copy of my email to Samuel and Roblin.
46. From March 20 to 22, 2024, I exchanged emails with Roblin at which time I provided various CPSI bank statements at Roblin's request. On March 27, 2024, Roblin advised that CPSI was working with an external accountant to respond to the March 15 Request and would provide a response by March 28, 2024. Attached hereto as **Exhibit "Z"** is a copy of the email chain between Roblin and I, dated March 20 to March 27, 2024.
47. To date, RBC has not received any documents or information in response to the March 15 Request. To my knowledge, RBC has not received any correspondence from CPSI since March 27, 2024, nor has any part of the March 15 Request been answered.

v. The Debtors failed to disclose their intent to dispose of the Property and their business

48. On or around November 28, 2023, the Property was listed for sale through CBRE Limited (the "**Listing**"). The Listing was last updated on March 7, 2024. Attached hereto as **Exhibit "AA"** is a copy of the Listing dated April 24, 2024.
49. I personally discovered that the Property had been listed for sale on March 14, 2024, while conducting an internet search regarding the Property in advance of the March 15 Meeting.
50. 277 failed to disclose the fact that the Property was listed for sale, or that the Debtors intended to sell the Property, when the Debtors and RBC were entering into the Credit Agreements. At the time, RBC considered the Property to be a critical component of RBC's security for the Debtors' obligations under the Credit Agreements.

51. During the March 15 Meeting, Samuel advised that 277 had recently listed the Property for sale, and that they were finalizing an agreement of purchase and sale (the “APS”) with a proposed buyer to acquire the Property and CPSI’s business for \$15 million, and that the deal was expected to close in late April 2024. Samuel volunteered this information before I had the opportunity to ask about the Listing. When I asked Samuel if the Property had been listed in November 2023, Samuel said “no”.
52. Pursuant to the 277 Credit Agreement, 277 is not permitted to sell, transfer, or convey any of its properties or assets out of the ordinary course of business without prior written consent of RBC.
53. The Debtors did not seek, nor did RBC provide, RBC’s prior written consent to the APS or 277’s sale of the Property as is required under the 277 Credit Agreement and the 277 GSA, nor did the Debtors advise RBC of their intent to sell their business.
54. As of the date of this affidavit, RBC has not received a copy of the APS, despite having requested same in connection with the March 15 Request.
55. To RBC’s knowledge, the Property is the only real property owned by either of the Debtors.

vi. The Debtors attempt to sell or mortgage the Lamont Property

56. On or around October 10, 2023, 2820109 ONTARIO INC. (“109”), as Seller, and RIPPLE SIXFIVE INC. IN TRUST, as Buyer, entered into an Agreement of Purchase and Sale in respect of property known as 8A & 8B Lamont Avenue (the “**Lamont Property**”), which Agreement of Purchase and Sale was amended on February 14, 2024 (the “**Lamont Amendment**”). Attached hereto and marked as **Exhibit “BB”** is a true copy of the Lamont Amendment.
57. 109 is incorporated pursuant to the laws of Ontario. The director of 109 is Arutsothy Sathyanathan. Attached hereto as **Exhibit “CC”** is a Corporate Profile Report for 109, dated April 24, 2024.

58. In his email dated February 15, 2024, which is attached hereto as Exhibit "U", Yannick noted and was of the understanding that CPSI intended to close the sale of the Lamont Property on March 5, 2024.
59. During the March 15 Meeting, Samuel provided me with a copy of a mortgage commitment letter dated March 7, 2024, between A & A Financial Group ("**A & A**"), as Mortgagee, and 109 and 2820108 Ontario Inc. ("**108**"), as Mortgagors, for a principal amount of \$250,000 at an annual rate of 42% per annum to be guaranteed and secured by a third mortgage against the Lamont Property (the "**Mortgage Commitment**"). Attached hereto as **Exhibit "DD"** is a copy of the Mortgage Commitment.
60. The Mortgage Commitment notes a closing date of March 18, 2024, and a maturity date of September 7, 2024.
61. While 109 and/or the Debtors have attempted to sell or obtain a third mortgage against the Lamont Property, RBC is unaware if either transaction has been completed, nor has CPSI made the Deposit to the Account in order to clear the overdraft in the Account and provide the Debtors with the required working capital injection for their business, notwithstanding that CPSI had previously advised in the email chain attached as Exhibit "S" that the Deposit would be made into the Account by March 20, 2024.

D. DEMANDS FOR PAYMENT

62. Given the foregoing concerns, and as a result of the Debtors' failure to pay principal and interest as such amounts came due under the respective credit facilities, RBC instructed its lawyers, Borden Ladner Gervais LLP ("**BLG**"), to issue formal demands for payment (each a "**Demand Letter**") and serve Notices of Intention to Enforce Security (each a "**NITES**") pursuant to section 244(1) of the BIA in respect of the CPSI Indebtedness and 277 Indebtedness, respectively.
63. On April 2, 2024, BLG delivered a Demand Letter and NITES to CPSI in respect of the CPSI Indebtedness. Attached hereto and marked as **Exhibit "EE"** is a true copy of the Demand Letter to CPSI, attaching the NITES.

64. A Demand Letter and NITES was also sent to 277, in its capacity as guarantor of the CPSI Indebtedness, pursuant to the 277 Secured Guarantee. Attached hereto and marked as **Exhibit "FF"** is a true copy of the Demand Letter dated April 2, 2024, to 277, attaching the NITES in respect of the CPSI Indebtedness.
65. A Demand Letter was also sent to the Guarantors in respect of the CPSI Indebtedness pursuant to the CPSI Guarantee. Attached hereto as **Exhibit "GG"** is a true copy of the Demand Letter dated April 2, 2024 to the Guarantors.
66. On April 8, 2024, BLG delivered supplemental letters to 277 and the Guarantors confirming the amount of their respective liabilities pursuant to the 277 Secured Guarantee and the CPSI Guarantee, respectively (each a **"Supplemental Letter"**). Attached hereto as **Exhibits "HH"** and **"II"** are true copies of the Supplemental Letters.
67. That same day, Vithu Ramachandran, a lawyer at Ramachandran Law acting on behalf Debtors, responded to BLG's email delivering the Supplemental Letters. Mr. Ramachandran requested that BLG provide a payout statement with an effective payout date of April 30, 2024.
68. On April 10, 2024, BLG responded to Mr. Ramachandran, requesting confirmation that it was the Debtors' intention to pay out the CPSI Loans and the 277 Loan. BLG further advised that a forbearance agreement would be required to bridge the time between the expiry of the notice period indicated in the Demand Letters and NITES which were delivered to CPSI on April 2, 2024 and the proposed payout date of April 30, 2024. Attached hereto and marked as **Exhibit "JJ"** is a true copy of the email chain dated April 8 to April 10, 2024 between BLG and Mr. Ramachandran.
69. Neither BLG nor RBC have received any response from Mr. Ramachandran or any further correspondence from the Debtors with respect to the proposed payout.
70. On April 18, 2024, BLG delivered a Demand Letter and NITES to 277 in respect of the 277 Indebtedness. Attached hereto and marked as **Exhibit "KK"** is a true copy of the Demand Letter to 277, attaching the NITES.

71. A Demand Letter and NITES was also sent to CPSI, in its capacity as guarantor of the 277 Indebtedness, pursuant to the CPSI Secured Guarantee. Attached hereto and marked as **Exhibit "LL"** is a true copy of the Demand Letter dated April 18, 2024, to CPSI, attaching the NITES in respect of the 277 Indebtedness.
72. A Demand Letter was also sent to the Guarantors in respect of the 277 Indebtedness pursuant to the 277 Guarantee. Attached hereto as **Exhibit "MM"** is a true copy of the Demand Letter dated April 18, 2024 to the Guarantors.
73. As of the date of this Affidavit, RBC has not received payment in respect of the CPSI Indebtedness or 277 Indebtedness from CPSI, 277, or the Guarantors.

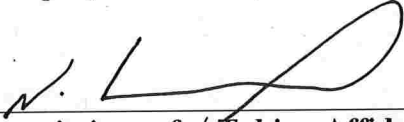
E. REQUEST FOR THE APPOINTMENT OF GRANT THORNTON LIMITED AS RECEIVER

74. The Debtors are in default of their obligations to RBC and are unable to repay their indebtedness owing to RBC.
75. Given the circumstances, RBC seeks to appoint GTL as receiver and manager of the Debtors so that the Receiver can review all options on a go-forward basis and return to court to seek appropriate direction under the circumstances, with a view to maximizing the realization on the Property for the benefit of all stakeholders involved.
76. Both the CPSI GSA and 277 GSA provide RBC with the right to appoint a receiver or receiver and manager pursuant to Section 13 thereof. The Charge also provides RBC with the right to appoint a receiver pursuant to Section 42 of the Standard Charge Terms, a true copy of which is attached hereto and marked as **Exhibit "NN"**.
77. RBC has lost confidence in the management of the Debtors. RBC is of the view that CPSI Collateral and the 277 Collateral will be further irreversibly impaired unless this Court immediately appoints GTL as receiver and manager of the Debtors and their respective property and assets.
78. The defaults by the Debtors include, among other things, non-payment of their obligations under the Credit Agreements, disposition of assets without prior written consent of RBC,

diversion of funds to a third-party financial institution, abnormal transaction activity to the detriment of RBC, failure to pay outstanding taxes and other charges on the Property, and failure to provide financial and other information to RBC upon reasonable request, all of which place RBC's collateral at risk.

79. GTL has consented to act as receiver and manager of the Debtors. Attached hereto and marked as **Exhibit "OO"** is a copy of the consent of GTL to act as receiver and manager.
80. This Affidavit is sworn in support of an Order for the appointment of GTL as receiver and manager of the Debtors and for no other or improper purpose.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario, this 26th
day of April, 2024.



A Commissioner for Taking Affidavits

Nicholas Jacob Hollard
LSO # 831700



JAN OROS

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

**COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.**

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION
243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3,
AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43, AS AMENDED**

AFFIDAVIT OF JAN OROS
(sworn May 15, 2024)

I, Jan Oros, of the Township of Georgina, in the Province of Ontario, MAKE OATH AND
SAY as follows:

1. This affidavit, supplementing my affidavit sworn April 26, 2024 (the “**First Oros Affidavit**”), is in reply to the following items, which I have read and reviewed:
 - a. the affidavit of Samuel Arutsothy dated May 5, 2024 (the “**First Arutsothy Affidavit**”); and
 - b. the documents disclosed by Cameron Wetmore of Solmon Rothbart Tourgis Slodovnick LLP, counsel for the Debtors, on May 10, 2024 (the “**Documentary**”)

Disclosure”), as well as Mr. Wetmore’s email delivering such documents (the **“Wetmore Email”**);

- c. the term sheet contemplating the Debtors’ entry into an agreement with an alternate lender (the **“Term Sheet”**), which the Debtors have provided in unredacted form on a confidential basis; and
 - d. the affidavit of Samuel Arutsothy dated May 14, 2024 (the **“Second Arutsothy Affidavit”**).
- 2. A copy of the Wetmore Email, without attachments, is attached hereto as Exhibit **“A”**.
 - 3. Capitalized terms used and not defined herein, unless otherwise indicated, have the meanings given to them in the First Oros Affidavit.

A. UPDATE ON THE APPLICATION AND INDEBTEDNESS

- 4. Since the hearing before Justice Steele on May 7, 2024, the following events have transpired:
 - a. On May 9, 2024, Borden Ladner Gervais LLP (**“BLG”**) wrote to BMO on RBC’s behalf to request that BMO place a hold on any and all accounts held by CPSI and 277 at BMO (each a **“BMO Account”**). I am advised by Nick Hollard, a lawyer at BLG, that BMO placed the BMO Accounts on hold that same day. Attached hereto as Exhibit **“B”** is a copy of the letter from BLG to BMO dated May 9, 2024.
 - b. On May 10, 2024, BMO advised BLG that it would continue to hold the BMO Accounts until the within receivership application had been heard. Attached hereto as Exhibit **“C”** is a copy of the email from BMO to BLG, dated May 10, 2024.
 - c. On May 10, 2024, the Debtors delivered the Documentary Disclosure.
 - d. On May 13, 2024, the Debtors delivered the unredacted Term Sheet on a confidential basis. A redacted version of the Term Sheet is attached as Exhibit **“A”** to the First Arutsothy Affidavit.

- e. On May 14, 2024, the Debtors delivered the Second Arutsothy Affidavit.
 - f. On May 15, 2024, BMO advised that it was going to lift its hold on the BMO Accounts on the basis that the Debtors had objected to the hold. That same day, BLG wrote to BMO to inquire as to the basis of the Debtors' objection.
- 5. As of May 15, 2024, the amount of the CPSI Indebtedness is \$1,246,948.36 and USD\$5,113.63, while the amount of the 277 Indebtedness is \$8,357,543.32. In total, CPSI and 277 are indebted to RBC in the sums of \$9,604,491.68 and USD\$5,113.63 (the "**Total Indebtedness**"), excluding professional costs.
 - 6. Additionally, based on CPSI's Balance Sheet for the period of January 1, 2024 to March 31, 2024, a copy of which is attached hereto as Exhibit "**D**", the Business Development Bank of Canada is owed \$135,042.25 (the "**BDC Indebtedness**").

B. INSUFFICIENCY OF ALTERNATE FINANCING UNDER THE TERM SHEET

- 7. Attached as Exhibit "A" to the First Arutsothy Affidavit is a redacted term sheet which contemplates the Debtors' entry into an agreement with an alternate lender (the "**Term Sheet**").
- 8. Based on my review of the Term Sheet, I do not believe that the alternative financing under the Term Sheet will be sufficient to satisfy the Total Indebtedness.
- 9. The Term Sheet proposes the following credit facilities:
 - a. a term loan in the amount of up to \$8,700,000 to refinance 890 Dillingham and further demand loans from RBC, BMO and BDC;
 - b. a capex term loan in the amount of \$300,000 "to payoff existing financing with RBC";
 - c. a margined operating line of credit in the amount of \$500,000 "to finance Borrower's day-to-day operations"; and
 - d. a Business MasterCard with a limit of \$100,000 "to support day to day operations".

10. The Term Sheet therefore contemplates a maximum of \$9,000,000 in financing to repay the Total Indebtedness (the “**Repayment Loans**”).
11. Accordingly, there is a shortfall of approximately \$746,033.93 (plus professional costs) between (1) the Total Indebtedness and BDC Indebtedness and (2) the Repayment Loans, which shortfall would remain outstanding and payable by the Debtors.

C. RESPONSES TO THE SECOND ARUTSOTHY AFFIDAVIT

12. The Second Arutsothy Affidavit contains several statements which are either inaccurate or omit information that is pertinent to Mr. Arutsothy’s evidence (exhibits referenced in the subparagraphs below are appended to the Second Arutsothy Affidavit):
 - a. Paragraph 4: This statement is incorrect. BLG wrote to BMO on RBC’s behalf on May 9, 2024, and that BMO advised BLG that same day that BMO had placed all accounts held by CPSI and 277 on hold.
 - b. Paragraph 10: Regarding the Term Sheet, Mr. Arutsothy states that he expects the lender will provide a financing commitment on May 17, 2024. However, the Term Sheet requires CPSI to pay an application fee in the amount of \$25,000 upon their acceptance of the Term Sheet. There is no evidence that such fee has been paid.
 - c. Paragraph 14: Mr. Arutsothy omits to mention that that the letter from Poly Ethic Industries attached as Exhibit “C” is dated March 4, 2023, is unsigned, and is a non-binding letter of intent.
 - d. Paragraph 15: The letter from Abatement Technologies attached as Exhibit “D” provides a non-binding forecast of Abatement Technologies’ purchasing for the 2023 calendar year. This letter does not provide evidence of Mr. Arutsothy’s statement that “Abatement usually generates revenue of \$150,000 monthly for CPSI”, nor does it support Mr. Arutsothy’s expectation that Abatement Technologies will continue to do business with CPSI.
 - e. Paragraph 16: Mr. Arutsothy again omits to mention that the Award of Request for Proposal attached as Exhibit “E” is unsigned and provides for a recommendation

that CPSI be awarded the contract. Despite the fact that the Award of Request for Proposal was issued on January 28, 2023, it appears that no contract has been signed.

- f. Paragraph 17: Mr. Arutsothy states that the RFP attached as Exhibit “F” constitutes a commitment from Trinity Star Developments Inc. to purchase goods from CPSI. However, the RFP is undated and unsigned, appears to be issued to Fusioncorp Developments Inc. rather than CPSI, and does not contemplate unit price, volume, date of delivery, payment terms, or any other terms I would expect to see in a contract. Furthermore, the RFP only refers to CPSI as the proposed supplier of products listed in an Excel spreadsheet which has not been appended to the Second Arutsothy Affidavit.
- g. Paragraph 18-20: Mr. Arutsothy refers to an investment owned by his parents “that will provide them with \$700,000” when it matures on July 15, 2024, pursuant to (1) the Limited Partnership Agreement attached as Exhibit “G”, which is partially signed, and (2) the Assignment Agreement attached as Exhibit H, which is unsigned despite being dated August 25, 2022. To my understanding, the Assignment Agreement provides for a transfer of rights in Trinitystar Carina L.P. from Sathyendra Pathmanathan (who I understand to be Mr. Arutsothy’s uncle) to Mr. Arutsothy’s parents. Neither the Limited Partnership Agreement nor the Assignment Agreement expressly provide for or otherwise make reference to an investment that will mature on July 15, 2024 in the amount of \$700,000.
- h. Paragraph 24: Although Mr. Arutsothy refers to the Agreement of Purchase and Sale (“APS”) attached as Exhibit “I” as being “signed”, the APS is only signed by the proposed buyer. 277, as the seller, has not countersigned the APS. Mr. Arutsothy has not explained why 277 has not executed the APS.

D. CONCERNS REGARDING THE DEBTOR’S FINANCIAL DISCLOSURE

- 13. Through the Documentary Disclosure and the Second Arutsothy Affidavit, the Debtors have disclosed, among other things, various financial statements. On my review, I have

observed numerous inconsistencies that call into question the proficiency of the Debtors' bookkeeping and accounting which reporting is required to accurately calculate the covenants noted in the Term Sheet.

14. CPSI's net income as reported in its profit & loss statements (each a "**P&L**") and Balance Sheets for the 2023 and 2024 fiscal years do not agree between these two reports:
 - a. For the period of January 2023 through December 2023, the Balance Sheet reported a net loss of \$200,025.96 while the P&L reported a net income of \$589,271.42; and
 - b. For the period of January 2024 through March 2024, the Balance Sheet reported a net loss of \$280,491.60 while the P&L reported a net income of \$119,508.40.
15. Copies of CPSI's P&L statements for the period of January 2023 through December 2023, and January 2024 and March 2024, are attached hereto as Exhibits "**E**" and "**F**", respectively. A copy of CPSI's Balance Sheet for the period of January 1, 2023 to December 31, 2023 is attached hereto as Exhibit "**G**".
16. The Debtors have also provided a cashflow statement for CPSI for the period of January 2024 through April 2024 (the "**Cashflow Statement**"), which is attached as Exhibit "**B**" to the Second Arutsothy Affidavit. The Cashflow Statement for the first three months of 2024 should, but does not, correspond with the 2024 P&L for the same period. There are significant variances between the two statements:

	Cashflow Statement Q1 totals (\$)	2024 P&L (\$)	Variance (\$)
Sales	986,561	957,664	(28,897)
COGS	532,236	342,993	(189,243)
Gross Margin	454,325	614,671	160,346
Total Expenses	369,561	495,163	125,602
NIBT	84,764	119,508	34,744

17. As a result of these discrepancies, it is difficult to rely upon CPSI's financial statements as a reliable source of information in order to be able to calculate if the covenants required in the Term Sheet can be met.

E. INDIAN BAZAAR & RUBEN RESTAURANT SUPPLY

18. During the March 15 Meeting (described at paragraph 15 of the First Oros Affidavit), Mr. Arutsothy advised CPSI had commenced legal proceedings against Indian Bazaar #1 Inc. (“**Indian Bazaar**”) and Ruben Restaurant Supply (“**Ruben**”) in respect of unpaid invoices totaling approximately \$518,808. However, the demand letters sent to Indian Bazaar and Ruben by CPSI’s counsel (each a “**Demand Letter**”) are dated March 15, 2024, the same date as the March 15 Meeting. Furthermore, per the Wetmore Email, CPSI still has not commenced legal proceedings against either Indian Bazaar or Ruben. Attached hereto as Exhibits “**H**” and “**I**” are letters from Jelani K. Asante of Ramachandran Law to Indian Bazaar and Ruben dated March 15, 2024, respectively.
19. Notably, the Demand Letter to Ruben is addressed to Ruben at 890 Dillingham, the property owned by 277 and at which address CPSI carries on its business.
20. I swear this affidavit in support of RBC’s application to appoint a receiver over the assets and business of the Debtors, and for no improper purpose.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario, this 15th
day of May, 2024 in accordance with O. Reg.
431/20, Administering Oath or Declaration
Remotely.



A Commissioner for Taking Affidavits



JAN OROS

APPENDIX 3

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

**COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.**

Respondents

**APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, RSC 1985, c B-3. AS AMENDED AND UNDER SECTION 101
OF THE *COURTS OF JUSTICE ACT*, RSO 1990, cC43, AS AMENDED**

**FIRST REPORT TO THE COURT OF GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER AND MANAGER OF COMMERCIAL PACKAGING
SOLUTIONS INC. and 2777463 ONTARIO LTD.**

AUGUST 15, 2024

 **Grant Thornton**
Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4

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APPENDICES

- 1 Receivership Order and Endorsement dated May 21, 2024
- 2 Oros Affidavits Sworn on April 26, 2024 and May 15, 2024 (without exhibits)
- 3 Notice to contact the Receiver
- 4 Redacted Sale Agreement
- 5 Interim Statement of Receipts and Disbursements
- 6 Affidavit of Jacob Wiebe sworn August 14, 2024
- 7 Affidavit of Thomas Masterson sworn August 15, 2024

CONFIDENTIAL APPENDICES

- 1 Summary of Appraisal, Listing Proposal and Offers
- 2 Sale Agreement

INTRODUCTION

1. Grant Thornton Limited was appointed as Receiver and Manager (the “**Receiver**”), without security, of all of the assets, undertakings and properties of Commercial Packaging Solutions Inc (“**CPSI**”) and 2777463 Ontario Ltd. (“**2777463**” and collectively with CPSI, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors including the real property owned by 2777463 pursuant to an order of the Honourable Justice Black of the Ontario Superior Court of Justice (the “**Court**”) dated May 21, 2024 (the “**Receivership Order**”). A copy of the Receivership Order and related endorsement are attached hereto as **Appendix “1”**.
2. The Debtors’ primary secured creditor is Royal Bank of Canada (the “**RBC**”).
3. 2777463 owns real property located at 890 Dillingham Road, Pickering, Ontario (the “**Real Property**”). The Real Property is a stand alone industrial commercial building. CPSI operated from the Real Property.
4. CPSI is a packaging manufacturing company which manufactured a range of products including packaging film and garbage bags. CPSI owns plastic extrusion equipment as well as inventory and other equipment located at the Real Property.
5. Samuel Arutsothy (“**Mr. Arutsothy**”) is the principal of the Debtors.
6. Background information pertaining to the Debtors, including the circumstances leading to the appointment of the Receiver, is contained in the affidavits of Jan Oros sworn on April 26, 2024 and May 15, 2024 (collectively, the “**Oros Affidavits**”) in support of the RBC’s application for the appointment of the Receiver. Copies of the Oros Affidavits without exhibits are attached hereto as **Appendix “2”**.

PURPOSE OF THIS FIRST REPORT

7. The purpose of this first report of the Receiver (the “**First Report**”) is to inform the Court of the Receiver’s activities since the date of the Receivership Order and to obtain support of the Receiver’s motion for an order of the Court, among other things:
 - a. approving the actions and activities of the Receiver as described in this First Report;
 - b. authorizing the Receiver to dispose of third-party property located at the Real Property if not claimed by August 31, 2024;

- c. requiring Mr. Arutsothy to pay to the Receiver all funds as property of the Debtors collected by Mr. Arutsothy which was owing to the Debtors (the “Funds”);
- d. requiring that TD Bank provide the name of the owner of the bank account into which the Funds were deposited that are property of the Debtors;
- e. authorizing the Receiver to complete the Anticipated Sale Transaction (as defined herein);
- f. in the event that the Anticipated Sale Transaction does not close in accordance with the terms of the Sale Agreement (defined herein), authorizing the Receiver to enter into a real estate listing agreement with Colliers International Group Inc. (“**Colliers**”) for the sale of the Real Property;
- g. approving the Receiver’s Interim Statement of Receipts and Disbursements and the fees and disbursements of the Receiver and its counsel, Harrison Pensa LLP (“**Harrison Pensa**”); and
- h. sealing Confidential Appendices “1” and “2” until the Real Property is sold or further order of the Court.

TERMS OF REFERENCE

- 8. In preparing this First Report, the Receiver has relied upon unaudited, draft and/or other information provided by the principals of the Debtors, contractors, stakeholders and other third-party sources (collectively, the “**Information**”). The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards.
- 9. The First Report has been prepared for the use of this Court to provide general information and an update relating to this receivership proceeding (the “**Receivership Proceeding**”) for the purpose of assisting the Court in making a determination as to whether to approve the relief sought. This First Report should not be relied on for any other purpose. The Receiver will not assume responsibility or liability for losses incurred as a result of the circulation, publication, reproduction or use of this First Report contrary to the provisions of this paragraph.
- 10. Capitalized terms not defined in this First Report are as defined in the Receivership Order. All references to dollars are in Canadian currency unless otherwise noted.

11. Copies of materials filed in these Receivership Proceeding are available on the Receiver's Case Website at www.GrantThornton.ca/CommercialPackagingSolutions .

ACTIONS OF THE RECEIVER

Taking Possession

12. The Receiver attended the Real Property on May 27, 2024 ("**Possession Date**") for the purpose of performing an initial inspection and taking possession of the Real Property. The Receiver provided Mr. Arutsothy with a copy of the Receivership Order and explained the Receiver's mandate.
13. The Receiver noted that there were no employees present at the Real Property and there did not appear to be any business activity occurring. Mr. Arutsothy advised that he had advised all the employees not to come to work as a result of the Receivership Order being issued by the Court.
14. Affidavits sworn by Mr. Arutsothy in support of the Debtors' opposition to the Bank's application for the appointment of a Receiver state that CPSI was actively operating, fulfilling customer orders, and that CPSI had ten employees and 2 contractors.
15. The Receiver therefore asked Mr. Arutsothy about the status of operations and the fulfillment of customer orders. Mr. Arutsothy responded that CPSI only had 6 employees and had not been operating on a regular basis for some time. Mr. Arutsothy advised that there was no current scheduled production or fulfillment of customer orders.
16. The Receiver performed the customary day one activities including: changing the locks at the Real Property; and arranging for utilities to be transferred to the Receiver; contacting the City of Pickering to change the address for property tax billing; and, arranging for the Receiver to be named as an additional insured on the insurance policy for the Real Property.
17. The Receiver met with Roblin Branwell ("**Ms. Branwell**"), the Debtors' controller, and arranged for Ms. Branwell to assist the Receiver in obtaining the Debtors' financial records. The Receiver sent letters to all other employees advising that their employment with CPSI was terminated as a result of the Receivership Order. The Receiver also advised the employees of their rights under the *Wage Earners Protection Program Act* and assisted them with filing the necessary claims with Service Canada.

18. The Receiver became aware that the Debtors' maintained bank accounts at RBC and Bank of Montreal ("**BMO**"). The Receiver requested that RBC and BMO freeze the Debtors' bank accounts and transfer any funds in those accounts to the Receiver. RBC and BMO transferred \$50,000.00 and \$54,223.01 respectively to the Receiver.
19. The Receiver's review of the bank account history revealed that very few transactions had occurred in the three months preceding the appointing of the Receiver further evidencing that the Debtors were not actively conducting business.
20. The Receiver has requested that Mr. Arutsothy provide the Debtors' accounting records to the Receiver and while Mr. Arutsothy agreed that he would forthwith provide all the information requested by the Receiver, he has not provided any information including a listing of all the assets belonging to the Debtors.
21. The Receiver identified two vehicles during its review of the Debtors' insurance policy. The Receiver asked Mr. Arutsothy to provide the location of the vehicles. Numerous additional requests were necessary before Mr. Arutsothy advised that one vehicle was returned to the lessor and the other vehicle could be delivered to the Receiver. The Receiver arranged for a 2019 Ram 1500 (the "**2019 Ram**") to be delivered to Platinum Asset Services Inc. ("**Platinum**"). Platinum has advised that the 2019 Ram is severely damaged.
22. The Receiver received a letter from Premier Bailiffs requesting that the Receiver release the 2019 Ram to RBC as it was subject to a financing agreement. The Receiver obtained a legal opinion from Harrison Pensa which advised that RBC's security against the 2019 Ram was valid and enforceable. The value of the 2019 Ram was substantially less than the amount owing to RBC due to the damaged condition. The Receiver therefore released its interest in the 2019 Ram to Premier Bailiffs.

Accounts Receivable

23. The Receiver obtained an aged Accounts Receivable ("**AR**") schedule from Ms. Branwell. The total value of AR was \$1,395,980.45. Ms. Branwell advised that there was no money owing from most of the customers on the AR listing and that she did not know why there were amounts shown as owing. The Receiver sent letters to all customers on the AR listing and requested that the amount shown as owing be paid to the Receiver. Only three customers responded to the Receiver's payment demand.
24. Abatement Technologies Limited ("**Abatement**") advised the Receiver that Mr. Arutsothy recently instructed Abatement to pay amounts owing to CPSI to another company.

Abatement refused and placed a hold on all further payments. Abatement has now paid its AR balance of \$96,495.19 to the Receiver.

25. 12496925 Canada Inc. ("**12496925**") advised the Receiver that three payments totaling \$18,268.28 were recently paid to CPSI via email transfer and provided payment confirmations. The Receiver was not able to trace one payment in the amount of \$8,268.28 on April 26, 2024 to CPSI's bank accounts at RBC or BMO. It appears that this payment was likely deposited in an unknown bank account.
26. Polyethics Industries Inc. ("**Polyethics**") acknowledged that it owed \$31,380.02 to CPSI. Polyethics also advised that it had made two payments towards this balance in the total amount of \$15,264.86. The supporting documents provided to the Receiver indicated that funds were paid to CPSI and were deposited into a bank account at TD Bank ("**TD**"). The Receiver provided details of the payment to TD and requested information on the owner of the bank account. TD is seeking legal advice before responding to the Receiver's request.
27. The Receiver requests that the Court issue an order requiring that TD provide the Receiver with details of the ownership of the bank account into which these funds were deposited.
28. The Receiver continues to follow up with the remaining customers to determine what amount, if any, is owing to CPSI.

Canada Revenue Agency

29. The Receiver advised Canada Revenue Agency ("**CRA**") of its appointment. CRA scheduled trust examinations for source deductions and Harmonized Sale Tax ("**HST**"). All available information requested by CRA has been provided and the examination has been performed. The Receiver is waiting for CRA to file trust claims based on the results of the trust examinations.

Employees and WEPPA

30. Ms. Branwell assisted the Receiver to identify all 6 employees of CPSI. The employees were not paid their past payroll. The Receiver arranged for T4s and Records of Employment to be issued to all employees.
31. The Receiver assisted the employees with filing their claims in accordance with WEPPA. WEPPA claims totalled \$31,571.02 of which \$12,000 represents a claim in priority to secured creditor over CPSI's current assets.

Insurance

32. The Receiver contacted Andy Chow & Associates Inc. ("**Chow**"), which appeared to be the insurance broker of the Debtors. The Receiver arranged to be added as an additional insured on the policy. Chow advised that the policy premium payments were in arrears for the month of June. The Receiver paid the June insurance premiums and continues to make monthly installment payment to keep the insurance policy in place. The certificate of insurance provided that the policy maturity date is December 1, 2024.
33. Chow also advised that there was also an insurance policy for vehicles. This policy was also in arrears for the month of June. The Receiver paid the premiums for June and July. Both vehicles have now been returned to the lessors and financing companies therefore the Receiver has cancelled the automobile insurance policy.

Third Party Personal Property

34. The Receiver identified various assets, including restaurant inventory, storage trailers, tractors and car hauling trailers both inside and outside the building at the Real Property which did not appear to relate to the Debtors' operations. The Receiver asked Mr. Arutsothy to provide details of the ownership of these assets and any arrangements made with third parties. Mr. Arutsothy did not provide any of the requested information.
35. During several attendances at the Real Property the Receiver was able to interact with persons who attended the Real Property that advised the Receiver of four parties parking their tractors and trailers at the Real Property and had made rental arrangements with Mr. Arutsothy. Autolink Transportation Inc. ("**Autolink**") and Legendary Towing ("**Legendary**") advised that they made June rental payments directly to Mr. Arutsothy. The Receiver advised that all future rent payments must be made to the Receiver. Autolink and Legendary advised that they made payments of \$3,000.00 and \$100.00 respectively to Mr. Arutsothy. These payments are not reflected as being deposited into the Debtors' bank accounts at RBC and TD.
36. The Receiver requests that the Court issue an order requiring Mr. Arutsothy pay to the Receiver any amounts owing to the Debtors that he personally collected, and an accounting of same.
37. On July 5, 2024, the Receiver posted notices on all equipment located outside of the Real Property that did not appear to be assets of the Debtors (the "**Notice**"). The Notice advised that owners of the equipment were required to contact the Receiver by no later than July

26, 2024, after which the Receiver would dispose of the equipment. The Receiver emailed the Notice to Mr. Arutsothy and requested that he contact the owners and advise them of the Notice. Mr. Arutsothy did not respond. A copy of the Notice is attached hereto as **Appendix “3”**.

38. Three parties have contacted the Receiver. The Receiver requested that each party complete a property claim and provide evidence of their ownership of the equipment as well as details of the storage arrangements made with the Debtors or Mr. Arutsothy. On July 31, 2024, the Receiver advised the three parties that they needed to prove ownership of the claimed equipment and remove the equipment from the Real Property by no later than Friday, August 30, 2024.
39. There are three old trailers stored at the Real Property which have not been claimed by any party. The Receiver has not been able to locate serial numbers on these trailers and is therefore unable to determine their ownership. These trailers appear to be inoperable and have only scrap value.
40. The Receiver requests that the Court authorize the Receiver to engage a liquidator to sell any equipment remaining at the Real Property on September 1, 2024.
41. The Receiver received property claims from four parties claiming to own inventory and equipment inside the building at the Real Property. The Receiver has reviewed claims from the following parties, is satisfied with the validity of the property claims, and has arranged for the below parties to retrieve their property:
 - 1) Simms Groups Ltd.;
 - 2) 2820173 Ontario Inc.;
 - 3) Rapid Packaging Systems Limited; and
 - 4) Polyethics Industries Inc.
42. In addition to the actions described above the Receiver has conducted the following activities in the course of the receivership:
 - a. prepared and sent the Notice and Statement of Receiver for each of the Debtors in accordance with sections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act* to the Debtors, the Office of the Superintendent of Bankruptcy and all known creditors of the Debtors;
 - b. responded to calls and inquiries from the general creditors and former employees;

- c. performed regular inspections of the Real Property and arranged for regular maintenance of the Real Property; and
- d. registered the Receivership Order on title to the Real Property.

SALE OF THE REAL PROPERTY

- 43. RBC advised the Receiver that it had become aware that the Real Property may have been listed for sale with CBRE Limited (“**CBRE**”). The Receiver obtained details of the listing and contacted the listing agents. The Receiver learned that the Real Property was listed for sale on November 28, 2023 for \$11,200,000 and that the price had been reduced to \$10,200,000 on March 7, 2024. The Debtors did not disclose that the Real Property was listed for sale to RBC or in the materials filed with the Court in defence of RBC’s application for the appointment of a Receiver. The listing agreement with CBRE expired on May 28, 2024.
- 44. CBRE advised that they had received a conditional offer to purchase the Real Property and the equipment owned by CPSI (the “**Equipment**”) and provided the Receiver with a copy of the offer (the “**First Offer**”). The First Offer required that the purchaser provide a deposit to CBRE upon full execution of the First Offer; provided the seller 45 days to obtain refinancing; and provided the purchaser until August 31, 2024 to satisfy itself with respect to environmental, building condition and financing. CBRE confirmed that the deposit was never paid.
- 45. The Receiver obtained appraisals of the Real Property (the “**Real Property Appraisal**”) and the Equipment (the “**Equipment Appraisal**”) to satisfy itself that the proposed selling price was commercially reasonable.
- 46. The Receiver thereafter advised CBRE that it was prepared to immediately waive the seller’s 45-day refinancing condition and demanded that the proposed purchaser pay the deposit. CBRE spoke with the proposed purchaser and advised the Receiver that the proposed purchaser no longer wished to proceed with the purchase.
- 47. The Receiver thereafter contacted three commercial realtors and asked them to provide listing proposals for the Real Property. CBRE and Colliers responded to the Receiver’s request and submitted listing proposals. A summary of the Real Property Appraisal, the

Equipment Appraisal, the listing proposals are attached hereto as **Confidential Appendix “1”**.

48. RBC obtained a Phase 1 Environmental Site Assessment (the **“Phase 1”**) from Pinchin Ltd. (**“Pinchin”**) dated December 18, 2023 during its due diligence in providing financing to the Debtors. The Receiver arranged for Pinchin to provide an updated Phase 1 (the **“2024 Phase 1”**) which was completed on July 31, 2024.
49. On June 11, 2024, subsequent to the expiry of the CBRE listing agreement, CBRE presented the Receiver with an offer from Khattrra Group Inc. (the **“Purchaser”**) to purchase the Real Property and the Equipment.
50. The Receiver advised CBRE that the Receiver would provide a counteroffer in the form of an Agreement of Purchase and Sale in the format required for a receivership sale. The Receiver provided the counteroffer on June 26, 2024 which was irrevocable until July 2, 2024. Despite numerous inquiries by the Receiver, the Purchaser did not respond to this counteroffer.
51. The Receiver therefore obtained a Court date of August 27, 2024 at which time the Receiver intended to seek Court approval to list the Real Property for sale.
52. On July 30, 2024 CBRE provided the Receiver with a counteroffer from the Purchaser which was conditional for two weeks for the Purchaser to complete its due diligence in respect of the Real Property.
53. The Receiver provided CBRE with a copy of the 2024 Phase 1 report and asked the Purchaser to complete its due diligence by August 14, 2024. The Receiver provided the Purchaser with a counteroffer dated August 9, 2024 which was open for acceptance by the Purchaser until 5:00PM on August 12, 2024 (the **“Sale Agreement”**).
54. On August 15, 2024, CBRE provided the Receiver with a signed Sale Agreement which the Receiver also signed. The Receiver is waiting for the Purchaser to pay the deposit as required by the Sale Agreement. A copy of the Sale Agreement, redacted for the selling price, is attached hereto at **Appendix “4”**. An unredacted copy of the Sale Agreement is attached hereto at **Confidential Appendix “2”**. Details of the offers, counteroffers and the Sale Agreement are included in Confidential Appendix “1”.
55. The Real Property has been listed for sale since November 28, 2023 with CBRE as the broker. The proposed selling price appears reasonable given appraised values of the

Real Property and the Equipment and the proposed listing prices in the CBRE and Colliers listing proposals. The Receiver therefore believes with the prior exposure of the Real Property through a professional broker, and the indication of value through the appraisal and listing proposals that the proposed selling price is reasonable in the circumstances and the Sale Transaction is supported by the Soundair principles.

56. The Receiver requests that the Court authorize and direct the Receiver to complete the sale of the Real Property and Equipment to the Purchaser in accordance with the terms of the Sale Agreement (the “**Anticipated Sale Transaction**”).

57. In the event that the Anticipated Sale Transaction does not close the Receiver requests that the Court authorize and direct the Receiver to enter into an MLS listing agreement with Colliers for the sale of the Real Property, on terms satisfactory to the Receiver, with a listing price of \$10,200,000. The Receiver has selected Colliers as the listing agent as a result of their knowledge of area surrounding the Real Property and shorter duration of the listing agreement.

58. The Receiver intends to establish a virtual data room (the “**Data Room**”) with documents pertaining to the Real Property and Equipment included the following:

- a. 2024 Phase 1 report;
- b. Equipment listing;
- c. Insurance policy;
- d. Property tax invoice;
- e. Utilities invoices; and
- f. Receiver’s form of agreement and purchase and sale.

59. Additional terms of the sales process will be:

- a) Notwithstanding anything contained herein, the Receiver shall have the right to enter into an exclusive transaction for the sale of the Real Property prior to the selection of a successful offeror;
- b) The sale of the Real Property will be on an “as is, where is” basis without representations or warranties of any kind, nature, or description by the Receiver, or any of its directors, officers, partners, employees, agents, advisors or estates, except to the extent as may be set forth in a successful offer and approved by the Court;
- c) By submitting an offer, each offeror shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Real

Property prior to making its offer, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Real Property in making its offer, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Real Property or the completeness of any information provided in connection therewith, except as expressly stated the sales process or as set forth in a successful offer and approved by the Court;

- d) The Receiver shall have the right to deny or limit any parties access to confidential information at any time, which may include denying access to confidential information, if in the Receiver's sole discretion views such party is not likely to be serious about submitting an offer for the Real Property;
- e) The Receiver makes no representation or warranty as to the information to be provided through this due diligence process or otherwise;
- f) The Receiver shall not be under any obligation to accept the highest or best (or any) offer made, and any selection of the successful offer(s) shall be entirely in the discretion of the Receiver. For greater certainty, the Receiver is hereby permitted to decline acceptance of any offer. The Receiver shall make it clear that this sales process is not a tender;
- g) the Receiver has the right to waive strict compliance with any timelines or deadlines;
- h) all offers for the Real Property shall include an agreement of purchase and sale blacklined against the Receiver's form of agreement and purchase and sale;
- i) the Receiver will consult with Bank with respect to the offers submitted;
- j) any transaction for the sale of the Real Property shall be subject to Court approval; and,
- k) the Receiver will apply to the Court for an approval and vesting order approving the final agreement of purchase and sale with the purchaser.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

60. Attached hereto as **Appendix “5”** is the Receiver’s Interim Statement of Receipts and Disbursements as at July 31, 2024 (the “**Interim SRD**”).

Professional Fees and Disbursements

61. The Receiver and its counsel have maintained detailed records of their professional fees.

62. Pursuant to paragraph 17 of the Receivership Order, the Receiver and its counsel shall be paid their reasonable fees and disbursements and a charge was granted on the Property (as defined in the Receivership Order), as security for such fees and disbursements.

63. The total fees and disbursements of the Receiver to July 31, 2024 amount to \$105,156.11 inclusive of disbursements and HST and are more particularly described in the affidavit of Jacob Wiebe sworn August 14, 2024, a copy of which is attached hereto as **Appendix “6”**

64. The total fees and disbursements of the Receiver’s counsel, Harrison Pensa, to August 13, 2024 amount to \$13,911.18 inclusive of disbursements and HST and are more particularly described in the affidavit of Thomas Masterson sworn August 15, 2024, a copy of which is attached hereto as **Appendix “7”**.

65. The Receiver believes that the fees described in the fee affidavits are fair and reasonable and respectfully requests that the Court approve same.

CONFIDENTIAL APPENDICES

66. The Receiver believes that Confidential Appendices “1” and “2” should remain sealed until the sale of the Real Property has been completed or further Order of the Court, as the information contained therein is commercially sensitive and could prejudice the sale of the Real Property. In the absence of a sealing order, potential purchasers would have access to information obtained by the Receiver, which may impact the price that interested purchasers are willing to offer, should the Sale Transaction not close.

67. The Receiver does not believe that any party will suffer prejudice if the information in Confidential Appendices “1”, and “2” are sealed in this manner.

REQUEST OF THE COURT

68. Based on the foregoing the Receiver respectfully requests that this Honourable Court grants the relief sought, as detailed in paragraph 7 of this First Report.

All of which is respectfully submitted,

GRANT THORNTON LIMITED

In its capacity as Court appointed Receiver of
Commercial Packaging Solutions Inc. and
2777463 Ontario Inc. and not in its personal
or corporate capacity

Per 

Jake Wiebe, CPA, CA, CIRP, LIT
Senior Vice President

APPENDIX 4

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

**COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.**

Respondents

**APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, RSC 1985, c B-3. AS AMENDED AND UNDER SECTION 101
OF THE *COURTS OF JUSTICE ACT*, RSO 1990, cC43, AS AMENDED**

**SUPPLEMENTAL REPORT TO THE FIRST REPORT TO THE COURT OF GRANT
THORNTON LIMITED IN ITS CAPACITY AS RECEIVER AND MANAGER OF COMMERCIAL
PACKAGING SOLUTIONS INC. and 2777463 ONTARIO LTD.**

AUGUST 22, 2024

 **Grant Thornton**
Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4

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APPENDICES

- 1 Real Property Parcel Abstract
- 2 PPSA searches

INTRODUCTION

1. This supplemental report (“**Supplemental Report**”) is filed by Grant Thornton Limited in its capacity as the receiver (the “**Receiver**”) over the property, assets and undertakings of Commercial Packaging Solutions Inc. (“**CPSI**”) and 2777463 Ontario Ltd. (“**2777463**” and collectively with CPSI, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors including the real property owned by 2777463.
2. The Receiver filed its first report to the Court dated August 15, 2024 (the “**First Report**”) in support of the Receiver’s request for an Order that includes, among other things, authorizing the Receiver to complete the Anticipated Sale Transaction for the real property owned by 2777463 located at 890 Dillingham Road, Pickering, Ontario (the “**Real Property**”).

PURPOSE OF THIS FIRST REPORT

3. The purpose of this Supplemental Report is to provide information to the Court which has arisen subsequent to the Receiver completing the First Report.

TERMS OF REFERENCE

4. In preparing this Supplemental Report, the Receiver has reviewed certain unaudited financial information and certain financial information related to the Debtors. While the Receiver has performed a preliminary review of available books and records of the Debtors, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Auditing Standards (“**GAAS**”) or International Financial Reporting Standards (“**IFRS**”). Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to GAAS or IFRS with respect to such information.
5. This Supplemental Report has been prepared for the use of this Court as general information to assist the Court in making a determination of whether to approve the relief sought by the Receiver. Accordingly, the reader is cautioned that this Supplemental Report may not be appropriate for any other purpose.

6. Capitalized terms not defined in this Supplemental Report are as defined in the Receivership Order and the First Report. All references to dollars are in Canadian currency unless otherwise noted.
7. In accordance with the Court's e-service protocol, all materials filed with the Court in this matter are available on the Receiver's case website at www.GrantThornton.ca/CommercialPackagingSolutions.

SALE OF THE REAL PROPERTY

8. The Sale Agreement required that the Purchaser pay the deposit by August 20, 2024. The deposit has not yet been paid therefore it remains uncertain if the Anticipated Sale Transaction will occur.

SECURITY REGISTRATIONS

The Zupanec Mortgage

9. On May 31, 2024, counsel for the Receiver registered the Receivership Order on title to the Real Property. At that time, counsel determined that a Charge in the amount of \$500,000 and Notice of Assignment of Rents was registered by Sebastien Zupanec on May 30, 2024. This registration followed the date the Receivership Order was granted the ("**Zupanec Mortgage**").
10. A copy of the Parcel Registrar for the Real Property dated August 22, 2024 is attached at **Appendix "1"**.
11. Counsel for Sebastien Zupanec has provided a loan agreement dated February 16, 2023 in which 2777463 appears to guarantee a loan provided by Sebastien Zupanec to Thayanithi Arutsothy, one of the principals of the Debtors.
12. Counsel for Sebastien Zupanec has also provided a mortgage amending agreement dated April 29, 2024 in which 2777463 appears to grant mortgage security on the Real Property to Sebastien Zupanec.
13. Counsel to the Receiver is investigating the validity of the Zupanec Mortgage. The Receiver will provide further information in respect of the Zupanec Mortgage when the Receiver seeks Court approval to distribute the proceeds from the sale of the Real Property.

PPSA Searches

14. Counsel to the Receiver has obtained PPSA search results with respect to the Debtors current as at August 22, 2024. The following is a summary of personal property security registrations against the Debtors.

CPSI

VW Credit Canada Inc. – 2024 Audi Q5 Komfort

Royal Bank of Canada – GSA

Royal Bank of Canada – 2019 RAM 1500

2777463

Royal Bank of Canada - GSA

Copies of the PPSA search results are attached at **Appendix “2”**.

OTHER MATTERS

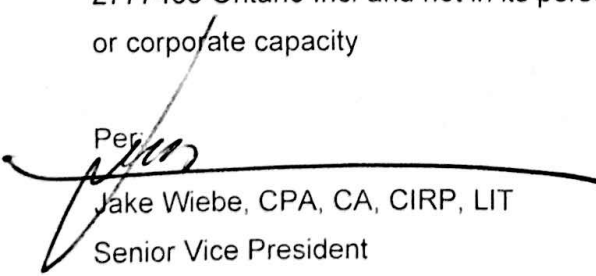
15. In the First Report the Receiver reported that Polyethics Industries Inc. advised that it had paid \$15,264.86 to CPSI and that the Receiver had determined that these funds were paid to an account at TD Bank (“TD”). The Receiver is therefore requesting that the Court issue an order requiring that TD provide the Receiver with details of the ownership of the bank account into which these funds were deposited.
16. Counsel for TD has contacted Counsel for the Receiver and the terms of an order satisfactory to both parties have been agreed to.

All of which is respectfully submitted,

GRANT THORNTON LIMITED

In its capacity as Court appointed Receiver of
Commercial Packaging Solutions Inc. and
2777463 Ontario Inc. and not in its personal
or corporate capacity

Per:



Jake Wiebe, CPA, CA, CIRP, LIT

Senior Vice President

APPENDIX 5

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

THE HONOURABLE	)	TUESDAY, THE 27 TH
	)	
JUSTICE CAVANAGH	)	DAY OF AUGUST, 2024

ROYAL BANK OF CANADA

Applicant

- and -

COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by Grant Thornton Limited, solely in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") of the undertaking, property and assets of Commercial Packaging Solutions Inc. and 2777463 Ontario Ltd. (together, the "**Debtors**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and Khattria Group Inc. (the "**Purchaser**") dated June 26, 2024 and vesting in the Purchaser all of the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**") and referenced in Schedule "B" hereto, was heard this day by judicial videoconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver and Appendices thereto, the Supplemental Report of the Receiver and Appendices thereto, and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavits of Isabelle Stacey sworn, August 15, 2024 and August 22, 2024 and of Lindsay Smith sworn August 23, 2024, 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 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 the Debtors' right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Black dated May 21, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of Durham (No. 40) of an Application for 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.

4. 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.

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

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

7. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtors;

8. THIS COURT ORDERS that the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue,

or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. 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.

10. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order and is enforceable without the need for entry or filing.

Justice, Ontario Superior Court of Justice - Commercial List

Schedule A – Form of Receiver’s Certificate

Court File No. CV-24-00719261-00CL

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

ROYAL BANK OF CANADA

Applicant

- and -

COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Black of the Ontario Superior Court of Justice (the "**Court**") dated May 21, 2024, Grant Thornton Limited was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Commercial Packaging Solutions Inc. and 2777463 Ontario Ltd. (together, the "**Debtors**").

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of June 26, 2024 (the "**Sale Agreement**") between the Receiver, solely in its capacity as court-appointed receiver of all of the property and assets of Commercial Packaging Solutions Inc. and 2777463 Ontario Ltd., and Khattrra Group Inc. (the "**Purchaser**"), and provided for the vesting in the Purchaser of the Debtors’ right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid, and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**Grant Thornton Limited, solely in its capacity
as Receiver of the undertaking, property and
assets of Commercial Packaging Solutions
Inc. and 2777463 Ontario Ltd., and not in its
personal capacity**

Per: _____

Name:

Title:

Schedule B – Purchased Assets

The Purchased Assets, as defined in the Sale Agreement including, without limitation, the Real Property described as follows:

PT LT 19, RANGE 3, CON BF, PICKERING, PTS 1 & 2, 40R761; S/T A RIGHT IN CO228510; PICKERING, being all of PIN 26327-0072 (LT)

Schedule C – Claims to be Deleted and Expunged from title to Real Property

1. DR2287861, being a charge in favour of Royal Bank of Canada registered December 21, 2023;
2. DR2287864, being a notice of assignment of rents in favour of Royal Bank of Canada registered December 21, 2023;
3. DR2321192, being a charge in favour of Sebastijan Zupanec registered May 30, 2024, 2021;
4. DR2321193, being a notice of assignment of rents in favour of Sebastijan Zupanec registered May 30, 2024.

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants related to
the Real Property
(unaffected by the Vesting Order)**

1. Reference plan 40R761 registered August 14, 1972;
2. D154171, being a bylaw registered April 8, 1983.

ROYAL BANK OF CANADA

v.

COMMERCIAL PACKAGING SOLUTIONS INC., et al.

Applicant

Respondents

Court File No. CV-24-00719261-00CL

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

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

ORDER

HARRISON PENSA LLP

Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Timothy C. Hogan (LSO #36553S)

Tel : (519) 679-9660

Fax: (519) 667-3362

Email: thogan@harrisonpensa.com

Lawyers for the Receiver,
Grant Thornton Limited



SUPERIOR COURT OF JUSTICE

COMMERCIAL ENDORSEMENT FORM

COURT FILE NO.: CV-24-00719261-00CL DATE: August 27, 2024

NO. ON LIST: 5

TITLE OF PROCEEDING: In the Matter of RBC v COMMERCIAL PACKAGING SOLUTIONS INC et al

BEFORE JUSTICE: P. CAVANAGH

PARTICIPANT INFORMATION

For the Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Nick Hollard	RBC	nickhollard@blg.com
Timothy Hogan	Receiver, Grant Thornton Limited	thogan@harrisonpensa.com

For the Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Samuel Arutsothy (self-represented)	Commercial Packaging Solutions Inc	Samuelsothy3@gmail.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE P. CAVANAGH:

- [1] Grant Thornton Limited (“GTL”), in its capacity as court-appointed receiver and manager (the “Receiver”) moves for two orders: (i) an Approval and Vesting Order in relation to a proposed transaction (the “Sale Transaction”) involving a sale of the Real Property (as defined in the motion materials) pursuant to a Sale Agreement (as defined); and (ii) an Ancillary Order.
- [2] The Real Property has been listed for sale by CBRE Limited since November 28, 2023 which resulted in the Sale Agreement with the Purchaser. The Sale Agreement required that the Purchaser pay the deposit by August 20, 2024. The deposit has not yet been paid, therefore, it remains uncertain whether the Sale Transaction will be completed.
- [3] The Receiver reports that the proposed selling price pursuant to the Sale Agreement appears commercially reasonable given appraised values of the Real Property and the proposed listing prices in the CBRE and Colliers listing proposals. The Receiver reports that, with the prior exposure of the Real Property through a professional broker, and the indication of value through the appraisal and listing proposals, that the Sale Transaction represents a commercially reasonable transaction which will maximize the recovery and is in the best interests of all stakeholders.
- [4] In the event that the Sale Transaction does not close, the Receiver request that the Court authorize and direct the Receiver to enter into an MLS listing agreement with Colliers for the sale of the Real Property, on terms satisfactory to the Receiver, with a listing price of \$10,200,000.
- [5] I am satisfied that the Sale Transaction should be approved. I accept that the *Soundair* principles are satisfied. The Receiver recommends approval of the Sale Transaction and I accept this recommendation.
- [6] If the Sale Transaction is not completed, the Receiver recommends that the Court-approved a sale process as described in the Receiver’s report. I accept that the sale process recommended by the Receiver is a reasonable, robust, and transparent one which is designed to realize the fair value for the Real Property and satisfies the criteria for approval.
- [7] I am satisfied that a limited sealing order is appropriate in the circumstances. The Confidential Appendices contain sensitive commercial information that, if disclosed, could cause a reduction in any future sale price of the Real Property and harm the creditors of the Debtors. There is no other reasonable alternative that will prevent the Confidential Appendices from becoming public. The principles in *Sherman Estate* are satisfied.
- [8] The Receiver requests an order directing TD Bank to provide the Receiver with details of the ownership of the bank accounts into which funds of the Debtors appear to have been deposited. In the circumstances, and based on the information in the Receiver’s report, I grant the requested order. The TD Bank has approved the form of the requested order.
- [9] The Receiver has identified various assets, including restaurant inventory, storage trailers, tractors, and car hauling trailers both inside and outside the building at the Real Property which do not appear to relate to the Debtors’ operations. The Receiver has been in contact with various third parties claiming interest in certain of this property, however, some of the property has not been

claimed. The Receiver requests an order authorizing it to dispose of any third-party property remaining at the Real Property on September 1, 2024. I am satisfied that the requested order should be made.

[10] In its motion materials, the Receiver requested an order directing the principal of the Respondents, Samuel Arutsothy, to pay to the Receiver all funds collected by him and owing to the Debtors. Mr. Arutsothy appeared today and requested a brief adjournment to allow him to retain legal counsel to respond to this part of the motion. He does not admit that property of the Debtors was not paid to the Receiver. The Receiver agreed to adjourn this part of its motion to allow time to Mr. Arutsothy to retain legal counsel and for the Receiver to confer with legal counsel to attempt to resolve any issues. This part of the Receiver's motion may be brought back on for hearing, if necessary.

[11] Orders to issue in forms of Orders signed by me today.

P. CAVANAGH J.

DATE: AUGUST 27, 2024

APPENDIX 6

Enquiry Result

File Currency: 24MAR 2025

All Pages

◀◀

▶▶

Show All Pages

Note: All pages have been returned.

Type of Search	Business Debtor								
Search Conducted On	COMMERCIAL PACKAGING SOLUTIONS INC.								
File Currency	24MAR 2025								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	500285196	1	2	1	2	14NOV 2028			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
500285196		001	1		20231114 1242 1532 1428	P PPSA	5		
Individual Debtor	Date of Birth		First Given Name		Initial		Surname		
Business Debtor	Business Debtor Name						Ontario Corporation Number		
	COMMERCIAL PACKAGING SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	75 MILLIKEN BLVD				TORONTO	ON	M1V 2R3		
Individual Debtor	Date of Birth		First Given Name		Initial		Surname		
Business Debtor	Business Debtor Name						Ontario Corporation Number		
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	VW CREDIT CANADA INC.								
	Address				City	Province	Postal Code		
	500-1340 PICKERING PKY				PICKERING	ON	L1V 0C4		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
			X		X	X	63346	08NOV2027	
Motor Vehicle Description	Year	Make			Model		V.I.N.		
	2024	AUDI			Q5 KOMFORT		WA1AAAFY4R2011292		
General Collateral Description	General Collateral Description								

Registering Agent	Registering Agent			
	D + H LIMITED PARTNERSHIP			
	Address	City	Province	Postal Code
	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON	L4Z 1H8

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	COMMERCIAL PACKAGING SOLUTIONS INC.								
File Currency	24MAR 2025								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	500894181	2	2	2	2	04DEC 2028			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
500894181		001	1		20231204 0902 1532 1106	P PPSA	05		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	COMMERCIAL PACKAGING SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	890 DILLINGHAM ROAD				PICKERING	ON	L1W 1Z6		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	ROYAL BANK OF CANADA								
	Address				City	Province	Postal Code		
	36 YORK MILLS ROAD, 4TH FLOOR				TORONTO	ON	M2P 0A4		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	D + H LIMITED PARTNERSHIP								
	Address				City	Province	Postal Code		
	2 ROBERT SPECK PARKWAY, 15TH FLOOR				MISSISSAUGA	ON	L4Z 1H8		

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APPENDIX 7

PROPERTY DESCRIPTION: PT LT 19, RANGE 3, CON BF, PICKERING, PTS 1 & 2, 40R761; S/T A RIGHT IN CO228510 ; PICKERING

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

FIRST CONVERSION FROM BOOK

PIN CREATION DATE:

1998/12/21

OWNERS' NAMES

2777463 ONTARIO LTD.

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 1998/12/21 ON THIS PIN **WAS REPLACED WITH THE "PIN CREATION DATE" OF 1998/12/21** ** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1998/12/18 ** **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: 1998/12/21 **						
CO94360	1961/05/17	BYLAW				C
REMARKS: PLANNING ACT FOR SUBDIVISION CONTROL DELETED UNDER DR116972 *AS TO PIN 26409-0006 *ADDED 2003 01 06 BY DONNA WARREN						
40R761	1972/08/14	PLAN REFERENCE				C
D154171	1983/04/08	BYLAW				C
D440296	1994/09/19	TRANSFER		*** COMPLETELY DELETED ***		
D440297	1994/09/19	CHARGE		*** COMPLETELY DELETED ***	SMITHERS-OASIS CANADA LTD.	
DR90319	2002/07/03	TRANSFER		*** COMPLETELY DELETED ***	ROYAL BANK OF CANADA	
REMARKS: PLANNING ACT STATEMENTS				SMITHERS-OASIS CANADA LTD.	1122747 ONTARIO INC.	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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
DR90330	2002/07/03	CHARGE	\$8,400,000	*** COMPLETELY DELETED *** 1122747 ONTARIO INC.	BUSINESS DEVELOPMENT BANK OF CANADA	C
DR90335	2002/07/03	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1122747 ONTARIO INC.	BUSINESS DEVELOPMENT BANK OF CANADA	
REMARKS: DR90330						
DR100551	2002/08/06	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROYAL BANK OF CANADA		
REMARKS: RE: D440297						
DR1320551	2014/11/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** BUSINESS DEVELOPMENT BANK OF CANADA		
REMARKS: DR90330.						
DR2188142	2022/11/09	TRANSFER		1122747 ONTARIO INC.	2777463 ONTARIO LTD.	
DR2188143	2022/11/09	CHARGE		*** COMPLETELY DELETED *** 2777463 ONTARIO LTD.	BUSINESS DEVELOPMENT BANK OF CANADA	
DR2188174	2022/11/09	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2777463 ONTARIO LTD.	BUSINESS DEVELOPMENT BANK OF CANADA	
REMARKS: DR2188143						
DR2220438	2023/03/31	CHARGE	\$10,050,000	*** COMPLETELY DELETED *** 2777463 ONTARIO LTD.	KIM, YOUNG CHUL	C
DR2220439	2023/03/31	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2777463 ONTARIO LTD.	KIM, YOUNG CHUL	
REMARKS: DR2220438						
DR2287323	2023/12/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** KIM, YOUNG CHUL		
REMARKS: DR2220438.						
DR2287861	2023/12/21	CHARGE		2777463 ONTARIO LTD.	ROYAL BANK OF CANADA	
DR2287864	2023/12/21	NO ASSGN RENT GEN		2777463 ONTARIO LTD.	ROYAL BANK OF CANADA	C
REMARKS: DR2287861						
DR2306642	2024/03/28	DISCH OF CHARGE		*** COMPLETELY DELETED *** BUSINESS DEVELOPMENT BANK OF CANADA		
REMARKS: DR2188143.						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

26327-0072 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
DR2321192	2024/05/30	CHARGE	\$500,000	2777463 ONTARIO LTD.	ZUPANEC, SEBASTIJAN	C
DR2321193	2024/05/30	NO ASSGN RENT GEN		2777463 ONTARIO LTD.	ZUPANEC, SEBASTIJAN	C
REMARKS: DR2321192						
DR2321757	2024/05/31	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE (COMMERICAL LIST)	GRANT THORNTON LIMITED	C
REMARKS: APPOINTS GRANT THORNTON LIMITED AS RECEIVER						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

APPENDIX 8

Enquiry Result

File Currency: 24MAR 2025

Show All Pages

Note: All pages have been returned.

Type of Search	Business Debtor								
Search Conducted On	2777463 ONTARIO LTD.								
File Currency	24MAR 2025								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	500930712	1	2	1	2	05DEC 2028			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
500930712		001	1		20231205 0953 1532 4351	P PPSA	05		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	2777463 ONTARIO LTD.								
	Address				City	Province	Postal Code		
	890 DILLINGHAM ROAD				PICKERING	ON	L1W 1Z6		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	ROYAL BANK OF CANADA								
	Address				City	Province	Postal Code		
	36 YORK MILLS ROAD, 4TH FLOOR				TORONTO	ON	M2P 0A4		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								

Registering Agent	Registering Agent			
	D + H LIMITED PARTNERSHIP			
	Address	City	Province	Postal Code
	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON	L4Z 1H8

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	2777463 ONTARIO LTD.								
File Currency	24MAR 2025								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	501109947	2	2	2	2	11DEC 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
501109947		001	1		20231211 1252 1590 1933	P PPSA	6		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	2777463 ONTARIO LTD.								
	Address				City	Province	Postal Code		
	890 DILLINGHAM ROAD				PICKERING	ON	L1W 1Z6		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	ROYAL BANK OF CANADA								
	Address				City	Province	Postal Code		
	36 YORK MILLS ROAD, 4TH FLOOR				TORONTO	ON	M2P 0A4		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
				X	X				
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	DEVRY SMITH FRANK LLP (CM)								
	Address				City	Province	Postal Code		
	100-95 BARBER GREENE RD.				TORONTO	ON	M3C 3E9		

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APPENDIX 9

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT is made as of the 13th day of December, 2024.

BETWEEN:

GRANT THORNTON LIMITED, solely in its capacity as court-appointed Receiver of all of the property and assets of **2777463 Ontario Ltd.** and **Commercial Packaging Solutions Inc.** (hereinafter, together, called the "**Company**")

and not in any other capacity and with no personal or corporate liability

(hereinafter called the "**Vendor**")

OF THE FIRST PART

- and -

PHILIP POWERS (for a company to be incorporated)

(hereinafter called the "**Purchaser**")

OF THE SECOND PART

RECITALS:

Whereas:

- A. Pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (**the "Court"**) in Court file CV-24-719261-00CL (**the "Proceedings"**), dated the 21st day of May, 2024 (**the "Appointment Order"**), the Vendor was appointed as Receiver of all the assets, property and undertakings of the Company (**the "Assets"**).
- B. Pursuant to the Appointment Order, the Vendor is authorized to sell the Assets and apply for an Order of the Court approving the sale of any or all of the Assets and vesting title to such Assets in the Purchaser.
- C. Subject to an order being issued by the Court approving the sale of the Purchased Assets as hereinafter defined and pursuant to the terms of this Agreement, the Purchaser has offered to purchase the Purchased Assets and the Vendor has accepted such an offer on the terms and conditions contained herein. The Purchaser acknowledges that the Vendor's acceptance of such offer and execution of this Agreement are subject to the terms and conditions contained herein and approval of the Court of such actions.

NOW THEREFORE IN CONSIDERATION of the premises and the mutual agreements in this Agreement, and for other consideration (the receipt and sufficiency of which are acknowledged by each Party), the Parties agree as follows.

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement:

“Acceptance Date” means the date upon which this Agreement has been accepted by both parties;

“Adjustments” means the adjustments to the Purchase Price made pursuant to Section 2.5(d)(ii) hereof;

“Agreement” means this agreement of purchase and sale resulting from the acceptance, by the Vendor, of the offer provided for in Section 6.15 and all Schedules attached hereto and the terms “hereof” and “hereto” refer to this Agreement as a whole and references to **“Section”** and **“subsection”** mean the relevant section or subsection of this Agreement unless the context specifically indicates otherwise;

“Applicable Law” means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, regulatory policy or guideline, by-law (zoning or otherwise), or Order, or any consent, exemption, approval or License of any Governmental Authority, that applies in whole or in part to the Transaction, the Vendor, the Purchaser, the Company or to any of the Purchased Assets;

“Appointment Order” means the Order of the Honourable Justice Black of the Ontario Superior Court of Justice (Commercial List) Court File No. CV-24-719261-00CL dated the 21st day of May, 2024, appointing the Vendor as Receiver of all of the assets, property and undertaking of the Company, including the Purchased Assets, pursuant to section 243 of the BIA and section 101 of the *Courts of Justice Act*, R.S.O 1990, c.C.43, as amended;

“Approval and Vesting Order” means an Order of the Court in a form substantially in accordance with Schedule A authorizing and approving the Transaction contemplated under this Agreement and ordering that the right, title and interest of the Vendor in the Purchased Assets be vested in the Purchaser free and clear of any right, title or interest of the Company or of any other Claims and Encumbrances, except for Permitted Encumbrances, whether or not they have attached or been perfected, registered or filed, whether secured or unsecured or otherwise, by or of all Persons);

“Authorization” means any Order, permit, approval, consent, waiver, licence, development agreement or other authorization issued, granted, given or authorized by, or made applicable under the authority of, any Governmental Authority having jurisdiction and not expunged or discharged by the Approval and Vesting Order.

“BIA” means the *Bankruptcy and Insolvency Act* of Canada as the same may be amended from time to time;

“Building” means, collectively, the buildings and all other structures, fixtures, equipment and improvements, if any, located on the Lands;

“Business Day” means a day other than a Saturday or Sunday, on which chartered banks are open for the transaction of domestic business in Toronto, Ontario;

“Chattels” means the chattels and equipment owned by the Company located on, incorporated or situated in, on, around or upon any Building or upon the Lands, and includes all equipment, devices or any other chattels or other tangible personal property owned by the Company and located on the Lands or in any Building and used exclusively in the operation and maintenance of the Lands, excluding any chattels and equipment owned by persons other than the Company;

"Claims" shall have the meaning ascribed thereto in the Approval and Vesting Order;

"Closing" means the completion of the sale to, and purchase by, the Purchaser of the Purchased Assets in accordance with the terms of this Agreement;

"Closing Date" means March 31, 2025, being the date that is at least ten (10) Business Days after the Court grants the Approval and Vesting Order or such other date as the parties hereto agree to in writing;

"Closing Document" means any document delivered at or subsequent to the Closing Time as provided in or pursuant to this Agreement;

"Closing Time" means 5:00 p.m. Toronto time on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing shall take place;

"Company" means, together, 2777463 Ontario Ltd. and Commercial Packaging Solutions Inc.;

"Confidentiality Agreement" means the confidentiality agreement dated December 13, 2024 delivered by the Purchaser in favour of the Vendor;

"Contracts" means the full benefit and advantage of all contracts, agreements and entitlements of the Company related to the Lands;

"Court" means the Ontario Superior Court of Justice (Commercial List);

"Deposit" means the deposit to be paid by the Purchaser pursuant to Section 2.5(a) and (b);

"DRA" has the meaning ascribed to it in Section 6.7;

"Due Diligence Date" means the first Business Day which is forty-five (45) calendar days from the date of execution and delivery of this Agreement;

"Encumbrances" shall have the meaning ascribed to thereto in the Approval and Vesting Order;

"Environmental Activity" means any past or present activity, event or circumstance in respect of any Hazardous Materials, including its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation or its release, escape, leaching, dispersal, emission, discharge or migration into the natural environment, including movement through or in the air, soil, subsoil, surface water or ground water, or in indoor spaces;

"Environmental Law" means all applicable federal, provincial, municipal, and local laws, by-laws, statutes, regulations, treaties, orders, judgments, decrees, ordinances, official directives, authorizations, rules, codes, permits, licenses, agreement, or other governmental restrictions having the force of law relating to the environment, occupational health and safety, health protection, Hazardous Materials, or any Environmental Activity, including, without limitation, the *Environmental Protection Act* (Ontario), as amended;

"Excluded Assets" means all of the Company's assets except for the Purchased Assets – for greater certainty, all bank accounts of the Company, any cash on hand and cash

equivalents, any receivables and any prepaids (including tenant deposits and pre-paid rent) at Closing shall not be included in the Purchased Assets;

“Governmental Authority” means any domestic or foreign government whether federal, provincial, state or municipal and any governmental agency, governmental authority, governmental tribunal or governmental commission of any kind whatever;

“Hazardous Materials” means any substance, material, matter or thing defined or regulated by any Environmental Law, contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Government Authority and any “contaminants”, “dangerous substances”, “hazardous materials”, “hazardous substances”, “hazardous wastes”, “industrial wastes”, “liquid wastes”, “pollutants” and “toxic substances”, all as defined in, referred to or contemplated in any Environmental Law and, not to limit the generality of the foregoing, includes asbestos, mould, urea formaldehyde foam insulation and mono- or poly-chlorinated biphenyl wastes;

“HST Certificate and Indemnity” means the HST Certificate and Indemnity in the form attached at Schedule D hereto;

“including” means **“including without limitation”** and the term **“including”** shall not be construed to limit any general statement which it follows to the specific or similar items or matters immediately following it;

“Lands” means the lands and Building owned by the Company and known municipally as 890 Dillingham Road, Pickering, Ontario and more particularly described in Schedule C;

“Leases” has the meaning ascribed to it in Section 2.8(c);

“Order” means any issued order, judgment, injunction, decree, award or writ of any court, tribunal, arbitrator, Governmental Authority, or other Person;

“Other Party” has the meaning ascribed to it in Section 6.8;

“Parties” means the Purchaser and the Vendor collectively, and **“Party”** means any one of them;

“Permitted Encumbrances” shall mean those encumbrances listed in Schedule B;

“Person” or **“person”** shall be broadly interpreted and includes an individual, body corporate, partnership, joint venture, trust, association, unincorporated organization, the Crown, any Governmental Authority or any other entity recognized by law;

“Purchase Price” has the meaning ascribed to it in Section 2.3;

“Purchased Assets” means, subject to the terms hereof all of the interest of the Company in the following:

- (a) the Lands; and
- (b) any Chattels;

“Purchaser’s Solicitors” means the firm of Levy Zavet Professional Corporation, or such other firm or firms of solicitors as are retained by the Purchaser from time to time and written notice of which is delivered to the Vendor;

“Related Person” has the meaning in the BIA;

“Statement of Adjustments” means the statement to be prepared by the Vendor setting out the Adjustments and to be delivered as contemplated by Section 3.2(g);

“Transaction” means the transaction of purchase and sale contemplated pursuant to this Agreement;

“Vendor’s Agent” means CBRE Limited; and

“Vendor’s Solicitors” means the firm of Harrison Pensa LLP, or such other firm or firms of solicitors as are retained by the Vendor from time to time and written notice of which is delivered to the Purchaser.

1.2 Statutes

Unless specified otherwise, reference in this Agreement to a statute refers to that statute as it may be amended or to any restated or successor legislation of comparable effect.

1.3 Headings

The division of this Agreement into articles, Sections, subsections and schedules and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Number and Gender

In this Agreement, words in the singular include the plural and vice-versa and words in one gender include all genders.

1.5 Entire Agreement

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of or between the Parties.

1.6 Amendment

This Agreement may only be amended, modified or supplemented by a written agreement signed by each Party.

1.7 Waiver of Rights

Any waiver of, or consent to depart from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right. No single or partial exercise of any

such right shall preclude any other or further exercise of such right or the exercise of any other right.

1.8 Schedules

The following Schedules form part of this Agreement:

- Schedule A - Approval and Vesting Order
- Schedule B - Permitted Encumbrances
- Schedule C - Description of the Lands
- Schedule D - HST Certificate and Indemnity

1.9 Applicable Law

This Agreement shall be governed by, and interpreted and enforced in accordance with, the laws in force in Ontario (excluding any conflict of laws, rule or principle which might refer such interpretation to the laws of another jurisdiction). Each Party irrevocably submits to the exclusive jurisdiction of the courts of Ontario with respect to any matter arising hereunder or related hereto. The parties exclude the application of the UN Convention on Contracts for the International Sale of Goods, and the International Sale of Goods Act (Ontario) as amended, replaced or re-enacted from time to time.

1.10 Currency

Unless specified otherwise, all statements of or references to dollar amounts in this Agreement are to Canadian dollars.

1.11 Third Party Beneficiaries

Nothing in this Agreement or in any Closing Document is intended expressly or by implication to, or shall, confer upon any Person other than the Parties, any rights or remedies of any kind.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale of Purchased Assets

The Vendor shall sell, assign and transfer to the Purchaser and the Purchaser shall purchase the Purchased Assets on the Closing Date pursuant to the Approval and Vesting Order and the Purchaser shall pay the Purchase Price on the Closing Date, subject to the terms and conditions contained in this Agreement.

2.2 Purchaser Acknowledgements and Agreements

The Purchaser acknowledges and agrees as follows:

- (a) the Vendor does not guarantee title to the Purchased Assets and the Vendor shall not be required to furnish or produce any document, record or evidence of title with respect to the Purchased Assets except those in its possession, which have already been reviewed by the Purchaser, and the Purchaser has conducted or will

have conducted prior to Closing such inspections of the condition of and title to the Purchased Assets as it deems appropriate and has satisfied itself with regard to these matters;

- (b) on Closing, title to the Purchased Assets shall be subject to the Permitted Encumbrances;
- (c) the Purchaser has had reasonable access to the Lands and other Purchased Assets and conducted its own investigations and inspections of the Purchased Assets and that the Purchaser is responsible to conduct its own inspections and investigations of all matters and things connected with or in any way related to the Purchased Assets, that the Purchaser has satisfied itself with respect to the Purchased Assets and all matters and things connected with or in any way related to the Purchased Assets;
- (d) the Purchaser has relied entirely upon its own investigation and inspections in entering into this Agreement, that the Purchaser is purchasing the Purchased Assets entirely on an "as is, where is" basis as at the date hereof and as at the Closing Date at the Purchaser's own risk and peril;
- (e) the Purchaser will accept the Purchased Assets in their state, condition and location on Closing and that the Purchaser hereby acknowledges that the Vendor has made no express or implied agreement, representations, warranties, statements or promises of any kind whatsoever, legal or conventional, as to the title, condition, area, square footage, suitability for development, physical characteristics, profitability, use or zoning, the existence of latent defects, outstanding work orders, deficiency notices, compliance requests, development fees, imposts, lot levies, sewer charges, zoning and building code violations, the existence, validity, terms and conditions of any licences, permits, consents or other regulatory approvals relating to or in any way connected with the Lands or other Purchased Assets or the existence of zoning or building entitlements affecting the Lands, any environmental matter, contamination or condition (including without limitation, any remediation, containment, restoration and/or any other works related to any environmental matter, contamination, or condition, on, in, abutting, above or below the Lands) or any other aspect or characteristic of the Lands or other Purchased Assets whatsoever, or as to the compliance with any Applicable Laws affecting the Transaction, save and except as are expressly contained in this Agreement. Without limiting the generality of the foregoing, any and all conditions, warranties and representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) (including sections 13, 14 and 15) do not apply to the sale of the Purchased Assets and have been waived by the Purchaser, and the Vendor, their affiliates (as defined in the *Ontario Business Corporations Act*), managers, partners, general partner, trustees, shareholders, directors, officers, employees and agents of each and any of them, and each and any of their respective heirs, successors, personal representatives, executors, trustees, successors and assigns, and all such Persons are hereby fully, finally and irrevocably released accordingly;
- (f) except as expressly set out in this Agreement, no adjustment shall be allowed to the Purchaser for any changes in condition, quality or quantity of the Purchased Assets to and including the Closing Date. Except as specifically contemplated and provided for in this Agreement, the Purchaser acknowledges that the Vendor is not required to inspect, or provide any inspection, of the Purchased Assets or any parts

thereof and the Purchaser shall be deemed, at its own expense, to have relied entirely upon its own inspection and investigation of the Purchased Assets. Nothing contained herein shall require the Vendor, following Closing, to take possession of, protect, preserve, or otherwise safeguard any Purchased Assets.

- (g) any and all information relating to the Purchased Assets was delivered to the Purchaser solely for the Purchaser's convenience and there is no representation or warranty of any kind whatsoever made by the Vendor nor the Company nor any other person with respect to the accuracy or completeness of any such information. Without limiting the foregoing, it is agreed that the Vendor does not represent or warrant the accuracy and/or inaccuracy and/or the completeness or incompleteness of any such information and shall not have any liability to the Purchaser as a result of any errors or omissions in such information or any use that may be made of the information by the Purchaser. The Purchaser acknowledges and agrees that the Purchaser is solely responsible for the verification of any other information provided hereunder.
- (h) there is no representation whatsoever as to the presence or absence of Hazardous Materials on, within or under the Lands including urea formaldehyde foam insulation and any "contaminant" within the meaning of the *Environmental Protection Act* (Ontario). There is no representation or warranty, statement or promise concerning:
 - (i) the presence or absence of contaminants on, in or about the Lands;
 - (ii) the discharge of contaminants from, on, or in relation to the Lands;
 - (iii) the existence, state, nature, identity, extent or effect of any administrative orders, control orders, stop orders, compliance orders or any other orders, proceedings or actions under the *Environmental Protection Act* (Ontario), the *Ontario Water Resources Act* (Ontario) in relation to the Lands;
 - (iv) the existence, state, nature, kind, identity, extent or effect of any liability on the Purchaser to fulfill any obligations with respect to the environmental condition or quality of the Lands;

and the Purchaser acknowledges and agrees that it accepts the Lands and other Purchased Assets subject to its environmental condition and any contamination, and acknowledges that its purchase of the Purchased Assets shall be entirely at the Purchaser's risk, that the Purchaser shall assume all liabilities, including environmental liabilities, and that the Purchaser will have no recourse against the Vendor for any such existing environmental condition or contamination. the descriptions of any of the Purchased Assets contained in this Agreement and/or in the Schedules appended hereto are for the purposes of identification only and the Vendor is not liable for any error or omission in such Schedules, nor shall any such descriptions constitute or be deemed to be representations or warranties of the Vendor;

- (i) it shall be the Purchaser's sole responsibility to obtain, at its own expense, and the Purchaser shall use its best efforts to obtain, any consents, approvals or any further documentation or assurances which may be required to be obtained by Purchaser (but not the Company nor the Vendor) to carry out the terms of this Agreement.

- (j) the Purchaser shall assume, at its own cost, complete responsibility for compliance with all Applicable Laws in connection with the Purchased Assets, or the use thereof by the Purchaser, after the Closing Date.
- (k) without limiting any of the foregoing or anything else contained herein, the Purchaser further acknowledges and agrees as follows:
 - (i) the obligation of the Purchaser to complete the Transaction on the Closing Date is not subject to any condition relating to any of the foregoing matters nor any other condition except as expressly set out in Section 5.1 of this Agreement.
- (l) The Purchaser acknowledges and agrees that this Section 2.2 shall survive and not merge on Closing.

2.3 Purchase Price

The purchase price for the Purchased Assets (not including all applicable taxes, for which the Purchaser shall also be liable in accordance with Section 2.5(d)(ii)) shall be [REDACTED] (the "Purchase Price"), and the Purchase Price shall be allocated among the Purchased Assets as follows:

Lands and Building	[REDACTED]
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2.4 Payment of Purchase Price

The Purchaser shall pay the Purchase Price to the Vendor as follows:

- (a) the sums as set out below at Section 2.5 (a) and 2.5 (b) shall be paid by wire transfer payable to the Vendor's Agent "in trust" (collectively the "Deposit") which shall be dealt with in accordance with Section 2.5; and
- (b) the balance of the Purchase Price after deduction of the Deposit subject to the Adjustments, shall be delivered to the Vendor at Closing payable by wire transfer.

2.5 Deposit

- (a) Within three (3) Business Days following the execution of this Agreement by both parties, the Purchaser shall pay the amount of [REDACTED] by wire transfer in immediately available funds from a Schedule I Canadian chartered bank to the Vendor's Agent to be held by them in trust in an interest bearing account as a deposit, with interest accruing to the benefit of the Purchaser from the date of the receipt of the deposit by the Vendor's Agent until the Closing Date or other termination of this Agreement.
- (b) within two Business Days following the waiver of the conditions in Section 5.1, the Purchaser shall pay an additional [REDACTED] by wire transfer in immediately available funds from a Schedule I Canadian chartered bank as a further deposit to the Vendor's Agent to be held by them on the same terms as referred to in Subsection 2.5(a).
- (c) The Deposit shall be paid by the Purchaser and held in escrow by the Vendor's Agent, in an interest-bearing account, until the Closing Time, at which time the

Deposit (together with all interest thereon) shall be applied on account of the Purchase Price or as otherwise provided for in this Agreement.

- (d) If this Agreement:
 - (i) is terminated or the Closing otherwise fails to occur for any reason other than a breach by the Purchaser of its obligations under this Agreement, then the Purchaser shall be entitled to the return of the Deposit with interest thereon within three (3) Business Days, the Purchaser shall have no recourse against the Vendor and this Agreement shall become null and void;
 - (ii) is terminated or the Closing otherwise fails to occur as a result of the breach of the Purchaser of its obligations under this Agreement, then the Vendor shall be entitled to retain the Deposit (together with all interest thereon) as liquidated damages and not as a penalty, and shall be entitled to pursue all of its other rights and remedies against the Purchaser.

2.6 Adjustments

- (a) The Vendor shall prepare and deliver to the Purchaser at least five (5) Business Days prior to the Closing Date, the Statement of Adjustments with all adjustments made as of the Closing Date. The Adjustments shall include all operating costs, realty taxes, local improvement rates and charges, water and assessment rates, current rents, prepaid rents and interest thereon (if any), security deposits and interest thereon (if any), current expense and operating recoveries from any tenants, utility deposits (including replacement letters of credit or letters of guarantee therefor), and other adjustments established by usual practice in the City of Pickering for the purchase and sale of a similar office property. The Statement of Adjustments shall have annexed to it complete details of the calculations used by the Vendor to arrive at all of the debits and credits thereon. Except as aforesaid, no adjustments shall be allowed to the Purchaser for changes in the Purchased Assets from the time of acceptance of this Agreement up to and including the Closing Date. If the final cost or amount of any item that is to be adjusted cannot be determined at Closing, then the adjustment for such item shall be made at Closing on the basis of the cost or amount as estimated by the Vendor, acting reasonably, as of the Closing Date on the basis of the best evidence available at Closing as to what the final adjustment should be. The estimated adjustments, as determined in accordance with this Agreement, shall, for all purposes, be a final adjustment or final adjustments and the Vendor shall be under no obligation to re-adjust any item on the Statement of Adjustments after Closing. The Closing Date shall be for the Purchaser's account both as to revenue and as to expenses.
- (b) The Purchaser hereby acknowledges that there may be outstanding arrears with respect to real property taxes and utilities and agrees that the Vendor, at its option, shall be entitled to make adjustment on the Statement of Adjustments for such matters or, in the alternative, direct that a portion of the proceeds due on Closing be used to pay out such arrears. The Purchaser further covenants and agrees to deliver an irrevocable direction to the applicable Governmental Authority authorizing it to pay to the Vendor any realty tax rebate (together with interest thereon) obtained by the Vendor for the period prior to Closing, provided that in the event the Governmental Authority does not deliver such rebate directly to the

Vendor, the Purchaser hereby irrevocably undertakes to deliver same to the Vendor upon either receipt or readjustment of same. This Section 2.6(b) shall survive Closing.

2.7 Taxes

- (a) The Purchaser shall be liable for and shall pay, in addition to the Purchase Price, all federal and provincial sales taxes, land transfer taxes and any other taxes or duties payable in connection with the conveyance and transfer of the right, title and interest, if any, of the Vendor in and to the Purchased Assets (collectively, the "**Taxes**") to the Purchaser and the Purchaser undertakes and agrees to pay all such Taxes on Closing, subject to the Purchaser's right to deliver the HST Certificate and Indemnity, and provided that the Vendor and the Purchaser agree that the appropriate elections with respect to the payment of Taxes shall be made. The Purchaser shall indemnify and agrees to hold and save the Vendor harmless from and against any and all costs, expenses, liabilities and damages incurred or suffered by the Vendor as a result of the failure of the Purchaser to pay any of the Taxes eligible in connection with the Transaction and this obligation shall not merge on the Closing and shall survive same. Notwithstanding anything to the contrary herein, Taxes shall not include any income or other taxes personal to the Vendor or Company as a result of the transactions contemplated thereof.

2.8 Assumption of Liabilities

- (a) The Purchaser shall not assume and shall not be responsible for any liabilities or obligations of the Vendor or the Company other than as contemplated herein.
- (b) The Purchaser acknowledges and agrees that it shall assume as of the Closing Date and shall pay for, and discharge and perform, the liabilities and obligations under and in connection with Permitted Encumbrances, any Authorizations and any limitations and restrictions on the use or application of any of the Purchased Assets, except only to the extent that any such liabilities and obligations are expunged and discharged by the Approval and Vesting Order.
- (c) The Vendor shall not assign and the Purchaser shall not assume, on Closing, any leases in respect of the Lands (the "**Leases**"). Subject to the terms of the Approval and Vesting Order, the Vendor agrees to disclaim and terminate the Leases and to provide vacant possession of the Lands on Closing.

2.9 Capacity of the Receiver

The Vendor is entering into this Agreement solely in its capacity as the Receiver of the Assets pursuant to the Appointment Order, and not in its personal or any other capacity, and the Vendor and its agents, officers, directors and employees will have no personal or corporate liability under or as a result of this Agreement or otherwise in connection with this Agreement or the Transaction. Any claim against the Vendor shall be limited to and only enforceable against the Assets then held by or available to it in its said capacity as Receiver of the Assets and shall not apply to its personal property and asset held by it in any other capacity. The term "Vendor" as used in this Agreement shall have no inference or reference to the present registered owner of the Lands.

ARTICLE 3 CLOSING

3.1 Time and Place of Closing

The Closing shall take place at the Closing Time at the offices of the Vendor's Solicitors, 130 Dufferin Avenue, Suite 1101, London, Ontario, or at such other place as may be agreed upon by the Vendor and the Purchaser, subject to Section 6.8 hereof.

The Closing Date shall be March 31, 2025, being the date that is at least ten (10) Business Days after the Court grants the Approval and Vesting Order or such other date as the parties hereto agree to in writing.

3.2 Vendor's Closing Deliveries

On or before the Closing Date, the Vendor shall execute (where applicable) and deliver to the Purchaser or the Purchaser's Solicitors the following:

- (a) the Receiver's Certificate in the form appended as Schedule "A" to the Approval Vesting Order;
- (b) the issued Appointment Order and the Approval and Vesting Order;
- (c) a bill of sale to convey, assign and transfer the Chattels (if any), if applicable;
- (d) an Application to register the Approval and Vesting Order and Receiver's Certificate on the Lands;
- (e) the certificate with respect to the Vendor's representations and warranties referred to in Section 5.2(a)5.2(a);
- (f) a certificate of an officer of the Vendor confirming that neither the Vendor is not a "non-resident" of Canada within the meaning of *Income Tax Act* (Canada);
- (g) the Statement of Adjustments, which the Vendor shall endeavour to deliver to the Purchaser at least five (5) Business Days prior to the Closing Date with all back-up calculations;
- (h) all master keys (and duplicate keys, if any), together with all combinations as may be applicable, for all locks in the Building which are in the Vendor's possession or in the possession of its property manager, if any;
- (i) a direction with respect to payment of the balance of the Purchase Price; and
- (j) any other documents required by this Agreement, including any original or copies of any original documents with respect to the operations and tenancies of the Purchased Assets, as may be in the possession of the Vendor.

3.3 Purchaser's Closing Deliveries

On the Closing Date, the Purchaser shall execute (where applicable) and deliver to the Vendor or the Vendor's Solicitors the following:

- (a) the balance of the Purchase Price in accordance with Article 2;

- (b) if applicable, a direction to Vendor with respect to the transfer of title to any of the Purchased Assets;
- (c) the certificate with respect to the Purchaser's representations and warranties referred to in Section 5.2(a);
- (d) the HST certificate and indemnity referred to in Section 3.4;
- (e) an acknowledgement of the Purchaser with respect to the matters set out in Section 2.2;
- (f) a direction re title, provided that the Vendor has consented to an assignment of this Agreement in accordance with Section 6.11 hereof, a direction from the Purchaser designating the transferee(s) in the Approval Order along with an assignment and assumption of this Agreement whereby the assignee agrees to assume all of the Purchaser's obligations and liabilities hereunder as if it were the original purchaser party to this Agreement (required only in the event that the Approval and Vesting Order is to be inscribed in favour of a person/entity other than the Purchaser);
- (g) an environmental indemnity indemnifying and holding the Vendor harmless from any and all damages, claims, actions, losses, costs, liabilities or expenses (collectively "**Damages**") suffered or incurred by the Vendor, directly or indirectly, except when caused by negligence, wilful misconduct or other acts or omissions of the Vendor, including non-compliance with applicable Environmental Law, as a result of or in connection with any of the following, and without restricting the generality of the foregoing, which include Damages incurred in addressing an administrative order by a Government Authority or in addressing a notice, investigation or other process which could reasonably be anticipated to result in such an order:
 - (i) the presence or release of any Hazardous Materials in, on or under the Lands or the threat of a release;
 - (ii) the presence of any Hazardous Materials in, on or under properties adjoining or proximate to the Lands;
 - (iii) any other environmental matters relating to the Lands;
 - (iv) the breach by the Purchaser or those for whom it is responsible at law of any Environmental Law applicable to the Lands; or,
 - (v) the release or threatened release of any Hazardous Materials owned, managed, generated, disposed of, controlled, or transported by or on behalf of the Purchaser; and
- (h) any other documents required by this Agreement.

3.4 HST

With respect to harmonized sales tax ("**HST**") payable by the Purchaser pursuant to the Excise Tax Act (Canada) (the "**Act**"), the parties covenant and agree that, if on Closing,

the Purchaser is a registrant for purposes of the Act, then, to the extent provided under the Act:

- (a) the Vendor shall collect HST, if any, from the Purchaser in respect of the Transaction with respect to Chattels;
- (b) the Vendor shall not collect HST from the Purchaser in respect of the Transaction with respect to and the Purchaser shall file returns and remit such HST to the applicable Authorities, when and to the extent required by the Act;
- (c) the Purchaser shall indemnify the Vendor and hold the Vendor harmless from any liability under the Act arising because of breach of the obligations of the Purchaser set out in this Section 3.4 or arising under the Act, together with all losses, costs and expenses resulting from such breach; and
- (d) the Purchaser shall provide a certificate and indemnity in the form set out in Schedule D on Closing confirming its HST registration number under the Act,

failing which, the Purchaser shall pay to the Vendor on Closing the HST payable by the Purchaser with respect to the Transaction and the Vendor shall remit such HST to the applicable Authorities in accordance with the Act. The obligations of the Purchaser and the Vendor under this Section 3.4 shall not merge on, and shall survive, Closing.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of the Vendor

The Vendor represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying upon such representations and warranties in entering into this Agreement:

- (a) The Vendor has been appointed Receiver of the Company pursuant to the Appointment Order.
- (b) The Vendor has done no act to dispose of or encumber any of the Purchased Assets.
- (c) The Vendor or the Company is not a non-resident person of Canada within the meaning of the *Income Tax Act* (Canada).
- (d) The Vendor: (i) has duly executed this Agreement and (ii) has, or will have after obtaining the Approval and Vesting Order, all necessary power, authority and capacity to enter into this Agreement and the Closing Documents to which it is a party and to carry out its obligations under this Agreement and the Closing Documents to which it is or will be party to in connection with the Transaction and to perform its obligations hereunder and thereunder including as under the Approval and Vesting Order.
- (e) There are no outstanding options, agreements of purchase and sale or other agreements or commitments obligating the Vendor to sell any of the Purchased Assets other than this Agreement;

- (f) This Agreement has been, and each Closing Document to which the Vendor is a party will on Closing be, duly executed and delivered by the Vendor, and this Agreement constitutes, and each Closing Document to which the Vendor is a party will, on Closing, constitute, a valid and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms.

4.2 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying upon such representations and warranties in entering into this Agreement:

- (a) The Purchaser is or will be a corporation duly incorporated, organized, and validly existing under the laws of its jurisdiction of incorporation. No proceedings have been taken or authorized by the Purchaser or, to the best of the Purchaser's knowledge, by any other Person, with respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of the Purchaser.
- (b) The Purchaser has all necessary power and capacity to execute and deliver, and to observe and perform its covenants and obligations under, this Agreement and the Closing Documents to which it is a party. The Purchaser will take or has taken all corporate action necessary to authorize the execution and delivery of, and the observance and performance of, its covenants and obligations under this Agreement and the Closing Documents to which it is or shall be a party.
- (c) This Agreement has been, and each Closing Document to which the Purchaser is a party will on Closing be, duly executed and delivered by the Purchaser, and this Agreement constitutes, and each Closing Document to which the Purchaser is a party will, on Closing, constitute, a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms.
- (d) The Purchaser is not a non-Canadian within the meaning of the *Investment Canada Act* (Canada).
- (e) The Purchaser is an HST registrant under the Excise Tax Act (Canada).
- (f) Neither the execution and delivery of this Agreement nor its performance by the Purchaser will result in a breach of any term or provision or constitute a default under the constating documents or by-laws of the Purchaser or any indenture, mortgage, deed of trust or any other agreement to which the Purchaser is a party or by which it is bound.

4.3 Interpretation

Each representation and warranty made by a Party in this Agreement shall be treated as a separate representation and warranty in respect of each statement made and the interpretation of any statement made shall not be restricted by reference to, or inference from, any other statement made in a representation and warranty of such Party.

4.4 Commission

Each Party represents and warrants to each other Party that no other Party will be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated hereby because of any action taken by, or agreement or

understanding reached by, that Party. The Parties acknowledge that, pursuant to a commission agreement with Colliers, on Closing the Vendor will pay a commission of 3.5% of which 1.75% shall be paid to the Purchaser's agent.

4.5 Survival Provisions

All representations, warranties, statements, covenants and agreements made by the Purchaser in this Agreement or any Closing Document shall survive the Closing for a period ending twelve (12) months following the Closing Date.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Conditions In Favour of Purchaser, Searches and Examination

The obligation of the Purchaser to complete the agreement of purchase and sale constituted on the execution and delivery of this Agreement shall be subject to the following conditions precedent:

- (a) by the Due Diligence Date, the Purchaser shall have given written notice to the Vendor that the Purchaser is satisfied in its sole and absolute discretion with the terms of this Agreement; and
- (b) the Vendor has obtained the Approval and Vesting order within sixty (60) days following the Purchaser waiving or giving notice of its satisfaction of the conditions precedent in paragraph 5.1(a) hereof.
- (c) The Purchaser shall have until the Due Diligence Date to satisfy any due diligence and financing arrangement it deems necessary. If the Purchaser does not waive its conditions prior to 5:00pm on the Due Diligence Date in writing, then this Agreement shall be null and void and the Deposit will be returned to the Purchaser in full without deduction.
- (d) This Agreement is conditional for a period of ten (10) calendar days from the date of its acceptance upon the approval of the Purchaser's solicitor. The Purchaser's solicitor may propose changes to this Agreement during this period. This condition will be satisfied upon one of the following occurring within the conditional period:
 - 1. The Purchaser notifies the Vendor in writing that the Purchaser's solicitor approves the Agreement or approves the Agreement subject to such reasonable amendments prepared or inserted by the Purchaser's solicitor; or
 - 2. The Purchaser notifies the Vendor in writing that the Purchaser waives this condition.

If, within the conditional period, the Purchaser notifies the Vendor in writing that the Purchaser's solicitor does not approve the Agreement and that the Purchaser is terminating this Agreement, then this Agreement shall become null and void. In such case, the Deposit shall be returned to the Purchaser without deduction and with all accrued interest if the Deposit provisions of this Agreement require the Deposit to be held in an interest-bearing account.

If no written notice of approval, or conditional approval, waiver, or termination is provided by the Purchaser to the Vendor within the prescribed time period, this Agreement shall automatically become null and void, and the Deposit shall be returned as described above.

If the condition is satisfied within the prescribed time period, this Agreement and all agreements arising from its acceptance shall remain in full force and effect.

The conditions precedent set forth in this Section are for the sole benefit of the Purchaser, and may be waived in whole or in part by the Purchaser on written notice to the Vendor.

The Vendor shall deliver to the Purchaser, within five (5) days following the execution of this Agreement by both parties, authorizations prepared by the Purchaser's Solicitors to governmental authorities necessary to permit the Purchaser to obtain information from the files of such governmental authorities provided said authorizations explicitly do not authorize or request any inspections with respect to the Property. The Purchaser covenants and agrees with the Vendor that it will not request, directly or indirectly, any such inspection.

The Vendor will permit the Purchaser, its agents and representatives, access to the Lands prior to the Due Diligence Date, at reasonable times and upon reasonable prior written notice to carry out, at the Purchaser's sole expense and risk, such tests, investigations and inspections as the Purchaser may deem necessary, provided that:

- (a) such tests, inspections and investigations will not interfere with the operation of the Lands,
- (b) the Purchaser shall provide at least two (2) Business Days prior written notice to the Vendor of any such tests, inspections and investigations and the Purchaser shall further provide the Vendor with evidence of appropriate liability insurance coverage for the Purchaser and its representatives and consultants and the Vendor will be entitled to have a representative present during all such tests, inspections and investigations,
- (c) any damage to the Lands caused by such tests and inspections will be promptly repaired by the Purchaser and the Purchaser will indemnify and save the Vendor harmless from all losses, costs, claims, third party actions, damages and expenses which the Vendor may suffer as a result of the said tests and inspections.

5.2 Conditions of Closing

Either the Purchaser or the Vendor shall be obliged to complete the Closing only if each of the conditions precedent set out below in this Section 5.2, has been satisfied in full at or before the Closing Time.

- (a) Accuracy of Representations and Performance of Covenants

At the Closing Time, all of the representations and warranties of each of the Purchaser and the Vendor made in or pursuant to this Agreement shall be true and correct in all material respects as if made at and as of the Closing Time (regardless of the date as of which the information in this Agreement or in any schedule or other document made pursuant hereto is given) except as such representations or warranties may be affected by the appeal of any Court Order referred to herein. At the Closing Time, each of the

Purchaser and the Vendor shall have observed or performed in all material respects all of the obligations, covenants and agreements which it must perform at or before the Closing Time. Each of the Purchaser and the Vendor shall have received immediately prior to the Closing Time a certificate from the other certifying, to the best of its knowledge, information and belief (after due enquiry) that the conditions in this Section 5.2 to be satisfied by it have been satisfied.

(b) Consents, Authorizations and Registrations

All consents, approvals, Orders and authorizations of any Person or Governmental Authority (or registrations, declarations, filings or recordings with any of them), required for the Closing (other than routine post-closing notifications or filings), shall have been obtained or made on or before the Closing Time.

(c) Litigation

No Order shall have been entered that prohibits or restricts the Closing. Neither of the Parties, nor any of their respective directors, officers, employees, or agents, shall be a defendant or third party to or threatened with any litigation or proceedings, before any court or Governmental Authority which, in the opinion of either the Purchaser or the Vendor, acting reasonably, could prevent or restrict that Party from performing any of its obligations in this Agreement or any Closing Document, including the appeal or any threatened appeal of the Approval and Vesting Order.

(d) Receipt of Closing Documentation

All documentation relating to the sale and purchase of the Purchased Assets and such other Closing Documents relating to the due authorization and completion of the sale and purchase and all actions and proceedings taken on or prior to the Closing in connection with the performance by the Purchaser and the Vendor of their obligations under this Agreement shall be satisfactory to each of the Purchaser, the Vendor and their respective counsel, as applicable. Each of the Purchaser and the Vendor shall have received copies of the Closing Documents and all such documentation or other evidence as it may reasonably request in order to establish the consummation of the transactions contemplated hereby and the taking of all corporate proceedings in connection therewith in form (as to certification and otherwise) and substance satisfactory to each of the Purchaser, the Vendor and their respective counsel.

(e) Order

The Vendor shall have obtained the Approval and Vesting Order. The Vendor shall not have received notice of appeal in respect of the Approval and Vesting Order.

5.3 Waiver

Any Party may waive, by notice to the other Parties, any condition set forth in this Article 5 which is for its benefit. No waiver by a Party or any condition, in whole or in part, shall operate as a waiver of any other condition.

5.4 Failure to Satisfy Conditions

If any condition set forth in Section 5.2 is not satisfied at the Closing Time, or if it becomes apparent that any such condition can not be satisfied at the Closing Time, the Party entitled to the benefit of such condition (the "**First Party**") may terminate this Agreement by notice

in writing to the other Party and in such event, unless the other Party can show that the condition or conditions which have not been satisfied and for which the First Party has terminated this Agreement are reasonably capable of being performed or caused to be performed by the other Party or have not been satisfied by reason of a default by the First Party hereunder, the Parties shall be released from all obligations hereunder.

5.5 Treatment of Property Documents

If, for any reason, the Transaction is not completed, the Purchaser shall, forthwith upon request, return to the Vendor or destroy all of the Property Documents and any other files and information made available to the Purchaser, other than electronic files which the Purchaser agrees to keep confidential.

ARTICLE 6 GENERAL

6.1 Non-Disclosure of Transaction

In accordance with the Confidentiality Agreement, the Purchaser agrees that (without the express written consent of the Vendor) it will not, and will cause its officers, directors, employees, representatives and advisors not to, disclose or permit to be disclosed to any Person, any information relating to the Purchase Price or any of the other terms of this Agreement, other than to the equity holders of the Purchaser and Persons solicited by the Purchaser to provide financing in connection with the Transaction (and the Purchaser shall ensure, for the benefit of the Vendor, that such parties shall treat all such information in the strictest confidence and the Purchaser shall indemnify the Vendor in that regard).

6.2 Risk of Loss

Up to the time of the Closing, the Purchased Assets shall be and remain at the risk of the Vendor, and shall thereafter be at the Purchaser's risk. Pending Closing, the Vendor will hold all insurance policies and any proceeds derived therefrom and related to the Purchased Assets in trust for the parties as their respective interests may appear and, in the event of loss or damage to the Purchased Assets occurring before such time by reason of fire, tempest, lightning, earthquake, flood or other act of God, explosion, riot, civil commotion, insurrection, war or otherwise howsoever, the amount of such insurance proceeds paid or payable to the Vendor with respect thereto shall be applied in reduction of the Purchase Price and the transfer of the Purchased Assets to the Purchaser shall proceed in the manner described herein and without any reduction or adjustment to the Purchase Price or any other change in terms of this Agreement.

6.3 Expenses

Each Party shall pay all of their own expenses it incurs in authorizing, preparing, executing and performing any aspect of the Transaction contemplated by this Agreement, whether or not the Closing occurs, including all fees and expenses of its legal counsel, bankers, investment bankers, brokers, accountants or other representatives or consultants.

6.4 Time

Time is of the essence of each provision of this Agreement.

6.5 Planning Act

This Agreement is subject to compliance with the subdivision control provision of the *Planning Act* (Ontario), and this Agreement shall be effective to create an interest in the Lands only if such provisions are complied with on or prior to the Closing Date.

6.6 Solicitors as Agents

Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Purchaser's Solicitors on behalf of the Purchaser and by the Vendor's Solicitors on behalf of the Vendor, and any tender of Closing Documents and the balance of the Purchase Price due on Closing may be made upon the Vendor's Solicitors and the Purchaser's Solicitors, as the case may be.

6.7 Electronic Registration

The Vendor and the Purchaser covenant and agree to cause their respective solicitors to enter into a document registration agreement substantially in the form adopted by the Joint LSUC-CBAO Committee on Electronic Registration of Title Documents on March 29, 2004 or any successor version thereto, as the same may be amended by the agreement of both the Vendor's Solicitors and the Purchaser's Solicitors (the "**DRA**"), together with the requirement that the registering solicitor shall be obliged to provide the non-registering solicitor with evidence of the completion of registrations of electronic documents in the electronic registration system (the "**System**") upon the registration of the electronic documents promptly upon completion thereof. It is understood and agreed that the DRA shall outline or establish the procedures and timing for completing the Transaction, and shall be executed by both the Vendor's Solicitors and the Purchaser's Solicitors and exchanged between such solicitors (such that each solicitor has a copy of the DRA duly executed by both solicitors) by no later than one Business Day before the Closing Date. The delivery and exchange of the Closing Documents and funds, and the release thereof to the Vendor and the Purchaser, as the case may be, shall be governed by the DRA, pursuant to which the solicitor receiving any Closing Documents and/or funds will be required to hold them in escrow and will not be entitled to release them except in strict accordance with the provisions of the DRA.

6.8 Tender of Documents

Any tender of documents and money pursuant to this Agreement may be made on the Vendor or on the Purchaser or their respective solicitors, and money may be tendered by wire transfer. Notwithstanding the foregoing sentence, as the System is operative and mandatory for the Purchased Assets, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been validly made by either party (the "**Tendering Party**") upon the other party (the "**Other Party**") when the Tendering Party's solicitor has: (i) delivered electronically executed copies of all Closing Documents, keys, if any, and funds, if any, to the Other Party's solicitor in accordance with the provisions of this Agreement and the DRA; (ii) advised the Other Party's solicitor, in writing, that the Tendering Party is ready, willing and able to complete the Transaction in accordance with the terms and provisions of this Agreement; and (iii) completed all steps required by the System in order to complete the Transaction that can be performed or undertaken by the Tendering Party's solicitor without the co-operation or participation of the Other Party's solicitor, including electronically signing the Transfer for completeness but not for release until all deliveries required hereunder have been delivered in

accordance with the terms hereof) all without the necessity of personally attending upon the Other Party or the Other Party's solicitor with the aforementioned documents and without any requirement to have an independent witness evidence the foregoing.

6.9 Notices

Any notice, demand or other communication (in this Section, a "notice") required or permitted to be given or made hereunder shall be given in writing and addressed as follows:

(a) In the case of a notice to the Vendor, addressed to it at:

GRANT THORNTON LIMITED,
In its capacity as Court-appointed Receiver of
2777463 Ontario Ltd. and Commercial Packaging Solutions Inc.
22 King Street West, 11th Floor
Toronto, Ontario
M5H 3T4

Attention: Jake Wiebe, Senior Vice-President
Tel.: (416) 360-3069
Email: jake.wiebe@ca.gt.com

and with a further copy to the Vendor's Solicitors at:

Harrison Pensa LLP
Barristers & Solicitors
130 Dufferin Avenue
Suite 1101
London, ON N6A 5R2

Attention: Tim Hogan
Tel.: (519) 661-6743
Email: thogan@harrisonpensa.com

(b) In the case of the Purchaser:

PHILIP POWERS (for a company to be incorporated)

Attention: Wesley Powers
Tel.: 905-666-2002
Email: wes@atlanticlifts.com

and with a further copy to the Purchaser's Solicitors at:

Levy Zavet PC, Lawyers
301-23 Lesmill Rd,
Toronto, ON, M3B 3P6

Attention: Jeff Levy
Tel: (416) 477-5941
Email: JLevy@LevyZavet.com

Any such notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the Business Day of such delivery and if sent by email with confirmation of transmission, shall be deemed to have been validly and effectively given and received on the Business Day next following the day it was received.

6.10 Public Announcements / Confidentiality of Agreement

Before the Closing Date, no Party shall make any public statement or issue any press release concerning the transactions contemplated by this Agreement except as may be necessary, in the opinion of counsel to the Party making such disclosure, to comply with the requirements of all Applicable Law or in connection with the obtaining of Orders necessary for the performance of this Agreement. If any such public statement or release is so required, the Party making such disclosure shall consult with the other Parties prior to making such statement or release, and the Parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such statement or release which is satisfactory to all Parties. This Section 6.10 shall not apply to the report to be made by the Vendor to the Court in connection with seeking the Approval and Vesting Order. The Parties expressly acknowledge and agree that the Vendor shall seek a Sealing Order from the Court with respect to this Agreement and the Purchase Price such that certain of the terms of this Agreement shall not become public until after Closing has been fully contemplated.

6.11 Assignment

- (a) The Purchaser may not assign any or all rights or benefits under this Agreement to any Person without the Vendor's written consent, provided that the Purchaser shall be entitled to assign its rights and obligations under this Agreement to a corporation or corporations already incorporated or still to be incorporated, a partnership or individual or individuals or any combination thereof, affiliated with the Purchaser as that term is defined in the *Business Corporations Act* (Ontario) and upon such assignment the Purchaser shall not be released from all of its covenants, agreements and liabilities contained in this agreement and the transaction shall proceed as if the assignee was named as the original Purchaser herein;
- (b) Except as specifically provided, no assignment of benefits or arrangement for substituted performance by one Party shall be of any effect.
- (c) This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors (including any successor by reason of amalgamation or statutory arrangement of any Party) and permitted assigns.

6.12 Further Assurances

Each Party shall do such acts and shall execute such further documents, conveyances, deeds, assignments, transfers and the like, and will cause the doing of such acts and will cause the execution of such further documents as are within its power as any other Party may in writing at any time and from time to time reasonably request be done and or executed, in order to give full effect to the provisions of this Agreement and each Closing Document.

6.13 Remedies Cumulative

The rights and remedies of the Parties under this Agreement are cumulative and in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise by any Party hereto of any right or remedy for default or breach of any term, covenant or condition of this Agreement does not waive, alter, affect or prejudice any other right or remedy to which such Party may be lawfully entitled for the same default or breach.

6.14 Counterparts

This Agreement may be executed in any number of counterparts. Each executed counterpart shall be deemed to be an original. All executed counterparts taken together shall constitute one agreement.

6.15 Irrevocable Offer

This Agreement shall constitute an irrevocable offer to purchase by the Purchaser which will be open for acceptance by the Purchaser until 5:00 p.m. (Eastern Time) on the day of December, 2024. If this Agreement has not been fully accepted in accordance with its terms by 5:00 p.m. (Eastern Time) on the day of December, 2024, such offer shall be null and void and the Purchaser shall have no obligation to the Vendor and vice versa.

IN WITNESS WHEREOF this Agreement has been executed by the Purchaser as of the 13th day of December, 2024

Philip Powers (for a company to be incorporated)

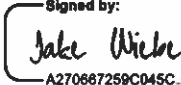
Per: 
Name: Wesley Powers
Title: President

Per: _____
Name:
Title:

I/We have the authority to bind the corporation

IN WITNESS WHEREOF this Agreement has been executed by Grant Thornton Limited, solely in its capacity as the Court appointed Receiver of 2777463 Ontario Ltd. and Commercial Packaging Solutions Inc. and not in any other capacity as of the 13th day of December, 2024.

GRANT THORNTON LIMITED, solely in its capacity as the Court appointed Receiver of 2777463 Ontario Ltd. and Commercial Packaging Solutions Inc. and not in any other capacity and with no personal or corporate liability

Per:  Signed by:
A270667259C045C...
Name: Jake Wiebe
Title: Senior Vice President

Per: _____
Name:
Title:

I/We have the authority to bind the corporation

**SCHEDULE A
APPROVAL AND VESTING ORDER**

Court File No. CV-24-719261-00CL

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

THE HONOURABLE) , THE
JUSTICE) DAY OF , 2024
)

ROYAL BANK OF CANADA
Applicant
- and -

COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARO LTD.
Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by Grant Thornton Limited, solely in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of 2777463 Ontario Ltd. (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an asset purchase agreement (the "Sale Agreement") between the Receiver and [NAME] (the "Purchaser") dated [DATE] and vesting in the Purchaser all of the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets") and referenced in Schedule "B" hereto, was heard this day by judicial videoconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver and Appendices thereto and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn, [DATE], 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 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 the Debtors' right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Black dated May 21, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of Durham of an Application for 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.

4. 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.

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

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

7. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtors;

8. THIS COURT ORDERS that the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue,

or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. 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.

10. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order and is enforceable without the need for entry or filing.

Justice, Ontario Superior Court of Justice - Commercial List

Schedule A – Form of Receiver's Certificate

Court File No. CV-24-719261-00CL

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

ROYAL BANK OF CANADA

Applicant

- and -

COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARO LTD.

Respondents

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Black of the Ontario Superior Court of Justice (the "Court") dated May 21, 2024, Grant Thornton Limited was appointed as the receiver (the "Receiver") of the undertaking, property, and assets of 2777463 Ontario Ltd. ("Debtor").

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE] (the "Sale Agreement") between the Receiver, solely in its capacity as court-appointed receiver of all of the property and assets of 277463 Ontario Ltd. and [NAME] (the "Purchaser"), and provided for the vesting in the Purchaser of the Debtors' right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid, and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

Grant Thornton Limited, solely in its capacity as Receiver of the undertaking, property and assets of 277463 Ontario Ltd. and Commercial Packaging Solutions Inc. and not in its personal capacity

Per: _____

Name:

Title:

Schedule B – Purchased Assets

The Purchased Assets, as defined in the Sale Agreement including, without limitation, the Real Property described as follows:

PT LT 19, RANE 3, CON BF, PICKERING, PTS 1 & 2, 40R761; S/T A RIGHT IN CO228510; PICKERING {PIN: 26327-0072 (LT)}, known municipally as 890 Dillingham Road, Pickering, Ontario.

Schedule C -- Claims to be Deleted and Expunged from title to Real Property

1. DR2287861, being a charge in favour of Royal Bank of Canada registered December 21, 2023;
2. DR2287864, being a notice of assignment of rents in favour of Royal Bank of Canada registered December 21, 2023;
3. DR2321192, being a charge in favour of Sebastijan Zupanec registered May 30, 2024;
4. DR2321193, being a notice of assignment of rents in favour of Sebastijan Zupanec registered May 30, 2024.

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants related to
the Real Property**

(unaffected by the Vesting Order)

1. CO94360, being a by-law registered May 17, 1961;
2. 40R761, being a reference plan registered August 14, 1972;
3. D154171, being a by-law registered April 8, 1983.

ROYAL BANK OF CANADA		v.		COMMERCIAL PACKAGING SOLUTIONS INC. and 2777463 ONTARIO LTD.	
Applicant		Respondents		Court File No. CV-24-719261-00CL	
				ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)	
				PROCEEDING COMMENCED AT TORONTO, ONTARIO	
				ORDER	
				HARRISON PENZA LLP Barristers & Solicitors 130 Dufferin Avenue, Suite 1101 London, Ontario N6A 5R2	
				Timothy C. Hogan (LSO #36553S) Tel : (519) 679-9660 Fax: (519) 667-3362 Email: thogan@harrisonpenza.com	
				Lawyers for the Receiver, Grant Thornton Limited	

**SCHEDULE B
PERMITTED ENCUMBRANCES**

1. CO94360, being a by-law registered May 17, 1961;
2. 40R761, being a reference plan registered August 14, 1972;
3. D154171, being a by-law registered April 8, 1983;
4. Any undetermined or inchoate liens and charges incidental to the Purchased Assets;
5. The reservations, limitations, provisos, conditions, restrictions, and exceptions expressed in the letters patent or grant from the Crown and all statutory exceptions to title;
6. The provisions of governing municipal by-laws;
7. Municipal taxes, liens, charges, including hydro and water charges, rates and assessments accruing from day to day and not yet due and payable;
8. Any defects or minor encroachments which might be revealed by an up-to-date survey of the Lands;
9. Any right of expropriation conferred upon, reserved to, or vesting in Her Majesty the Queen in Right of Canada and Ontario;
10. Any registered restrictions or covenants that run with the Lands provided that same have been complied with in all material respects;
11. Any registered agreements with municipal, utilities or public authorities provided that same have been complied with in all material respect.

**SCHEDULE C
LEGAL DESCRIPTION OF LANDS**

PIN	DESCRIPTION
26327-0072 (LT)	PT LT 19, RANE 3, CON BF, PICKERING, PTS 1 & 2, 40R761; S/T A RIGHT IN CO228510; PICKERING

And known municipally as 890 Dillingham Road, Pickering, Ontario.

SCHEDULE D

HST CERTIFICATE AND INDEMNITY

HST CERTIFICATE, UNDERTAKING AND INDEMNITY

TO: GRANT THORNTON LIMITED, solely in its capacity as court-appointed Receiver of all of the property and assets of 2777463 Ontario Ltd. and Commercial Packaging Solutions Inc. and not in any other capacity and with no personal or corporate liability (the "**Vendor**")

FROM: ● (the "**Purchaser**")

RE: Agreement of Purchase and Sale made as of the ● day of ●, 2024 (the "**Purchase Agreement**"), made between the Vendor and the Purchaser, with respect to the property legally described in Schedule "A" attached hereto (the "**Property**")

IN CONSIDERATION of the closing of the above transaction and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby certifies and agrees that:

- (i) it is purchasing the Property as principal for its own account and not as an agent, trustee or otherwise on behalf of or for another person or third party;
- (ii) it is registered under Subdivision (d) of Division V of Part IX of the *Excise Tax Act* (Canada) (the "**Act**") for the collection and remittance of goods and services tax ("**HST**") and its HST registration number is ● and such registration is in good standing and has not been revoked;
- (iii) it shall be liable for, self-assess and remit to the appropriate governmental authority all HST which is payable under the Act in connection with the transfer of the Property all in accordance with the Act; and
- (iv) it shall indemnify and save harmless the Vendor from and against any and all HST, penalties, costs (including solicitor and client costs) and/or interest which may become payable by or assessed against the Vendor as a result of any failure by the Purchaser to comply with the provisions of this HST Certificate, Undertaking and Indemnity.

The undersigned acknowledges and agrees that the foregoing shall survive and not merge upon closing of the above-noted transaction.

This HST Certificate, Undertaking and Indemnity may be executed and delivered by electronic transmission or .PDF instead of delivering a signed original and the parties hereto may rely upon such electronic signatures, or .PDF as though it was an original signature.

[Remainder of page intentionally left blank; signature page follows]

DATED this 1 day of 1, 2024.

•

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

I/We have authority to bind the Corporation.

APPENDIX 10

**Amendment to
Agreement of Purchase and Sale - Commercial**

BETWEEN:
BUYER: Philip Powers (for a company to be incorporated)
AND
SELLER: GRANT THORNTON LIMITED, solely in its capacity as the Court appointed Receiver of 2777463 Ontario Ltd. and Commercial Packaging Solutions Inc. and not in any other capacity and with no personal or corporate liability
RE: Agreement of Purchase and Sale - Commercial (Agreement) between the Seller and Buyer, dated the 13 day of December, 2024, concerning the property known as 890 Dillingham Road Pickering ON L1W 1Z6 as more particularly described in the aforementioned Agreement.

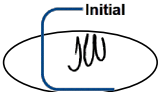
The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

DELETE:
"Due Diligence Date" means the first Business Day which is forty-five (45) calendar days from the date of execution and delivery of this Agreement;

INSERT:
"Due Diligence Date" means the first Business Day which is fifty nine (59) calendar days from the date of execution and delivery of this Agreement;
the Purchaser will have until 5pm EST on February 10th, 2025 to complete their Due Diligence.

Initial


INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 

Initial
SellerBuyer
(Seller/Buyer)

IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by 28th January, 2025, until 5:00 (a.m./p.m.) X on the 28th day of January, 2025, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor.

Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

.....
(Witness) Philippa Powers (Buyer/Seller/Authorized Signing Officer) (Seal) January 24, 2025 (Date)
.....
(Witness) (Buyer/Seller/Authorized Signing Officer) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

.....
(Witness) Jake Weibe (Buyer/Seller/Authorized Signing Officer) (Seal) 1/27/2025 | 10:54 AM PST (Date)
.....
(Witness) (Buyer/Seller/Authorized Signing Officer) (Seal) (Date)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

.....
(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 4 p.m. this 27 day of January, 2025.
(a.m./p.m.)

Philippa Powers
(Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

Jake Weibe 1/28/2025 | 6:24 AM PST
(Seller) (Date)

(Seller) (Date)

Address for Service

(Tel. No.)

Seller's Lawyer

Address

Email

(Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

Philippa Powers 01/27/2025
(Buyer) (Date)

(Buyer) (Date)

Address for Service

(Tel. No.)

Buyer's Lawyer

Address

Email

(Tel. No.) (Fax. No.)



APPENDIX 11

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

**IN THE MATTER OF THE RECEIVERSHIP OF
COMMERCIAL PACKAGING SOLUTIONS INC. and 2777463 ONTARIO LTD.**

DISCLAIMER OF CONTRACT

Re: Commercial Lease Agreement between 2777463 Ontario Ltd., as landlord, and 1762815 Ontario Ltd./Om Auto Transport, as tenant, dated March 15, 2024, as amended (the **"Contract"**)

TO: 1762815 Ontario Ltd./Om Auto Transport (**"176"**)
192 Smoothwater Terrace
Markham, ON L6B 0M8

WHEREAS Grant Thornton Limited was appointed receiver pursuant to the Order of the Ontario Superior Court of Justice (Commercial) List (the **"Court"**) dated May 21, 2024 (the **"Receiver"**) without security, of all the assets, undertakings and properties of Commercial Packaging Solutions Inc. and 2777463 Ontario Ltd., including the real property known municipally as 890 Dillingham Road, Pickering, Ontario (the **"Property"**).

AND WHEREAS 176 has an unregistered lease interest in the Property pursuant to the Contract.

AND WHEREAS the Receiver has entered into an Agreement of Purchase and Sale for the Property dated December 13, 2024 which requires that the Contract be vested of off title to the Property as a condition of closing (the **"Transaction"**).

AND WHEREAS the Receiver is moving for an Approval and Vesting Order before the Court, approving the Sale and vesting title to the Property in the purchaser, free and clear of all encumbrances, including the Contract (the **"Approval and Vesting Order"**).

AND WHEREAS Transaction is set to close one (1) business day following the date upon which the time to appeal the Approval and Vesting Order has expired, or, in the event that an appeal from the Approval and Vesting Order is filed, the first business day following the final dismissal of such appeal (collectively, **"Closing"**).

TAKE NOTICE THAT the Receiver hereby disclaims the Contract, entered into between Commercial Lease Agreement between 2777463 Ontario Ltd., as landlord, and 1762815 Ontario Ltd./Om Auto Transport, as tenant, all as may have been amended or substituted from time to time. This disclaimer is to be effective as of the date of Closing.

SIGNED AND DELIVERED THIS 12th day of February 2025.

Grant Thornton Limited, solely in its capacity as Receiver of the undertaking, property and assets of Commercial Packaging Solutions Inc. and 2777463 Ontario Ltd., and not in its personal capacity

By  _____

Jake Wiebe, CPA, CA, CIRP, LIT
Senior Vice President

APPENDIX 12

In the matter of the Receivership of
Commercial Packaging Solutions Inc. and 2777463 Ontario Inc.
Interim Statement of Receipts and Disbursements
March 25, 2025

	CPSI	2777463
Cash in Bank	104,223.01	6.76
Accounts Receivable	118,817.43	
Sale of Equipment	320,000.00	
Interest	4,902.10	72.73
Rental Income	19,392.05	
HST Collected	44,120.95	
Transfer from CPSI		69,632.02
	<u>611,455.54</u>	<u>69,711.51</u>
Filing Fees	405.42	405.42
HST Paid	8,364.87	42.25
HST Remitted	31,225.74	
Appraisal Fees	12,000.00	
Insurance	12,386.70	
Bank Charges	17.00	
Security	19,234.18	
Utilities	21,345.10	
Maintenance	10,641.12	
Consulting	3,676.00	
Property Tax		69,101.03
Receiver Fees	166,697.20	
HST on Receiver Fees	21,670.64	
Legal Fees	43,694.03	
HST on Legal Fees	5,630.97	
Transfer to 2777463 Ontario Inc.	69,632.02	
	<u>426,620.99</u>	<u>69,548.70</u>
Balance	<u>184,834.55</u>	<u>162.81</u>

APPENDIX 13

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

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

**COMMERCIAL PACKAGING SOLUTIONS INC.
and 2777463 ONTARIO INC.**

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION
243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3,
AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43, AS AMENDED**

AFFIDAVIT OF JACOB WIEBE

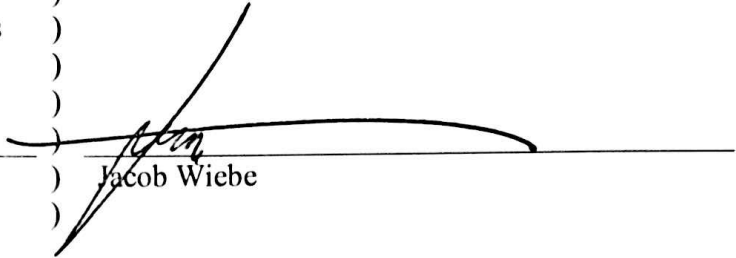
I, JACOB WIEBE, of the Town of Uxbridge, in the Province of Ontario, **MAKE OATH AND SAY** that:

1. I am Senior Vice-President of Grant Thornton Limited, ("**GTL**") which was appointed as receiver and manager (in such capacity, the "Receiver") without security, of all of the assets, undertakings and properties of Commercial Packaging Solutions Inc. and 2777463 Ontario Inc. (collectively, the "**Debtors**"). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe such to be true.
2. Attached and marked as Exhibit "**A**" to this my affidavit is a true copy of the detailed billing setting out the fees and disbursements of GTL in its capacity as Receiver from August 1, 2024 to February 28, 2025 totalling \$98,700.19, including Disbursements of \$1,536.92 and HST in the amount of \$11,354.90 and such is summarized on Exhibit "**B**" to this my affidavit.
3. Given the complexity of this insolvency matter, I believe the hourly rates and the total amount of fees are reasonable and comparable for insolvency services of this nature rendered by other firms in the City of Toronto.

4. The hours spent on this matter and disbursements incurred by GTL are outlined in detail in Exhibits "A" and "B" and I believe were reasonable and appropriate in the circumstances.
5. This affidavit is sworn in connection with the approval of the fees and disbursements of GTL and for no improper purpose.

SWORN BEFORE ME at the City of)
Toronto, in the Province of Ontario, this)
25th day of March, 2025)




) Jacob Wiebe
)
)

Commissioner for Taking Affidavits, etc.

Jason Nadir Kanji
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited
Expires September 27, 2026

Exhibit "A" to the Affidavit of Jacob Wiebe, sworn
before me this 25 day of March 2025

A handwritten signature in black ink, appearing to read "Jason Kanji", is written over a horizontal line.

Commissioner for Taking Affidavits, etc.

Jason Nadir Kanji
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited
Expires September 27, 2026

Court File No. CV-24-719261-00CL

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

**COMMERCIAL PACKAGING SOLUTIONS INC.
AND 2777463 ONTARIO INC.**

Respondents

BILL OF COSTS

**BN 12738 4717 RT0001
Client # 359715
Invoice #LSO-10602**

For professional fees rendered as Court-Appointed Receiver for the period from August 1, 2024 to August 31, 2024.

Date	Staff	Hours	Detail
August 1, 2024	Jake Wiebe	3.30	Email with RBC re: CBRE Offe; Drafting report to court.
August 1, 2024	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form; Issue cheque;.
August 1, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
August 2, 2024	Jake Wiebe	4.00	Drafting report to court.
August 2, 2024	Rosa Wilford	0.30	Prepare receipt requisition forms; Post post-dated deposit entries.
August 5, 2024	Roman Konovalov	3.90	Draft report; Review payments and matching against the bank statements; Communications with a creditor regarding the same.
August 6, 2024	Jake Wiebe	2.00	Draft report to court.
August 6, 2024	Roman Konovalov	0.60	Spoke to TD about bank accounts, followed up with AR payments.

Date	Staff	Hours	Detail
August 7, 2024	Roman Konovalov	1.50	Property inspection, reviewed brand names of the inventory on site, reviewed inventory for a release to a third-party.
August 8, 2024	Jake Wiebe	3.80	Drafting court report.
August 8, 2024	Roman Konovalov	0.80	Communications with TD and Insurance, call with the Property claimant.
August 8, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
August 9, 2024	Jake Wiebe	3.30	Review realtor commission agreement; Amend APS and send to CBRE; Finalize draft report.
August 9, 2024	Roman Konovalov	1.00	Review of court report and make changes; Follow up regarding the AR balance; Review of the property tax bill; Discussed report team.
August 12, 2024	Jake Wiebe	2.40	Drafting report.
August 12, 2024	Roman Konovalov	0.10	Reviewed property reclamation form.
August 12, 2024	Rosa Wilford	0.30	Review internal instructions from team; Review payment requests; Prepare disbursement requisition form; Issue cheque.
August 13, 2024	Roman Konovalov	0.10	Follow up with TD bank regarding TD accounts.
August 14, 2024	Ada Shahini	0.60	Uploaded the Service List on the website and website folder on the server; Responded to team email; Followed up with team on payment; Followed up with Controller to advise of issued payment; Returned CRA's call re: additional info required.
August 14, 2024	Jake Wiebe	4.10	Finalize report; Call with counsel; Call with realtor.
August 15, 2024	Ada Shahini	0.40	Returned CRA's call re: additional info required; Received and reviewed employee WEPP payment; Updated WEPP workbook and tracker; Uploaded documentation on server.
August 15, 2024	Jake Wiebe	3.30	Finalize report.
August 15, 2024	Rosa Wilford	0.60	Review payment requests and authorized approvals; Prepare disbursement requisition forms with support; Issue cheques.
August 16, 2024	Jake Wiebe	0.60	Draft supplemental report; Follow up on deposit from Purchaser.
August 19, 2024	Rosa Wilford	0.80	Prepare and net-file quarterly HST returns for the periods from April 01, 2024, to June 30, 2024; Scan and save on server with supporting documentation; Prepare receipt requisition forms; Post deposit entries.

Date	Staff	Hours	Detail
August 19, 2024	Valerie Naccarato	0.40	Deposit at bank.
August 20, 2024	Jake Wiebe	0.40	Call with CBRE re: deposit.
August 20, 2024	Rosa Wilford	0.50	Review estate bank account/print screens; Post EFT entries and reconcile July 2024 statement; Print Summary of Estate Balance Report; Match to reconciliations and initial report.
August 20, 2024	Valerie Naccarato	0.20	Scan deposit and cheque requisition forms to server and file originals.
August 21, 2024	Jake Wiebe	2.10	Draft supplement report.
August 21, 2024	Roman Konovalov	0.30	Communications regarding the release of the third-party inventory and AR collection.
August 22, 2024	Ada Shahini	0.30	Uploaded the Motion Record, Supplemental Motion Record, Book of Authorities and Factum on the website.
August 22, 2024	Harvey Han	0.25	Reviewed and renamed the documents; saved all documents on server; Updated them on the website.
August 22, 2024	Jake Wiebe	1.20	Finalize Supplemental Report.
August 22, 2024	Roman Konovalov	0.20	Communications regarding AR payment.
August 22, 2024	Valerie Naccarato	0.10	Open mail, scan to server and notify team.
August 23, 2024	Jake Wiebe	0.20	Call with CBRE re: deposit; Email to RBC with update.
August 23, 2024	Roman Konovalov	3.00	Released third-party inventory.
August 23, 2024	Valerie Naccarato	0.10	Open mail, scan and notified team.
August 23, 2024	Valerie Naccarato	0.80	Verbal instructions from team re Banking; Prepare receipt requisition form; Post deposit entry; print slip and stamp date for signing; Deposit at bank.
August 26, 2024	Roman Konovalov	0.10	Call with team re: Court Motion.
August 27, 2024	Ada Shahini	0.20	Uploaded the Ancillary and Vesting order along with the Endorsement of Justice Cavanagh on the website and website folder on the server.
August 27, 2024	Jake Wiebe	2.80	Prepare and attend Court; Calls with counsel; Call with team to plan execution of order.
August 27, 2024	Valerie Naccarato	0.40	Scan deposit requisition form to server and file original; Review internal email team re Banking; Prepare cheque requisition form; Post entry; print cheque and stamp date for signing.
August 28, 2024	Roman Konovalov	1.00	Release of the third-party inventory.
August 29, 2024	Ada Shahini	0.30	Replaced the Approval/ Vesting order along with the Ancillary Order of Justice Cavanagh on the website and website folder on the server.
August 29, 2024	Jake Wiebe	0.40	Email correspondence with counsel; Meeting with team re: clean up of property and removal of trailers.

Date	Staff	Hours	Detail
August 29, 2024	Roman Konovalov	0.40	Communications with the Trailer owners and forklift contractors
August 30, 2024	Roman Konovalov	0.10	Communications with the Bailiff.

Time Charges and Expenses:

J. Wiebe, Sr. Vice President	33.90 hours @ \$ 600.00 per hour	\$ 20,340.00
R. Wilford, Manager	2.80 hours @ \$ 400.00 per hour	\$ 1,120.00
R. Konovalov, Manager	13.10 hours @ \$ 400.00 per hour	\$ 5,240.00
A. Shahini, Sr. Associate	1.80 hours @ \$ 315.00 per hour	\$ 567.00
H. Hann, Associate	0.25 hours @ \$ 215.00 per hour	\$ 53.75
V. Naccarato, Analyst	2.40 hours @ \$ 160.00 per hour	\$ 384.00
	<u>54.25</u>	<u>\$ 27,704.75</u>
5% Technology and Administration		\$ 1,385.24
		<u>\$ 29,089.99</u>
HST		\$ 3,781.70
Total Invoice		<u>\$ 32,871.69</u>

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

**COMMERCIAL PACKAGING SOLUTIONS INC.
AND 2777463 ONTARIO INC.**

Respondents

BILL OF COSTS

**BN 12738 4717 RT0001
Client # 359715
Invoice #LSO-10858**

For professional fees rendered as Court-Appointed Receiver for the period from September 1, 2024 to October 31, 2024.

Date	Staff	Hours	Detail
September 2, 2024	Roman Konovalov	0.20	Follow up regarding the removal of the third-party equipment.
September 3, 2024	Jake Wiebe	1.10	Call with team re: planning for clean up of property.
September 3, 2024	Roman Konovalov	0.40	Spoke to trailers owners regarding the removal.
September 3, 2024	Rosa Wilford	0.70	Review payment requests from team on file; Prepare disbursement requisition forms with support; Issue cheques.
September 3, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
September 4, 2024	Roman Konovalov	2.50	Organized the cleaning procedures at the CPS premises, removal of third-party trailers from the site.
September 5, 2024	Roman Konovalov	1.50	Supervised cleaning procedures at the premises.
September 6, 2024	Roman Konovalov	1.50	CPS premises reorganization supervision;

Date	Staff	Hours	Detail
			Arranged garbage pick up from the premises.
September 9, 2024	Ada Shahini	0.10	Followed up with team on CRA payroll examination.
September 9, 2024	Jake Wiebe	0.30	Review response from TD bank; Request corporate search on recipient of payment from Debtor AR payment.
September 9, 2024	Roman Konovalov	1.70	The property attendance regarding the cleaning of the backyard and the inside of the property.
September 10, 2024	Jake Wiebe	0.40	Emails with realtor re: terms of the listing agreement.
September 10, 2024	Roman Konovalov	0.20	Calls with Creditors.
September 11, 2024	Jake Wiebe	0.40	Review realtor edits to listing agreement; Call with team re: clean up of premises and disposal of third party equipment.
September 11, 2024	Roman Konovalov	1.30	Supervision of the site cleaning.
September 12, 2024	Jake Wiebe	1.10	Call with realtor; Review and sign listing agreement; Emails with bank re: payment of property tax arrears.
September 12, 2024	Roman Konovalov	1.00	Collection of the September rent, other cleaning supervision activities, meet liquidator on site.
September 13, 2024	Roman Konovalov	0.20	Communications regarding the clean up completion, Auction proposal review.
September 13, 2024	Rosa Wilford	1.10	Review internal email instructions from team re Banking; Prepare receipt and disbursement requisition forms; Prepare bank letter for transfer of funds; Correspondences to and from Bank for authorization of transfer/confirmation; Post deposit and disbursement entries; Issue cheque.
September 13, 2024	Valerie Naccarato	0.20	Scan cheque requisition forms to server and file originals.
September 16, 2024	Rosa Wilford	0.30	Review mail/courier; Prepare receipt requisition forms with supporting documentation; Post deposit entries, Provide slip to team for banking.
September 16, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
September 17, 2024	Rosa Wilford	0.80	Reconciliation of account for August 2024; Run and match to reports and sign; Post EFT Entries and prepare requisition; Review payment request and authorized approval; Prepare disbursement requisition form with support; Issue cheque.
September 18, 2024	Roman Konovalov	1.70	Met the equipment purchase prospect on site to show the equipment and review the offer; photograph property; communications with the agents regarding the listing and the sale process of the property.

Date	Staff	Hours	Detail
September 18, 2024	Rosa Wilford	0.30	Review various mail; Scan and save to server; Notify team re CRA letters for review and directions.
September 18, 2024	Valerie Naccarato	0.20	Scanned deposit and cheque requisition forms to server and file originals.
September 19, 2024	Jake Wiebe	0.80	Call with team re: offer for equipment; Email to realtor re: other interested purchasers of equipment.
September 19, 2024	Roman Konovalov	0.60	Call with RBC regarding the Ram 1500, spoke to insurance regarding the payments, spoke to a prospect regarding the potential interest to purchase CPS Equipment and Inventory
September 19, 2024	Rosa Wilford	0.90	Review internal instructions from team; Notify authorized officer for review and approvals to process payments; Prepare disbursement requisition forms with support; Issue cheque.
September 20, 2024	Jake Wiebe	0.40	Call with RBC to update on sale process.
September 20, 2024	Roman Konovalov	0.30	Communications with the insurance regarding payments.
September 20, 2024	Valerie Naccarato	0.10	Open mail, scan and notify team.
September 23, 2024	Roman Konovalov	0.50	Call with the prospective purchaser of the equipment, communications with realtor regarding showings; Communications regarding the sale of the RAM, PPSA search request.
September 24, 2024	Roman Konovalov	0.20	Communications with MTO regarding the RAM.
September 25, 2024	Roman Konovalov	1.00	Meeting with realtor on site.
September 26, 2024	Roman Konovalov	2.00	Attended the premises to show the equipment to purchasers; Follow ups with other parties regarding the equipment sale.
September 27, 2024	Valerie Naccarato	0.20	Scan disbursement requisition forms to server and file originals.
September 30, 2024	Roman Konovalov	1.20	Dillingham property inspection regarding the water leak.
October 1, 2024	Jake Wiebe	0.40	Calls with team re: leaking plumbing and offer to purchase equipment.
October 1, 2024	Roman Konovalov	1.60	Communications with the companies to make proposal to purchase equipment, communications with the principal of the company; Summarize documentation received to sell equipment. Follow up with Insurance company regarding payments.
October 1, 2024	Rosa Wilford	0.20	Review mail/courier; Scan and save to server; Notify team for review and directions.
October 2, 2024	Jake Wiebe	0.60	Review proposal to purchase equipment; Email to counsel and RBC re: same.
October 2, 2024	Roman Konovalov	1.00	Attended site. Inspected Water Heat tank, review

Date	Staff	Hours	Detail
			of the summary from the agent.
October 2, 2024	Rosa Wilford	0.80	Review payment requests; Prepare disbursement requisition forms; Issue cheques.
October 4, 2024	Roman Konovalov	1.50	Met equipment purchaser prospect on site to review equipment and inventory.
October 4, 2024	Rosa Wilford	0.80	Review estate bank accounts; Reconcile September 2024 statements; Print Summary of Estate Balance Reports; Match to reconciliations and initial reports; Provide to authorized officer for review and signing.
October 7, 2024	Roman Konovalov	0.50	Produced Schedules A drafts for Equipment and Inventory; Organized documents for RAM ownership.
October 7, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
October 8, 2024	Jake Wiebe	0.80	Disc with team re: bills of sale of equipment and inventory.
October 8, 2024	Roman Konovalov	1.70	Obtained RAM ownership from MTO; Spoke to a counsel regarding PPSA registration; Communications regarding the potential sale of the equipment.
October 9, 2024	Roman Konovalov	0.10	Communications with counsel re: RAM PPSA
October 10, 2024	Roman Konovalov	0.20	Finalized bills of sale Schedule A.
October 11, 2024	Roman Konovalov	1.50	Meeting with purchaser on site; Spoke to tenant, spoke to a third party to remove their equipment from the CPSI premises.
October 15, 2024	Jake Wiebe	0.80	Review and sign bills of sale for equipment and inventory; Disc with team re: turning in on heat for winter and removal of equipment and inventory.
October 15, 2024	Roman Konovalov	0.20	Emails regarding the sale of the equipment and inventory.
October 15, 2024	Rosa Wilford	0.30	Review mail/courier; Review account ledger; Prepare receipt requisition forms with supporting documentation.
October 15, 2024	Valerie Naccarato	0.40	Deposit at bank.
October 16, 2024	Roman Konovalov	0.20	Communication with Enbridge, call with the purchaser of the equipment/inventory.
October 17, 2024	Roman Konovalov	0.30	Make revisions to bills of sale, added HST #.
October 18, 2024	Roman Konovalov	0.20	Call with accountant of purchaser.
October 18, 2024	Rosa Wilford	0.20	Review account for expecting incoming wire; Respond to team.

Date	Staff	Hours	Detail
October 20, 2024	Rosa Wilford	0.60	Monitor account for expecting incoming wire; Notify team on incoming wire payment and to provide directions on funds received; Prepare receipt and disbursement requisition forms; Provide team with updated banking report for review.
October 21, 2024	Roman Konovalov	0.20	Email correspondence with the purchaser of the equipment.
October 21, 2024	Rosa Wilford	0.60	Review payment requests; Prepare disbursement requisition form; Issue cheque.
October 21, 2024	Valerie Naccarato	0.20	Scan deposit requisition form to server and file original.
October 22, 2024	Jake Wiebe	0.30	Emails with counsel re: sale of equipment and inventory.
October 22, 2024	Rosa Wilford	0.60	On-line banking and monitor account for expecting incoming wires; Notify team on incoming wire payments; Prepare receipt requisition forms.
October 23, 2024	Roman Konovalov	0.20	Communications regarding the car removal from the site.
October 24, 2024	Jake Wiebe	1.40	Update to RBC; Discuss removal of equipment and inventory and disposal of scrap vehicle with team; Call with realtor re: showing feedback and price reduction; Email with counsel re: same.
October 24, 2024	Roman Konovalov	0.30	Conference call with the Broker.
October 25, 2024	Roman Konovalov	0.80	Met with bailiff regarding the vehicle stored at the property, spoke to a former tenant to remove his property from the site.
October 28, 2024	Jake Wiebe	0.80	Review counsel recommended changes to listing agreement; Draft new Sched B and send to Colliers to include as amendment to APS.
October 28, 2024	Roman Konovalov	2.50	Meeting with the purchaser on site, review of the removal process, call with Enbridge, reviewed bills, communication with Insurance.
October 28, 2024	Rosa Wilford	0.50	Complete HST Returns: Review and print Estate General Ledger Report; Prepare and net-file quarterly HST return for the period July 1 2024, to September 30, 2024.
October 28, 2024	Valerie Naccarato	0.20	Scan deposit and cheque requisition forms to server and file original.
October 29, 2024	Jake Wiebe	0.60	Review amendment to APS and sign.
October 29, 2024	Roman Konovalov	1.70	Attended the site, arranged security for the site, meet the purchaser on site, reviewed the content to be removed.
October 29, 2024	Rosa Wilford	0.50	Review payment requests; Prepare disbursement requisition forms with support; Post invoice entries; Issue cheques.

Date	Staff	Hours	Detail
October 30, 2024	Jake Wiebe	0.60	Updated meeting with team re: inventory and equipment clean out.
October 30, 2024	Roman Konovalov	1.20	Attended premise to meet with the purchaser and supervisor who will control removal procedure; Adjustments to a security service; Communication with customers re AR.
October 30, 2024	Rosa Wilford	0.40	Review payment request; Prepare disbursement requisition form; Post entries; Issue cheque.
October 31, 2024	Roman Konovalov	0.50	Follow up regarding the equipment removal procedures, reviewed billings due, follow up regarding the insurance renewal.
October 31, 2024	Rosa Wilford	0.30	Review payment request and authorized approval; Prepare disbursement requisition form with support for review and signing by authorized officers; Issue cheque.
October 31, 2024	Valerie Naccarato	0.20	Scan cheque requisition forms to the server and file originals.

Time Charges and Expenses:

J. Wiebe, Sr. Vice President	10.80 hours @ \$ 600.00 per hour	\$ 6,480.00
R. Wilford, Manager	9.90 hours @ \$ 400.00 per hour	\$ 3,960.00
R. Konovalov, Manager	34.40 hours @ \$ 400.00 per hour	\$ 13,760.00
A. Shahini, Sr. Associate	0.10 hours @ \$ 315.00 per hour	\$ 31.50
V. Naccarato, Analyst	2.30 hours @ \$ 160.00 per hour	\$ 368.00
	<u>57.50</u>	<u>\$ 24,599.50</u>
5% Technology and Administration		<u>\$ 1,229.98</u>
		\$ 25,829.48
Disbursements		
Travel		<u>\$ 889.00</u>
		\$ 26,718.48
HST		<u>\$ 3,473.40</u>
Total Invoice		<u>\$ 30,191.88</u>

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

**COMMERCIAL PACKAGING SOLUTIONS INC.
AND 2777463 ONTARIO INC.**

Respondents

BILL OF COSTS

**BN 12738 4717 RT0001
Client # 359715
Invoice #LSO-10969**

For professional fees rendered as Court-Appointed Receiver for the period from November 1, 2024 to November 30, 2024

Date	Staff	Hours	Detail
November 4, 2024	Roman Konovalov	0.10	Reviewed bill payment due.
November 5, 2024	Rosa Wilford	0.30	Review payment request from team on file; Review account ledger; Notify authorized officer for review and approval to process payment; Prepare disbursement requisition form with support; Post entries; Issue cheque; Emails.
November 12, 2024	Rosa Wilford	0.30	Review payment request and authorized approval from Trustee on file; Review account ledger; Prepare disbursement requisition forms; Post entries; Issue cheque.
November 12, 2024	Valerie Naccarato	0.20	Scanned cheque requisition form to the server and filed original.
November 14, 2024	Jake Wiebe	1.40	Attend premises to inspect progress of equipment removal.
November 15, 2024	Rosa Wilford	0.40	Reconciliation of account for October 2024; Post EFT Entries and prepare requisition;

Date	Staff	Hours	Detail
November 15, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
November 17, 2024	Rosa Wilford	0.60	Review payment requests: Notify team for review and approvals to pay invoices; Confirm approvals; Review account ledger; Prepare disbursement requisition forms with support; Issue cheques.
November 18, 2024	Jake Wiebe	1.20	Review and approve insurance premiums.
November 20, 2024	Chris Grasic	0.20	Discussion with team re: status of site clean up.
November 20, 2024	Roman Konovalov	0.10	Call with the purchaser of the equipment and removal
November 20, 2024	Valerie Naccarato	0.20	Review proposed utility payment with team.
November 21, 2024	Chris Grasic	0.30	Discussion with team re: site visits; Review of file background.
November 21, 2024	Roman Konovalov	0.40	Follow up regarding the lease payments, reviewed offer to sell the property.
November 22, 2024	Chris Grasic	2.30	Discussion with team re: file status, active matters, and next steps re: site clean up; Attendance and walkthrough of site.
November 22, 2024	Roman Konovalov	1.00	Introduced site to team; Meeting with the tenant on site.
November 23, 2024	Roman Konovalov	0.20	Produced invoices for the Purchaser.
November 25, 2024	Rosa Wilford	0.90	Prepare receipt requisition forms with supporting documentation; Post deposit entries, print slips and stamp date for signing; Prepare support for post-dated cheques; Scan to server; Emails.
November 25, 2024	Valerie Naccarato	0.40	Deposit at bank.
November 26, 2024	Roman Konovalov	0.20	Call with the purchaser of the inventory/equipment regarding the invoices, removal process.
November 27, 2024	Jake Wiebe	1.10	Disc with RBC re: offer on real property.
November 27, 2024	Roman Konovalov	1.00	Inspection of the removal process; Communicated with Enbridge re: gas service.
November 28, 2024	Chris Grasic	0.30	Discussion with team re status and next steps.
November 28, 2024	Roman Konovalov	0.20	Call with Enbridge and HVAC company regarding the heat at the premises.
November 29, 2024	Ada Shahini	1.20	Reviewed WEPP workbook and prepared WEPP finalization documentation for WEPP payments; Requested detailed statement of account from WEPP to finalize file; Updated team on same; Uploaded documentation on server.
November 29, 2024	Chris Grasic	0.30	Various Correspondence with security and technician re site status.

Date	Staff	Hours	Detail
November 29, 2024	Roman Konovalov	0.30	Scheduled HVAC company, spoke to the security company regarding the same.
November 29, 2024	Rosa Wilford	1.10	Review payment requests: Confirm approvals; Prepare disbursement requisition forms with support; Issue cheques.

Time Charges and Expenses:

J. Wiebe, Sr. Vice President	3.70	hours @ \$ 600.00 per hour	\$ 2,220.00
R. Wilford, Manager	3.60	hours @ \$ 400.00 per hour	\$ 1,440.00
R. Konovalov, Manager	3.50	hours @ \$ 400.00 per hour	\$ 1,400.00
C. Grasic, Sr. Associate	3.40	hours @ \$ 295.00 per hour	\$ 1,003.00
A. Shahini, Sr. Associate	1.20	hours @ \$ 315.00 per hour	\$ 378.00
V. Naccarato, Analyst	1.00	hours @ \$ 160.00 per hour	\$ 160.00
	<u>16.40</u>		<u>\$ 6,601.00</u>
5% Technology and Administration			\$ 330.05
			<u>\$ 6,931.05</u>

Disbursements

Couriers	\$ 90.35
Travel	\$ 252.24
	<u>\$ 342.59</u>

Total Time and Disbursements

\$ 7,273.64

HST

\$ 945.58

Total Invoice

\$ 8,219.22

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

**COMMERCIAL PACKAGING SOLUTIONS INC.
AND 2777463 ONTARIO INC.**

Respondents

BILL OF COSTS

**BN 12738 4717 RT0001
Client # 359715
Invoice #LSON-11098**

For professional fees rendered as Court-Appointed Receiver for the period from December 1, 2024 to December 31, 2024.

Date	Staff	Hours	Detail
December 2, 2024	Jake Wiebe	0.40	Email to realtor re: offer; Call with team re: other offers.
December 2, 2024	Chris Grasic	0.30	Correspondence with HVAC technician and team re: site work.
December 3, 2024	Jake Wiebe	0.30	Call with RBC re: offer.
December 3, 2024	Roman Konovalov	0.30	Calls regarding heating the building and equipment removal process.
December 4, 2024	Rosa Wilford	0.30	Review payment request: Notify team for review and approval to pay invoice; Review account ledger; Prepare disbursement requisition form with support; Post invoice entries; Issue cheque.
December 4, 2024	Jake Wiebe	0.60	Prepare offer sign back.

Date	Staff	Hours	Detail
December 5, 2024	Rosa Wilford	0.30	Review payment request: Notify team for review and approval to pay invoice; Review account ledger; Prepare disbursement requisition form with support; Post invoice entries; Issue cheque.
December 6, 2024	Roman Konovalov	0.10	Reviewed Enbridge invoice.
December 6, 2024	Rosa Wilford	0.30	Review payment request and authorized approval from Trustee on file; Review account ledger; Prepare disbursement requisition forms; Post entries; Issue cheque.
December 9, 2024	Jake Wiebe	2.10	Review counteroffer; Emails and calls with realtor; Review sale comparison summary provided by realtor; Calls with RBC re: same.
December 10, 2024	Rosa Wilford	0.40	On-line banking; Review estate bank account/print screens; Post EFT entries; and reconcile November 2024 statement; Print Summary of Estate Balance Report; Match to reconciliations and initial report.
December 11, 2024	Rosa Wilford	0.30	Review courier; Notify team; Review account ledger and prepare receipt requisition forms with supporting documentation; Post deposit entries, print slips and stamp date for signing; Prepare support for post-dated cheques.
December 11, 2024	Roman Konovalov	0.30	Communications with equipment purchaser; Call with security company.
December 11, 2024	Jake Wiebe	0.40	Emails with counsel re: form of counteroffer; Discussion with RBC re: offer and possible second offer; Emails with realtor.
December 11, 2024	Chris Grasic	1.10	Discussion with team re: handover of keys; Coordinate with security company re: the same.
December 12, 2024	Valerie Naccarato	0.20	Scan cheque requisition forms to server and file originals.
December 12, 2024	Jake Wiebe	0.40	Review sign back of offer, finalize and send to realtor.
December 12, 2024	Rosa Wilford	0.90	Review account ledger and payment request from team re banking; Prepare disbursement requisition form; Post entries; Issue cheque; Correspondences with team and bank on tracing wire payment; Provide team with support and confirmation with updated banking GL report.
December 12, 2024	Chris Grasic	4.60	Attendance at site; Handover of keys to security; Correspondence with team and security company re: same.
December 13, 2024	Roman Konovalov	0.30	Follow up with the equipment purchaser regarding equipment removal; Call to security company.
December 13, 2024	Jake Wiebe	2.30	Discussion with realtor and counsel; Finalize APS.

Date	Staff	Hours	Detail
December 16, 2024	Rosa Wilford	0.30	Review mail/courier; Notify team; Review account ledger and prepare receipt requisition forms with supporting documentation; Post deposit entries, print slips and stamp date for signing.
December 16, 2024	Valerie Naccarato	0.40	Deposit at bank.
December 16, 2024	Chris Grasic	0.30	Email correspondence re: completion of equipment removal.
December 17, 2024	Roman Konovalov	0.40	Provide requested files to realtor; Review occurrence report from security company.
December 18, 2024	Chris Grasic	1.90	Coordination of tasks ahead of site visit; Discussion with team re: same; Correspondence with mover and security team re: same.
December 18, 2024	Jake Wiebe	0.40	Review counsel proposed changes to APS; Email to counsel and realtor re: same.
December 19, 2024	Ada Shahini	0.30	Received email from team re: WSIB fax; Reviewed and called WSIB back to respond; Emailed team and uploaded memo and fax on server.
December 20, 2024	Roman Konovalov	0.10	Follow up regarding the Hydro lease.
December 20, 2024	Chris Grasic	1.90	Attendance at site and walk through with mover, photos of site, discussion with mover and security re: the above.
December 20, 2024	Jake Wiebe	1.10	Call with principal of debtor re: Hydro lease; Email to counsel and realtor re: same; Discussion with team re: obtaining lease from bookkeeper.
December 23, 2024	Roman Konovalov	0.20	Correspondence with security company, communications regarding the lease.
December 23, 2024	Chris Grasic	0.60	Discussion with team re: file status; Communication with security provider re: billing.

Time Charges and Expenses:

J. Wiebe, Sr. Vice President	8.00	hours @	\$ 600.00	per hour	\$	4,800.00
R. Wilford, Manager	2.80	hours @	\$ 400.00	per hour	\$	1,120.00
R. Kononov, Manager	1.70	hours @	\$ 400.00	per hour	\$	680.00
C. Grasic, Sr. Associate	10.70	hours @	\$ 295.00	per hour	\$	3,156.50
A. Shahini, Sr. Associate	0.30	hours @	\$ 315.00	per hour	\$	94.50
V. Naccarato, Analyst	0.60	hours @	\$ 160.00	per hour	\$	96.00
	<u>24.10</u>				\$	<u>9,947.00</u>
5% Technology and Administration					\$	<u>497.35</u>
					\$	<u>10,444.35</u>

Disbursements

Travel					\$	<u>112.24</u>
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Total Time and Disbursements \$ 10,556.59

HST \$ 1,372.36

Total Invoice **\$ 11,928.95**

Court File No. CV-24-719261-00CL

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

**COMMERCIAL PACKAGING SOLUTIONS INC.
AND 2777463 ONTARIO INC.**

Respondents

BILL OF COSTS**BN 12738 4717 RT0001
Client # 359715
Invoice #LSON-11098**For professional fees rendered as Court-Appointed Receiver for the period from January 2, 2025 to
February 28, 2025

Date	Full Name	Time	Detail
January 2, 2025	Jake Wiebe	0.40	Review correspondence from realtor re: lease agreements.
January 2, 2025	Rosa Wilford	0.60	Review payment requests: Notify team for review and approvals to pay invoices; Confirm approvals; Review account ledger; Prepare disbursement requisition forms with support; Issue cheques.
January 3, 2025	Valerie Naccarato	0.10	Open mail, scan and notify team.
January 6, 2025	Chris Grasic	0.30	Review of status and discussion with team re: the same.
January 6, 2025	Jake Wiebe	0.40	Review APS amendments and provide comments to counsel.
January 6, 2025	Roman Konovalov	0.20	Reviewed utility invoices.
January 7, 2025	Roman Konovalov	0.30	Responses to unsecured creditors; Email communications regarding the sale of the property.

Date	Full Name	Time	Detail
January 7, 2025	Rosa Wilford	0.40	Review mail: Notify team for review and approval to pay bill; Prepare disbursement requisition form with support; Post entries; Issue cheque..
January 8, 2025	Roman Konovalov	0.20	Communications with the agent and Pinchin regarding the past Phase 2 reporting.
January 9, 2025	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
January 10, 2025	Roman Konovalov	0.20	Communications with Pinchin regarding the ESA Phase II.
January 10, 2025	Rosa Wilford	0.30	Review payment requests and authorized approval from Trustee on file; Prepare disbursement requisition form; Post invoice entries; Issue cheque.
January 12, 2025	Rosa Wilford	0.90	Reconciliation of accounts for December 2024; On-line banking; Run and match to reports and sign; Post EFT Entries and prepare requisitions.
January 13, 2025	Jake Wiebe	0.30	Review and sign amended APS.
January 13, 2025	Roman Konovalov	0.20	Reviewed bills.
January 16, 2025	Roman Konovalov	0.10	Spoke to Enbridge regarding the meter reading.
January 17, 2025	Roman Konovalov	0.50	Property inspection, met Enbridge on site to discuss meters access.
January 20, 2025	Rosa Wilford	0.30	Review account ledger and prepare receipt requisition forms with supporting documentation; Post deposit entries, print slips and stamp date for signing.
January 20, 2025	Valerie Naccarato	0.40	Deposit at bank.
January 21, 2025	Jake Wiebe	0.30	Email with equipment and inventory purchaser.
January 21, 2025	Rosa Wilford	0.90	Review account ledger and various payment requests from team re banking; Prepare disbursement requisition forms with support; Post entries; Issue cheques.
January 21, 2025	Rosa Wilford	0.40	Review account ledger and various payment requests from team re banking; Prepare disbursement requisition forms with support; Post entries; Issue cheques.
January 27, 2025	Jake Wiebe	1.10	Review date amendment to APS; Email with counsel re: same; Email to realtor re: same; Execute amendment.
January 29, 2025	Jake Wiebe	1.90	Prepare response to email from RBC.
January 29, 2025	Rosa Wilford	1.10	Review payment requests: Notify team for review and approvals to pay invoices; Review account ledger; Prepare disbursement requisition forms with support; Issue cheques; Prepare and net-file quarterly HST return for the periods October 01, 2024, to December 1-31, 2024.

Date	Full Name	Time	Detail
January 30, 2025	Roman Konovalov	1.20	Reviewed HST Information, amounts due and T2 Corporate returns.
January 30, 2025	Valerie Naccarato	0.40	Paid CRA invoice at bank.
January 31, 2025	Jake Wiebe	0.20	Emails to RBC and team re: Indian Bazaar and Rueben AR demand letters.
February 4, 2025	Chris Grasic	0.30	Phone call with CRA re outstanding filings.
February 5, 2025	Ada Shahini	0.70	Received detailed statement of account; Matched WEPP amounts with statement; Updated finalization documentation and forwarded to team.
February 7, 2025	Rosa Wilford	0.80	Review estate bank accounts/print screens; Post EFT entries and reconcile January 2025 statements; Match to reconciliations and initial reports.
February 10, 2025	Roman Konovalov	0.30	Email communications regarding the closing.
February 11, 2025	Jake Wiebe	2.90	Call with team re: AR; Review accounting records for AR transactions; Email to Sam re: Rueben and Indian Bazaar AR; Email with creditors
February 11, 2025	Roman Konovalov	0.20	Reviewed email exchange regarding the AR collections.
February 12, 2025	Roman Konovalov	0.30	Disclaimer of the lease, call with the tenant regarding the disclaimer of the lease.
February 13, 2025	Jake Wiebe	0.50	Call with RBC re: motion to approve sale.
February 13, 2025	Roman Konovalov	0.20	Call with CRA regarding the balances due and past filings; Communications regarding the AR.
February 14, 2025	Roman Konovalov	0.10	Email communications regarding sale closing; Follow up with CRA representative re: HST exam.
February 17, 2025	Jake Wiebe	0.30	Sign revised condition acceptance form and APS.
February 18, 2025	Ada Shahini	0.50	Reviewed information required from CRA on audit; Reviewed the company computer and reached out to accountant to inquire about required documentation.
February 18, 2025	Roman Konovalov	0.50	Communication with CRA, former accountant of the company regarding the HST, HST Audit and other related discussions.
February 18, 2025	Rosa Wilford	0.60	Review payment request and authorized approval from Trustee on file; Prepare disbursement requisition forms; Issue cheque.
February 18, 2025	Valerie Naccarato	0.40	Deposit at bank.
February 19, 2025	Jake Wiebe	0.30	Discussion with team re: tenant lease termination; Emails with realtor re: same.
February 20, 2025	Ada Shahini	0.30	Discussed with team re: help from accountant and called and emailed to advise accountant of help needed in the next week.

Date	Full Name	Time	Detail
February 20, 2025	Roman Konovalov	0.10	Call with a contractor regarding the property clean up.
February 21, 2025	Jake Wiebe	0.20	Discussion with Team re: property clean up.
February 21, 2025	Roman Konovalov	1.50	Attended the premises for inspection.
February 21, 2025	Rosa Wilford	0.30	Review payment request; Prepare disbursement requisition form with support; Post invoice entries; Issue cheque.
February 24, 2025	Jake Wiebe	0.60	Review and sign APS amendment for purchaser name; Review emails from realtor re: property tenant; Email with team re: same.
February 24, 2025	Roman Konovalov	0.20	Emails call with the tenant at the Dillingham site and clean up contractor.
February 25, 2025	Jake Wiebe	0.60	Call with team re: tenant and clean up of property.
February 25, 2025	Roman Konovalov	0.30	Follow up calls with CRA, Hydro One, within the team, reviewed bills.
February 26, 2025	Roman Konovalov	0.10	Follow up regarding the Trailers removal.
February 26, 2025	Rosa Wilford	0.30	Review email payment request; Prepare disbursement requisition form; Post entries and Issue cheque.
February 27, 2025	Jake Wiebe	0.40	Prepare confidential appendix.
February 27, 2025	Roman Konovalov	1.00	Follow up regarding the clean up, inspected the property.

**Time Charges and Expenses:**

Jake Wiebe, Sr. Vice President	10.40	hours @ \$ 600.00	per hour	\$	6,240.00
R. Konovalov, Manager	7.70	hours @ \$ 420.00	per hour	\$	3,234.00
R. Wilford, Manager	6.90	hours @ \$ 350.00	per hour	\$	2,415.00
A. Shahini, Manager	1.50	hours @ \$ 355.00	per hour	\$	532.50
C. Grasic, Sr. Associate	0.60	hours @ \$ 335.00	per hour	\$	201.00
V. Naccarato, Analyst	1.50	hours @ \$ 165.00	per hour	\$	247.50
	28.60			\$	12,870.00
5% Technology and Administration				\$	643.50
				\$	13,513.50

Disbursement

Travel	\$	193.09
	\$	13,706.59

HST	\$	1,781.86
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Total Invoice Due	\$	15,488.45
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Exhibit "B" to the Affidavit of Jacob Wiebe, sworn
before me this 25 day of March 2025

A handwritten signature in cursive script, reading "Jason Kanji", is written over a horizontal line.

Commissioner for Taking Affidavits, etc.

Jason Nadir Kanji
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited
Expires September 27, 2026

Commercial Packaging Solutions Inc. and
2777463 Ontario Inc.

Billing Summary
for the period from August 1, 2024 to February 28, 2025

Period	Fees		Disbursements		Subtotal		HST		Total	
August 1, 2024 to August 31, 2024	\$	29,089.99		-	\$	29,089.99	\$	3,781.70	\$	32,871.69
September 1, 2024 to October 31, 2024	\$	25,829.48	\$	889.00	\$	26,718.48	\$	3,473.40	\$	30,191.88
November 1, 2024 to November 30, 2024	\$	6,931.05	\$	342.59	\$	7,273.64	\$	945.58	\$	8,219.22
December 1, 2024 to December 31, 2024	\$	10,444.35	\$	112.24	\$	10,556.59	\$	1,372.36	\$	11,928.95
January 2, 2025 to February 28, 2025	\$	13,513.50	\$	193.09	\$	13,706.59	\$	1,781.86	\$	15,488.45
	\$	85,808.37	\$	1,536.92	\$	87,345.29	\$	11,354.90	\$	98,700.19

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

ROYAL BANK OF CANADA
Applicant

- and -

Commercial Packaging Solutions Inc and 2777463 Ontario Inc.
Respondents

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

Proceeding commenced at Toronto

AFFIDAVIT OF JACOB WIEBE

GRANT THORNTON LIMITED

200 King Street West, Box 11
11th Floor

Toronto, ON, M5H 3T4

Tel. 416-366-0100

Fax. 416-360-4948

Email Jake.Wiebe@ca.gt.com

APPENDIX 14

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

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.

Respondents

**AFFIDAVIT OF THOMAS MASTERSON
(Sworn March 27, 2025)**

I, **THOMAS MASTERSON**, of the City of London, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a solicitor qualified to practice law in the Province of Ontario and I am a lawyer with Harrison Pensa ^{LLP}, who acts as counsel for Grant Thornton Limited, in its capacity as Court-Appointed Receiver of the Respondents, Commercial Packaging Solutions Inc. and 2777463 Ontario Ltd., in the within proceeding, and as such I have knowledge of the matters to which I hereinafter depose except for those matters based expressly upon information and belief.
2. Attached hereto and marked as **Exhibit "A"** is a summary of the time incurred by professionals at Harrison Pensa ^{LLP}, the hourly rate and fees associated with such and disbursements in relation with this matter for the period of August 13, 2024 to August 29, 2024.
3. Attached hereto and marked as **Exhibit "B"** are particulars of time spent by professionals at Harrison Pensa ^{LLP} in connection with this matter for the period of

August 13, 2024 to August 29, 2024 and an account statement detailing the services provided dated September 13, 2024.

4. Attached hereto and marked as **Exhibit “C”** is a summary of the time incurred by professionals at Harrison Pensa ^{LLP}, the hourly rate and fees associated with such and disbursements in relation with this matter for the period of September 24, 2024 to October 22, 2024.
5. Attached hereto and marked as **Exhibit “D”** are particulars of time spent by professionals at Harrison Pensa ^{LLP} in connection with this matter for the period of September 24, 2024 to October 22, 2024 and an account statement detailing the services provided dated October 25, 2024.
6. Attached hereto and marked as **Exhibit “E”** is a summary of the time incurred by professionals at Harrison Pensa ^{LLP}, the hourly rate and fees associated with such and disbursements in relation with this matter for the period of October 24, 2024 to December 23, 2024.
7. Attached hereto and marked as **Exhibit “F”** are particulars of time spent by professionals at Harrison Pensa ^{LLP} in connection with this matter for the period of October 24, 2024 to December 23, 2024 and an account statement detailing the services provided dated January 6, 2025.
8. Attached hereto and marked as **Exhibit “G”** is a summary of the time incurred by professionals at Harrison Pensa ^{LLP}, the hourly rate and fees associated with such and disbursements in relation with this matter for the period of January 3, 2025 to February 19, 2025.
9. Attached hereto and marked as **Exhibit “H”** are particulars of time spent by professionals at Harrison Pensa ^{LLP} in connection with this matter for the period of January 3, 2025 to February 19, 2025 and an account statement detailing the services provided dated February 19, 2025.
10. Attached hereto and marked as **Exhibit “I”** is a summary of the time incurred by professionals at Harrison Pensa ^{LLP}, the hourly rate and fees associated with such and disbursements in relation with this matter for the period of February 19, 2025 to March 10, 2025.

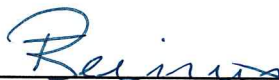
11. Attached hereto and marked as **Exhibit “J”** are particulars of time spent by professionals at Harrison Pensa ^{LLP} in connection with this matter for the period of February 19, 2025 to March 10, 2025 and an account statement detailing the services provided dated March 14, 2025.
12. Attached hereto and marked as **Exhibit “K”** is a summary of the time incurred by professionals at Harrison Pensa ^{LLP}, the hourly rate and fees associated with such and disbursements in relation with this matter for the period of March 12, 2025 to March 25, 2025.
13. Attached hereto and marked as **Exhibit “L”** are particulars of time spent by professionals at Harrison Pensa ^{LLP} in connection with this matter for the period of March 12, 2025 to March 25, 2025 and an account statement detailing the services provided dated March 27, 2025.
14. The hourly billing rates set out in the Exhibits are comparable to the hourly rates charged by Harrison Pensa ^{LLP} for services rendered in relation to similar proceedings.
15. The fees and disbursements of Harrison Pensa ^{LLP} in this matter from August 13, 2024 to March 25, 2025 are as follows:
 - a. Total Billed Fees and Disbursements from August 13, 2024 to August 29, 2024 - \$12,367.39;
 - b. Total Billed Fees and Disbursements from September 24, 2024 to October 22, 2024 - \$2,061.64;
 - c. Total Billed Fees and Disbursements from October 24, 2024 to December 23, 2024 - \$7,582.30;
 - d. Total Billed Fees and Disbursements from January 3, 2025 to February 19, 2025 - \$10,557.08;
 - e. Total Billed Fees and Disbursements from February 19, 2025 to March 10, 2025 - \$2,845.41;
 - f. Total Billed Fees and Disbursements from March 12, 2025 to March 25, 2025 - \$6,884.30

Total: \$42,298.12
16. The weighted average hourly rate charged by professionals at Harrison Pensa ^{LLP} is \$435.03.

17. I make this Affidavit in support of among other things, approval of fees and disbursements of the counsel for the Receiver.

Sworn before me: ☒ in person OR ☐ by video conference

by Thomas Masterson at the City of London in the County of Middlesex, before me on March 27, 2025, in accordance with O. Reg. 431/20 Remotely.



Commissioner for Taking Affidavits



THOMAS MASTERSON

Tayler Elizabeth Reiners,
Commissioner for Taking Affidavits,
Province of Ontario,
LSO #P14450

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

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

COMMERCIAL PACKAGING SOLUTIONS INC. and
2777463 ONTARIO LTD.

Respondents

EXHIBITS

TABS "A" TO "L" ARE THE
EXHIBITS TO THE AFFIDAVIT OF
THOMAS MASTERSON
SWORN THIS 27TH DAY OF MARCH, 2025



A Commissioner for taking Affidavits

**Tayler Elizabeth Reiners,
Commissioner for Taking Affidavits,
Province of Ontario,
LSO #P14450**

EXHIBIT A

(From August 13, 2024 to August 29, 2024)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	10.20	\$550.00	\$5,610.00
	Christian J. Hamber	1995	3.80	\$550.00	\$2,090.00
Associates	Thomas Masterson	2019	5.30	\$230.00	\$1,219.00
Clerks	Isabelle Stacey		7.80	\$140.00	\$1,092.00
	Emma Benaway		1.60	\$125.00	\$200.00
	Olivia Rajsp		0.20	\$140.00	\$28.00
Students	Kinsey Greenfield		1.20	\$150.00	\$180.00
TOTAL FEES					\$10,419.00
HST ON FEES					\$1,354.47
TOTAL TAXABLE DISBURSEMENTS					\$211.43
TOTAL NON – TAXABLE DISBURSEMENTS					\$355.00
HST DISBURSEMENTS					\$27.49
TOTAL FEES, DISBURSEMENTS AND HST					\$12,367.39

EXHIBIT B

Harrison Pensa

LAWYERS

130 Dufferin Avenue, Suite 1101
P.O. Box 3237
London, ON N6A 4K3

Telephone: (519) 679 9660
Facsimile: (519) 667 3362

Grant Thornton Limited
11th Floor, 200 King Street W., Box 11
Toronto, ON
M5H 3T4

September 13, 2024
Invoice #: 2236031
Account #: 2236031-202285

File #: 202285/Timothy C. Hogan
RE: Commercial Packaging Solutions Inc.

TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
13-Aug-24	To review emails from and to Receiver and debtor counsel re draft motion and draft AVO;	.50	\$275.00	CJH
13-Aug-24	To prepare draft AVO and circulate to Receiver;	1.00	\$550.00	CJH
13-Aug-24	To review title;	.30	\$165.00	CJH
14-Aug-24	Calls with client/review amend report	.50	\$275.00	TCH
14-Aug-24	Amend notice of motion, e-mail to client	.50	\$275.00	TCH
14-Aug-24	To revise draft Order	.40	\$92.00	THM
14-Aug-24	To draft Fee Affidavit	.90	\$207.00	THM
14-Aug-24	To compile confidential appendices;	.20	\$28.00	IST
14-Aug-24	To compile motion record;	.40	\$56.00	IST
15-Aug-24	Call/e-mail with client	.40	\$220.00	TCH
15-Aug-24	To send email correspondence to client	.20	\$46.00	THM
15-Aug-24	Revise notice of motion, service list, calls with client, review record	1.80	\$990.00	TCH
15-Aug-24	To compile affidavit;	.20	\$25.00	EMB
15-Aug-24	To serve and file;	.40	\$56.00	IST
15-Aug-24	To draft letter to service list;	.20	\$28.00	IST
15-Aug-24	To draft affidavits of service;	.20	\$28.00	IST

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
15-Aug-24	To compile motion record;	1.00	\$140.00	IST
15-Aug-24	To update service list;	.50	\$70.00	IST
15-Aug-24	To email from Receiver re AVO;	.30	\$165.00	CJH
15-Aug-24	To review emails to and from Receiver re changes to motion materials;	.30	\$165.00	CJH
15-Aug-24	To email from Receiver re signed APS and deposit;	.40	\$220.00	CJH
15-Aug-24	To review signed APS and compare to supplied form;	.30	\$165.00	CJH
15-Aug-24	To email to Receiver re comments on APS;	.40	\$220.00	CJH
15-Aug-24	To email from Receiver re signed APS;	.30	\$165.00	CJH
16-Aug-24	To file;	.20	\$25.00	EMB
16-Aug-24	Calls/e-mails with counsel to RBC	.40	\$220.00	TCH
19-Aug-24	To compile confidential appendices	.30	\$42.00	IST
19-Aug-24	E-mail to client	.20	\$110.00	TCH
20-Aug-24	To update CaseLines;	.30	\$42.00	IST
20-Aug-24	To email court;	.20	\$28.00	IST
21-Aug-24	E-mail to client	.20	\$110.00	TCH
21-Aug-24	To email court;	.20	\$28.00	IST
21-Aug-24	To email correspondence;	.20	\$28.00	IST
21-Aug-24	Review supplemental report/e-mail with client	.40	\$220.00	TCH
21-Aug-24	To draft Factum	3.00	\$690.00	THM
22-Aug-24	E-mail to counsel for BDC	.20	\$110.00	TCH
22-Aug-24	Review/revise factum	.80	\$440.00	TCH
22-Aug-24	To revise Factum	.40	\$92.00	THM
22-Aug-24	To review Motion Record, Factum and Book of Authorities	.40	\$92.00	THM
22-Aug-24	E-mails with TD counsel	.20	\$110.00	TCH
22-Aug-24	To update CaseLines;	.20	\$28.00	IST
22-Aug-24	To serve and file;	.30	\$42.00	IST
22-Aug-24	To draft letter to service list;	.20	\$28.00	IST
22-Aug-24	To finalize Factum & BOA;	.30	\$42.00	IST
22-Aug-24	To file;	.20	\$28.00	IST
22-Aug-24	To compile motion record;	.40	\$56.00	IST
22-Aug-24	To draft AOS;	.20	\$28.00	IST
22-Aug-24	Review/revise supplemental report, e-mails with client	1.40	\$770.00	TCH

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
22-Aug-24	To obtain PPSA reports;	.20	\$28.00	ORA
23-Aug-24	To file;	.20	\$25.00	EMB
26-Aug-24	Review orders	.40	\$220.00	TCH
26-Aug-24	Tracked changes on Vesting Order	1.20	\$180.00	KGR
26-Aug-24	To update file;	.20	\$25.00	EMB
26-Aug-24	To update service list;	.20	\$28.00	IST
26-Aug-24	To email correspondence;	.20	\$28.00	IST
26-Aug-24	To hyperlink factum;	.30	\$42.00	IST
26-Aug-24	To update Orders;	.30	\$42.00	IST
26-Aug-24	To draft memo;	.20	\$28.00	IST
26-Aug-24	To file;	.20	\$28.00	IST
26-Aug-24	To update CaseLines;	.50	\$70.00	IST
26-Aug-24	E-mail from counsel	.20	\$110.00	TCH
27-Aug-24	Prepare for and attend hearing	2.00	\$1,100.00	TCH
27-Aug-24	Review endorsement	.20	\$110.00	TCH
27-Aug-24	To file;	.20	\$25.00	EMB
27-Aug-24	To email service list;	.20	\$25.00	EMB
27-Aug-24	To update caselines;	.20	\$25.00	EMB
29-Aug-24	E-mails with client/TD counsel	.40	\$220.00	TCH
29-Aug-24	To email correspondence;	.20	\$25.00	EMB

Total Fees:	\$	10,419.00
Plus GST:		0.00
Plus HST:		1,354.47

Total Fees (INCL TAX)**\$ 11,773.47****FEE SUMMARY:**

LAWYER	HOURS	RATE	AMOUNT
Christian J. Hamber	3.80	\$550.00	\$2,090.00
Timothy C. Hogan	10.20	\$550.00	\$5,610.00
Thomas Masterson	5.30	\$230.00	\$1,219.00
Olivia Rajsp	.20	\$140.00	\$28.00
Emma Benaway	1.60	\$125.00	\$200.00
Isabelle Stacey	7.80	\$140.00	\$1,092.00
Kinsey Greenfield	1.20	\$150.00	\$180.00

NON-TAXABLE DISBURSEMENTS

Government Filing Fees	\$16.00
File Motion Record	\$339.00

Total Non-Taxable Disbursements: 355.00

TAXABLE DISBURSEMENTS

PPSA	65.40	
Teranet Search	34.95	
Courier	76.08	
Title Services	35.00	
Total Taxable Disbursements:	\$ 211.43	
Plus GST:	0.00	
Plus HST:	<u>27.49</u>	
Total Disbursements (INCL TAX)		<u>\$ 593.92</u>

TOTAL DUE & OWING **\$ 12,367.39**

THIS IS OUR ACCOUNT HEREIN

HARRISON PENSA LLP



Per: _____
Timothy C. Hogan

E. & O.E.

**Harrison Pensa LLP is a registered payee with most Canadian banks.
Payment can be made online through your bank's website or mobile app.**

GST / HST REGISTRATION NO: R867630543

Interest of 5.3% is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days

TERMS: DUE UPON RECEIPT

Cheque, Mastercard and VISA also accepted.

Please make cheque payable to:
HARRISON PENSA LLP, 130 Dufferin Ave., Suite 1101, P.O. Box 3237, London ON N6A 4K3

EXHIBIT C

(From September 24, 2024 to October 22, 2024)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	2.40	\$550.00	\$1,320.00
Associates	Thomas Masterson	2019	1.90	\$230.00	\$437.00
TOTAL FEES					\$1,757.00
HST ON FEES					\$228.41
TOTAL TAXABLE DISBURSEMENTS					\$67.46
TOTAL NON – TAXABLE DISBURSEMENTS					\$0.00
HST DISBURSEMENTS					\$8.77
TOTAL FEES, DISBURSEMENTS AND HST					\$2,061.64

EXHIBIT D

Harrison Pensa

LAWYERS

130 Dufferin Avenue, Suite 1101
P.O. Box 3237
London, ON N6A 4K3

Telephone: (519) 679 9660
Facsimile: (519) 667 3362

Grant Thornton Limited
11th Floor, 200 King Street W., Box 11
Toronto, ON
M5H 3T4

October 25, 2024
Invoice #: 2237640
Account #: 2237640-202285

File #: 202285/Timothy C. Hogan
RE: Commercial Packaging Solutions Inc.

TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
24-Sep-24	E-mail from Client;	.20	\$110.00	TCH
2-Oct-24	E-mails with counsel/client	.40	\$220.00	TCH
2-Oct-24	Call with Bank and client	.50	\$275.00	TCH
3-Oct-24	Review equipment offer, e-mail to client	.40	\$220.00	TCH
3-Oct-24	To draft Bill of Sale re: Equipment	.90	\$207.00	THM
5-Oct-24	E-mail to client	.20	\$110.00	TCH
7-Oct-24	To draft Bill of Sale re: Inventory	.70	\$161.00	THM
10-Oct-24	To send email correspondence to client	.30	\$69.00	THM
10-Oct-24	Review Bills of Sale	.50	\$275.00	TCH
22-Oct-24	E-mail with client	.20	\$110.00	TCH

Total Fees:	\$	1,757.00
Plus GST:		0.00
Plus HST:		228.41

Total Fees (INCL TAX)		\$ 1,985.41
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FEE SUMMARY:

LAWYER	HOURS	RATE	AMOUNT
Timothy C. Hogan	2.40	\$550.00	\$1,320.00
Thomas Masterson	1.90	\$230.00	\$437.00

TAXABLE DISBURSEMENTS

Courier		67.46	
Total Taxable Disbursements:	\$	67.46	
Plus GST:		0.00	
Plus HST:		<u>8.77</u>	
Total Disbursements (INCL TAX)			\$ <u>76.23</u>

TOTAL DUE & OWING **\$ 2,061.64**

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HARRISON PENSA LLP

Per: 
Timothy C. Hogan

E. & O.E.

**Harrison Pensa LLP is a registered payee with most Canadian banks.
Payment can be made online through your bank's website or mobile app.**

GST / HST REGISTRATION NO: R867630543

Interest of 4.8% is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days

**TERMS: DUE UPON RECEIPT
Cheque, Mastercard and VISA also accepted.**

Please make cheque payable to:
HARRISON PENSA LLP, 130 Dufferin Ave., Suite 1101, P.O. Box 3237, London ON N6A 4K3

EXHIBIT E

(From October 24, 2024 to December 23, 2024)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	3.70	\$550.00	\$2,035.00
	Christian J. Hamber	1995	8.50	\$550.00	\$4,675.00
TOTAL FEES					\$6,710.00
HST ON FEES					\$872.30
TOTAL TAXABLE DISBURSEMENTS					\$0.00
TOTAL NON – TAXABLE DISBURSEMENTS					\$0.00
HST DISBURSEMENTS					\$0.00
TOTAL FEES, DISBURSEMENTS AND HST					\$7,582.30

EXHIBIT F

Harrison Pensa

LAWYERS

130 Dufferin Avenue, Suite 1101
P.O. Box 3237
London, ON N6A 4K3

Telephone: (519) 679 9660
Facsimile: (519) 667 3362

Grant Thornton Limited
11th Floor, 200 King Street W., Box 11
Toronto, ON
M5H 3T4

January 6, 2025
Invoice #: 2240633
Account #: 2240633-202285

File #: 202285/Timothy C. Hogan
RE: Commercial Packaging Solutions Inc.

TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
24-Oct-24	E-mail to client re listing agreement	.20	\$110.00	TCH
8-Nov-24	Call with client	.20	\$110.00	TCH
11-Dec-24	Review amended APS, e-mail to client	.40	\$220.00	TCH
11-Dec-24	To compare buyer signed offer to draft APS;	.50	\$275.00	CJH
11-Dec-24	To emails from and to Receiver re comments on offer and proposed counter-offer;	.50	\$275.00	CJH
11-Dec-24	To review and revise APS;	.80	\$440.00	CJH
11-Dec-24	To circulate revised APS to Receiver for comments;	.40	\$220.00	CJH
12-Dec-24	To review emails to and from Receiver re changes to APS;	.40	\$220.00	CJH
12-Dec-24	E-mail with client	.20	\$110.00	TCH
13-Dec-24	E-mails with counsel	.40	\$220.00	TCH
13-Dec-24	Review sale agreement and confidentiality agreement	.40	\$220.00	TCH
13-Dec-24	To emails from and to Receiver re signed APS and changes required;	.40	\$220.00	CJH
13-Dec-24	To amend APS and circulate to Receiver;	.50	\$275.00	CJH
13-Dec-24	To prepare, review and revise NDA and circulate to Receiver for review;	.80	\$440.00	CJH
17-Dec-24	To emails from and to Receiver re buyer proposed changes to APS;	.50	\$275.00	CJH

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
17-Dec-24	To review amended APS and provide comments;	.80	\$440.00	CJH
17-Dec-24	Review amended APS, e-mail to client	.50	\$275.00	TCH
18-Dec-24	To emails from and to Receiver re response on proposed changes to APS;	.30	\$165.00	CJH
19-Dec-24	To emails from and to Receiver re proposed changes to APS;	.40	\$220.00	CJH
19-Dec-24	To review and revise APS;	1.00	\$550.00	CJH
19-Dec-24	To emails to and from Buyer counsel re changes to APS and existing leases;	.40	\$220.00	CJH
19-Dec-24	Review amended agreement, e-mail to client	.40	\$220.00	TCH
20-Dec-24	To emails from and to buyer counsel and Receiver re leases;	.40	\$220.00	CJH
23-Dec-24	To emails from Receiver and to buyer counsel re leases affecting property;	.40	\$220.00	CJH
23-Dec-24	Call with counsel and client	.40	\$220.00	TCH
23-Dec-24	E-mails with client/counsel/draft disclaimer	.60	\$330.00	TCH

Total Fees:	\$	6,710.00
Plus GST:		0.00
Plus HST:		872.30

Total Fees (INCL TAX)

\$ 7,582.30

FEE SUMMARY:

LAWYER	HOURS	RATE	AMOUNT
Christian J. Hamber	8.50	\$550.00	\$4,675.00
Timothy C. Hogan	3.70	\$550.00	\$2,035.00

TOTAL DUE & OWING

\$ 7,582.30

THIS IS OUR ACCOUNT HEREIN

HARRISON PENZA LLP

Per: 
Timothy C. Hogan

E. & O.E.

PLEASE REMIT PAYMENT TO HARRISON PENZA LLP

Invoices are due upon receipt

Payment can be made through bill payment on your bank's website or mobile app. Harrison Pensa LLP is registered as a payee with most Canadian banks.

Credit card payments can be made through our online payment portal: www.harrisonpensa.com/make-a-payment/

Cheques can be made payable to HARRISON PENZA LLP

GST / HST REGISTRATION NO: R867630543

Interest of 4.8% is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days

EXHIBIT G

(From January 3, 2025 to February 19, 2025)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	4.10	\$600.00	\$2,460.00
	Christian J. Hamber	1995	10.30	\$600.00	\$6,180.00
Students	Kinsey Greenfield		3.00	\$150.00	\$450.00
	Areeb Daimee		0.80	\$175.00	\$140.00
TOTAL FEES					\$9,230.00
HST ON FEES					\$1,199.90
TOTAL TAXABLE DISBURSEMENTS					\$112.55
TOTAL NON – TAXABLE DISBURSEMENTS					\$0.00
HST DISBURSEMENTS					\$14.63
TOTAL FEES, DISBURSEMENTS AND HST					\$10,557.08

EXHIBIT H

Harrison Pensa

LAWYERS

130 Dufferin Avenue, Suite 1101
P.O. Box 3237
London, ON N6A 4K3

Telephone: (519) 679 9660
Facsimile: (519) 667 3362

Grant Thornton Limited
11th Floor, 200 King Street W., Box 11
Toronto, ON
M5H 3T4

February 19, 2025
Invoice #: 2242319
Account #: 2242319-202285

File #: 202285/Timothy C. Hogan
RE: Commercial Packaging Solutions Inc.

TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
3-Jan-25	To review lease disclaimer order;	.40	\$240.00	CJH
6-Jan-25	To review and revise lease disclaimer;	.40	\$240.00	CJH
6-Jan-25	To email to Receiver re revised lease disclaimer and status of APS;	.40	\$240.00	CJH
6-Jan-25	To emails from and to Buyer counsel re leases and disclaimer;	.40	\$240.00	CJH
6-Jan-25	To review and revise APS;	.40	\$240.00	CJH
6-Jan-25	To emails from and to Receiver re amended lease disclaimer and amended APS;	.30	\$180.00	CJH
6-Jan-25	Review disclaimer	.20	\$120.00	TCH
6-Jan-25	E-mails with counsel/client and review amended APS	.40	\$240.00	TCH
7-Jan-25	To emails from and to Receiver and Buyer counsel re amended APS and lease disclaimer;	.40	\$240.00	CJH
7-Jan-25	To email from Buyer counsel re acceptance of form of APS;	.40	\$240.00	CJH
7-Jan-25	To emails to and from Receiver and Buyer counsel re signed APS;	.40	\$240.00	CJH
9-Jan-25	To follow with Receiver re signing of APS;	.30	\$180.00	CJH
13-Jan-25	To emails from and to Receiver and Buyer counsel re execution of APS;	.40	\$240.00	CJH

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
14-Jan-25	Review agreement, e-mail with client	.40	\$240.00	TCH
15-Jan-25	To email from buyer counsel re fully signed APS;	.30	\$180.00	CJH
15-Jan-25	To emails from and to Receiver re due diligence and closing timing;	.50	\$300.00	CJH
15-Jan-25	To review APS re timing issues;	.30	\$180.00	CJH
27-Jan-25	To emails from and to Receiver re proposed amendment to ASP re due diligence date;	.40	\$240.00	CJH
10-Feb-25	E-mails with client and from counsel	.40	\$240.00	TCH
10-Feb-25	To email from Receiver re Buyer waiver of conditions and timing for closing;	.40	\$240.00	CJH
10-Feb-25	To letter from buyer counsel re requisitions;	.80	\$480.00	CJH
11-Feb-25	E-mails to client and counsel re sale agreement	.40	\$240.00	TCH
12-Feb-25	E-mail to counsel	.20	\$120.00	TCH
12-Feb-25	E-mail to client	.20	\$120.00	TCH
12-Feb-25	Call with client	.20	\$120.00	TCH
12-Feb-25	E-mail to borrower	.20	\$120.00	TCH
13-Feb-25	Call with Bank	.20	\$120.00	TCH
13-Feb-25	E-mail with borrower	.20	\$120.00	TCH
13-Feb-25	To review status of transaction and AVO;	.40	\$240.00	CJH
13-Feb-25	To email from Receiver re second deposit;	.30	\$180.00	CJH
13-Feb-25	To prepare, review and revise AVO;	1.00	\$600.00	CJH
14-Feb-25	To review and revise AVO;	.40	\$240.00	CJH
14-Feb-25	To review requisition letter and issues to be addressed for closing;	.40	\$240.00	CJH
14-Feb-25	To order writ search, review PPSA registrations and update AVO;	.50	\$300.00	CJH
14-Feb-25	To emails to and from Buyer counsel re draft AVO and lease disclaimer;	.40	\$240.00	CJH
14-Feb-25	Review AVO/sale agreement and e-mail with counsel	.60	\$360.00	TCH
14-Feb-25	Conf. undertaking re Commercial Packaging Solutions Inc.	.50	\$87.50	ard
14-Feb-25	Draft confidentiality undertaking	.50	\$300.00	TCH
14-Feb-25	Revised conf. undertaking re Commercial Packaging Solutions Inc.	.30	\$52.50	ard
18-Feb-25	To draft opinion to receiver.	2.80	\$420.00	KGR
19-Feb-25	To request and file acknowledge and direction from counsel to the Bank.	.20	\$30.00	KGR

Total Fees:	\$	9,230.00	
Plus GST:		0.00	
Plus HST:		<u>1,199.90</u>	
Total Fees (INCL TAX)			<u>\$ 10,429.90</u>

FEE SUMMARY:

LAWYER	HOURS	RATE	AMOUNT
Christian J. Hamber	10.30	\$600.00	\$6,180.00
Timothy C. Hogan	4.10	\$600.00	\$2,460.00
Areeb Daimee	.80	\$175.00	\$140.00
Kinsey Greenfield	3.00	\$150.00	\$450.00

TAXABLE DISBURSEMENTS

Electronic Signature Fee (DocuSign)		10.00	
Teranet Search		52.90	
Teranet Writs		49.65	
Total Taxable Disbursements:	\$	112.55	
Plus GST:		0.00	
Plus HST:		<u>14.63</u>	
Total Disbursements (INCL TAX)			<u>\$ 127.18</u>

TOTAL DUE & OWING **\$ 10,557.08**

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HARRISON PENSA LLP

Per: 
 Timothy C. Hogan

E. & O.E.

PLEASE REMIT PAYMENT TO HARRISON PENSA LLP

Invoices are due upon receipt

Payment can be made through bill payment on your bank's website or mobile app. Harrison Pensa LLP is registered as a payee with most Canadian banks.

Credit card payments can be made through our online payment portal: www.harrisonpensa.com/make-a-payment/

Cheques can be made payable to HARRISON PENSA LLP

 GST / HST REGISTRATION NO: R867630543

Interest of 4.0% is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days

EXHIBIT I

(From February 19, 2025 to March 10, 2025)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	3.20	\$600.00	\$1,920.00
Clerks	Sydney Inghelbrecht		0.70	\$165.00	\$115.50
	Olivia Rajsp		0.30	\$140.00	\$42.00
	Amy Broome		0.40	\$125.00	\$50.00
Students	Kinsey Greenfield		0.40	\$150.00	\$60.00
TOTAL FEES					\$2,187.50
HST ON FEES					\$284.38
TOTAL TAXABLE DISBURSEMENTS					\$309.32
TOTAL NON – TAXABLE DISBURSEMENTS					\$24.00
HST DISBURSEMENTS					\$40.21
TOTAL FEES, DISBURSEMENTS AND HST					\$2,845.41

EXHIBIT J

Harrison Pensa

LAWYERS

130 Dufferin Avenue, Suite 1101
P.O. Box 3237
London, ON N6A 4K3

Telephone: (519) 679 9660
Facsimile: (519) 667 3362

Grant Thornton Limited
11th Floor, 200 King Street W., Box 11
Toronto, ON
M5H 3T4

March 14, 2025
Invoice #: 2243373
Account #: 2243373-202285

File #: 202285/Timothy C. Hogan
RE: Commercial Packaging Solutions Inc.

TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
19-Feb-25	To obtain searches;	.30	\$42.00	ORA
19-Feb-25	E-mail to borrower	.20	\$120.00	TCH
19-Feb-25	To send documents via DocuSign;	.20	\$25.00	ABR
23-Feb-25	Review/revise opinion to Receiver	1.00	\$600.00	TCH
23-Feb-25	E-mails with counsel for RBC	.20	\$120.00	TCH
24-Feb-25	To add acknowledgement and direction and standard charge terms to file from the Bank's counsel.	.20	\$30.00	KGR
25-Feb-25	To e-mail borrower;	.20	\$25.00	ABR
26-Feb-25	E-mail to client	.20	\$120.00	TCH
27-Feb-25	E-mails with client/debtor re confidential documents	.40	\$240.00	TCH
3-Mar-25	To send Tax Certificates for the Debtor's real property.	.20	\$30.00	KGR
4-Mar-25	E-mail to borrower	.20	\$120.00	TCH
4-Mar-25	Review/revise continuing matter form/e-mail to court	.20	\$120.00	TCH
4-Mar-25	To draft document and email;	.70	\$115.50	SIN
6-Mar-25	E-mail to client	.20	\$120.00	TCH
10-Mar-25	E-mails with client	.20	\$120.00	TCH
10-Mar-25	Call/e-mail with client	.40	\$240.00	TCH

Total Fees:	\$	2,187.50	
Plus GST:		0.00	
Plus HST:		<u>284.38</u>	
Total Fees (INCL TAX)			<u>\$ 2,471.88</u>

FEE SUMMARY:

LAWYER	HOURS	RATE	AMOUNT
Timothy C. Hogan	3.20	\$600.00	\$1,920.00
Kinsey Greenfield	.40	\$150.00	\$60.00
Sydney Inghelbrecht	.70	\$165.00	\$115.50
Olivia Rajsp	.30	\$140.00	\$42.00
Amy Broome	.40	\$125.00	\$50.00

NON-TAXABLE DISBURSEMENTS

Government Filing Fees	<u>\$24.00</u>
Total Non-Taxable Disbursements:	24.00

TAXABLE DISBURSEMENTS

Electronic Signature Fee (DocuSign)	20.00	
Entity Profile Report	20.00	
Bank Act/Bankruptcy	65.40	
Courier	23.92	
Tax Certificate Search	80.00	
Title Services	100.00	
Total Taxable Disbursements:	\$ 309.32	
Plus GST:	0.00	
Plus HST:	<u>40.21</u>	
Total Disbursements (INCL TAX)		<u>\$ 373.53</u>

TOTAL DUE & OWING	<u>\$ 2,845.41</u>
------------------------------	---------------------------

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HARRISON PENZA LLP

Per: 
Timothy C. Hogan

E. & O.E.

PLEASE REMIT PAYMENT TO HARRISON PENZA LLP

Invoices are due upon receipt

Payment can be made through bill payment on your bank's website or mobile app. Harrison Pensa LLP is registered as a payee with most Canadian banks.

Credit card payments can be made through our online payment portal: www.harrisonpensa.com/make-a-payment/

Cheques can be made payable to HARRISON PENZA LLP

GST / HST REGISTRATION NO: R867630543

Interest of 4.0% is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days

EXHIBIT K

(From March 12, 2025 to March 25, 2025)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	7.50	\$600.00	\$4,500.00
	Christian J. Hamber	1995	0.80	\$600.00	\$480.00
Associates	Thomas Masterson	2019	1.20	\$230.00	\$276.00
Clerks	Sydney Inghelbrecht		0.70	\$165.00	\$115.50
	Olivia Rajsp		0.20	\$140.00	\$28.00
Students	Kinsey Greenfield		0.30	\$150.00	\$45.00
	Hugh McHenry		2.80	\$175.00	\$490.00
TOTAL FEES					\$5,934.50
HST ON FEES					\$771.49
TOTAL TAXABLE DISBURSEMENTS					\$143.64
TOTAL NON – TAXABLE DISBURSEMENTS					\$16.00
HST DISBURSEMENTS					\$18.67
TOTAL FEES, DISBURSEMENTS AND HST					\$6,884.30

EXHIBIT L

Harrison Pensa

LAWYERS

130 Dufferin Avenue, Suite 1101
P.O. Box 3237
London, ON N6A 4K3

Telephone: (519) 679 9660
Facsimile: (519) 667 3362

Grant Thornton Limited
11th Floor, 200 King Street W., Box 11
Toronto, ON
M5H 3T4

March 27, 2025
Invoice #: 2243827
Account #: 2243827-202285

File #: 202285/Timothy C. Hogan
RE: Commercial Packaging Solutions Inc.

TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
12-Mar-25	E-mail with counsel for mortgagee/client	.40	\$240.00	TCH
13-Mar-25	E-mail with client	.20	\$120.00	TCH
13-Mar-25	File review and drafted demand letters	2.30	\$402.50	hmc
14-Mar-25	Review CRA/e-mail with counsel	.40	\$240.00	TCH
14-Mar-25	Call with Bank counsel/client	.40	\$240.00	TCH
14-Mar-25	To email from Colliers re commission statement;	.30	\$180.00	CJH
17-Mar-25	Revised Demand Letters and correspondence with Grant Thornton.	.50	\$87.50	hmc
17-Mar-25	E-mails/calls with client	.40	\$240.00	TCH
18-Mar-25	Review/revise report/e-mail to client/review searches/revise service list	2.50	\$1,500.00	TCH
18-Mar-25	To obtain PPSA reports;	.10	\$14.00	ORA
18-Mar-25	To order updated searches and send to client.	.30	\$45.00	KGR
19-Mar-25	E-mail with client re account demands	.20	\$120.00	TCH
19-Mar-25	To draft documents;	.40	\$66.00	SIN
20-Mar-25	Review/revise agreement/call with client/e-mail to counsel	.60	\$360.00	TCH
20-Mar-25	To review emails from and to buyer counsel re requisitions and closing date;	.50	\$300.00	CJH

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
20-Mar-25	To prepare Fee Affidavit	.80	\$184.00	THM
20-Mar-25	To draft Ancillary Order	.40	\$92.00	THM
23-Mar-25	E-mail with Bank counsel	.20	\$120.00	TCH
23-Mar-25	Draft Notice of Motion and amend report	1.00	\$600.00	TCH
25-Mar-25	To obtain PPSA reports;	.10	\$14.00	ORA
25-Mar-25	To edit documents;	.30	\$49.50	SIN
25-Mar-25	E-mail with counsel/client	.40	\$240.00	TCH
25-Mar-25	Review/revise notice of motion, report, e-mail to client	.80	\$480.00	TCH
Total Fees:		\$	5,934.50	
Plus GST:			0.00	
Plus HST:			771.49	
Total Fees (INCL TAX)				\$ 6,705.99

FEE SUMMARY:

LAWYER	HOURS	RATE	AMOUNT
Christian J. Hamber	.80	\$600.00	\$480.00
Timothy C. Hogan	7.50	\$600.00	\$4,500.00
Thomas Masterson	1.20	\$230.00	\$276.00
Kinsey Greenfield	.30	\$150.00	\$45.00
Sydney Inghelbrecht	.70	\$165.00	\$115.50
Olivia Rajsp	.20	\$140.00	\$28.00
Hugh McHenry	2.80	\$175.00	\$490.00

NON-TAXABLE DISBURSEMENTS

Government Filing Fees	\$16.00
Total Non-Taxable Disbursements:	16.00

TAXABLE DISBURSEMENTS

Bank Act/Bankruptcy	65.40
Teranet Search	41.50
Register Mail	31.52
Postage	5.22
Total Taxable Disbursements:	\$ 143.64
Plus GST:	0.00
Plus HST:	18.67
Total Disbursements (INCL TAX)	\$ 178.31

TOTAL DUE & OWING **\$ 6,884.30**

THIS IS OUR ACCOUNT HEREIN

HARRISON PENZA LLP

Per: _____
Timothy C. Hogan

E. & O.E.

PLEASE REMIT PAYMENT TO HARRISON PENZA LLP

Invoices are due upon receipt

Payment can be made through bill payment on your bank's website or mobile app. Harrison Pensa LLP is registered as a payee with most Canadian banks.

Credit card payments can be made through our online payment portal: www.harrisonpensa.com/make-a-payment/

Cheques can be made payable to HARRISON PENZA LLP

GST / HST REGISTRATION NO: R867630543

Interest of 4.0% is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days

ROYAL BANK OF CANADA

-and-

COMMERCIAL PACKAGING SOLUTIONS INC. and 2777463 ONTARIO LTD.

Applicant

Respondents

Court File No. CV-24-00719261-00CL

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

Proceeding commenced at
Toronto, Ontario

AFFIDAVIT OF THOMAS MASTERSON

Harrison Pensa^{LLP}
Barristers and Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Timothy C. Hogan (LSO #36553S)
Tel: (519) 679-9660
Fax: (519) 667-3362
Email: thogan@harrisonpensa.com

Solicitors for the Receiver,
Grant Thornton Limited

ROYAL BANK OF CANADA

and

COMMERCIAL PACKAGING SOLUTIONS INC., et al.

Applicant

Respondents

Court File No. CV-24-00719261-00CL

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

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

FIRST REPORT OF THE RECEIVER

HARRISON PENZA LLP

Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2

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Lawyers for the Receiver,
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ROYAL BANK OF CANADA

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Applicant

Respondents

Court File No. CV-24-00719261-00CL

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

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

MOTION RECORD

HARRISON PENSA LLP

Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2

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Lawyers for the Receiver,
Grant Thornton Limited