UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Comsale Group Inc., *et al.*,[1] Debtors in a Foreign Proceeding.	Chapter 15 Case No. 19-13625 (JLG) Jointly Administered

NOTICE OF PROPOSED SALE OF AVAILABLE ASSETS

PLEASE TAKE NOTICE that on November 13, 2019, Grant Thornton Limited, solely in its capacity as court-appointed receiver and manager and not in its personal or corporate capacity (the "Receiver") and authorized foreign representative (the "Foreign Representative") of Comsale Group Inc. ("CGI"), Comsale Computer Inc. ("CCI" or the "Borrower") and Comsale Inc. ("CI" and together with CGI and CCI, the "Debtors"),[2] filed the *Chapter 15 Petition for Recognition of a Foreign Proceeding* and the *Verified Petition Under Chapter 15 for Recognition of a Foreign Main Proceeding and Related Relief* (together, the "Petition") for each of the Debtors pursuant to chapter 15 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Court").

PLEASE TAKE FURTHER NOTICE THAT on December 16, 2019, the Court entered an order recognizing the Canadian Proceeding as a foreign main proceeding.

PLEASE TAKE FURTHER NOTICE THAT on February 5, 2020, the Court entered the *Order (I) Approving the Sale Procedures and the Sale Notice, (II) Authorizing the Sale of Substantially All of the Debtors' Assets Free and Clear of Any Liens, Claims, Encumbrances and Other Interests, (III) Recognizing and Enforcing the Canadian Sale Procedures Order and (IV) Granting Related Relief* (the "Sale Procedures Order")[3] authorizing the Foreign Representative to sell substantially all of the Debtors' assets located in the United States pursuant to the procedures set forth in the Sale Procedures Order.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Procedures Order, the Foreign Representative proposes to enter into the transaction (the "Proposed Transaction") under

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[1] The Debtors in these chapter 15 cases, along with the last four digits of each Debtor's U.S. Federal Tax Identification Number or other unique identifier are: Comsale Group Inc. (7355) (Ontario Corporation Number); Comsale Computer Inc. (7508) (Ontario Corporation Number); and Comsale Inc. (0354) (FEIN). The Receiver and Foreign Representative is Grant Thornton Limited, located at 200 King St. W. 11th Floor, Toronto, Ontario, Canada M5H 3T4.

[2] Each of the Debtors was placed in a receivership on November 5, 2019 by order (the "Receivership Order") of the Superior Court of Justice (Commercial List) in Ontario, Canada (the "Canadian Court"), Court File No.: CV-19-630501-00CL (the "Canadian Proceeding").

[3] Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Sale Procedures Order.

the Asset Purchase Agreement dated as of March 17, 2020 (the "APA") attached to this Notice as Exhibit A. The material terms of the Proposed Transaction are described below:

- **Available Assets Being Sold**: Certain trailers located at 70 Niagara Street, St Catharines, Canada (Parcel 7); inventory consisting of various customer returns of PCs located at 4040 Willow Lake Blvd, Memphis, Tennessee, USA (Parcel 11A).

- **Purchaser**: Escrap Canada Inc.

- **Purchase Price**: [redacted]

- **Terms of Payment**: Purchaser has deposited [redacted] of the Purchase Price in cash with the Receiver and will pay the balance of the Purchase Price (i.e. [redacted]) in cash at closing.

- **Marketing Efforts**: As set forth in the Foreign Representative Declaration, the Foreign Representative contacted nine potential purchasers that the Foreign Representative identified as potentially having an interest in acquiring the Available Assets.

- **Known Liens**: As of the date hereof, HSBC Bank Canada and BDC Capital, Inc. have Liens on the Available Assets. There are no other known Liens on the Available Assets.

- **Other Material Terms**: Purchaser will take possession of the Available Assets within two Business Days after Closing. However, the Receiver and Purchaser can mutually agree to extend the date the Purchaser takes possession of the Available Assets if Purchaser is unable to do so due to restrictions caused by the COVID-19 pandemic.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Procedures Order, the Foreign Representative requests entry of the proposed order attached to this notice as Exhibit B (the "Proposed Order") authorizing the consummation of the Proposed Transaction on ten (10) calendar days' notice and granting relief pursuant to sections 363(f) and 363(m) of the Bankruptcy Code.

PLEASE TAKE FURTHER NOTICE that, in support of the relief requested in the Proposed Order, the Foreign Representative submits the *Declaration of Foreign Representative* attached to this Notice as Exhibit C (the "Foreign Representative Declaration").

PLEASE TAKE FURTHER NOTICE that, consistent with the Sale Procedures Order and the Foreign Representative Declaration, if the Court enters an order granting relief under section 363(f) of the Bankruptcy Code, upon closing of the Sale, the Available Assets located in the United States shall be transferred free and clear of all liens, claims, encumbrances and other interests, with such liens, claims, encumbrances and other interests attaching to the sale proceeds in the order of priority and with the same validity, force and effect that they have against such Available Assets immediately prior to the Proposed Transaction.

PLEASE TAKE FURTHER NOTICE that objections to the Proposed Transaction must be filed electronically with the Court by registered users of the Court's electronic case filing system in accordance with General Order M-399 and the Court's Procedures for the Filing, Signing and Verification of Documents by Electronic Means (copies of each of which may be viewed on the Court's website at http://www.nysb.uscourts.gov). Two single-sided hard copies of any response or objection shall be sent to the Chambers of the Honorable James L. Garrity, United States Bankruptcy Judge, One Bowling Green, New York, New York 10004-1408 and served upon counsel for the Foreign Representative, Linklaters LLP, 1345 Avenue of the Americas, New York, New York 10105 (Attention: Robert H. Trust, Esq., Penelope J. Jensen, Esq. and Christopher J. Hunker, Esq.) and Thornton Grout Finnigan LLP, 100 Wellington St. West, Suite 3200, Canada Pacific Tower, Toronto (Ontario), Canada M5K 1K7 (Attention: D.J. Miller and Rachel Bengino) (collectively, the "Objection Notice Parties"), so as to be actually received on or before 10:00 a.m. (Eastern Time) on May 4, 2020 (the "Objection Deadline").

PLEASE TAKE FURTHER NOTICE that the Sale Hearing shall be held telephonically before the Honorable James L. Garrity, Jr., United States Bankruptcy Judge for the Southern District of New York, United States Bankruptcy Court, Courtroom 601, One Bowling Green, New York, New York 10004 at 11:00 a.m. (Eastern Time) on May 5, 2020. All parties wishing to appear at, or attend, the telephonic hearing must refer to the guidelines for telephonic appearances and make arrangements with Court Solutions LLC ("Court Solutions"). Pro se parties may participate telephonically in hearings free of charge using Court Solutions. Instructions for registering with Court Solutions are attached hereto as Exhibit D.

PLEASE TAKE FURTHER NOTICE that all parties in interest wishing to oppose the Proposed Transaction must appear at the Sale Hearing at the time and place set forth above.

PLEASE TAKE FURTHER NOTICE that the Sale Hearing may be adjourned from time to time without further notice other than an announcement in open court, or a notice of adjournment filed with the Court, of the adjourned date or dates of the hearing or any further adjourned hearing.

Dated: April 22, 2020
New York, New York

Respectfully submitted,

/s/ Robert H. Trust
Robert H. Trust
Penelope J. Jensen
Christopher J. Hunker
LINKLATERS LLP
1345 Avenue of the Americas
New York, NY 10105
Telephone: (212) 903-9000
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-and-

D.J. Miller
Rachel Bengino
THORNTON GROUT FINNIGAN LLP
100 Wellington St. West
Suite 3200, Canada Pacific Tower
Toronto (Ontario), Canada M5K 1K7
Telephone: (416) 304-1616
Facsimile: (416) 304-1313

Counsel to the Foreign Representative

EXHIBIT A

APA

ASSET PURCHASE AGREEMENT

This Agreement made this 17TH day of MARCH, 2020.

BETWEEN:

GRANT THORNTON LIMITED, in its capacity as Court-appointed Receiver of Comsale Computer Inc., Comsale Inc. et. al. and not in its personal or corporate capacity

(the "Receiver")

- and –

ESCRAP CANADA INC.

(the "Purchaser")

WHEREAS pursuant to the Order of the Honourable Justice Conway dated November 5, 2019 (the "**Receivership Order**"), as expanded on January 7, 2020, the Receiver was appointed as receiver of all of the assets, undertakings and properties of Comsale Computer Inc., Comsale Group Inc., Comsale Inc., Comsale Hong Kong Limited, Comsale Malaysia Sdn. Bhd. and Comsale Singapore Private Limited (collectively, the "**Comsale Entities**");

AND WHEREAS the Receivership Order was recognized by the U.S. Court (as defined below) on December 13, 2019 pursuant to Chapter 15 of Title 11 of the United States Code (the "**Bankruptcy Code**");

AND WHEREAS the Receivership Order, with respect to only Comsale Computer Inc., was recognized by the Malaysia Court (as defined below) pursuant to Orders 7 and 28, and Order 92 Rule 4 of the Rules of Court 2012 of the Malaysia Court on November 27, 2019;

AND WHEREAS, pursuant to an Order dated December 20, 2019 (the "**Sale Procedures Order**"), the Court approved the sale process as described in the Receiver's First Report to the Court dated December 13, 2019;

AND WHEREAS the Sale Procedures Order was recognized by the U.S. Court on February 5, 2020;

AND WHEREAS the Purchaser offers and agrees to purchase the Purchased Assets and Assumed Obligations from the Receiver upon the terms and conditions set forth hereinafter;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the parties) the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, the following terms shall have the meanings set out below unless the context requires otherwise:

"**Agreement**" means this asset purchase agreement, including all written amendments and written restatements thereto from time to time;

"**Applicable Law**" means, with respect to any Person, property, transaction, event or other matter, all applicable laws, statutes, regulations, rules, by-laws, ordinances, protocols, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments and decrees of any Governmental Authority;

"**Approval and Vesting Order**" has the meaning ascribed thereto in Section 4.1 hereof;

"**Article**" or "**Section**" means the specified Article, or Section to this Agreement and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement;

"**Assumed Obligations**" has the meaning ascribed thereto in Section 2.7 hereof;

"**Bankruptcy Code**" has the meaning ascribed thereto in the recitals hereof;

"**Bulk Sales Law**" means a provision of law in force in any U.S. state or local jurisdiction applicable to any sale, transfer or assignment in bulk of any part or the whole of assets or any similar laws;

"**Business Day**" means a day on which banks are open for business in the City of Toronto, but does not include a Saturday, Sunday or statutory holiday recognized in the Province of Ontario;

"**Cash Purchase Price**" has the meaning ascribed thereto in Section 2.2 hereof;

"**Claims**" means any and all claims, demands, complaints, actions, applications, suits, causes of action, orders, or other similar processes, and "**Claim**" means any one of them;

"**Closing**" means the completion of the purchase and sale of the Purchased Assets in accordance with the provisions of this Agreement;

"**Closing Date**" means, subject to the terms hereof, the later of (i) April 10, 2020 or (ii) if applicable, within five (5) Business Days after the date on which (x) the Approval and Vesting Order is granted by the Court and the applicable Recognition Order is granted by the applicable Foreign Court, and (y) if applicable, the Sale Order is entered by the U.S. Court, or such other date as the Parties may agree to writing;

"**Closing Time**" has the meaning ascribed thereto in Section 3.1 hereof;

"**Code**" means the U.S. Internal Revenue Code of 1986;

"**Comsale Entities**" has the meaning ascribed thereto in the recitals hereof;

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

"**Deposit**" has the meaning ascribed thereto in Section 2.3 hereof.

"**Encumbrances**" means any and all security interests (whether contractual, statutory, or otherwise), mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, leases, title retention agreements, reservations of ownership, demands, executions, levies, charges, options or other rights to acquire any interest in any assets, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, and all contracts to create any of the foregoing, or encumbrances of any kind or character whatsoever;

"**Excluded Assets**" means any and all assets of the Comsale Entities other than the Purchased Assets.

"**Foreign Court**" means either the U.S. Court, the Malaysia Court or any other court of competent jurisdiction located in Hong Kong or Singapore, as applicable;

"**Governmental Authorities**" means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power, and "**Governmental Authority**" means any one of them;

"**HST**" means all of the harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada);

"**Liability**" means any debt, loss, damage, adverse claim, fines, penalties, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, disputed or undisputed, liquidated or unliquidated, or due or to become due, and whether in or under statute, contract, tort, strict liability or otherwise), and includes all costs and expenses relating thereto (including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation) and "**Liabilities**" means the plural thereof;

"**Malaysia Court**" means the High Court of Malaya at Kuala Lumpur in the Federal Territory of Kuala Lumpur (Commercial Division);

"**Offer Form**" means the Offer Form delivered by the Purchaser to the Receiver on March 20, 2020 and accepted by the Receiver, subject to the Approval and Vesting Order;

"**Parties**" means the Receiver and the Purchaser collectively, and "**Party**" means any one of them;

"**Permitted Encumbrances**" means such Encumbrances, if any, that the Purchaser agrees will continue to attach to and be enforceable against the Purchased Assets following Closing;

"**Person**" is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity;

"**Purchase Price**" has the meaning ascribed thereto in Section 2.2 hereof;

"**Purchased Assets**" has the meaning ascribed thereto in Section 2.1 hereof;

"**Receiver's Certificate**" has the meaning ascribed thereto in Section 4.1 hereof;

"**Recognition Order**" has the meaning ascribed thereto in Section 4.1 hereof;

"**Sale Order**" has the meaning ascribed thereto in Section 4.1 hereof;

"**Sale Procedures Order**" has the meaning ascribed thereto in the recitals hereof.

"**Taxes**" means all taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments or similar charges in the nature of a tax, including, Canada Pension Plan and provincial pension plan contributions (or equivalent in the jurisdiction where the Purchased Assets may be located), employment insurance payments and workers compensation premiums, together with any instalments with respect thereto, and any interest, fines and penalties, imposed by any Governmental Authority, and whether disputed or not that arise in respect of the Purchased Assets in the jurisdiction in which they are located; and

"**U.S. Court**" means the United States Bankruptcy Court for the Southern District of New York.

1.2 Section References

Unless the context requires otherwise, references in this Agreement to Sections are to Sections of this Agreement.

ARTICLE 2
PURCHASE AND SALE

2.1 Purchase and Sale of Purchased Assets

At the Closing Time, subject to the terms and conditions of this Agreement, the Purchaser shall assume the Assumed Obligations and the Receiver shall sell, and the Purchaser shall purchase, the Receiver's and Comsale Computer Inc. and Comsale Inc.'s right, title and interest, if any, in all of the following assets (collectively the "**Purchased Assets**"):

a) Inventory – Trailers located in St Catharines as per the parcel listing, Appendix A-7, attached to the Offer Form.

b) Inventory - Customer returns located in Memphis as per the listing attached to the Offer Form.

For greater certainty, the Purchased Assets do not include the Excluded Assets.

2.2 Purchase Price

Pursuant to the terms and subject to the conditions set forth in this Agreement, in consideration of the sale of the Purchased Assets pursuant to the terms hereof, the Purchaser shall (i) pay to the Receiver [redacted] (the "**Cash Purchase Price**"), which shall be exclusive of applicable Taxes; and (ii) assume from the Receiver and become obligated to pay, perform and discharge, when due, the Assumed Obligations ((i) and (ii), collectively, the "**Purchase Price**"). No adjustments shall be allowed to the Purchase Price for any changes in condition, quality or quantity of the Purchased Assets to and including the Closing Date.

2.3 Deposit

(1) Contemporaneously with the execution and delivery of this Agreement by the Purchaser, the Purchaser has paid a deposit payable to the order of the Receiver, in trust, in the amount of [redacted] (the "**Deposit**").

(2) The Deposit shall be held, pending Closing, by the Receiver in a non-interest-bearing account with a third-party financial institution.

(3) If the Closing does not occur by reason of a material uncured default of the Purchaser or the Purchaser's failure for any reason to close the transaction set forth in this Agreement by the Closing Date (except in the case of the permitted termination of this Agreement pursuant to Section 7.1(a), Section 7.1(b) (but only in the event that the conditions precedent set forth in Section 4.2 are not satisfied prior to the Closing Time) or as a result of the Receiver's failure to obtain an Approval and Vesting Order or Sale Order, if applicable) or if any of the representations and/or warranties of the Purchaser as set forth in this Agreement are found to be false, the full amount of the Deposit (plus accrued interest), less any applicable withholding Tax, shall become the property of the Receiver and be released to the Receiver as liquidated damages and not as a penalty.

(4) If the Closing does not occur for any reason other than that expressed in Section 2.3(3) above, the full amount of the Deposit, less any accrued interest and/or any applicable withholding Tax, shall be returned by the Receiver to the Purchaser.

2.4 Satisfaction of Purchase Price

The Purchaser shall satisfy the Purchase Price on Closing as follows:

(1) by the assumption by the Purchaser of the Assumed Obligations; and

(2) by payment to the Receiver by wire transfer of the Cash Purchase Price, less the amount of the Deposit, to an account specified in writing by the Receiver.

2.5 Allocation of Purchase Price

The Purchase Price shall be allocated among the Purchased Assets by the mutual agreement of the Parties, acting reasonably, prior to Closing. Following Closing, the Parties shall file their respective tax returns prepared in accordance with such allocation.

2.6 Sales and Transfer Taxes; HST and Receivables Elections

(a) The Purchaser shall be responsible for the payment on Closing of any Taxes that are required to be paid or remitted in connection with the consummation of the transactions contemplated in this Agreement, which such amounts shall be in addition to the Purchase Price.

(b) If applicable, at the Closing, the Receiver and the Purchaser shall jointly execute an election under Section 167 of the *Excise Tax Act* (Canada) to seek to cause the sale of the Purchased Assets to take place on an HST-free basis under Part IX of the *Excise Tax Act* (Canada) and the Purchaser shall file such election with its HST return for the applicable reporting period in which the sale of the Purchased Assets takes place.

(c) The Purchaser and Receiver hereby waive compliance with the provisions of any applicable Bulk Sales Laws or similar laws that may be applicable to the sale or transfer of the Purchased Assets.

2.7 Assumed Obligations

At Closing, the Purchaser shall assume and be liable for the following (collectively, the "**Assumed Obligations**"):

(a) all Liabilities and Claims arising or accruing from the use or storage of the Purchased Assets from and after the Closing, including any and all costs related to the Purchased Assets from and after the Closing;

(b) all Permitted Encumbrances (if any); and

(c) all Taxes arising or accruing from and after the Closing from the use of the Purchased Assets, including, without limitation, HST to be collected and remitted to Canada Revenue Agency when due or the equivalent Taxes payable in the jurisdiction where the Purchased Assets are located on Closing.

ARTICLE 3
CLOSING ARRANGEMENTS

3.1 Closing

Closing shall take place at 10:00 a.m. (the "**Closing Time**") on the Closing Date or on such other date as the Parties may agree upon in writing. The Closing shall take place by electronic transmission of documents, or such other time and location, and in such other manner, as the Parties may agree upon in writing. Forthwith after Closing, and by no later than two (2) Business Days after Closing, the Purchaser shall attend at the premises that the Purchased Assets are located at a time mutually agreed to between the Purchaser and the Receiver to take possession of the Purchased Assets. This date may be extended by the Parties by mutual agreement in the event of any Applicable Law relating to COVID-19 that prevents the Purchaser from taking possession of the Purchased Assets.

The Purchaser shall be responsible for all storage costs from and after the date of the Closing, which such costs shall be payable to the Receiver on a monthly basis in advance until the Purchaser takes possession of all of the Purchased Assets. The Purchaser acknowledges that it shall not be entitled to take possession of the Purchased Assets until these Assumed Obligations have been satisfied in full. If such Assumed Obligations are not satisfied for a period of sixty (60) days after Closing, the Purchaser hereby confirms that it will have abandoned the Purchased Assets and re-conveyed them to the Receiver for consideration equal to the amount of such storage costs paid for by the Receiver and shall not be entitled to any return of the Purchase Price.

The Purchaser acknowledges that the Receiver shall be under no obligation to deliver the Purchased Assets to the Purchaser.

3.2 Tender

Except as otherwise set out herein, any tender of documents or money under this Agreement may be made upon the Parties or their respective counsel and money may be tendered by official bank draft drawn upon a Canadian chartered bank, by negotiable cheque payable in Canadian funds and certified by a Canadian chartered bank or trust company, or by wire transfer of immediately available funds to the account specified by that Party.

3.3 Receiver's Closing Deliveries

At the Closing, the Receiver shall deliver to the Purchaser the following, each in form and substance satisfactory to the Receiver and the Purchaser, acting reasonably:

(a) a copy of the Approval and Vesting Order and any Recognition Order(s) and the Sale Order, as applicable;

(b) the elections referred to in Section 2.6 (as applicable);

(c) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Receiver contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date; and

(d) the Receiver's Certificate, as set out in Section 3.5.

3.4 Purchaser's Closing Deliveries

At the Closing, the Purchaser shall deliver to the Receiver the following, each in form and substance satisfactory to the Receiver and the Purchaser, acting reasonably:

(a) all payments in respect of the amounts referred to in Article 2 hereof, including payment of the Cash Purchase Price;

(b) the elections referred to in Section 2.6 (as applicable); and

(c) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date.

3.5 Delivery of the Receiver's Certificate

When the conditions set out in Article 4 below have been satisfied or waived, the Receiver will deliver an executed copy of the Receiver's Certificate to the Purchaser. Upon such delivery, the Closing will be deemed to have occurred. The Receiver will thereafter promptly file a copy of the Receiver's Certificate with the Court.

ARTICLE 4
CONDITIONS PRECEDENT

4.1 Mutual Condition re: Approval and Vesting Order, Recognition Order(s) and Sale Order

In the event that the Purchase Price exceeds $500,000 or as otherwise required pursuant to the Receivership Order, the Receiver shall obtain an Approval and Vesting Order from the Court approving this Agreement and the transactions contemplated hereby and vesting, upon the delivery of the Receiver's Certificate to the Purchaser, all right, title and interest of the Comsale Entities and the Receiver, if any, to the Purchased Assets in the Purchaser, free and clear of all Claims and Encumbrances pursuant to the terms and conditions of this Agreement, other than any Permitted Encumbrances (the "**Approval and Vesting Order**"). The Approval and Vesting Order shall be substantially in the form of the model order approved by the "Ontario Commercial List Users Committee", including a provision requiring the Receiver to deliver a certificate confirming the Closing of the transactions contemplated hereby and to file a copy of the same with the Court (the "**Receiver's Certificate**"). For greater certainty, if the Purchase Price does not exceed $500,000, the Receiver shall have no obligation to obtain an Approval and Vesting Order.

The Receiver, in its sole discretion, may obtain an Order from the U.S. Court under Chapter 15 of the Bankruptcy Code, or any Foreign Court as applicable, recognizing the Approval and Vesting Order and approving the transactions contemplated herein (any such order, a "**Recognition Order**").

In the event that any Purchased Assets are located in the United States, the Receiver, in its sole discretion, shall obtain an order from the U.S. Court approving this Agreement and the transactions contemplated hereby and authorizing the sale of the Purchased Assets to the Purchaser free and clear of all Claims and Encumbrances pursuant to the terms and conditions of this Agreement, other than any Permitted Encumbrances (the "**Sale Order**").

The obligations of the Receiver and the Purchaser hereunder are subject to the satisfaction of, or the express written waiver of the Parties, at or prior to the Closing Time, the mutual conditions that (i) if applicable, the Approval and Vesting Order and the Sale Order shall have been granted by the Court or the U.S. Court, respectively, in form and substance acceptable to the Purchaser and the Receiver, acting reasonably, and (ii) that, if applicable, that the Recognition Order(s), if any, shall be granted by the applicable Foreign Court.

4.2 Conditions Precedent of the Purchaser

The Purchaser shall not be obliged to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Purchaser and may be waived, in whole or in part, in writing, by the Purchaser at any time; and the Receiver agrees with the Purchaser to take all such actions, steps and proceedings within its reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

(a) *Representations and Warranties.* The representations and warranties of the Receiver in Section 5.1 shall be true and correct at the Closing Time;

(b) *Mutual Conditions*: The conditions set forth in Section 4.1 have been completed, if applicable; and

(c) *Receiver's Compliance.* The Receiver shall have performed and complied with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before the Closing Time and shall have executed and delivered to the Purchaser at the Closing Time all the deliveries contemplated in Section 3.3.

4.3 Conditions Precedent of the Receiver

The Receiver shall not be obliged to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Receiver, and may be waived, in whole or in part, in writing by the Receiver at any time; and the Purchaser agrees with the Receiver to take all such actions, steps and proceedings within its reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

(a) *Representations and Warranties.* The representations and warranties of the Purchaser in Section 5.2 shall be true and correct at the Closing Time;

(b) *Mutual Conditions*: The conditions set forth in Section 4.1 have been completed, if applicable; and

(c) *Purchaser's Compliance*. The Purchaser shall have performed and complied with all of the terms and conditions in this Agreement on its part to be to be performed by or complied with at or before the Closing Time and shall have executed and delivered to the Receiver at the Closing Time all the deliveries contemplated in Section 3.4 in this Agreement.

4.4 Non-Satisfaction of Conditions

If any condition precedent set out in Section 4.2 or 4.3 is not satisfied or performed prior to the time specified therefor (if any), the Party for whose benefit the condition precedent is inserted may:

(a) waive compliance with the condition, in whole or in part, in its sole discretion by written notice to the other Party (but may not claim for any matter waived) and without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part; or

(b) elect on written notice to the other Party to terminate this Agreement, in which event each Party shall be released from all obligations under this Agreement, provided that the Deposit shall be dealt with in accordance with the terms of Section 2.3 hereof.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Receiver

As a material inducement to the Purchaser entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Receiver set out in this Section 5.1, the Receiver hereby represents and warrants to the Purchaser as follows:

(a) *Due Authorization*. Subject to the granting of the Approval and Vesting Order and any Recognition Order(s) and the Sale Order, if applicable, the Receiver has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments;

(b) *No other Purchase Agreement*. The Receiver has not entered into any other agreement, option, understanding or commitment, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, option or commitment for the purchase or other acquisition from the Receiver of the Purchased Assets;

(c) *Enforceability of Obligations*. Subject to the granting of the Approval and Vesting Order and any Recognition Order(s) and the Sale Order, if applicable, this

Agreement constitutes a valid and binding obligation of the Receiver, enforceable against the Receiver, in accordance with its terms;

(d) *HST.* Comsale Computer Inc. is a registrant under Part IX of the *Excise Tax Act* (Canada), and shall provide its HST registration number to the Purchaser prior to Closing; and

(e) *Residency.* Comsale Computer Inc. is not a non-resident within the meaning of section 116 of the *Income Tax Act* (Canada). Comsale Inc. is a "United States person" within the meaning of Section 7701(a)(30) of the Code.

5.2 Representations and Warranties of the Purchaser

As a material inducement to the Receiver entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Receiver is entering into this Agreement in reliance upon the representations and warranties of the Purchaser set out in this Section 5.2, the Purchaser hereby represents and warrants to the Receiver as follows:

(a) *Incorporation of the Purchaser.* The Purchaser is a corporation duly incorporated under the laws of the jurisdiction of its incorporation and is duly organized, validly subsisting and in good standing under such laws;

(b) *Due Authorization.* The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments;

(c) *Enforceability of Obligations.* Subject to the granting of the Approval and Vesting Order and any Recognition Order(s) and the Sale Order, if applicable, this Agreement constitutes a valid and binding obligation of the Purchaser, enforceable against the Purchaser, in accordance with its terms;

(d) *Approvals and Consents.* Except as otherwise provided herein, no authorization, consent or approval of or filing with or notice to any Governmental Authority or other Person is required in connection with the execution, delivery or performance of this Agreement by the Purchaser or the purchase of any of the Purchased Assets hereunder;

(e) *HST.* The Purchaser is or shall be at Closing a registrant under Part IX of the *Excise Tax Act* (Canada), and shall provide its HST registration number to the Purchaser prior to Closing; and

(f) *Residency.* The Purchaser is not a non-resident within the meaning of section 116 of the *Income Tax Act* (Canada).

5.3 Survival of Representations and Warranties

The representations and warranties of the Purchaser contained in Section 5.2 or any other agreement, certificate or instrument delivered pursuant to this Agreement shall survive for six (6) months following Closing.

5.4 Acquisition of Assets on "As Is, Where Is" Basis

The Purchaser acknowledges that the Receiver is selling the Purchased Assets on an "as is, where is" basis as they shall exist on the Closing Date, subject to the terms of the Approval and Vesting Order and any Recognition Order(s) and the Sale Order, as applicable. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Receiver does not guarantee title to the Purchased Assets and that the Purchaser has conducted such inspections of the condition of and title to the Purchased Assets as it deemed appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Receiver to sell or assign same save and except as expressly represented or warranted herein. Without limiting the generality of the foregoing, any and all conditions, warranties or representations, expressed or implied, pursuant to the *Sale of Goods Act* (Ontario) or similar legislation do not apply hereto and have been waived by the Purchaser. The Purchaser further acknowledges that all written and oral information obtained by the Purchaser from the Receiver, the Comsale Entities, or any of their respective directors, officers, employees, professional consultants or advisors with respect to the Purchased Assets or otherwise relating to the transactions contemplated in this Agreement has been obtained for the convenience of the Purchaser only and is not warranted to be accurate or complete. The Purchaser shall retrieve the Purchased Assets in accordance with Section 3.1 hereof. The Purchaser shall indemnify and hold harmless the Receiver from and against all claims, demands, losses, damages, actions and costs incurred or arising from or in any way related to the retrieval of the Purchased Assets by the Purchaser, save and except for any claims, demands, losses, damages, actions and costs incurred or resulting from the negligence or wilful misconduct of the Receiver.

ARTICLE 6
PERIOD PRIOR TO CLOSING

6.1 Risk of Loss

The Purchased Assets shall remain at the risk of the Receiver, to the extent of its interest, until the Closing is completed and after Closing, the Purchased Assets shall be at the risk of the Purchaser.

ARTICLE 7
TERMINATION

7.1 Termination by the Parties

This Agreement may be terminated:

(a) upon the mutual written agreement of the Receiver and the Purchaser; and

(b) pursuant to Section 4.4(b) by either Party, if applicable.

ARTICLE 8
GENERAL CONTRACT PROVISIONS

8.1 Headings and Sections

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

8.2 Number and Gender

Unless the context requires otherwise, words importing the singular include the plural and vice versa, and words importing gender include all genders. Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

8.3 Currency

Except as otherwise expressly provided in this Agreement, all dollar amounts referred to in this Agreement are stated in CANADIAN dollars.

8.4 Statute References

Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time.

8.5 Time Periods

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

8.6 No Strict Construction

The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party, including, without limitation, the doctrine of *contra proferentum.*

8.7 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and sets out all the covenants, promises, warranties, representations, conditions, understandings and agreements between the Parties relating to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement.

8.8 Expenses

Except as otherwise explicitly stated herein, each Party shall pay their respective legal, accounting, and other professional advisory fees, costs and expenses incurred in connection with the transactions contemplated in this Agreement, and the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement.

8.9 Notices

Any notice, consent or approval required or permitted to be given in connection with this Agreement shall be in writing and shall be sufficiently given if delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by email as follows:

(a) in the case of notice to the Receiver at

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

Attention: Aaron Previte
Email: aaron.previte@ca.gt.com

with a copy to:

Thornton Grout Finnigan LLP
100 Wellington St. West – Suite 3200
Toronto, ON M5K 1K7

Attention: Rachel Bengino
Email: rbengino@tgf.ca

(b) in the case of a notice to the Purchaser at:

ESCRAP CANADA INC.

Attention: KAPIL LAL
Email: LAL@ESCRAPCANADAINC.COM

Any notice delivered or transmitted to a Party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day then the notice shall be deemed to have been given and received on the next Business Day.

Any Party may, from time to time, change its address by giving notice to the other Party in accordance with the provisions of this Section.

8.10 Successors and Assigns

This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors (including any successor by reason of amalgamation of any Party) and permitted assigns including a receiver or trustee in bankruptcy of the Receiver. Neither Party may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its respective rights or obligations under this Agreement without the prior written consent of the other Party.

8.11 Third Party Beneficiaries

Unless where provided to the contrary by the specific terms hereof, this Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

8.12 Time of the Essence

Time shall be of the essence in respect of the obligations of the Parties arising prior to Closing under this Agreement.

8.13 Amendment

No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by any Party, shall be binding unless executed in writing by the Party to be bound thereby.

8.14 Further Assurances

The Parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Closing Date, provided that the reasonable costs and expenses of any actions taken after the Closing Date at the request of a Party shall be the responsibility of the requesting Party.

8.15 Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

8.16 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the non-exclusive jurisdiction of the Courts of the Province of Ontario. The Parties consent to the jurisdiction and venue of the Court for the resolution of any disputes under this Agreement.

8.17 Non-Merger

The representations, warranties and covenants of each Party contained in this Agreement will not merge on and will survive the closing of the Transaction and will continue in full force and effect, notwithstanding the closing of the Transaction or any investigation or knowledge acquired by or on behalf of the other Party.

8.18 Independent Legal Advice

The Purchaser warrants that it has received independent legal advice in connection with this Agreement.

8.19 Confidentiality

The Parties agree that the terms and conditions of this Agreement are confidential and shall not be disclosed to any Person except (a) to such Parties' solicitors, advisors, agents or representatives acting in connection herewith and, then, only on the basis that such Persons are also required to keep such information confidential as aforesaid; and (b) to the Court and any applicable Foreign Court in furtherance of obtaining the Approval and Vesting Order and Recognition Order(s) and to the U.S. Court in furtherance of obtaining the Sale Order contemplated hereby in the ordinary course.

Notwithstanding the foregoing, the obligation to maintain the confidentiality of such information will not apply to the extent that disclosure of such information is required by the Court or the U.S. Court, by law or otherwise in connection with governmental or other applicable filings relating to the transactions hereunder, provided that, in such case, unless the Purchaser otherwise agrees, the Receiver may, if possible in its sole discretion, request confidentiality in respect of such legal proceedings or governmental or other filings.

8.20 Execution and Delivery

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed and delivered either in original or faxed form or by electronic delivery in portable document format (PDF) and the parties adopt any signatures received by a receiving fax machine as original signatures of the parties.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS OF WHICH the Parties have executed this Agreement.

GRANT THORNTON LIMITED, in its capacity as Court-appointed Receiver of Comsale Computer Inc. et. al., and not in its personal or corporate capacity

Per: ______________________________

Name: Michael Creber
Title: Senior Vice President

I have the authority to bind the corporation

ESCRAP CANADA INC.

Per: ______________________________

Name: KAPIL LAL
Title: DIRECTOR

I have the authority to bind the corporation

EXHIBIT B

Proposed Sale Order

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	Chapter 15
Comsale Group Inc., *et al.*,[1]	Case No. 19-13625 (JLG)
Debtors in a Foreign Proceeding.	Jointly Administered

ORDER AUTHORIZING AND APPROVING SALE OF AVAILABLE ASSETS FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS IN ACCORDANCE WITH THE SALE PROCEDURES ORDER

Upon the *Notice of Proposed Sale of Available Assets* (the "Sale Notice") and the *Declaration of Foreign Representative* attached to the Sale Notice as Exhibit C (the "Foreign Representative Declaration") in support of entry of an order (this "Order") authorizing the sale of Available Assets (the "Proposed Transaction") to Escrap Canada Inc. (the "Buyer") pursuant to the *Order (I) Approving the Sale Procedures and the Sale Notice, (II) Authorizing the Sale of Substantially All of the Debtors' Assets Free and Clear of Any Liens, Claims, Encumbrances and Other Interests, (III) Recognizing and Enforcing the Canadian Sale Procedures Order, and (IV) Granting Related Relief* [Docket No. 23] (the "Sale Procedures Order"); and this Court having jurisdiction to consider the Sale Notice and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Proposed Transaction described in the Sale Notice and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(N) and (P); and venue being proper before this Court pursuant to 28 U.S.C. § 1410(1) and (3); and the Court having reviewed and considered the Foreign Representative Declaration; and the Court having held a

[1] The Debtors in these chapter 15 cases, along with the last four digits of each Debtor's U.S. Federal Tax Identification Number or other unique identifier are: Comsale Group Inc. (7355) (Ontario Corporation Number); Comsale Computer Inc. (7508) (Ontario Corporation Number); and Comsale Inc. (0354) (FEIN). The Receiver and Foreign Representative is Grant Thornton Limited, located at 200 King St. W. 11th Floor, Toronto, Ontario, Canada M5H 3T4.

hearing on May 5, 2020 to consider the relief requested in this Order; and upon the record established at such hearing; and it appearing that the Proposed Transaction is in the best interests of the Debtors and their creditors; and after due deliberation thereon; and good and sufficient cause appearing therefor;

IT IS HEREBY FOUND AND DETERMINED THAT:

A. Good and sufficient notice of the relief granted by this Order has been given in accordance with the Sale Procedures Order to (a) the United States Trustee; (b) any party known to have asserted a lien on the Available Assets, including HSBC Bank Canada and BDC Capital Inc., and (c) any party that has filed a notice of appearance in these chapter 15 cases. Notice of the Proposed Transaction was good, sufficient and appropriate under the circumstances and provided a reasonable opportunity to object or be heard regarding the relief granted by this Order to parties entitled to notice pursuant to the Bankruptcy Rules and the Local Rules. No other or further notice of the Proposed Transaction is required.

B. The Foreign Representative has demonstrated that the Proposed Transaction is a reasonable exercise of the Foreign Representative’s business judgment and is in the best interests of the Debtors and their creditors. Sound business reasons exist for consummating the Proposed Transaction.

C. The transfer of the Available Assets located in the United States to the Buyer pursuant to the APA shall be legal, valid and effective and shall vest the Buyer with all right, title and interest of the Debtors to the Available Assets located in the United States free and clear of all liens, claims, encumbrances and other interests. One or more of the standards set forth in sections 363(f)(1)-(5) of the Bankruptcy Code have been satisfied.

D. The Buyer is a good faith purchaser for value, is entitled to all of the protections afforded under section 363(m) of the Bankruptcy Code and has otherwise acted in good faith in connection with the Proposed Transaction. Specifically, (a) the Buyer is not an "insider" of the Debtors, as that term is defined in the Bankruptcy Code; (b) the Proposed Transaction was negotiated at arm's-length and in good faith; (c) the Buyer did not in any way induce or cause the filing of the Canadian Proceeding or these chapter 15 cases; (d) the consideration provided by the Buyer under the Proposed Transaction is fair and reasonable; and (e) the Proposed Transaction is not the result of fraud or collusion. Neither the Foreign Representative nor the Buyer has engaged in any conduct that would cause or permit the Proposed Transaction to be avoided or result in the imposition of any costs or damages under section 363(n) of the Bankruptcy Code.

IT IS THEREFORE, ORDERED, ADJUDGED, AND DECREED THAT:

1. The Proposed Transaction is approved as set forth herein.

2. Pursuant to sections 363(b) and 363(f) of the Bankruptcy Code, the Foreign Representative is authorized to transfer the Available Assets located in the United States to the Buyer pursuant to the terms of the APA. The APA is hereby approved, and the Foreign Representative is authorized to take all actions necessary to consummate the Proposed Transaction.

3. Pursuant to sections 363(b) and 363(f) of the Bankruptcy Code, the Available Assets located in the United States shall be transferred free and clear of all liens, claims, encumbrances and other interests, and all such liens, claims, encumbrances and other interests shall attach to the proceeds of the Proposed Transaction in the order of priority and with the same validity, force and effect that they have as against such Available Assets immediately prior to the Proposed Transaction.

4. The Buyer is a good faith buyer within the meaning of section 363(m) of the Bankruptcy Code and is entitled to the full protections of section 363(m) of the Bankruptcy Code. The reversal or modification on appeal of the authorization provided herein to consummate the Proposed Transaction shall not affect the validity of the Proposed Transaction, unless such authorization and consummation of the Proposed Transaction is duly and properly stayed pending such appeal.

5. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (a) the terms of this Order shall be immediately effective and enforceable upon its entry; (b) the Foreign Representative is not subject to any stay in the implementation, enforcement or realization of the relief granted in this Order and (c) the Foreign Representative may, in its discretion and without further delay, take any action and perform any act authorized under this Order, the Receivership Order or the Canadian Sale Procedures Order.

6. This Court shall retain jurisdiction with respect to any matters, claims, rights or disputes arising from or related to the Motion or the implementation of this Order.

Dated: ___________________, 2020
New York, New York

____
THE HONORABLE JAMES L. GARRITY, JR.
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT C

Foreign Representative Declaration

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Comsale Group Inc., *et al.*,[1] Debtors in a Foreign Proceeding.	Chapter 15 Case No. 19-13625 (JLG) Jointly Administered

DECLARATION OF FOREIGN REPRESENTATIVE IN SUPPORT OF THE DEBTORS' SALE OF ASSETS FREE AND CLEAR OF ANY LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS

I, Rob Stelzer, pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury under the laws of the United States of America, as follows:

1. I am a Vice President in the Toronto office of Grant Thornton Limited ("Grant Thornton"). Grant Thornton is the court-appointed receiver and manager (in such capacities, the "Receiver") and authorized foreign representative (the "Foreign Representative") of all of the assets, undertakings and properties of Comsale Group Inc. ("CGI"), Comsale Computer Inc. ("CCI" or the "Borrower") and Comsale Inc. ("CI" and together with CGI and CCI, the "Debtors"). The Receiver was appointed by the Superior Court of Justice (Commercial List) in Ontario, Canada (the "Canadian Court") in the proceedings with respect to the Comsale Entities[2] captioned under Court File No. CV-19-630501-00CL (the "Canadian Proceeding") by the *Order (appointing*

[1] The Debtors in these chapter 15 cases, along with the last four digits of each Debtor's U.S. Federal Tax Identification Number or other unique identifier are: Comsale Group Inc. (7355) (Ontario Corporation Number); Comsale Computer Inc. (7508) (Ontario Corporation Number); and Comsale Inc. (0354) (FEIN). The Receiver and Foreign Representative is Grant Thornton Limited, located at 200 King St. W. 11th Floor, Toronto, Ontario, Canada M5H 3T4.

[2] Grant Thornton was also appointed as the Receiver for Comsale Hong Kong Limited ("Comsale Hong Kong"), Comsale Malaysia Sdn. Bhd. ("Comsale Malaysia") and Comsale Singapore Private Limited ("Comsale Singapore" and together with Comsale Hong Kong, Comsale Malaysia and the Debtors, the "Comsale Entities"). Comsale Hong Kong, Comsale Malaysia and Comsale Singapore are not debtors in these chapter 15 cases.

Receiver) (the "Receivership Order") entered on November 5, 2019 under *Courts of Justice Act* of the Province of Ontario (the "CJA") and *Bankruptcy and Insolvency Act* of Canada (the "BIA").

2. I am authorized to make this declaration (this "Declaration") on behalf of the Debtors in support of an order approving the sale (the "Sale") of the Debtors' assets free and clear of any liens, claims, encumbrances and other interests pursuant to the Asset Purchase Agreement dated as of March 17, 2020 (the "APA") by and between Grant Thornton, in its capacity as court appointed Receiver of the Comsale Entities and not in its personal or corporate capacity, as seller (the "Seller"), and Escrap Canada Inc., as buyer (the "Purchaser"), and to comply with Paragraph 2(i) of the Sale Procedures Order (as defined below).[3]

3. Except as otherwise indicated, I have personal knowledge of the matters set forth herein and, if called as a witness, would testify competently thereto.

THE SALE PROCEDURES

4. On December 20, 2019, the Canadian Court entered an order approving the Sale Procedures and authorizing the Foreign Representative to commence the Sale process (the "Canadian Sale Procedures Order").

5. On January 7, 2020, the Foreign Representative filed a motion [Docket No. 20] (the "Sale Procedures Motion") seeking this Court's (i) approval of the Sale Procedures to the extent the Available Assets being sold are located in the United States and (ii) recognition and enforcement of the Canadian Sale Procedures Order.

6. On February 4, 2020, this Court entered an Order granting the relief requested in the Sale Procedures Motion [Docket No. 23] (the "Sale Procedures Order").

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[3] Capitalized terms used but not defined shall have the meanings given in the Sale Procedures Order.

7. Paragraph 2(i) of the Sale Procedures Order provides that the Foreign Representative shall attach to the applicable Sale Notice "a declaration in support of the Sale containing statements sufficient for the Court to find that: (i) the Sale constitutes a prudent exercise of the Foreign Representative's business judgment; (ii) the Sale may be consummated free and clear of all liens, claims, encumbrances and other interests under section 363(f) of the Bankruptcy Code and (iii) the purchaser is a good faith purchaser entitled to the protections of section 363(m) of the Bankruptcy Code." Sale Procedures Order, ¶ 2(i).

STATEMENTS PURSUANT TO PARAGRAPH 2(i) OF THE SALE PROCEDURES ORDER

I. The Sale Constitutes a Prudent Exercise of the Foreign Representative's Business Judgment

8. I believe that the Sale is in the best interests of the Debtors' estates and constitutes a prudent exercise of the Foreign Representative's business judgment.

9. On February 5, 2020, the Foreign Representative transmitted notice to 94 potential purchasers that the Foreign Representative identified as potentially having an interest in acquiring the Available Assets (collectively, "Potential Purchasers"). On March 4, 2020, the Foreign Representative became aware that certain Available Assets comprised of customer-returned PCs located in Memphis, Tennessee were not accounted for in the Debtors' inventory lists. Consequently, the customer-returned PCs were not specifically identified in the Available Assets that were marketed and advertised as part of the broader Sale Process. The Foreign Representative undertook a complete inventory of those customer-returned PCs, which was completed in late March. On or around March 30, 2020, the Foreign Representative contacted nine parties that the Foreign Representative identified as potentially having an interest in acquiring the customer-returned PCs, including six bidders actively engaged in the Sale Process and three competitors in

the Memphis area. Those parties were invited to submit bids for the Available Assets comprised of the customer-returned PCs.

10. The Debtors received four bids for the Available Assets comprised of the customer-returned PCs.

11. The Debtors reviewed all offers submitted and discussed those bids with the applicable Potential Purchaser and any creditors known to have asserted a lien on the Available Assets, including HSBC Bank Canada ("HSBC") and BDC Capital Inc. ("BDC").

THE SUPERIOR OFFER

12. After reviewing the bids received for the Available Assets with their professionals, the Foreign Representative selected Purchaser's bid in the amount of CAD$41,139 (approximately US$29,323.26) as the highest and best offer based on (i) total value offered, (ii) the terms and conditions of the offer and (iii) Purchaser's assurances that the Sale would close. The Purchaser has paid a deposit in the amount of CAD$35,820 in accordance with the APA (the "Deposit"), which will be held in escrow pending closing of the Sale. HSBC, the Debtors' largest secured lender and the only creditor likely to receive any recovery, consents to the Sale of the Available Assets to the Purchaser.

13. On April 15, 2020, the Receiver filed a motion with the Canadian Court requesting entry of an order, among other things, approving the APA and authorizing the Receiver to consummate the transactions contemplated by the APA. The Canadian Court is expected to hear the motion on April 22, 2020.

14. I believe that the Available Assets were marketed in a manner designed to maximize the purchase price obtained for those assets in accordance with the Sale Procedures Order.

15. The Purchaser's offer is the highest or otherwise best offer received for the Available Assets to date, is in line with the market for similar assets, and constitutes reasonably equivalent value for the Available Assets.

16. For these reasons, I believe that selling the Available Assets to the Purchaser pursuant to the terms set forth in the APA constitutes a prudent exercise of the Foreign Representative's business judgment.

II. The Available Assets Should be Transferred Free and Clear of All Liens, Claims, Encumbrances, and Other Interests Pursuant to Section 363(f) of the Bankruptcy Code

17. I believe consummation of the Sale and transfer of the Available Assets free and clear of all liens, claims, encumbrances, and other interests (collectively, "Liens") is appropriate pursuant to section 363(f) of the Bankruptcy Code. As of the date hereof, the only known Liens on the Available Assets are (i) HSBC's lien to secure the obligations outstanding under the Credit Agreement, dated as of June 4, 2018 (the "Credit Agreement"), by and among the Borrower, CGI and CI, as guarantors (collectively, the "Guarantors") and HSBC, as lender; and (ii) BDC's lien, which ranks junior in priority to HSBC's lien pursuant to a Priority Agreement among HSBC, BDC, the Borrower and CI executed on July 25, 2018. As noted above, HSBC has consented to the sale of the Available Assets to the Purchaser. I am advised that all liens on the Available Assets being sold will attach to the consideration received by the Foreign Representative under the APA with the same force, validity, priority, and effect as they currently exist.

18. Further, I do not believe that the Purchaser is a mere continuation of the Debtors or that the Sale constitutes a *de facto* merger.

III. The Purchaser Should be Entitled to the Protections of Section 363(m) of the Bankruptcy Code

19. I believe the Purchaser is a good faith purchaser for value and has otherwise acted in good faith in connection with the Sale. Specifically: (i) the Purchaser is not an "insider" of the Debtors, as that term is defined in the Bankruptcy Code; (ii) the Sale was negotiated at arm's-length and in good faith, and at all times each of the Purchaser and the Foreign Representative were represented by competent counsel of their choosing; (iii) the Purchaser did not in any way induce or cause the filing of the Canadian Proceeding or these Chapter 15 Cases; (iv) the consideration provided by the Purchaser pursuant to the Sale is fair and reasonable; and (v) the Sale is not the result of fraud or collusion.

20. Based on the foregoing, I believe the Purchaser was acting in good faith within the meaning of 11 U.S.C. § 363(m) with respect to the Sale and is entitled to the protections thereof.

Pursuant to 28 U.S.C. §1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: April 22, 2020

/s/ Rob Stelzer
Rob Stelzer
Vice President
Grant Thornton Limited, solely in its capacity as Receiver for the Debtors, and not in its personal or corporate capacities

EXHIBIT D

Court Solutions Instructions

Instructions to register for CourtSolutions.

1. Create a CourtSolutions account online.
Logon to https://www.court-solutions.com/ to "Signup" for an account and to register a telephonic appointment for an upcoming hearing. Registration for a hearing must occur no later than 12:00 noon on the business day prior to the hearing date.

2. Register for a hearing with CourtSolutions.
After creating and signing into their CourtSolutions account at https://www.court-solutions.com/, a party must register for a hearing.
a. Enter the last name of the Judge to appear before and then select the appropriate name from the list.
b. Enter the time and date of the hearing.
c. Select participation status: Live or Listen Only.
d. Enter the case name, case number, and, if applicable, the name of client.
e. There is a box to click to agree to terms/conditions, and then press "Register".
f. CourtSolutions will send an email confirmation of the participation request.
g. The court staff will first confirm that a granted motion to appear telephonically is on the docket. If there exists a granted motion, the court staff will approve the reservation.
h. CourtSolutions will then send another email confirmation.
Note that the reservation received for a registered hearing may NOT be transferred to another person. If someone dials in with someone else's registration information, the caller information presented to the court will not match the correct person.

3. Charges.
For lawyers and participants, registration and reservations are free.
Once a party dials into a call, the cost is a flat fee of $70, per reservation, per judge, per day. If the hearing is adjourned for a break and the party rejoins the call later that day, there is no additional charge to rejoin the call. If the hearing is continued to another day, lawyers and participants will need to re-register and the flat fee will apply again when dialing in.
If a party does not timely join a call, no fee is charged. The Judge will have the party listed as having made a reservation, but the party is not charged. However, the hearing may proceed in their absence, and they may face sanctions from the Court.
Additionally, a party may notice that there is a charge on their card after making a reservation. When making a reservation, CourtSolutions places an authorization hold on the card. If the party does not join the call, the pending hold will be removed automatically several days later, and there will be no charge.
Any issues with billing shall be directed to the vendor. The Court is not responsible for the billing or collection of the fees incurred with CourtSolutions.

4. Order of Proceeding.
CourtSolutions does not place a call to counsel on the day of the hearing. It is counsel's responsibility to dial into the call not later than 10 minutes prior to the scheduled hearing. Logging into the CourtSolutions website for the hearing is not required but is helpful to unmute your line if the Court mutes it or to raise your hand to be recognized during the hearing.

Upon connecting to the call and at the time of the hearing, a party may hear the activity in the courtroom. Unless a joining party mutes their line, he/she joins the call as an active participant and can be heard. Failure to act appropriately on the line may result with the party being disconnected by Court. When the judge is ready to hear the case, appearances will be called. Each time a telephonic party speaks, he/she should identify them self for the record. The court's teleconferencing system allows more than one speaker to be heard, so the judge can interrupt a speaker to ask a question or redirect the discussion. When the judge informs the participants that the hearing is completed, the telephonic participant may disconnect, and the next case will be called.

5. Failure to appear.
If a party does not timely call and connect to the scheduled hearing, the hearing may proceed in their absence, and they may face sanctions from the Court for their failure to appear.

6. Other/Miscellaneous.
Telephonic appearances by multiple participants are only possible when there is compliance with every procedural requirement. Sanctions may be imposed when there is any deviation from the required procedures or the Court determines that a person's conduct makes telephonic appearances inappropriate. Sanctions may include denying the matter for failure to prosecute, continuing the hearing, proceeding in the absence of a party who fails to appear, or a monetary sanction.