

**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

SUPPLEMENTAL MOTION RECORD OF THE RECEIVER

(Returnable April 9, 2025)

April 3, 2025,

HARRISON PENZA LLP

Barristers & Solicitors

130 Dufferin Avenue, Suite 1101

London, ON 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

TO: Service List

INDEX

Tab	Document	Page No.
1	Supplement Report to the Second Report of the Receiver	1
	Appendix 1 – 2777463 HST Priority Claim	.1
	Appendix 2 – Power APS Name Amendment	1

Tab 1

**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 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.**

APRIL 3, 2025

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

TABLE OF CONTENTS

INTRODUCTION	1
PURPOSE OF THIS SECOND REPORT.....	1
TERMS OF REFERENCE.....	1
2777463 PRIORITY CLAIMS	2
THE NEW SALES TRANSACTION.....	2

APPENDICES

- 1 2777463 HST Priority Claim
- 2 Powers APS Name Amendment

INTRODUCTION

1. This supplemental report (the “**Second 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 second report to the Court dated March 27, 2025 (the “**Second Report**”) in support of the Receiver’s request for an Order that includes, among other things, authorizing the Receiver to complete the New Sale Transaction for the real property owned by 2777463 located at 890 Dillingham Road, Pickering, Ontario (the “**Real Property**”) and to distribute the proceeds from the sale to Royal Bank of Canada (“**RBC**”) which holds a mortgage on the Real Property.

PURPOSE OF THIS SECOND REPORT

3. The purpose of this Second Supplemental Report is to provide information to the Court which was not included in the Second Report.

TERMS OF REFERENCE

4. In preparing this Second 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 Second 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 Second Supplemental Report may not be appropriate for any other purpose.

6. Capitalized terms not defined in this Second Supplemental Report are as defined in the Receivership Order and the Second 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.

2777463 PRIORITY CLAIMS

8. CRA has advised that there are no source deductions owing to CRA by 2777463.
9. CRA filed a claim with the Receiver claiming HST arrears totalling \$19,478.86 of which \$18,662.59 is claimed against all of 2777463's property in priority to all other creditors (the "**2777463 HST Priority Claim**"). A copy of the 2777463 HST Priority Claim is attached hereto at **Appendix "1"**.
10. The 2777463 HST Priority Claim is for the period ended December 31, 2023. RBC registered its mortgage against the Real Property on December 21, 2023. It therefore appears that the HST debt arose prior to RBC registering its mortgage and is therefore in priority to RBC's mortgage.
11. The Receiver proposes to distribute the proceeds of the sale of the Real Property, in the following priority:
 - a. the charges under the Appointment Order;
 - b. 2777463 HST Priority Claim; and
 - c. the secured claim owing to RBC.(the "**277 Distribution**")

THE NEW SALES TRANSACTION

12. In the Second Report the Receiver reported that the name of the Purchaser on the Powers APS is Philip Powers for a company to be incorporated.
13. The Receiver and the Purchaser subsequently executed an Amendment to the Powers APS on February 24, 2025 to change the name of the Purchaser to 890 Dillingham Inc.

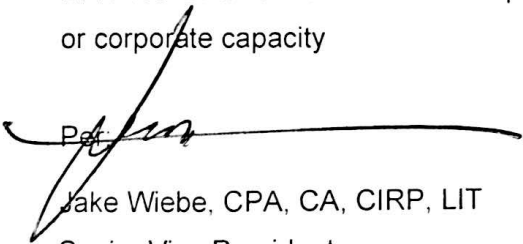
(the "**Powers APS Name Amendment**"). A copy of the Powers APS Name Amendment is attached hereto as **Appendix "2"**.

14. The Receiver requests that the Court authorize and direct the Receiver to complete the sale of the Real Property to 890 Dillingham Inc. in accordance with the terms of the Powers APS.

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



Canada Revenue
Agency

Agence du revenu
du Canada

Tax Centre
St. Catharines ON L4R 3B9

September 11, 2024

2777463 ONTARIO LTD.
200 KING ST W
11TH FLOOR
TORONTO ON M5H 3T4

Account Number
71212 1078 RT0001

Dear Sir or Madam:

Subject: 2777463 ONTARIO LTD.

We understand that you have been appointed receiver or receiver-manager (receiver) for the above GST/HST registrant. Currently, the registrant owes goods and services tax / harmonized sales tax (GST/HST) of \$19,478.86.

Period outstanding -----	GST/HST payable -----	Penalty & interest -----	Total -----
2023-12-31	\$18,662.59	\$816.27	\$19,478.86

Under the Excise Tax Act, \$18,662.59 of the above totals represents property of the Crown held in trust and does not form part of 2777463 ONTARIO LTD.'s property, business, or estate. This is the case whether or not those funds are kept separate and apart from the registrant's own money or from the estate's assets.

You must pay the Receiver General for Canada \$18,662.59 out of the realization of any property subject to the trust created by subsection 222(3) of the Act before paying any other creditor. Please send us your payment right away. If this is not possible, please tell us when you will make the payment. Also, please tell us when you will pay the remaining balance of \$ 816.27.

As a receiver, you must collect and remit the registrant's GST/HST for the period you are acting as a receiver. You also must file the registrant's returns for any periods ending while you were acting as receiver. This includes any returns the registrant did not file for a period ending in or immediately

.../2

Canada

National Insolvency Office
P.O. Box 3038
32 Church Street
St. Catharines ON L4R 3B9

Local: 905-536-7628
Toll Free: 1-833-540-3352
Fax: 833-540-3352
Web site: canada.ca/taxes

before the fiscal year you became receiver.

For more information or clarification, please call us at
905-536-7628.

Yours truly,

A handwritten signature in black ink, appearing to read 'JOKR', with a long horizontal flourish extending to the right.

Jennifer O'Keefe-Rahman (1220)
Resource Officer Complex Case

APPENDIX 2

**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:

PHILIP POWERS (for a company to be incorporated)
(hereinafter called the "Purchaser")

INSERT:

890 Dillingham Inc.
(hereinafter called the "Purchaser")

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):



IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by **Buyer** until **5:00** (a.m./p.m.) **X** on the **24** day of **February**, 20**25**, 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) (Buyer/Seller/Authorized Signing Officer) (Seal) 02/21/2025 (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) (Buyer/Seller/Authorized Signing Officer) (Seal) 2/24/2025 | 7:40 PM EST (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 this day of....., 20..... (a.m./p.m.)

(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.

Signed by: 2/24/2025 | 7:40 PM EST

(Seller) (Buyer) (Date) (Date)

(Seller) (Buyer) (Date) (Date)

Address for Service (Tel. No.)

Seller's Lawyer Buyer's Lawyer

Address Address

Email Email

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

ROYAL BANK OF CANADA

and

COMMERCIAL PACKAGING SOLUTIONS INC. and 2777463 ONTARIO LTD.

Applicant

Respondent

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

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

**SUPPLEMENTAL REPORT TO THE
SECOND REPORT OF THE RECIEVER**

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@harrisonpensa.com

Solicitors for the Receiver,
Grant Thornton Limited

ROYAL BANK OF CANADA

and

COMMERCIAL PACKAGING SOLUTIONS INC. and 2777463 ONTARIO LTD.

Applicant

Respondent

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

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

**SUPPLEMENTAL MOTION RECORD
OF THE RECIEVER**

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@harrisonpensa.com

Solicitors for the Receiver,
Grant Thornton Limited