

Court File No.: CV-23-00707330-00CL

ONTARIO SUPERIOR COURT OF JUSTICE

(COMMERCIAL LIST)

BETWEEN:

ENLIGHTENED FUNDING CORPORATION

Applicant

- and -

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING**

Respondents

**THIRD REPORT OF DELOITTE RESTRUCTURING INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER
DATED APRIL 15, 2024**

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INTRODUCTION AND PURPOSE OF THIS REPORT

1. On October 6, 2023, Enlightened Funding Corporation (“**Enlightened**”) issued a Notice of Application (the “**Application**”) to the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) for an order appointing Deloitte Restructuring Inc. (“**Deloitte**”) as receiver of the property, assets, and undertakings of Velocity Asset and Credit Corporation (“**Velocity**”) and certain property of 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing (the “**Dealer**” and, together with Velocity, the “**Debtors**”), including all of the Leases, Leased Vehicles, Rights, Collections and the Dealer Blocked Account (each as defined in a dealer security agreement entered into between Enlightened and 926749 Ontario Ltd.) and all products or proceeds thereof (the “**Dealer Property**”).
2. The Application was initially scheduled to be heard on October 13, 2023, but was adjourned to October 26, 2023, to provide the Debtors with an opportunity to respond to the Application. A copy of the endorsement of Justice Steele is attached hereto as **Appendix “A”**.
3. On October 26, 2023 (the “**Date of Appointment**”), pursuant to an order of the Court (the “**Receivership Order**”), Deloitte was appointed as receiver (the “**Receiver**”) of the property, assets, and undertakings of Velocity and certain property of the Dealer. A copy of the Receivership Order is attached hereto as **Appendix “B”**.
4. On December 8, 2023, pursuant to an order (the “**A&R Receivership Order**”) of the Court, Deloitte was appointed as receiver over all the property, assets, and undertakings of Velocity and of the Dealer (together, the “**Property**”). A copy of the A&R Receivership Order is attached hereto as **Appendix “C”**.

5. On January 19, 2024, the Receiver brought a motion to the Court for: (a) a vesting order in respect of vehicles sold at public auction; and (b) an omnibus vesting order (the “**Omnibus Vesting Order**”) to permit the completion of sale transactions in respect of vehicles sold by the Receiver from time to time. Copies of the vesting order and the Omnibus Vesting Order issued by the Court are attached hereto as **Appendix “D”** and **Appendix “E”**, respectively.
6. On February 21, 2024, Registrar Bhaskaran granted a vesting order pursuant to the authority provided by the Omnibus Vesting Order in respect of additional vehicles sold by the Receiver. A copy of this vesting order is attached hereto as **Appendix “F”**.
7. The purpose of this third report of the Receiver (the “**Third Report**”) is to provide information to the Court with respect to, among other things:
 - a) the activities of the Receiver since the Second Report of the Receiver dated January 15, 2024 (the “**Second Report**”);
 - b) a proposed sale process (the “**Sale Process**”) in respect of the Dealer’s lease portfolio; and
 - c) the Receiver’s motion for an order that, among other things:
 - i. approves the Third Report and the activities described herein;
 - ii. approves the fees and disbursements of the Receiver and its counsel; and
 - iii. authorizes and directs the Receiver to file an assignment in bankruptcy in respect of the Debtors.

TERMS OF REFERENCE

8. In preparing this Third Report, Deloitte has been provided with, and has relied upon the Debtors' books and records, unaudited, draft, and/or internal financial information, discussions with the Debtors' management, shareholders, employees, and information from third-party sources (collectively, the "**Information**"). Except as otherwise described in this Second Report:
 - a) Deloitte has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, Deloitte has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards ("**CAS**") pursuant to the *Chartered Professional Accountants Canada Handbook*, and accordingly, the Monitor expresses no opinion or other form of assurance contemplated under CAS in respect of the Information.
 - b) Deloitte has filed this Third Report solely for the purpose of providing information to this Court. Parties using the Third Report other than for the purposes outlined herein are cautioned it may not be appropriate for their purposes.
9. Unless otherwise stated, all dollar amounts contained in this Third Report are expressed in Canadian dollars.

BACKGROUND

10. Velocity was incorporated on August 21, 2019, under the *Ontario Business Corporations Act* (the "**OBCA**"). The directors and officers of Velocity are Hollinsworth Auguste and Hugh Waddell ("**Waddell**").

11. The Dealer was incorporated on June 4, 1991, and was revived on July 12, 1996, under the OBCA. The Dealer operated a used car dealership (the “**Dealership**”) located at 809 Clonsilla Avenue, Peterborough, Ontario (the “**Premises**”). The directors and officers of the Dealer are Waddell and Meggan M. E. Waddell.
12. The Dealership’s primary business activity was leasing used vehicles to customers with sub-prime credit ratings. The financial and operational relationship between Velocity and the Dealer is set out in greater detail in the First Report of the Receiver dated December 4, 2023 (the “**First Report**”).
13. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the First Report and the Second Report, copies of which, without appendices, are attached hereto as **Appendix “G”** and **Appendix “H”**, respectively.

ACTIVITIES OF THE RECEIVER

14. Since appointment, the Receiver has undertaken the following activities in accordance with the terms of the Receivership Order:
 - a) routinely attended the Premises up to January 31, 2024, after which it terminated its occupancy and provided vacant possession to the landlord;
 - b) concluded security services at the Premises;
 - c) serviced ongoing lessee requests up to the Transition Date (as defined below);
 - d) conducted extensive diligence in reviewing complaints and information requests from lessees and validating lease terms, which was required due to the state of the Dealer’s books and records, as described in the First Report;

- e) engaged Northlake Financial ULC (“**Northlake**”) to service the lease portfolio;
- f) corresponded with lessees regarding the receivership and the appointment of Northlake;
- g) sold dealership vehicles at public auctions and to private buyers including facilitating buyouts;
- h) secured and imaged the laptops and desktops of the Debtors’ former President, Head of Accounting, and salespeople to preserve all information;
- i) terminated retention agreements with Debtor employees retained by the Receiver as contractors;
- j) updated the Receiver’s website with all relevant information to creditors;
- k) reviewed and responded to inquiries from creditors and lessees;
- l) registered security interests under the *Personal Property Security Act*, R.S.O. 1990, c. P.10, as amended (the “**PPSA**”) on the lease portfolio;
- m) discharged PPSA registrations on vehicles as they were sold;
- n) prepared an estimated realizable valuation of the lease portfolio;
- o) provided status updates on the progress of the receivership to Peoples Trust Company (“**Peoples**”);
- p) commenced an investigation into the Dealer’s transactions and conduct;
- q) responded to a motion ostensibly brought by the Debtors to vary the A&R Receivership Order; and

r) addressed additional matters as they arose from time to time.

WAGE EARNER PROTECTION PROGRAM ACT

15. On December 8, 2023, the Receiver terminated the retention of the remaining employees of the Dealer as authorized by paragraph 17 of the A&R Receivership Order. Velocity had no employees.
16. In accordance with the *Wage Earner Protection Program Act* (“**WEPPA**”), the Receiver made the former employees of the Dealer aware of the existence of the program and advised that the Receiver would review the books and records of the Dealer to determine the employees’ eligibility for, and entitlements under, WEPPA.
17. After reviewing the Dealer’s books and records, the Receiver determined that former employees are owed a total of approximately \$41,603.51 for termination and severance pay and \$4,673.12 for unpaid wages and vacation pay, all of which are considered eligible wages under WEPPA.
18. The Receiver estimates total claims under WEPPA that may be subject to a limited super priority pursuant to section 81.4(1) of the BIA to be \$4,673.12.

SECURED CREDITORS

19. The Receiver has instructed its counsel, Thornton Grout Finnigan LLP (“**TGF**”), to provide security opinions with respect to the Debtors’ secured debt liabilities. The security opinions will be necessary to determine entitlement to proceeds from sales of the Debtors’ assets, in particular the vehicles sold at auction and those vehicles underlying the Dealer’s lease portfolio.

20. TGF is completing the security opinions. TGF has completed its review of the security granted by the Debtors to Enlightened, which security has been assigned to Peoples.
21. In particular, TGF has reviewed the credit agreement dated May 26, 2022, between Velocity and Enlightened (the “**Credit Agreement**”), the general security agreement executed by Velocity dated May 26, 2022 (the “**GSA**”), the Guarantee and Servicing Agreement between the Dealer and Enlightened, whereby the Dealer guaranteed Velocity’s obligations under the Credit Agreement, dated May 26, 2022 (the “**Guarantee**”), the security agreement executed by the Dealer dated May 26, 2022 (the “**Dealer Security Agreement**”) and the Assignment of Indebtedness and Security between Enlightened and Peoples dated December 8, 2023 (the “**Assignment**” and together with the Credit Agreement, the GSA and the Guarantee, the “**Peoples Security Documents**”). Subject to the customary qualifications and assumptions, TGF has opined that as a matter of Ontario law:
 - (i) the Peoples Security Documents constitute legal, binding and enforceable obligations of the Debtors in favour of Peoples;
 - (ii) the Credit Agreement, the GSA and the Assignment create in favour of Peoples a valid and enforceable security interest in the Collateral (as defined in the GSA) (the “**Velocity Charged Property**”);
 - (iii) the Guarantee, the Dealer Security Agreement and the Assignment create in favour of Peoples a valid and enforceable security interest in Collateral (as defined in the Dealer Security Agreement) (the “**Dealer Charged Property**”); and

- (iv) the Security Documents have been duly registered as required under the PPSA to perfect the security interest created thereby in the Velocity Charged Property and the Dealer Charged Property.
22. TGF has also completed its review of the security of the Dealer's fleet financier, NextGear Capital Corporation ("**NextGear**"). In particular, TGF has reviewed the Demand Promissory Note and Loan and Security Agreement between the Dealer and NextGear dated April 7, 2017 (the "**Secured Note**"). Subject to the customary qualifications and assumptions, TGF has opined that as a matter of Ontario law:
- (v) the Secured Note constitutes a legal, binding and enforceable obligation of the Dealer in favour of NextGear;
 - (vi) the Secured Note creates in favour of NextGear a valid security interest in the present and after-acquired undertakings, property and assets of the Dealer that is subject to the applicable security documents and to which the PPSA applies (the "**Charged Property**"); and
 - (vii) the Secured Note has been duly registered as required under the PPSA to perfect the security interest created thereby in the Charged Property.
23. To date, the Receiver has not received an opinion about any relative priorities between various secured creditors.

BEACON FINANCING

24. As set out in detail in the First Report, prior to entering into financing arrangements with Enlightened, the Debtors were involved in a lease financing facility (the “**Beacon Facility**”) with Beacon Holdings Ltd. (“**Beacon**”).
25. The practice had been that the Dealer would service the leases pursuant to the Beacon Facility.
26. These leases arose from two separate transactions – one taking place in September 2019 (the “**LW2 Transaction**”) and another taking place in February 2020 (the “**Alpha2 Transaction**”) and, collectively with the LW2 Transaction, the “**Beacon Transactions**”).
27. The Beacon Transactions were structured such that the Dealer originated the leases, 2712697 Ontario Inc. (“**Clonsilla SPV**”) purchased the lease units and the underlying leased vehicles (together, the “**Lease Units**”) from the Dealer, Waddell Asset and Credit Corporation (“**WACC**”) made loans to Clonsilla SPV to fund the purchase of the Lease Units, and Beacon purchased notes from WACC to fund WACC’s loans to Clonsilla SPV.
28. In May 2022, the Dealer entered into a repurchase agreement with Clonsilla SPV to repurchase most, but not all, of the Lease Units.
29. Beacon has requested that it be permitted to take over the servicing of the Lease Units that were not repurchased by the Dealer (the “**SPV Leases**”) given that the SPV Leases are actually the property of Clonsilla SPV, and not the Dealer.
30. The SPV Leases include both leases where Beacon is the sole secured party, as well as leases that are overlapping with the security held by Beacon and Enlightened. The Receiver has advised that it is prepared to permit Beacon to service the SPV Leases that do not have

overlapping security interests between Beacon and Enlightened, which are approximately 70 leases.

31. The Receiver has consulted with Peoples regarding this transfer and Peoples advised that it approved the transfer of leases.
32. The Receiver will be discussing the issue of the overlapping leases with Beacon and Peoples.

SALE OF ASSETS

33. Pursuant to paragraph 4(k) of the A&R Receivership Order, the Receiver was authorized and empowered to sell the Property or any parts thereof out of the ordinary course of business without the approval of the Court in respect of any transaction not exceeding \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$2,500,000.
34. As at the date of this Third Report, the Receiver has sold 79 vehicles at public auction or by private sale for gross proceeds of \$334,792.18. In each case where a third party had registered an interest against a vehicle scheduled for sale, the Receiver provided such party with notice of the sale.
35. Additionally, the Receiver sold office furniture and other personal property of the Dealer that was located at the Premises by way of public auction on January 13, 2024, for gross proceeds of \$6,040.

INVESTIGATION OF DEALER OPERATIONS AND FLOW OF FUNDS

36. The Receiver has continued its investigation of the issues set out in the First Report and has identified additional issues that require further investigation.
37. The Receiver is aware that the Ontario Motor Vehicle Industry Council (OMVIC) and the Peterborough Police Department are also conducting investigations into the activities of Waddell and the Dealer.

Deregistration of Lessee License Plates

38. In January 2024, the Receiver was contacted by a lessee (“**Lessee 3269**”) in respect of lease 3269. Lessee 3269 advised that her vehicle was towed and impounded because the license plates attached to the vehicle had been deregistered or “unplated” from the vehicle registration maintained by the Ministry of Transportation.
39. Upon further investigation, the Receiver discovered that Nextgear sent an email to Waddell on August 22, 2023, demanding that certain vehicles subject to NextGear’s security be unplated, as the floor plan financing in respect of those vehicles had not been repaid by the Dealer. A copy of Nextgear’s email to Waddell is attached hereto as **Appendix “I”**.
40. The Receiver understands that, as the floor plan financing had not been repaid, the Dealer was not permitted to lease the vehicles in question to customers. As such, Nextgear required that either (a) the vehicles be ‘unplated’ or (b) the financing in respect of such vehicles be repaid.

41. Despite the fact that 22 of the vehicles identified by Nextgear had been leased to customers, the Dealer appears to have deregistered or 'unplated' the vehicles rather than repaying the floor plan financing with the lease financing proceeds, without notice to the lessees.
42. The Receiver has been advised by two additional lessees that they were pulled over by police due to the same issue.

Failure to Satisfy Liens on Trade-Ins

43. The Receiver has discovered seven cases as of the date of this Report where the Dealer accepted a trade-in from a customer but failed to repay the outstanding loan on the trade-in vehicle.
44. In the first of these cases, a lessee ("**Lessee 3260**") contacted the Receiver to advise that the Dealer had accepted a 2017 RAM Sport (the "**2017 Ram**") in May 2023 as part of a transaction in which Lessee 3260 leased a 2021 Ram Warlock (the "**2021 Ram**") from the Dealer. Pursuant to the transaction, the Dealer offered a value of \$31,979.51 for the 2017 Ram.
45. After completing the transaction, Lessee 3260 noticed that his previous lender continued to withdraw payments for the 2017 Ram. Lessee 3260 alleges that Waddell advised him that the Dealer did not have the funds to pay out the 2017 Ram and proposed an arrangement whereby the Dealer would make the payments for the 2017 Ram on behalf of Lessee 3260.
46. Shortly thereafter, the Dealer leased the 2017 Ram to an arm's length third party, Lessee 3354. The Dealer received lease financing proceeds for lease 3354, however, such funds were not applied to buyout Lessee 3260's previous financing.

47. Lessee 3260 has demanded that the Receiver return the 2017 Ram in light of the Dealer's failure to remit the purchase price to the previous lender. The Receiver has advised Lessee 3260 that it believes Lessee 3354 to be a purchaser for value and will not terminate the lease and return the vehicle to Lessee 3260.
48. The Receiver is currently investigating six other cases that appear to follow a similar fact pattern.

Disposition of Enlightened Vehicles and other Property

49. Further to information provided in the First Report, the Receiver has identified additional instances, both before and after the Date of Appointment, where Waddell inappropriately dealt with or disposed of (a) vehicles subject to Enlightened's security and (b) other Property, including cash in accounts held by the Dealer.

Transfer of Vehicles to Related Parties

50. The Receiver's review of books and records after the Date of Appointment suggested that Waddell and members of his immediate family were in possession of a number of vehicles, many of which were not the subject of lease agreements.
51. On January 16, 2024, the Receiver wrote to Waddell and several members of his immediate family to demand the return of vehicles owned by the Dealer. Attached as **Appendix "J"** is a schedule setting out the vehicles in question and indicating which of the vehicles have been returned.
52. Several of the vehicles were returned having been significantly damaged and generally full of trash and debris. Photographs of one such vehicle are attached hereto as **Appendix "K"**.

53. In response to the Receiver's demand, David Steinberg ("**Steinberg**") of Keslassy Freedman Gelfand LLP, who was then counsel to Waddell and certain related entities, wrote to the Receiver and advised that two of the vehicles (the "**Personal Vehicles**") were in fact owned by Nancy Waddell and Meggan Waddell, personally. Steinberg provided proof of ownership and bills of sale to support the transaction, which was alleged to have occurred on October 13, the initial scheduled date for the hearing of the Application, but prior to the Date of Appointment. A copy of Steinberg's email without attachments is attached hereto as **Appendix "L"**.

54. The Receiver's counsel, TGF, wrote to Steinberg on January 31, 2024, and noted that:

- a) the Personal Vehicles were subject to leases financed by Enlightened and were subject to Enlightened's security;
- b) there was no evidence that Enlightened had received repayment with respect to the leases governing the Personal Vehicles;
- c) the Dealer's financial records did not reflect the receipt of any amounts relating to the alleged purchase price of the Personal Vehicles;
- d) the Waddells' position that the purchase price was paid by way of reduction to amounts owing to Northbridge Estates Inc., the landlord of the Premises and a company controlled by Nancy Waddell, was not reflected in the books and records of the Dealer;
and
- e) notwithstanding Enlightened's security interest, Waddell instructed an employee of the Dealer to discharge all PPSA registrations against the Personal Vehicles on October 22, 2023,

a copy of the letter is attached hereto as **Appendix “M”**.

55. The Receiver’s efforts to recover vehicles improperly transferred to parties related to the Waddells is ongoing.

Autoloans 4 You

56. On December 13, 2024, the Receiver identified correspondence in Waddell’s corporate email account that suggested leases in respect of four vehicles (the “**Autoloans Vehicles**”) had been assigned to a third party, Jaqstan Consulting Inc. o/a Autoloans 4 You (“**Autoloans**”). Autoloans is controlled by Jaquie Rabinowitz (“**Jaquie**”), who is related to Gerald Shapiro (a shareholder of the Dealer and close personal friend of Waddell). Jaquie has previously held positions at both Velocity and Beacon Holdings Limited.
57. A more in-depth review of Waddell’s email account and correspondence with lessees confirmed that Jaquie had been corresponding directly with lessees and directing them to make payment of monthly leases to Autoloans and not to the Receiver. The review also identified a number of emails between Jaquie and the Dealer suggesting that the transfer of leases was considered a financing arrangement under which Autoloans would advance funds to the Dealer, secured by the underlying leases.
58. The Receiver contacted Jaquie and informed her that she was interfering with the Receiver’s mandate by trying to redirect lease payments.
59. In response, Jaquie alleged the leases were assigned and provided the Receiver with copies of four documents dated November 30, 2023, each described as a fixed rate installment note (“**FRIN**”). The FRINs appear to be debt instruments evidencing obligations of the Dealer to Autoloans with respect to specific leases and vehicles. Under the FRIN, if

monthly payments were not made for a period of more than 60 days, the lease and the lease receivables would be assigned to Autoloans. Copies of the FRINs are attached hereto as **Appendix “N”**.

60. On January 13, 2024, the Receiver received a letter from Spizzirri Law Professional Corporation (“**Spizzirri**”), counsel to Autoloans. Spizzirri advised that, contrary to the FRINs, which were debt instruments, Autoloans had purchased the Autoloans Vehicles and provided documents including:
 - a) An agreement dated November 30, 2023, purportedly documenting the purchase of the Autoloans Vehicles by Autoloans;
 - b) Both wire instructions and a copy of a draft in the amount of \$67,749, representing a portion of the purchase price. The balance of the purchase price, in the amount of \$22,793, was paid via a reduction of amounts allegedly owing by the Dealer to Autoloans; and
 - c) Emails from a Dealer employee to each lessee of the Autoloans Vehicles advising the lessee that there had been a “change in the structure of the lender for your lease” and directing the lessee to make payment directly to Autoloans by e-transfer.

61. After reviewing the email correspondence and the various documentation provided by Jaquie and Spizzirri, the Receiver concluded that the valid transactions completed by the Dealer and Autoloans were in fact financing arrangements and not a purchase. TGF communicated the Receiver’s position to Spizzirri.

62. TGF has reviewed the FRINs and all other information provided by Jaquie and Spizzirri. Based on this review, TGF has concluded that Autoloans is an unsecured creditor of the Dealer. Spizzirri has not contacted the Receiver since January 19, 2024.

Additional Investigation Required

63. Since its appointment, the Receiver has taken all necessary steps to maximize the revenue from the legitimate portion of the Dealer's business operations. The Receiver intends to commence a sale process in respect of the Dealer's lease portfolio, as discussed further below.
64. The Receiver is also conducting a comprehensive investigation of the Dealer's financial records to trace the movement of funds to identify and pursue recoveries related to reviewable transactions, including transfers at undervalue and other preferences. The purpose of this investigation is to increase the potential recoveries available for the Debtors' creditors, who are likely to suffer a material shortfall in these proceedings.
65. As part of the investigation, on December 13, 2023, the Receiver delivered correspondence to various individuals, including members of the Waddell family, notifying them they may be examined in connection with their relationship with the Debtors. A copy of a sample letter delivered is attached hereto as **Appendix "O"**.
66. Subsequently, the Receiver's investigation revealed members of the Waddell family may have benefitted from reviewable transactions from the Debtors, including by way of direct transfers from the Dealer's accounts. Accordingly, on February 15, 2024, the Receiver delivered correspondence to members of the Waddell family, Waddell, Nancy Waddell, Taylor Waddell, Meggan Waddell, Sara Waddell, Thomas Sargeant and Meagan Archer (collectively, the "**Waddell Family**") demanding certain banking information in order to

determine which parties have received transfers from the Debtors dating back to May 2022. A copy of a sample letter delivered is attached hereto as **Appendix “P”**.

67. In response, the Receiver and its counsel were contacted by Frank Bennett of Bennett Bankruptcy Law (“**Bennett**”) who advised that he was now representing members of the Waddell Family and that they would not provide the requested information. TGF responded to Bennett and advised that his clients were obligated to provide the information in accordance with the A&R Receivership Order. A copy of the correspondence between TGF and Bennett is attached hereto as **Appendix “Q”**.
68. The lack of cooperation from the Waddell Family has frustrated the Receiver’s ability to ascertain the movement of funds by the Debtors and has increased the cost to the estate to determine who has received these transfers.
69. As a result, the Receiver is undertaking a reconciliation exercise using the books and records of the Debtors, including the bank statements of the Dealer dating back to the date of the funding agreement between the Dealer and Enlightened (i.e., May 26, 2022). This reconciliation is still ongoing and involved considerable initial work to convert the bank statements to reviewable formats.
70. To complete this exercise, the Receiver has contacted the banks that held the Debtors’ accounts to identify the counter-parties to transactions that appear to be out of the ordinary course of business. The Receiver expects to receive this information by the end of April.
71. Once that information is received and the reconciliation exercise is completed, the Receiver intends to conduct examinations of parties who received funds from the Debtors, among other parties, to try to recover the funds for the legitimate stakeholders of the Debtors.

LEASE SERVICING

72. As set out in the Second Report, the Receiver determined that the Northlake Proposal (as defined therein) was the most attractive of the three lease servicing proposals received. The Receiver and Northlake entered into a servicing agreement dated January 19, 2024.
73. In order to facilitate Northlake's servicing of the lease portfolio, the Receiver digitized approximately 45 bankers' boxes containing physical lease documents and provided copies of the documentation to Northlake, along with a data tape setting out relevant information with respect to 628 individual leases.
74. On or about February 2, 2024, the Receiver sent notices to all lessees to inform them of Northlake's role. Northlake began servicing the portfolio on February 20, 2024 (the "**Transition Date**").

SALE PROCESS

75. The Receiver has developed a Sale Process to solicit sale proposals from potentially interested parties in the Dealer's lease portfolio. A copy of the proposed Sale Process procedures (the "**Sale Procedures**") is attached hereto as **Appendix "R"**.
76. The following table summarizes the key activities and milestones related to the Sale Process. Potentially interested parties should review the full terms of the Sale Procedures with their counsel, as the table below sets out a summary of key terms only. The summary below is qualified in its entirety by the actual terms of any Sale Process approved by the Court, and all capitalized terms shall have the meaning ascribed to them in the Sale Procedures.

Milestone	Timeline	Targeted Deadline
Commencement date	Immediately following the approval of the Sale Process	April 23, 2024
Preparation of Sale Process materials (i.e., Teaser, Investment Memorandum, Buyer list, Notices for trade publication, NDA, populate EDR)	10 days	May 3, 2024
Phase 1 Bid Deadline	45 days	June 17, 2024
Assessment of Phase 1 Bids	5 days	June 21, 2024
Phase 2 Bid Deadline	40 days	August 2, 2024
Auction Date (if applicable)	1 day	August 9, 2024
Finalize Transaction agreement	7 days	August 16, 2024
Sale Approval Motion (as defined below) in Court	As soon as reasonably practicable	August 30, 2024 (outside date)
Closing of the Transaction	As soon as reasonably practicable	September 6, 2024 (outside date)

77. The Receiver makes the following observations regarding the proposed Sale Process:
- a) the Receiver shall administer and be responsible for all material elements of the Sale Process;
 - b) the Sale Process offers sufficient flexibility to address potential issues as they arise;
 - c) the length of the Sale Process is appropriate given the nature of the assets and the issues identified with the documentation supporting the lease portfolio; and
 - d) the Sale Procedures, particularly the ability to conduct an auction among competitive bidders, allow for third party bidders to increase proceeds for the benefit of creditors.
78. For the reasons set out above, the Receiver recommends the Court approve the proposed Sale Process.

BANKRUPTCY ASSIGNMENT

79. The Receiver seeks the authorization to assign the Debtors into bankruptcy and serve as the trustee in bankruptcy. This relief was initially sought by the Receiver at the motion in respect of the A&R Receivership Order. This aspect of the motion was adjourned.
80. As set out in greater detail in the First Report, and expanded upon in the Second Report and this Third Report, the Receiver has discovered numerous financial irregularities and concerning conduct of the Debtors. This includes evidence of misappropriation, transfers of property at undervalue and potentially fraudulent activity.
81. To date, the Waddell Family has not cooperated with the investigation and have sought to frustrate the entire process. For example, as noted above, the Receiver demanded banking information from the Waddell Family upon discovering transfers from the Debtors to these individuals that appeared to be out of the ordinary course of business. This demand was made pursuant to the A&R Receivership Order, which obligates all persons to provide any bank account information related to the business or affairs of the Debtors or their property, as well as provides the Receiver enhanced investigative powers. The Waddell Family refused to comply with this demand. Instead, the Waddell Family argued the A&R Receivership Order did not require them to provide the banking information as referred to above.
82. On April 9, 2024, Bennett delivered to the Receiver's counsel a Notice of Motion seeking to vary the A&R Receivership Order to strike the paragraphs giving the Receiver the investigative powers of a trustee in bankruptcy under the BIA (the "**Motion to Vary**"). This Motion to Vary is ostensibly being brought by the Debtors. Bennett advises he acts

for both the Debtors and the Waddell family members who are the targets of the Receiver's investigation.

83. On April 12, 2024, the Receiver's counsel and Bennett attended a scheduling appointment with Justice Conway that Bennett had requested. The purpose of the appointment was to determine whether the Motion to Vary ought to be scheduled.
84. At the scheduling appointment, Justice Conway directed that the Receiver's motion proceed on April 23, 2024 and the parties can make submissions with respect to the scheduling of the Motion to Vary at that time. A copy of Justice Conway's endorsement is attached hereto as **Appendix "S"**.
85. On April 11, 2024, the Debtors delivered a Motion Record in respect of the Motion to Vary, including an affidavit sworn by Waddell (the "**Waddell Affidavit**"). The Waddell Affidavit contains numerous misstatements and inaccuracies. While the Receiver disagrees with these material misstatements, they are not relevant for the purposes of the Receiver's motion. The Receiver will address them if and when the Motion to Vary is scheduled following the hearing on April 23, 2024.
86. The Receiver has discovered numerous transactions that in its view constitute transfers at undervalue or preferences under the BIA. The evidence relating to these transactions is described herein and in the First Report. In order to maximize recovery for the Debtors' creditors, the Receiver may seek to reverse these transfers in accordance with the applicable lookback periods under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 ("**BIA**").

87. On February 29, 2024, Canada Revenue Agency (“**CRA**”) delivered a Notice of Reassessment in respect of the Dealer (the “**Notice of Reassessment**”). The Notice of Reassessment advised that as a result of the reassessment, the Dealer owes the CRA \$883,176.47 in respect of unpaid GST and HST. Upon the bankruptcy of the Dealer, the CRA’s deemed trust in respect of GST/HST will be inapplicable and will rank as an unsecured claim in the bankruptcy.
88. The Debtors easily meet the test of a bankruptcy application:
- a) Each of the Debtors owes over \$1,000 to its creditors and the value of the property of the Debtors subject to the security of secured creditors will result in a material shortfall (greater than \$1,000) to the Debtors’ creditors.
 - b) The Debtors have ceased meeting their liabilities generally as they became due.
89. Peoples has indicated their willingness to bring an application to assign the Debtors into bankruptcy, if necessary.
90. Granting the Receiver the authority to assign the Debtors into bankruptcy as part of the receivership (rather than requiring an assignment), will extend applicable lookback periods under sections 95 and 96 of the BIA to the date of the issuance of the Notice of Application for the appointment of the Receiver, being October 6, 2023.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

91. Attached as **Appendix “T”** is an interim Statement of Receipts and Disbursements for the period from October 26, 2023 to March 31, 2024. As of March 31, 2023, the Receiver had realized receipts of \$1,806,112.85 and had made disbursements of \$1,464,848.13.

FEES OF THE RECEIVER AND ITS COUNSEL

92. The Receiver and its legal counsel, TGF, have maintained detailed records of their professional time and costs since the date of the Receivership Order.
93. The total fees of the Receiver during the period from October 26, 2023 to March 31, 2024 are \$1,166,606, together with expenses and disbursements in the sum of \$62,317 and HST in the amount of \$159,760, totaling \$1,388,683. The aforementioned has been particularly described in the Affidavit of Jordan Sleeth sworn April 12, 2024, and attached hereto as **Appendix “U”**.
94. The total fees of TGF, in its capacity as counsel to the Receiver, during the period from September 19, 2023 to March 31, 2024 are \$339,840.50, together with expenses and disbursements in the sum of \$10,207.23 and HST in the amount of \$45,504.67, totaling \$395,552.40. The aforementioned has been particularly described in the Affidavit of Rebecca Kennedy sworn April 15, 2024, and attached hereto as **Appendix “V”**.
95. The Receiver is of the view that the fees and disbursements of its legal counsel are reasonable. The Receiver’s fees and disbursements, as well as those of its legal counsel, have been presented to Peoples, who has advanced funding to the Receiver for the purpose of funding the Receiver’s mandate, and it has no objections or concerns with the fees presented. The Receiver seeks the Court’s approval of the Receiver’s activities and its fees and disbursements, including the fees and disbursements of its legal counsel, as described in this Third Report.

CONCLUSION AND RECOMMENDATION

96. For the reasons set out herein, the Receiver recommends that the Court make an Order:

- (i) approving the Third Report and the activities described herein;
- (ii) approving the fees and disbursements of the Receiver and its counsel;
- (iii) authorizing the Receiver to file an assignment in bankruptcy in respect of the Debtors; and
- (iv) approving the Sale Process and the Sale Procedures.

All of which is respectfully submitted at Toronto, Ontario this 15th day of April, 2024.

DELOITTE RESTRUCTURING INC.,
solely in its capacity as Court-Appointed
Receiver of Velocity Asset and Credit
Corporation and 926749 Ontario Ltd.
and without personal or corporate liability

Per: _____



Jorden Sleeth, CPA, CA, CIRP, LIT
Senior Vice-President

Appendix A



SUPERIOR COURT OF JUSTICE

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-23-00707330-00CL

DATE: 13 October 2023

NO. ON LIST: 3

TITLE OF PROCEEDING: ENLIGHTENED FUNDING CORPORATION v.
VELOCITY ASSET AND CREDIT CORPORATION ET AL.
BEFORE: JUSTICE STEELE

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Aiden Nelms	Enlightened Funding Corporation	nelmsa@bennettjones.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Josh Suttner	Velocity Asset and Credit Corporation; 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing	jsuttner@airdberlis.com
Thomas Gertner Katherine Yurkovich	Peoples Trust Company of Canada	thomas.gertner@gowlingwlg.com kate.yurkovich@gowlingwlg.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Derek Harland Rebecca Kennedy	Deloitte Restructuring Inc.	dkharland@tgf.ca rkennedy@tgf.ca

ENDORSEMENT OF JUSTICE STEELE:

- [1] The applicant, Enlightened Funding Corp., brings an application to appoint Deloitte as the receiver and manager of all assets of Velocity, among other things.
- [2] The respondents requested a short adjournment, which was not agreed to by the applicant.
- [3] I agreed to grant the adjournment because the application materials were not served until late in the day on Friday October 6, 2023 (prior to the long Thanksgiving weekend), the respondents' counsel were not consulted on the scheduling of today's appearance and the respondents' lead lawyer is in court on another matter, and Hugh Waddell's spouse is extremely ill and in the hospital. The respondents wish to file a response and ought to be given the opportunity to do so.
- [4] Matter adjourned to October 26, 2023 at 11 am (2 hours). The respondents shall deliver their responding materials on or prior to October 20, 2023.

A handwritten signature in blue ink, appearing to be "J. Steele", is located in the lower right quadrant of the page.

Appendix B

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

THE HONOURABLE) THURSDAY, THE 26th
)
JUSTICE CONWAY) DAY OF OCTOBER, 2023

ENLIGHTENED FUNDING CORPORATION

Applicant

- and -

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER 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***

RECEIVERSHIP ORDER

THIS APPLICATION made by the Applicant for an Order pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Deloitte Restructuring Inc. ("**Deloitte**") as receiver (in such capacity, the "**Receiver**") without security, of all of the present and future assets, undertakings and real and personal property of Velocity Asset and Credit Corporation ("**Velocity**") acquired for, or used in relation to a business carried on by Velocity, including all proceeds thereof, and of the Dealer Property (as defined in the affidavit of Eamonn Glavey sworn October 6, 2023 and the Exhibits thereto (the "**Glavey Affidavit**")) of 926749 Ontario Ltd. (the "**Dealer**" and together with Velocity, the "**Debtors**"), including all proceeds thereof, was heard this day via Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Glavey Affidavit, the Responding Record dated October 20, 2023 and the Affidavit of Eamonn Glavey sworn October 24, 2023, and on hearing the submissions of counsel for the Applicant, the proposed Receiver and such other parties listed on the Participant Information Form, no one appearing for any other party although duly served as appears from the affidavit of service sworn and filed, and on reading the consent of Deloitte to act as the Receiver,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that all terms not otherwise defined herein shall have the meaning ascribed to them in the Glavey Affidavit.

APPOINTMENT

3. **THIS COURT ORDERS** that pursuant to subsection 243(1) of the BIA and section 101 of the CJA, Deloitte is hereby appointed Receiver, without security, of all of the present and future assets, undertakings and real and personal property of Velocity acquired for, or used in relation to, a business carried on by Velocity, including all proceeds thereof, and of the Dealer Property of the Dealer, including all proceeds thereof (collectively, the "**Property**").

RECEIVER'S POWERS

4. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the 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 the 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, or any of them, in connection with the Property, including the powers to enter into any agreements or incur any obligations in the ordinary course of business in connection with the Property, cease to carry on all or any part of the business of the Debtors in connection with the Property, or any of them, or cease to perform or disclaim any contracts of any of the Debtors in respect of the Property;
- (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 of them, in connection with the Property 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 in connection with the Property;
- (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 (as such proceedings relate to the Property or any portion thereof), 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 \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$2,500,000; 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*, 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 the Property or any part or parts thereof;
- (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 either 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 undertake any investigations deemed appropriate by the Receiver with respect to the location and/or disposition of assets reasonably believed to be, or to have been, Property;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations, including opening any mail or other correspondence addressed to any of the Debtors,
- (t) 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, including either of the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. **THIS COURT ORDERS** that: (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, advisors, 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 of the Property in each 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.

6. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, patents, patent applications, documents, securities, contracts, orders, corporate and accounting records, bank account information and any other papers, records and information of any kind related to the business or affairs of the Debtors or the Property, 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 6 or in paragraph 7 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.

7. **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.

8. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

9. **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

10. **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

11. **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 Debtor 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 to which the Debtors are subject, (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

12. **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

13. **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

14. **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

15. **THIS COURT ORDERS** that any and 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 subsection 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 subsections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

16. **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

17. **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

18. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under subsections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

19. **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 subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

20. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass their 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.

21. **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

22. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered, with the prior written consent of Peoples Trust Company of Canada ("**PTC**"), to borrow by way of: (a) advances from the Applicant irrevocably directed to the Receiver pursuant to the terms of the Enlightened Credit Agreement; or (b) advances from PTC, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$470,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest provided for in the Enlightened Credit Agreement (with respect to advances from the Applicant) or at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange (with respect to advances from PTC), for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures (the "**Receiver's Borrowings**"). 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 Receiver's Borrowings, 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 subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

23. **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.

24. **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 the Receiver's Borrowings pursuant to this Order.

25. **THIS COURT ORDERS** that the Receiver's Borrowings borrowed 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

26. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL: <https://www.insolvencies.deloitte.ca/en-ca/pages/search-insolvencies.aspx>.

27. **THIS COURT ORDERS** that the Debtors, the Receiver, the Applicant and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by

forwarding true copies thereof by electronic message to the Debtors' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of subsection 3(c) of the *Electronic Commerce Protection Regulations* (SOR/2013-221).

28. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Guide 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, facsimile or email 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 e-mail transmission shall be deemed to be received on the same business day as transmission, or if sent 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

29. **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.

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

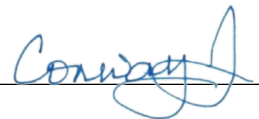
31. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, in the United States or Europe to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts,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

32. **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 foreign representative in respect of the Debtors and the within proceedings for the purpose of having the within proceedings and this or any other Orders made in the within proceedings recognized in a jurisdiction outside Canada.

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

34. **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.

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

A handwritten signature in blue ink, appearing to read "Conway J.", is written above a horizontal line.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. **THIS IS TO CERTIFY** that Deloitte Restructuring Inc., the receiver (in such capacity, the "**Receiver**"), without security, of all of the present and future assets, undertakings and real and personal property of Velocity Asset and Credit Corporation ("**Velocity**") acquired for, or used in relation to a business carried on by Velocity, including all proceeds thereof, and of the Dealer Property (as defined in the affidavit of Eamonn Glavey sworn October 6, 2023) of 926749 Ontario Ltd., including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 26th day of October, 2023 (the "**Order**") made in an action having Court file number CV-23-00707330-00CL, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 2023.

Deloitte Restructuring Inc., solely in its capacity as Receiver of the Property, and not in its personal or corporate capacity

Per: _____
Name:
Title:

IN THE MATTER OF AN APPLICATION UNDER 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*

ENLIGHTENED FUNDING CORPORATION

and

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD.**

Applicant

Respondents

Court File No.: CV-23-00707330-00CL

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

Proceedings commenced in Toronto

RECEIVERSHIP ORDER

BENNETT JONES LLP

One First Canadian Place, Suite 3400
P.O. Box 130
Toronto, ON M5X 1A4

Raj Sahni (LSO# 42942U)

Tel: (416) 777-4804

Email: sahnir@bennettjones.com

Aiden Nelms (LSO#: 74170S)

Tel: (416) 777-4642

Email: nelmsa@bennettjones.com

Milan Singh-Cheema (LSO#: 88258Q)

Tel: (416) 777-5521

Email: singhcheemam@bennettjones.com

Lawyers for the Applicant

Appendix C

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

THE HONOURABLE) FRIDAY, THE 8th
)
JUSTICE CONWAY) DAY OF DECEMBER, 2023

ENLIGHTENED FUNDING CORPORATION

Applicant

- and -

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER 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***

AMENDED AND RESTATED RECEIVERSHIP ORDER

THIS APPLICATION made by the Applicant for an Order pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Deloitte Restructuring Inc. ("**Deloitte**") as receiver (in such capacity, the "**Receiver**") without security, of all of the present and future assets, undertakings and real and personal property of Velocity Asset and Credit Corporation ("**Velocity**") and of 926749 Ontario Ltd. (the "**Dealer**" and together with Velocity, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof, was heard this day via Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Eamonn Glavey sworn October 6, 2023 (the “**Glavey Affidavit**”), the Responding Record dated October 20, 2023 the Affidavit of Eamonn Glavey sworn October 24, 2023 and the First Report of the Receiver dated December 4, 2023, and on hearing the submissions of counsel for the Applicant, the proposed Receiver and such other parties listed on the Participant Information Form, no one appearing for any other party although duly served as appears from the affidavit of service sworn and filed, and on reading the consent of Deloitte to act as the Receiver,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that all terms not otherwise defined herein shall have the meaning ascribed to them in the Glavey Affidavit.

APPOINTMENT

3. **THIS COURT ORDERS** that pursuant to subsection 243(1) of the BIA and section 101 of the CJA, Deloitte is hereby appointed Receiver, without security, of all of the present and future assets, undertakings and real and personal property of the Debtors acquired for, or used in relation to, a business carried on by the Debtors, including all proceeds thereof (collectively, the “**Property**”).

RECEIVER'S POWERS

4. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the 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 the 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, or any of them, in connection with the Property, including the powers to enter into any agreements or incur any obligations in the ordinary course of business in connection with the Property, cease to carry on all or any part of the business of the Debtors in connection with the Property, or any of them, or cease to perform or disclaim any contracts of any of the Debtors in respect of the Property;
- (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 of them, in connection with the Property 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 in connection with the Property;
- (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 (as such proceedings relate to the Property or any portion thereof), 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 \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$2,500,000; 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*, 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 the Property or any part or parts thereof;
- (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 either 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 undertake any investigations deemed appropriate by the Receiver with respect to the location and/or disposition of assets reasonably believed to be, or to have been, Property;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations, including opening any mail or other correspondence addressed to any of the Debtors; and
- (t) 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, including either of the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. **THIS COURT ORDERS** that: (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, advisors, 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 of the Property in each 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.

6. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, patents, patent applications, documents, securities, contracts, orders, corporate and accounting records, bank account information and any other papers, records and information of any kind related to the business or affairs of the Debtors or the Property, 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 6 or in paragraph 7 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.

7. **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.

8. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

INVESTIGATIVE POWERS

9. **THIS COURT ORDERS** that the Receiver is hereby authorized to exercise all available investigative and other rights and remedies that are available to a trustee in bankruptcy under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B- 3, as amended.

10. **THIS COURT ORDERS** that the Receiver is hereby authorized to examine under oath any Person, including but not limited to representatives of the Debtors, that the Receiver reasonably considers to have knowledge of the affairs or Property of the Debtors.

NO PROCEEDINGS AGAINST THE RECEIVER

11. **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

12. **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

13. **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 Debtor 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 to which the Debtors are subject, (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

14. **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

15. **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

16. **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

17. **THIS COURT ORDERS** that any and 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 subsection 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 subsections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

18. **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

19. **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

20. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under subsections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

21. **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 subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass their 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.

23. **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

24. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered, with the prior written consent of Peoples Trust Company of Canada ("**PTC**"), to borrow by way of: (a) advances from the Applicant irrevocably directed to the Receiver pursuant to the terms of the Enlightened Credit Agreement; or (b) advances from PTC, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$750,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest provided for in the Enlightened Credit Agreement (with respect to advances from the Applicant) or at such rate or rates of interest as it deems advisable

for such period or periods of time as it may arrange (with respect to advances from PTC), for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures (the "**Receiver's Borrowings**"). 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 Receiver's Borrowings, 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 subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

25. **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.

26. **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 the Receiver's Borrowings pursuant to this Order.

27. **THIS COURT ORDERS** that the Receiver's Borrowings borrowed 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

28. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further

orders that a Case Website shall be established in accordance with the Guide with the following URL: <https://www.insolvencies.deloitte.ca/en-ca/pages/search-insolvencies.aspx>.

29. **THIS COURT ORDERS** that the Debtors, the Receiver, the Applicant and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtors' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of subsection 3(c) of the *Electronic Commerce Protection Regulations* (SOR/2013-221).

30. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Guide 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, facsimile or email 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 e-mail transmission shall be deemed to be received on the same business day as transmission, or if sent 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

31. **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.

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

33. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, in the United States or Europe 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.

34. **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 foreign representative in respect of the Debtors and the within proceedings for the purpose of having the within proceedings and this or any other Orders made in the within proceedings recognized in a jurisdiction outside Canada.

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

36. **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.

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



SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. **THIS IS TO CERTIFY** that Deloitte Restructuring Inc., the receiver (in such capacity, the "**Receiver**"), without security, of all of the present and future assets, undertakings and real and personal property of Velocity Asset and Credit Corporation ("**Velocity**") acquired for, or used in relation to a business carried on by Velocity, including all proceeds thereof, and of the Dealer Property (as defined in the affidavit of Eamonn Glavey sworn October 6, 2023) of 926749 Ontario Ltd., including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 26th day of October, 2023 (the "**Order**") made in an action having Court file number CV-23-00707330-00CL, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 2023.

Deloitte Restructuring Inc., solely in its capacity as Receiver of the Property, and not in its personal or corporate capacity

Per: _____

Name:

Title:

IN THE MATTER OF AN APPLICATION UNDER 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*

ENLIGHTENED FUNDING CORPORATION

and

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD.**

Applicant

Respondents

Court File No.: CV-23-00707330-00CL

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

Proceedings commenced in Toronto

**AMENDED AND RESTATED RECEIVERSHIP
ORDER**

THORNTON GROUT FINNIGAN LLP
100 Wellington Street West, Suite 3200
T.D. West Tower, Toronto-Dominion Centre
Toronto, ON M5K 1K7

Rebecca Kennedy (LSO# 61146S)
Email: rkennedy@tgf.ca

Derek Harland (LSO#: 79504N)
Email: धारland@tgf.ca

Tel: 416-304-1616
Fax: 416-304-1313

Lawyers for the Receiver

Appendix D



Court File No.: CV-23-00707330-00CL

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

THE HONOURABLE

)

FRIDAY, THE 19th

JUSTICE CONWAY

)

DAY OF JANUARY, 2024

)

ENLIGHTENED FUNDING CORPORATION

Applicant

- and -

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER 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***

VESTING ORDER

THIS MOTION, made by Deloitte Restructuring Inc. ("**Deloitte**") in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") without security, of all of the present and future assets, undertakings and real and personal property of Velocity Asset and Credit Corporation ("**Velocity**") and of 926749 Ontario Ltd. (the "**Dealer**" and together with Velocity, the "**Debtors**"), for an order, amongst other things, vesting the Debtors' right, title and interest in certain vehicles sold by the Receiver at public auction (the "**Purchased Vehicles**") to the purchasers of the Purchased Vehicles (each, a "**Purchaser**") free and clear of any encumbrances, was heard this day via Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report (including the appendices thereto) of the Receiver dated January 15, 2024 (the "**Second Report**"), and on hearing the submissions of counsel for the

Receiver and such other counsel as were present, no one appearing for any other person on the Service List, as appears from the affidavit of service, filed,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS AND DECLARES** that all terms not otherwise defined herein shall have the meaning ascribed to them in the Second Report.

TRANSACTIONS

3. **THIS COURT ORDERS AND DECLARES** that all of the Debtors' right, title and interest in and to the Purchased Vehicles listed on Schedule "A" hereto shall vest absolutely in the respective Purchasers, 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 Conway made December 8, 2023 (the "**Receivership Order**"); and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) (the "**PPSA**") or any other personal property registry system, and, for greater certainty, this Court orders that all the Claims affecting or relating to such Purchased Vehicles are hereby expunged and discharged as against such Purchased Assets.

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 Vehicles shall stand in the place and stead of the Purchased Vehicles sold at public auction, and that all Claims shall attach to such net proceeds from the sale of the Purchased Vehicles sold at public auction with the same priority as they had with respect to such Purchased Vehicles immediately prior to their sale, as if such

Purchased Vehicles had not been sold and remained in the possession or control of the person having that possession or control immediately prior to their sale.

5. **THIS COURT ORDERS** that the Receiver is hereby authorized and empowered to discharge, delete and expunge all registrations or liens in respect of Claims against the Purchased Vehicles pursuant to the PPSA or any other personal property registry system, without further order of this Court.

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 Debtors;

the vesting of each of the Purchased Vehicles in its respective Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that is now or 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.

GENERAL

7. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

8. **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.

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. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Trustee and its agents as may be necessary or desirable to give effect to this Order or to assist the Trustee and its agents in carrying out the terms of this Order.

10. **THIS COURT ORDERS** that this Order is effective as of 12:01 a.m. Toronto Time on the date of this Order and is enforceable without the need for entry and filing.



SCHEDULE "A"
Purchased Vehicles

MAKE	MODEL	VIN
HYUNDAI	SANTE FE	KM8SM4HF2EU038032
CHRYSLER	300	2C3CA5CV9AH254547
CHEVROLET	AVALANCHE	3GNVKFB08AB141544
JEEP	GRAND CHEROKEE	1C4RJFAG5CC178752
HYUNDAI	ELANTRA	5NPDH4AE8DH178968
FORD	EXPLORER	1FM5K8D81DGB16668
NISSAN	SENTRA	3N1ABOAP3CL629470
JEEP	PATRIOT	1C4NJRAB4FD101681
FORD	ESCAPE	1FMCU9GX7GUA56105
SUBARU	OUTBACK	4S4BRCCC8C3256357
HYUNDAI	VERA CRUZ	KM8NU73C99U090663
FORD	FOCUS	1FADP3F22DL286919
HYUNDAI	GENESIS	KMHGC4DD4DU216289
JEEP	WRANGLER	1J4BA3H11BL567947
DODGE	DURANGO	1C4RDJAG7DC701135
DODGE	GRAND CARAVAN	2D4RN4DEXAR276993
DODGE RAM	1500	1D3HV18T99S820112
JEEP	WRANGLER	1J4GA59188L595687
MITSUBISHI	LANCER	JA32X2HU1DU601342
CHEVROLET	SILVERADO	1GC2KVCXGXDZ312448
DODGE RAM	1500	1D7RV1GTXAS167282
KIA	SORENTO	5XYKUDA26BG166735
DODGE	GRAND CARAVAN	2C4RDGBG5ER241841
MITSUBISHI	LANCER	JA32U2FU1DU605564
DODGE RAM	1500	1C6RD7FP8CS178828
DODGE	JOURNEY	3D4PG5FV7AT214839
DODGE	GRAND CARAVAN	2C4RDGBG7CR317010
DODGE	GRAND CARAVAN	2C4RDGDGXDR783187
TOYOTA	SIENNA	5TDKK3DC9DS290086
DODGE	GRAND CARAVAN	2D4RN4DE9AR471953
HYUNDAI	ELANTRA	5NPDH4RF2DH223757
DODGE RAM	2500	3C6TR5DT2DG547400
GMC	SIERRA	1GTV2UEC3EZ261054
DODGE	GRAND CARAVAN	2D4RN4DE0AR221100
CHEVROLET	CAMARO	2G1FC1E30D9116247
SATURN	VUE XR	3GSDL63729S647790
AUDI	A4 PREMIUM	WAUFFCFL6BN024527
FORD	EXPLORER LIMITED	1FM5K8F82FGB33835
DODGE RAM	1500 LIMITED	1C6RR7WT8ES425735

IN THE MATTER OF AN APPLICATION UNDER 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*

ENLIGHTENED FUNDING CORPORATION and **VELOCITY ASSET AND CREDIT CORPORATION AND 926749 ONTARIO LTD.**

Applicant

Respondents

Court File No.: CV-23-00707330-00CL

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

Proceedings commenced in Toronto

VESTING ORDER

THORNTON GROUT FINNIGAN LLP
100 Wellington Street West, Suite 3200
T.D. West Tower, Toronto-Dominion Centre
Toronto, ON M5K 1K7

Rebecca Kennedy (LSO# 61146S)
Email: rkennedy@tgf.ca

Derek Harland (LSO#: 79504N)
Email: dharland@tgf.ca

Tel: 416-304-1616
Fax: 416-304-1313

Lawyers for the Receiver

Appendix E



Court File No.: CV-23-00707330-00CL

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

THE HONOURABLE) FRIDAY, THE 19th
)
JUSTICE CONWAY) DAY OF JANUARY, 2024

ENLIGHTENED FUNDING CORPORATION

Applicant

- and -

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER 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***

ORDER

(Approval of Activities and Form of Vesting Order)

THIS MOTION, made by Deloitte Restructuring Inc. ("**Deloitte**") in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") without security, of all of the present and future assets, undertakings and real and personal property of Velocity Asset and Credit Corporation ("**Velocity**") and of 926749 Ontario Ltd. (the "**Dealer**" and together with Velocity, the "**Debtors**"), was heard this day via Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report (including the appendices thereto) of the Receiver dated January 15, 2024 (the "**Second Report**"), and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one appearing for any other person on the Service List, as appears from the affidavit of service, sworn and filed,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that all terms not otherwise defined herein shall have the meaning ascribed to them in the Second Report.

APPROVAL OF ACTIVITIES

3. **THIS COURT ORDERS** that the Second Report and the Receiver's activities set out therein be and are hereby 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.

APPROVAL OF FORM OF VESTING ORDER

4. **THIS COURT ORDERS** that the form of vesting order attached hereto as Schedule "A" be and is hereby approved in order to permit the completion of sale transactions in respect of vehicles that may be sold by the Receiver from time to time (the "**Unsold Vehicles**"), including, but not limited to, the Unsold Vehicles listed on Schedule "B" hereto.
5. **THIS COURT ORDERS** that Thornton Grout Finnigan LLP ("**TGF**"), counsel to the Receiver, is hereby authorized to insert into each draft vesting order a description of the Unsold Vehicles which have been sold subsequent to the date of this Order on Schedule "A" to each draft vesting order.
6. **THIS COURT ORDERS** that, upon completion of a draft vesting order by TGF in accordance with paragraph 5 above (a "**Completed Vesting Order**"), a representative of TGF shall present such Completed Vesting Order to the Registrar of the Ontario Superior Court of Justice (Commercial List). The Registrar is authorized, empowered and directed to sign, issue and enter each Completed Vesting Order as presented to it by TGF.

GENERAL

7. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.
8. **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.
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. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Trustee and its agents as may be necessary or desirable to give effect to this Order or to assist the Trustee and its agents in carrying out the terms of this Order.
10. **THIS COURT ORDERS** that this Order is effective as of 12:01 a.m. Toronto Time on the date of this Order and is enforceable without the need for entry and filing.



SCHEDULE "A"
Form of Vesting Order

Court File No.: CV-23-00707330-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

ENLIGHTENED FUNDING CORPORATION

Applicant

- and -

VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING

Respondents

IN THE MATTER OF AN APPLICATION UNDER 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*

VESTING ORDER

THIS MOTION, made by Deloitte Restructuring Inc. ("**Deloitte**") in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") without security, of all of the present and future assets, undertakings and real and personal property of Velocity Asset and Credit Corporation ("**Velocity**") and of 926749 Ontario Ltd. (the "**Dealer**" and together with Velocity, the "**Debtors**"), for an order, amongst other things, vesting the Debtors' right, title and interest in certain vehicles sold by the Receiver at public auction (the "**Purchased Vehicles**") to the purchasers of the Purchased Vehicles (each, a "**Purchaser**") free and clear of any encumbrances, was heard this day via Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report (including the appendices thereto) of the Receiver dated January 15, 2024 (the “**Second Report**”), and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one appearing for any other person on the Service List, as appears from the affidavit of service, filed,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that all terms not otherwise defined herein shall have the meaning ascribed to them in the Second Report.

TRANSACTIONS

3. **THIS COURT ORDERS AND DECLARES** that all of the Debtors’ right, title and interest in and to the Purchased Vehicles listed on Schedule “A” hereto shall vest absolutely in the respective Purchasers, 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 Conway made December 8, 2023 (the “**Receivership Order**”); and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) (the “**PPSA**”) or any other personal property registry system, and, for greater certainty, this Court orders that all the Claims affecting or relating to such Purchased Vehicles are hereby expunged and discharged as against such Purchased Assets.
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 Vehicles shall stand in the place and stead of the Purchased Vehicles sold at public auction, and that all Claims shall attach to such net proceeds from the sale of the Purchased Vehicles sold at public auction with the same priority as

they had with respect to such Purchased Vehicles immediately prior to their sale, as if such Purchased Vehicles had not been sold and remained in the possession or control of the person having that possession or control immediately prior to their sale.

5. **THIS COURT ORDERS** that the Receiver is hereby authorized and empowered to discharge, delete and expunge all registrations or liens in respect of Claims against the Purchased Vehicles pursuant to the PPSA or any other personal property registry system, without further order of this Court.

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 Debtors;

the vesting of each of the Purchased Vehicles in its respective Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that is now or 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.

GENERAL

7. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

8. **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.

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. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Trustee and its agents as may be necessary or desirable to give effect to this Order or to assist the Trustee and its agents in carrying out the terms of this Order.

10. **THIS COURT ORDERS** that this Order is effective as of 12:01 a.m. Toronto Time on the date of this Order and is enforceable without the need for entry and filing.

SCHEDULE "A"
Purchased Vehicles

MAKE	MODEL	VIN
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IN THE MATTER OF AN APPLICATION UNDER 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*

ENLIGHTENED FUNDING CORPORATION and **VELOCITY ASSET AND CREDIT CORPORATION AND 926749 ONTARIO LTD.**

Applicant

Respondents

Court File No.: CV-23-00707330-00CL

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

Proceedings commenced in Toronto

VESTING ORDER

THORNTON GROUT FINNIGAN LLP
100 Wellington Street West, Suite 3200
T.D. West Tower, Toronto-Dominion Centre
Toronto, ON M5K 1K7

Rebecca Kennedy (LSO# 61146S)
Email: rkennedy@tgf.ca

Derek Harland (LSO#: 79504N)
Email: dharland@tgf.ca

Tel: 416-304-1616
Fax: 416-304-1313

Lawyers for the Receiver

SCHEDULE "B"
Unsold Vehicles to be Sold at Auction on January 27, 2024

MAKE	MODEL	VIN
JEEP	LIBERTY	1J8GN28K58W230054
DODGE	JOURNEY	3C4PDDEG8DT518799
DODGE	RAM 1500	1C6RR7MT4DS645567
DODGE	RAM 3500	3C63D3FLXCG237722
FORD	F250	1FT7W2BT5BEA48874
SUBARU	LEGACY	4S3BMGL69B3244270
INFINITY	QX80	JN8AZ2NCXE9351207
JEEP	LIBERTY	1C4PJMAKXCW101955
CHEVROLET	AVEO	3G1TC5DE8AL142665
RAM	1500	1C6RD7FP3CS226820
FORD	F150	1FTEX1C85GFB57278
RAM	1500	1C6RR7MT3FS733562
RAM	1500	1D7RV1GT2BS572165
AUDI	A6	WAUDG74F25N081613
NISSAN	ROGUE	JN8AS5MT7BW174345
DODGE	GRAND CARAVAN	2D4RN4DE7AR226858
CHEVROLET	SILVERADO	3GCRKREAXAG228866
GMC	SIERRA	2GTEC19V951133532
DODGE	JOURNEY	3D4GG57V29T578712
JAGUAR	XK	SAJDA44B475B02873
DODGE	TOWN & COUNTRY	2C4RC1BG5CR317328
RAM	1500	1C6SRFTT2KN552197
FORD	EXPLORER	1FM5K8D81DGB16668
HYUNDAI	ELANTRA	5NPDH4AE8DH178968
CHRYSLER	300	2C3CA5CV9AH254547
FORD	ESCAPE	1FMCU0GX1DUA08431
NISSAN	SENTRA	3N1AB6AP3CL629470
DODGE	RAM 1500	1D3HV13TX9S825987
CHEVROLET	SILVERADO	3GCPCREA1BG285110
JEEP	LIBERTY	1J8GN28K58W230054
DODGE	JOURNEY	3C4PDDEG8DT518799
DODGE	RAM 1500	1C6RR7MT4DS645567
DODGE	RAM 3500	3C63D3FLXCG237722
FORD	F250	1FT7W2BT5BEA48874
SUBARU	LEGACY	4S3BMGL69B3244270
INFINITY	QX80	JN8AZ2NCXE9351207
JEEP	LIBERTY	1C4PJMAKXCW101955
CHEVROLET	AVEO	3G1TC5DE8AI142665
RAM	1500	1C6RD7FP3CS226830

IN THE MATTER OF AN APPLICATION UNDER 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*

ENLIGHTENED FUNDING CORPORATION and **VELOCITY ASSET AND CREDIT CORPORATION AND 926749 ONTARIO LTD.**

Applicant

Respondents

Court File No.: CV-23-00707330-00CL

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

Proceedings commenced in Toronto

ORDER
(Approval of Activities and Form of Vesting Order)

THORNTON GROUT FINNIGAN LLP
100 Wellington Street West, Suite 3200
T.D. West Tower, Toronto-Dominion Centre
Toronto, ON M5K 1K7

Rebecca Kennedy (LSO# 61146S)
Email: rkennedy@tgf.ca

Derek Harland (LSO#: 79504N)
Email: dharland@tgf.ca

Tel: 416-304-1616
Fax: 416-304-1313

Lawyers for the Receiver

Appendix F

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

REGISTRAR) WEDNESDAY , THE 21st
AMARESH BHASKARAN)
) DAY OF FEBRUARY, 2024

ENLIGHTENED FUNDING CORPORATION

Applicant

- and -

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER 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***

VESTING ORDER

THIS MOTION, made by Deloitte Restructuring Inc. ("**Deloitte**") in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") without security, of all of the present and future assets, undertakings and real and personal property of Velocity Asset and Credit Corporation ("**Velocity**") and of 926749 Ontario Ltd. (the "**Dealer**" and together with Velocity, the "**Debtors**"), for an order, amongst other things, vesting the Debtors' right, title and interest in certain vehicles sold by the Receiver at public auction (the "**Purchased Vehicles**") to the purchasers of the Purchased Vehicles (each, a "**Purchaser**") free and clear of any encumbrances, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report (including the appendices thereto) of the Receiver dated January 15, 2024 (the "**Second Report**"), paragraph 6 of the Order of Justice Conway dated January 19, 2024 made in this proceeding, and on hearing the submissions of counsel for the

Receiver and such other counsel as were present, no one appearing for any other person on the Service List, as appears from the affidavit of service, filed,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS AND DECLARES** that all terms not otherwise defined herein shall have the meaning ascribed to them in the Second Report.

TRANSACTIONS

3. **THIS COURT ORDERS AND DECLARES** that all of the Debtors' right, title and interest in and to the Purchased Vehicles listed on Schedule "A" hereto shall vest absolutely in the respective Purchasers, 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 Conway made December 8, 2023 (the "**Receivership Order**"); and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) (the "**PPSA**") or any other personal property registry system, and, for greater certainty, this Court orders that all the Claims affecting or relating to such Purchased Vehicles are hereby expunged and discharged as against such Purchased Assets.

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 Vehicles shall stand in the place and stead of the Purchased Vehicles sold at public auction, and that all Claims shall attach to such net proceeds from the sale of the Purchased Vehicles sold at public auction with the same priority as they had with respect to such Purchased Vehicles immediately prior to their sale, as if such

Purchased Vehicles had not been sold and remained in the possession or control of the person having that possession or control immediately prior to their sale.

5. **THIS COURT ORDERS** that the Receiver is hereby authorized and empowered to discharge, delete and expunge all registrations or liens in respect of Claims against the Purchased Vehicles pursuant to the PPSA or any other personal property registry system, without further order of this Court.

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 Debtors;

the vesting of each of the Purchased Vehicles in its respective Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that is now or 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.

GENERAL

7. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

8. **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.

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. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Trustee and its agents as may be necessary or desirable to give effect to this Order or to assist the Trustee and its agents in carrying out the terms of this Order.

10. **THIS COURT ORDERS** that this Order is effective as of 12:01 a.m. Toronto Time on the date of this Order and is enforceable without the need for entry and filing.

Signature of Registrar

SCHEDULE "A"
Purchased Vehicles

MAKE	MODEL	VIN
DODGE	RAM 1500	1D7RV1GT2BS572165
JEEP	GRAND CHEROKEE	1C4RJFBG5EC192202
RAM	1500 SPORT	1C6RR7MT4DS645567
SUBARU	LEGACY LIMITED	4S3BMGL69B3244270
RAM	1500 SPORT	1C6RR7MT3FS733562
FORD	F150 SUPER CAB	1FTEX1C85GFB57278
INFINITY	QX80	JN8AZ2NCXE9351207
FORD	ESCAPE SE	1FMCU0GX1DUA08431
DODGE	JOURNEY R/T	3C4PDDEG8DT518799
DODGE	GRAND CARAVAN	2D4RN4DE7AR226858
DODGE	RAM 1500 SPORT	1C6SRFTT2KN552197
JEEP	LIBERTY SPORT	1C4PJMAKXCW101955
CHRYSLER	TOWN & COUNTRY	2C4RC1BG5CR317328
CHEVROLET	SILVERADO C1500	3GCPCREA1BG285110
GMC	NEW SIERRA C 1500	2GTEC19V951133532
NISSAN	ROGUE SV	JN8AS5MT7BW174345
CHEVROLET	SPARK LS	KL8CA6SA1GC582923
GMC	SIERRA	2GTEK13M271535818
DODGE	JOURNEY	3C4PDCCG1GT116236
FORD	F250	1FT7W2BT5BEA48874
LAND ROVER	LR4	SALAK2V60GA807574
CHEVORLET	SUBURBAN K1500	1GNSKJKCXFR659974
DODGE	GRAND CARAVAN	2C4RDGDG1ER350584
DODGE	GRAND CARAVAN	2C4RDGDG8CR114043
RAM	1500	1D7RV1GT9BS700157
CHEVROLET	AVEO	3G1TC5DE8AL142665
DODGE	JOURNEY	3D4GG57V29T578712
CHEVROLET	SILVERADO	3GCRKREAXAG228866
RAM	1500	1C6RD7FP3CS226820
AUDI	A6	WAUDG74F25N081613
JAGUAR	XK	SAJDA44B475B02873
CHEVROLET	AVALANCHE	3GNVKFE08AG141544

IN THE MATTER OF AN APPLICATION UNDER 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*

ENLIGHTENED FUNDING CORPORATION

and

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD.**

Applicant

Respondents

Court File No.: CV-23-00707330-00CL

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

Proceedings commenced in Toronto

VESTING ORDER

THORNTON GROUT FINNIGAN LLP
100 Wellington Street West, Suite 3200
T.D. West Tower, Toronto-Dominion Centre
Toronto, ON M5K 1K7

Rebecca Kennedy (LSO# 61146S)

Email: rkennedy@tgf.ca

Derek Harland (LSO#: 79504N)

Email: धारland@tgf.ca

Tel: 416-304-1616

Fax: 416-304-1313

Lawyers for the Receiver

Appendix G

Court File No.: CV-23-00707330-00CL

ONTARIO SUPERIOR COURT OF JUSTICE

(COMMERCIAL LIST)

BETWEEN:

ENLIGHTENED FUNDING CORPORATION

Applicant

- and -

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING**

Respondents

**FIRST REPORT OF DELOITTE RESTRUCTURING INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER
DATED DECEMBER 4, 2023**

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INTRODUCTION AND PURPOSE OF THIS REPORT

1. On October 13, 2023, Enlightened Funding Corporation (“**Enlightened**”) made an application (the “**Application**”) to the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) for an order appointing Deloitte Restructuring Inc. (“**Deloitte**”) as receiver of the property, assets, and undertakings of Velocity Asset and Credit Corporation (“**Velocity**”) and certain property of 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing (the “**Dealer**” and, together with Velocity, the “**Debtors**”), including all of the Leases, Leased Vehicles, Rights, Collections and the Dealer Blocked Account (each as defined in a dealer security agreement entered into between Enlightened and 926749 Ontario Ltd.) and all products or proceeds thereof (the “**Dealer Property**”).
2. The Application was adjourned to October 26, 2023 to provide the Debtors with an opportunity to respond to the Application. A copy of the endorsement of Madame Justice Steele is attached hereto as **Appendix “A”**.
3. On October 26, 2023 (the “**Date of Appointment**”), pursuant to an order (the “**Receivership Order**”) of the Court, Deloitte was appointed as receiver (the “**Receiver**”) of the property, assets, and undertakings of Velocity and of the Dealer Property (together, the “**Property**”). A copy of the Receivership Order is attached hereto as **Appendix “B”**.
4. The purpose of this first report of the Receiver (the “**First Report**”) is to provide information to the Court with respect to:
 - a) the Receiver’s activities since its appointment;
 - b) the Receiver’s communications with key stakeholders;
 - c) the ongoing operations of the Dealer;

- d) the Receiver's receipts and disbursements;
- e) the basis for an order expanding the scope of the receivership and granting the Receiver enhanced investigative powers; and
- f) the basis for an order approving the activities of the Receiver.

TERMS OF REFERENCE

5. In preparing this First Report, Deloitte has been provided with, and has relied upon unaudited, draft, and/or internal financial information, the Debtors' books and records, discussions with the Debtors' management, shareholders, and employees, and information from third-party sources (collectively, the "**Information**"). Except as otherwise described in this First Report:

- a) Deloitte has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, Deloitte has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards ("**CAS**") pursuant to the *Chartered Professional Accountants Canada Handbook*, and accordingly, the Monitor expresses no opinion or other form of assurance contemplated under CAS in respect of the Information.
- b) Deloitte has filed this First Report solely for the purpose of providing information to this Court. Parties using the First Report other than for the purposes outlined herein are cautioned it may not be appropriate for their purposes.

6. Unless otherwise stated, all dollar amounts contained in this First Report are expressed in Canadian Dollars.

BACKGROUND

7. Velocity was incorporated on August 21, 2019, under the *Ontario Business Corporations Act*. According to the corporation profile report attached as **Appendix “C”**, the directors and officers of Velocity are Hollinsworth Auguste (“**Auguste**”) and Hugh Waddell (“**Waddell**”).
8. The Dealer was incorporated on June 4, 1991, and was revived on July 12, 1996, under the *Ontario Business Corporations Act*. The Dealer operates a used car dealership (the “**Dealership**”) located at 809 Clonsilla Avenue, Peterborough, Ontario (the “**Premises**”). According to the corporation profile report attached as **Appendix “D”**, the directors and officers of the Dealer are Waddell and Meggan M. E. Waddell.
9. The Dealership’s primary business activity is leasing used vehicles to customers with sub-prime credit ratings. The financial and operational relationship between Velocity and the Dealer is set out in greater detail later in this First Report.

DEBTORS’ FINANCING ARRANGEMENTS

10. As context for the Receiver’s comments and observations herein and its motion for expanded powers, the Debtor’s “ordinary course” financing arrangements are described below.

11. Prior to entering into financing arrangements with Enlightened, the Receiver understands that the Debtors were involved in a lease financing facility (the “**Beacon Facility**”) with Beacon Holdings Ltd. (“**Beacon**”) and Beacon Trust (“**Beacon Trust**”).
12. Beacon assigned certain leases to Enlightened, however as of October 30, 2023, Beacon continues to have security interests in 161 lease contracts with a principal balance of \$2,013,242 (the “**Beacon Leases**”). Collections for a number of the Beacon Leases was to be serviced by Velocity pursuant to lease subservicing agreements between Velocity and Beacon (the “**Subservicer Agreements**”). However, the Receiver understands that notwithstanding the Subservicer Agreements were between Velocity and Beacon, the practice had been that the Beacon leases were subserviced by the Dealer and not Velocity.
13. The structure of the Debtors’ financing arrangement with Beacon and Beacon Trust is set out in **Appendix “E”**.

Relationship Between Enlightened and the Debtors

14. Velocity and Enlightened entered into a credit agreement dated May 26, 2022 (the “**Credit Agreement**”), pursuant to which Enlightened extended a revolving credit facility (the “**Revolving Facility**”) up to an aggregate principal amount of \$20 million. A copy of the Credit Agreement is attached hereto as **Appendix “F”**.
15. Advances under the Revolving Facility were requested in multiple tranches by way of draw-down requests submitted by Velocity to Enlightened. The draw-down requests were prepared by the Dealer and were supported by schedules of lease contracts, including details of the vehicles and VINs. The structure of the Debtors’ financing arrangement with Enlightened is set out in **Appendix “G”**.

16. The Revolving Facility was to mature on the earlier of May 26, 2023, or the date the facility was otherwise terminated pursuant to the terms of the Credit Agreement. The Receiver understands that this funding was used in part to acquire the leases in tranches 1-3 and repay Beacon.
17. In order to fund advances of the Revolving Facility in accordance with the Credit Agreement, Enlightened entered into a warehouse line of credit made as of May 26, 2022, with Peoples Trust Company of Canada (“**PTC**”), as such credit agreement was amended and restated pursuant to the terms of an amended and restated warehouse facility line of credit agreement effective July 1, 2022 between Enlightened and PTC.
18. As at the date of the Application, the total indebtedness owing by Velocity under the Credit Agreement was \$19,406,788 (excluding accruing fees, expenses and costs).
19. On May 26, 2022, Enlightened and the Dealer also entered into a Guarantee and Servicing Agreement (the “**Guarantee and Servicing Agreement**”) whereby the Dealer guaranteed the obligations of Velocity under the Revolving Facility and agreed to service the lease portfolio. A copy of the Guarantee and Servicing Agreement is attached hereto as **Appendix “H”**.

Enlightened’s Security

20. On May 26, 2022, Velocity and the Dealer both entered into security agreements in favour of Enlightened (the “**Velocity GSA**” and “**Dealer Security Agreement**”, respectively).
21. Pursuant to the Velocity GSA, Velocity granted Enlightened a security interest in all of the present and future undertakings and property, both real and personal, of Velocity in whatever form and wherever located.

22. Pursuant to the Dealer Security Agreement, the Dealer granted Enlightened a security interest in all of the Dealer's right, title and interest, both present and future, in all of its presently owned or held and after-acquired owned or held Leases, Leased Vehicles, Rights, Collections, and the Dealer Blocked Account (each as defined in the Dealer Security Agreement), and all products and proceeds of or relating to any of the foregoing, in each case, whether now owned or hereafter acquired or existing, and in whatever form and wherever located.
23. Further, Velocity and the Dealer each entered into a blocked account agreement with Enlightened dated May 20, 2022, and May 11, 2022 respectively, in which Enlightened was also granted security over those contemplated blocked accounts. However, the blocked accounts were never established or utilized.

Floor Plan Financing Arrangement with NextGear Capital

24. The Receiver understands that, pursuant to a credit agreement between NextGear Capital Corporation (“**NextGear**”) and the Dealer, NextGear provides “floor plan financing” to the Dealer. The Receiver has requested copies of the floor plan financing documents; however, to date, such documentation has not been provided to the Receiver. This financing is specific to car dealerships and allows for dealerships to purchase vehicle inventory. The floor plan financier retains title to the vehicles until they are paid out by the dealer. This typically occurs when the car is sold or leased.
25. As discussed below, NextGear has ten remaining vehicles subject to its security, four of which overlap with Enlightened's security.

ACTIVITIES OF THE RECEIVER SINCE THE DATE OF APPOINTMENT

26. Immediately following the issuance of the Receivership Order, the Receiver took possession of the Property for the purpose of preserving, protecting, and safeguarding the Debtors' assets. As the Receiver was only appointed over the Dealer Property and not over all of the property of the Dealer, the Receiver exercised care in taking possession to minimize the impact of its activities on the ongoing operations of the Dealership. In particular, although the Receiver has made several information requests of the Dealer staff (as described herein), it is not directing the activities of the Dealer staff.
27. Among other immediate activities to safeguard the Property, the Receiver:
- a) attended at the Dealership and met with Waddell to advise him of the Receiver's appointment, his obligations pursuant to the Receivership Order and to discuss the Receiver's planned activities;
 - b) secured a storage room at the Premises and changed the locks to the storage room in order to store Dealer Property, including keys to vehicles and books and records (including physical lease files);
 - c) retained a security guard to attend to the Premises outside of business hours;
 - d) contacted the Dealer's insurance broker to request copies of insurance policies and to request that the Receiver be added as a loss payee;
 - e) identified certain bank accounts in the name of the Debtors and instructed the financial institutions to restrict the accounts to 'deposit only';

- f) updated the credentials for online access to the Dealer's operating account at Royal Bank of Canada (the "**RBC Account**"), which the Receiver intends to maintain in the near term to facilitate collection of lease payments from lessees;
- g) forensically imaged files on the computer of the Dealer's office manager (the "**Office Manager**"), who is the employee responsible for the maintenance of information related to the Dealer Property;
- h) inventoried vehicles on site at the Premises and took steps to determine whether the vehicles were Dealer Property; and
- i) wrote to Auguste and Waddell requesting access to the books and records of the Debtors.

28. The Receiver undertook the following activities in connection with its review of the books and records of the Debtors:

- a) obtained copies of bank statements for accounts held by each of the Debtors and reviewed the transactions set out therein;
- b) contacted Royal Bank of Canada ("**RBC**") to obtain additional details on transactions reflected in the RBC Account;
- c) interviewed the Dealer's employees to gain an understanding of how business processes and transactions were recorded in the Dealer's book and records;
- d) attempted to reconcile lease records maintained by the Dealer with portfolio reports maintained by Enlightened and Velocity;

- e) developed an understanding of the information technology systems used by the Dealer, including a cloud-based network, vehicle maintenance management platform, and an inventory management system;
- f) obtained access to Velocity's lease origination platform (the "**Velocity Platform**") and arranged for the extraction of lease data;
- g) wrote to MNP LLP ("**MNP**"), the accountant for Velocity, and Sid Karmazyn ("**Karmazyn**"), the accountant for the Dealer, to obtain copies of accounting records of Velocity and the Dealer, respectively; and
- h) contacted various third parties, including insurance companies and other vehicle dealerships, to verify information in the Debtors' books and records.

29. The Receiver undertook the following activities with respect to its statutory obligations:

- a) on November 3, 2023, the Receiver mailed copies of the Notice and Statement of the Receiver in respect of Velocity and the Dealer (the "**245 Notices**"), copies of which are attached hereto as **Appendix "I"** and **Appendix "J"**, respectively, to all known creditors of the Debtors;
- b) on the same day, the Receiver faxed copies of the 245 Notices to the Office of the Superintendent of Bankruptcy; and
- c) the Receiver uploaded copies of relevant information to its case website at: <https://www.insolvencies.deloitte.ca/en-ca/pages/VelocityAssetandCreditCorporation926749OntarioLtdoaClonsillaLeasing.aspx?searchpage=search-insolvencies.aspx>.

COMMUNICATIONS WITH STAKEHOLDERS

Lessees

30. The Receiver has spent considerable time and effort attempting to reconcile and validate various schedules of leases maintained by the Dealer. Due to material deficiencies and inconsistencies in the Dealer's record-keeping, which are set out in greater detail in this First Report, the Receiver has been unable to compile a definitive listing of leases which comprise the Dealer Property (the "**Dealer Leases**").
31. Relying on information extracted from the Velocity Platform and validated by comparison with portfolio reports maintained by Enlightened, the Receiver prepared a preliminary schedule of leases that it believes are included in the Dealer Property (the "**Provisional Lease Schedule**").
32. On November 9, 2023, the Receiver sent a notice (the "**Lessee Notice**") to all lessees on the Provisional Lease Schedule advising them of the receivership proceedings and directing them to continue to remit their lease payments through pre-authorized debit according to the terms of their lease with the Dealer.
33. In response to the Lessee Notice, the Receiver received numerous telephone calls and emails from lessees expressing concerns regarding a number of issues, including, but not limited to:
 - a) the inaccuracy of the payment amount and/or payment frequency in the Dealer's records;
 - b) the relevant lease having been terminated or the vehicle returned;

- c) the vehicle being inoperable or the Dealer not having fulfilled its obligations under the lease; and
- d) the recipient of the Lessee Notice had never dealt with the Dealer and had not leased a vehicle from the Dealer.

34. The Receiver continues to investigate the concerns raised by lessees as detailed above. Details of these investigations are described in greater detail in this First Report.

35. Based on the issues noted above, the Receiver is of the view that it is prudent to seek enhanced powers to enable a more robust investigation into the nature and location of the Property.

Secured Creditors

Enlightened

36. The Receiver has requested and received information from Enlightened, including copies of draw-down notices, portfolio reports, and records of buyout payments from the Debtors.

37. On September 12, 2023, Enlightened provided the Receiver with a lease portfolio report (the “**Enlightened Portfolio Report**”) setting out information as of August 31, 2023, in respect of the Dealer Leases. The Enlightened Portfolio Report included 920 leases related to the Dealer with a principal balance of \$17,942,805. The Receiver noted that the report did not include:

- a) vehicle identification numbers (“**VINs**”);
- b) names of vehicle lessees; and
- c) address information for approximately 230 of the 920 leases.

38. On November 17, 2023, in response to a request from the Receiver, Enlightened's controller (the "**Enlightened Controller**") provided an updated version of the report (the "**Revised Portfolio Report**") that included VINs, noting that it had only recently noticed multiple duplicate VINs in the portfolio reports. A copy of the Enlightened Controller's email is attached hereto as **Appendix "K"**.
39. The Receiver also asked Enlightened to provide copies of drawdown requests with schedules of leases for the 44 tranches funded by Enlightened. Details of Enlightened's funding arrangements with Velocity are described above. The Enlightened Controller advised the Receiver that it was unable to provide copies of drawdown reports for tranches 1-3, representing approximately 800 vehicles or, in other words, approximately 80% of the lease portfolio. A copy of the Enlightened Controller's email is attached hereto as **Appendix "L"**. The Receiver understands that tranches 1-3 represent the initial funding provided by Enlightened in May 2022, to acquire this portfolio from Beacon.

Beacon

40. The Receiver also corresponded with Beacon. As described in greater detail above, Beacon continues to have other lease financing arrangements with the Debtors.
41. On October 27, 2023, the Receiver wrote to Beacon requesting particulars of its security. Beacon responded on October 30, 2023 providing the list of Beacon Leases.
42. On November 7, 2023, Beacon wrote to the Receiver to request an update on collections on the Beacon contracts that were serviced by Velocity pursuant to the Subservicing Agreements. The Receiver advised Beacon that it was not servicing the Beacon Contracts. A copy of the email exchange with Beacon is attached hereto as **Appendix "M"**.

43. On November 23, 2023, Beacon wrote to Velocity and Waddell to provide notice of termination of the Subservicer Agreements between Velocity and Beacon (the “**Termination Notices**”). Waddell did not advise the Receiver of the Termination Notices.
44. On November 29, 2023, Beacon provided a copy of the Termination Notices to the Receiver and advised of its intention to terminate its servicing agreement with Velocity and the Dealer and to begin drawing pre-authorized payments from lessees related to the Beacon Leases on December 1, 2023. Subsequent to this notice, Beacon provided the Receiver with an updated schedule of the Beacon Leases, including VINs. A copy of the Termination Notices by Beacon to Velocity and the email to the Receiver are attached hereto as **Appendix “N”**.
45. Initially, the Receiver had communicated to Beacon that it had not identified any overlap between the Beacon Leases and the Property. However, upon review of the newly received documentation, it became evident that there is an overlap in the vehicles subject to the Beacon and Enlightened security interests. Specifically, the Receiver identified 80 vehicles, identified by their VIN, that appear to have been submitted by the Dealer as collateral for lease funding by both Beacon and Enlightened. A list of the leases that, to date, the Receiver has identified that are likely subject to both Beacon and Enlightened’s security interests are set out in **Appendix “O”**.
46. On November 29, 2023, the Receiver convened a call with Beacon to advise that certain of the vehicles to which Beacon is asserting an interest are subject to Enlightened’s security and that the stay of proceedings created by the Receivership Order is applicable to Beacon. The Receiver further advised of the challenges it has faced with the lease portfolio and of its intention to seek an amended Receivership Order, as described herein.

The Receiver understands that Beacon is supportive of the expanded scope sought in the amended Receivership Order.

NextGear

47. The Receiver has also corresponded with NextGear. NextGear provided floorplan financing to the Dealer to finance the acquisition of vehicles.
48. On October 27, 2023, the Receiver wrote to NextGear to request particulars of its security. NextGear provided the Receiver with a list of 13 vehicles subject to its security with a principal balance of \$257,606. Of these 13 vehicles, seven were subject to a lease funded by Enlightened.
49. NextGear also provided the Receiver with schedules of payments received from the Dealer and vehicles paid off and discharged in the period August 1, 2023, to October 31, 2023. The Receiver had requested this information in the context of its investigations detailed herein.
50. On November 27, 2023, NextGear provided the Receiver with an updated schedule of vehicles subject to its security, showing ten remaining vehicles subject to its security with a principal balance of \$198,264.24, of which four vehicles are subject to a lease funded by Enlightened. The Receiver understands that the three vehicles no longer appearing on NextGear's November 27 schedule were paid off by the Dealer.

Accounting Firms

51. On October 27, 2023, the Receiver wrote to Karmazyn, whom Waddell had advised was the Dealer's accountant, and asked: (a) whether he was also the accountant for Velocity, and (b) that he provide copies of the Debtors' most recent financial statements.
52. Having received no reply to its email, the Receiver wrote to Karmazyn again on November 16, 2023, to which Karmazyn simply replied that he was not the accountant for Velocity. Karmazyn provided no information with respect to his accounting relationship with the Dealer, nor did he provide the requested information.
53. On November 22, 2023, Karmazyn requested a list of specific documents in which the Receiver was interested and demanded a retainer of \$5,000 to gather such information for the Receiver. The Receiver replied to Karmazyn on the same day, advising him of his obligations under the Appointment Order. As of the date of this report the Receiver has not received any books and records from Karmazyn. A copy of the Receiver's email correspondence with Karmazyn is attached hereto as **Appendix "P"**.
54. The Receiver has also engaged with MNP, the accountant for Velocity, who has provided copies of accounting records up to December 31, 2022. MNP advised the Receiver that they were told to cease work after the 2022 year-end. MNP has fully addressed the Receiver's requests for information.

Ontario Motor Vehicle Industry Council

55. On November 18, 2023, the Receiver received an email from the Ontario Motor Vehicle Industry Council ("**OMVIC**"). OMVIC is a regulatory agency responsible for the enforcement and administration of the *Motor Vehicle Dealers Act*. OMVIC expressed concern about the potential for consumer harm arising from the receivership proceedings.

56. On the same date, the Receiver wrote to OMVIC and clarified the limited scope of the receivership proceedings in respect of the Dealer. The Receiver also participated in a conference call with OMVIC on November 22, 2023 to provide additional detail on the scope of the Receiver's activities and to discuss OMVIC's concerns related to potential consumer harm.
57. The Receiver convened a conference call with OMVIC on December 1, 2022 to advise of the Receiver's intention to seek expanded scope and investigative powers. During this call, OMVIC advised the Receiver that OMVIC's investigations revealed the Dealer had not remitted customer payments to Canada General Warranty in respect of insurance and warranty products. This has the effect of depriving the customers of insurance and warranty products they have paid for. OMVIC estimates that more than 100 customers are affected.

RECEIVER'S ASSESSMENT OF THE LEASE PORTFOLIO

58. Through its initial review of the Dealer's books and records, the Receiver has determined that the Dealer did not maintain basic business records relating to the lease portfolio, including:
- a) a schedule of active leases;
 - b) a schedule of lease receivables or arrears owing by lessees;
 - c) records of leases that had been referred to a collection agency or were in legal proceedings;
 - d) records of lease buyouts;
 - e) inventory listings; and

f) detailed records of sales and purchases of vehicles.

59. The Receiver was advised by the Dealer's employees that business and accounting records were not consistently maintained, and that a reconciliation was performed each month to determine which lease payments had been received and which leases were in arrears. The Receiver has not been provided with any such reconciliations, despite its repeated requests as described herein. The Dealer's employees advised that there was no single person responsible for the collection of accounts receivable or repossession of vehicles, and that these functions were completed on a 'case by case' basis as directed by Waddell.
60. Immediately following its appointment, the Receiver requested that the Dealer's employees prepare a schedule of active leases indicating the lessee's payment amount and frequency and indicating whether the lease was funded by Enlightened, along with a schedule of lease arrears and a list of leases in collections or legal proceedings. As of the date of this First Report, the Dealer has not provided the information requested. The Receiver notes that the Dealer services Velocity's leases. It is unclear how it does so, given its failure and apparent inability to produce basic financial and accounting records and information.
61. Waddell has advised the Receiver that the Dealer's ability to provide the information requested is constrained by several ongoing projects, including efforts to reconcile historical GST/HST returns and related accounting information in pursuit of a GST/HST refund that Waddell estimated at \$1.4 million. This GST/HST refund project has been in progress since at least the Date of Appointment and to the Receiver's knowledge is not yet complete. The Receiver's expectation is that, once filed, this return will be subject to audit

by the CRA, which audit will likely take considerable time to complete. As such, the quantum and timing of this refund is highly uncertain in the Receiver's view.

62. Given the Dealer's inability to produce the information required to assess and service the lease portfolio, the Receiver has expended significant time and resources in attempting to reconstruct the portfolio. These efforts include:

- a) comparing lease information extracted from the Velocity Platform with the Enlightened Portfolio Report;
- b) reviewing physical lease files to resolve discrepancies;
- c) reviewing spreadsheets and other electronic records imaged from the Office Manager's computer;
- d) reviewing *Personal Property Security Act (Ontario)*, R.S.O. 1990, c. P.10 and motor vehicle registries to validate details of leased vehicles and the registered owners of same; and
- e) enquiries of Management and discussions with lessees.

63. The Enlightened Portfolio Report reflected 920 leases with a principal balance of \$17.9 million as of August 31, 2023. While the Receiver's efforts to validate the information related to the lease portfolio are ongoing, the Receiver has confirmed that 117 of the leases listed in the Enlightened Portfolio Report are in default or have been terminated. The Receiver is unable at this time to estimate the actual receivable balance of the Dealer Leases. Based on pre-authorized payment contracts reviewed by the Receiver, it appears that there are fewer than 400 lessees remitting payments to the Dealer each month.

LEASE SERVICING

64. As described above, the Receiver wrote to known lessees on November 9, 2023, and directed them to continue remitting payment through pre-approved payments set up by the Dealer. The Receiver was also advised by Management that some lessees remit payment in person at the Dealership in cash or by Interac debit. This generally occurs when lessees' pre-authorized payments are rejected or returned and the Dealer requests that the lessee cure the payment default.
65. In order to secure cash payments in respect of the Dealer Property, the Receiver has arranged for its staff to be at the Dealership during business hours and maintains a log of cash payments received. These payments are deposited into the RBC Account by the Receiver's staff and a Dealership employee as soon as they are received.
66. The Receiver's ability to effectively service the Dealer Leases has been challenged by the deficiencies in the Dealership's books and records as detailed above. The Receiver is in the process of manually re-creating schedules of arrears based on bank statements and other reports issued by RBC.
67. The Receiver continues to work with the Dealer's employees to reconstruct the portfolio and, in the interim, is undertaking to reconcile incoming payments and pursue arrears as they are identified.
68. For the period October 26, 2023, to November 21, 2023, the Receiver collected \$221,630 in respect of the Dealer Leases. For comparative purposes, the Receiver estimates that the Dealer's collections in the three months prior to the Date of Appointment averaged

\$192,388 per month. The variance in monthly collections represents returned or rejected pre-authorized payments.

69. The Receiver has also made efforts to retain a third-party provider to service the lease portfolio. To date, the Receiver has reached out to six potential servicers, of which five have entered into non-disclosure agreements and reviewed available data on the Dealer Leases. The Receiver's efforts to identify and retain potential servicers are ongoing and are challenged by the relatively small portfolio size, the lack of a definitive lease portfolio listing and portfolio performance metrics resulting from the Dealer and Velocity's inability to produce such information. To date, three servicers have indicated they have no interest in the opportunity and the Receiver has yet to receive a servicing proposal from three potential servicers that are considering this opportunity.
70. The Receiver is of the view that retaining an established portfolio servicer to manage the portfolio is a cost-effective solution that will provide the Receiver with relevant information to market the portfolio for sale. However, its efforts have been hampered by the challenges noted earlier in this First Report. The Receiver is continuing to pursue proposals from servicers.

SALE OF VEHICLES

71. Following its appointment, the Receiver took possession of 47 vehicles subject to Enlightened's security that had been returned by lessees or repossessed (i.e., for non-payment) by the Dealer and were stored at the Premises (the "**Seized Vehicles**"). Of those vehicles, 40 were delivered to North Toronto Auto Auctions ("**NTAA**") to be sold by public auction pursuant to section 4(k) of the Receivership Order.

72. NTAA carried out a public auction on November 25, 2023, at which 39 of the 40 vehicles were sold for gross proceeds of \$183,850. A schedule of sale proceeds is attached hereto as **Appendix “Q”**.
73. The Receiver was advised by NTAA that Waddell purchased eight of the Seized Vehicles at the auction on behalf of the Dealer. The Receiver understands that Waddell has subsequently requested that NTAA release the liens on the vehicles he purchased so that he can secure financing from NextGear to pay for these vehicles.

INVESTIGATION OF DEALER OPERATIONS AND FLOW OF FUNDS

74. Since its appointment, the Receiver has undertaken an extensive investigation of the Dealer’s operations, including:
- a) the submission of purported previously encumbered vehicles for new tranche funding (i.e., possible duplicate funding) from Enlightened;
 - b) irregularities in lease documentation as detailed below;
 - c) the transfer of Dealer Property following the Receivership Order; and
 - d) the misappropriation of lease proceeds to purchase additional vehicles.

Apparent Duplicate Funding

75. During the Receiver’s review of the Debtors’ books and records, the Receiver has discovered 30 examples to date whereby the Debtors appear to have re-leased a vehicle with the same VIN without a corresponding buyout of the lease (the **“Duplicate VINs”**), as required under the Guarantee and Servicing Agreement. A list of the vehicles subject to duplicate funding are set out in **Appendix “R”**.

76. The circumstances of the re-leasing vary from case to case. In most cases, a vehicle that was returned or repossessed from an initial lease was simply re-leased by the Dealer to a new customer and submitted on a separate funding tranche without repaying the remaining principal balance to Velocity/Enlightened. In some cases, the vehicle is re-leased to the original customer but again submitted as part of a separate funding tranche. Several of the vehicles identified appear to have been re-leased multiple times, as described below.
77. The current capital cost of the vehicles represented by the Duplicate VINs is \$1,595,578. The Receiver estimates that the total value of currently outstanding Enlightened funding related to the Duplicate VINs is in excess of \$3.0 million, indicating that the advances by Enlightened are under-secured by approximately \$1.4 million as a result of the Dealer's activity.
78. On November 17, 2023, counsel to the Receiver, Thornton Grout Finnigan LLP ("**TGF**") sent a letter to Waddell (the "**November 17 Letter**") noting the apparent duplication of VINs described above, along with other issues discussed herein, and requested an explanation of same by no later than November 20, 2023, which deadline was extended by the Receiver to November 27, 2023 at Waddell's request. A copy of the November 17 Letter, which includes a schedule of the Duplicate VINs identified to date, is attached hereto as **Appendix "S"**.
79. As of the date of this First Report, neither the Receiver nor TGF has received a satisfactory explanation of the Duplicate VINs from Waddell. However, Waddell verbally advised an employee of the Receiver that the Dealer was only responsible for originating leases, and that Velocity was solely responsible for maintenance of accounting records to track

previously funded vehicles. The Receiver notes that Waddell is a director and officer of Velocity.

80. Additionally, Waddell wrote to the Receiver on November 29 in response to the November 17 Letter. Rather than providing an explanation of the Duplicate VINs, Waddell alleged that accounting errors by Enlightened had resulted in the Dealer being over-charged by approximately \$880,000. Waddell did not provide any evidence to support his allegations. The Receiver advised Waddell that his explanation was not satisfactory. A copy of the Receiver's response is attached hereto as **Appendix "T"**.
81. The Receiver wrote to Auguste on November 22, 2023, and asked him to confirm his understanding of the role of the Dealer and Velocity pursuant to the Credit Agreement and the Guarantee and Servicing Agreement, and to address Waddell's statement above.
82. Auguste advised the Receiver that, in his view, the Guarantee and Servicing Agreement clearly sets out the Dealer's obligation to service and manage all aspects of the lease contract, including buyouts. Auguste claimed to be unaware of the duplication of tranche funding for the same vehicles and advised that Velocity was unaware of the Dealer's practice. A copy of Auguste's email is attached hereto as **Appendix "U"**.

Irregularities in Lease Documentation

83. In response to the Lessee Notice sent to lessees on November 9, 2023, the Receiver has, to date, been contacted by 52 lessees disputing the information set out in the Dealer's books and records. In many cases, lessees have advised the Receiver that the vehicle in question was returned or repossessed. Three lessees advised the Receiver that they never entered into a lease with the Dealer.

84. The Receiver has investigated one such claim in respect of lease number 3270 (“**Lease 3270**”). In response to the lessee’s claim, the Receiver provided the lessee with copies of the lease documentation, which included:
- a) the lease contract and an addendum thereto;
 - b) a pre-authorized payment (“**PAP**”) authorization form; and
 - c) a certificate of insurance issued by Echelon Insurance (“**Echelon**”) which listed Whitley Newman Insurance & Financial Services (“**Whitley Newman**”) as the insurance broker.
85. The lessee advised the Receiver that he had not signed the lease contract or addendum; that the banking information in the PAP authorization form was not his; and that he did not have an insurance policy with Echelon or deal with Whitley Newman. A copy of the lessee’s email correspondence (with the name redacted) is attached hereto as **Appendix “V”**.
86. The Receiver wrote to Whitley Newman on November 17, 2023, and November 22, 2023, and to Echelon on November 22, 2023, and November 23, 2023, to verify the authenticity of the certificate of insurance. Copies of the Receiver’s letters to each of Whitley Newman and Echelon (with the name of the lessee redacted) are attached hereto as **Appendix “W”**. Whitley Newman advised the Receiver that it had no record of the lessee in its records and, in a separate email, advised that it believed the certificate of insurance to be “completely bogus”. Copies of Whitley Newman’s emails (with the name of the lessee redacted) are attached hereto as **Appendix “X”**. As at the date of this First Report, the Receiver has not received a response from Echelon.

87. When the Receiver requested a copy of the physical lease file for Lease 3270 from the Dealer, the Dealer advised that there was no physical lease file. The lease evidence provided to the lessee included electronic PDF copies of a driver's license, PAP authorization form and certificate of insurance.
88. The Receiver's investigation of irregularities in the lease documentation is ongoing.

Transfer of Dealer Property

89. Auto Connect Sales Inc. ("**Auto Connect**") is a vehicle dealership located at 1175 Lansdowne Street West, Peterborough, Ontario, approximately 500 metres from the Premises.
90. During the course of its investigations, the Receiver discovered that certain vehicles that are Property and subject to the receivership proceedings (the "**Transferred Vehicles**") have been transferred by the Dealer to Auto Connect and were posted on Auto Connect's website for sale.
91. TGF wrote to Auto Connect on November 16, 2023, to advise it that the Transferred Vehicles may be Property and subject to the receivership proceedings and directed Auto Connect not to sell the Transferred Vehicles. The letter also demanded records relating to any vehicles of the Debtors transferred to Auto Connect since August 1, 2023. A copy of TGF's letter is attached hereto as **Appendix "Y"**.
92. The Receiver spoke to Martin Tempelman ("**Tempelman**"), the owner of Auto Connect, via telephone on November 20, 2023. Tempelman advised the Receiver that he had forwarded the Receiver's letter to Auto Connect's counsel, John Ewart ("**Ewart**") of Ewart O'Dwyer LLP.

93. Having received no response from Auto Connect, and after leaving two voice messages with Ewart, TGF wrote again to Auto Connect on November 23, 2023, to demand delivery of the information requested on November 16. A copy of TGF's November 23 letter is attached hereto as **Appendix "Z"**.
94. On November 30, 2023, Ewart contacted TGF to advise that Auto Connect would be providing the requested information shortly. Ewart confirmed that, since August 1, 2023, the Dealer had sold vehicles to Auto Connect. As of the date of this First Report, the Receiver has not received the requested information.

Misappropriation of Dealer Property

95. Relying on bank statements, additional reports provided by RBC, and enquiries of the Dealer's staff, the Receiver has prepared a preliminary analysis of the Dealer's receipts and disbursements for the period August 1, 2023, to October 25, 2023 (the "**Flow of Funds**"). A summary of the Flow of Funds is attached hereto as **Appendix "AA"**.
96. As set out in the Flow of Funds, the lease proceeds collected over the period were \$577,166, representing 38.6% of total collections of approximately \$1.5 million. Other principal sources of collections include:
- a) \$270,859 made up of deposits for which the Dealer was unable to provide supporting documentation;
 - b) \$219,824 made up of proceeds from third party financiers including 2M7 Financial Solutions, Sheaves Capital and CCP Advance;

- c) \$313,825 made up of the proceeds of vehicle sales of which \$206,225 appears to relate to vehicles subject to Enlightened's security as detailed in **Appendix "BB"** attached hereto; and
 - d) \$60,650 in deposits from Waddell and related parties.
97. Total disbursements over the period were \$1.7 million, of which \$547,363 or 32.3% were payments to NextGear to discharge fleet financing obligations in respect of 26 vehicles, of which 19 were subject to Enlightened's security. Of those 19 vehicles, at least three appear to have been subsequently leased to new customers.
98. The November 17 Letter described above also demanded information related to the apparent misappropriation of Dealer Property detailed above. Waddell advised an employee of the Receiver that he had personally deposited over \$400,000 into the Dealer in the period from August 1, 2023, to September 30, 2023, and provided a schedule of the purported deposits, a copy of which is attached hereto as **Appendix "CC"**.
99. The Receiver notes that of the transactions set out in **Appendix "CC"**, \$136,371 are proceeds from third-party financiers to the Dealer. Of the remaining balance, \$116,500 is composed of bank deposits for which no supporting documentation was provided, and \$115,872 is composed of advances from unnamed parties, again for which no supporting documentation was provided.
100. Notwithstanding Waddell's purported deposits, it appears from the analysis above that the Dealer used the proceeds of lease collections and vehicle sales that it was required to remit to Velocity and/or Enlightened pursuant to the Guarantee and Servicing Agreement, to instead repay amounts owing to NextGear in order to release vehicles that it subsequently

disposed of through leases or sales. Accordingly, it appears to the Receiver that the Dealer has been using money owing to Enlightened to pay a separate creditor – NextGear – and to acquire additional vehicles that it leased to customers to generate cash flow.

101. Finally, on December 2, 2023, Waddell provided a written response to the November 17 Letter. In the response, Waddell attempted to minimize the Dealer’s role in the leasing process and asserted that accounting errors were the reason for the irregularities. With respect to the transfer of vehicles to Auto Connect, Waddell said it was “unintentional” that the vehicles were transferred without paying Enlightened. The Receiver does not consider this response to be a satisfactory explanation of the issues identified in this First Report. A copy of Waddell’s letter (with attachment) is attached hereto as **Appendix “DD”**.

102. The results of the Receiver’s investigations as set out above are preliminary. The Receiver is requesting enhanced powers to complete its investigations.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

103. Attached as **Appendix “EE”** is an interim Statement of Receipts and Disbursements for the period October 26, 2023 to November 21, 2023. As of November 21, 2023 the Receiver had realized receipts of \$221,630 and had made disbursements of \$808.29.

FEES AND BORROWING POWERS OF THE RECEIVER

104. Pursuant to paragraph 22 of the Receivership Order, the Receiver is empowered to borrow up to \$470,000 for the purpose of funding the exercise of the powers and duties conferred on the Receiver by the Receivership Order (the “**Receiver’s Borrowings**”).

105. Given the material deficiencies in the Debtors' books and records detailed herein, as well as the additional effort required of the Receiver and TGF related to the Duplicate VINs and misappropriation of assets detailed herein, the Receiver believes that professional fees will exceed the limit on the Receiver's Borrowings imposed by the Receivership Order. As such, the Receiver is seeking the Court's approval to amend the Receivership Order to increase the limit on the Receiver's Borrowings to \$750,000.

REQUEST TO AMEND RECEIVERSHIP ORDER

106. Given the above, the Receiver has significant concerns about the Debtors and the potential for further dissipation of Property.
107. As detailed herein, the Receiver's efforts to service the Dealer Leases and realize on the Dealer Property have been severely hampered by the Dealer's inability or unwillingness to provide basic financial and accounting information related to the Dealer Property.
108. The Dealer, Auto Connect and Karmazyn have failed to respond to the Receiver's requests for information as required under the Receivership Order. The Dealer and Velocity have both failed to respond to the Receiver's inquiries as required by the Receivership Order and have tried to assign blame for any irregularities to the other party.
109. Furthermore, the Receiver has identified significant concerns with respect to the Dealer's operations, including the possible misappropriation of Dealer Property; irregularities in lease documentation; the submission of already encumbered vehicles for new advances (which would result in the same assets being used as security for more than one unrelated loan); and the transfer of Property to third parties.

110. In order to address these issues, the Receiver recommends that the Court amend and restate the Receivership Order to:

- a) provide the Receiver with investigatory powers available to a trustee in bankruptcy under the *Bankruptcy and Insolvency Act*;
- b) authorize the Receiver to seek a bankruptcy order against the Debtors if the Receiver determines that this would be beneficial to the stakeholders of Velocity and/or the Dealer;
- c) expand the scope of the receivership to include all property of the Dealer; and
- d) increase the limit on the Receiver's Borrowings to \$750,000.

All of which is respectfully submitted at Toronto, Ontario this 4th day of December, 2023.

DELOITTE RESTRUCTURING INC.,
solely in its capacity as Court-Appointed
Receiver of Velocity Asset and Credit
Corporation and the Dealer Property,
and without personal or corporate liability

Per:



Jorden Sleeth, CPA, CA, CIRP, LIT
Senior Vice-President

Appendix H

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

BETWEEN:

ENLIGHTENED FUNDING CORPORATION

Applicant

- and -

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING**

Respondents

**SECOND REPORT OF DELOITTE RESTRUCTURING INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF VELOCITY ASSET AND
CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING
DATED JANUARY 15, 2024**

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- APPENDIX “B”** Receivership Order dated October 26, 2023
- APPENDIX “C”** A&R Receivership Order dated December 8, 2023
- APPENDIX “D”** First Report of the Receiver dated December 4, 2023

INTRODUCTION AND PURPOSE OF THIS REPORT

1. On October 13, 2023, Enlightened Funding Corporation (“**Enlightened**”) made an application (the “**Application**”) to the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) for an order appointing Deloitte Restructuring Inc. (“**Deloitte**”) as receiver of the property, assets, and undertakings of Velocity Asset and Credit Corporation (“**Velocity**”) and certain property (the “**Dealer Property**”) of 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing (the “**Dealer**” and, together with Velocity, the “**Debtors**”).
2. The Application was adjourned to October 26, 2023, to provide the Debtors with an opportunity to respond to the Application. A copy of the endorsement of the Honourable Justice Steele is attached hereto as **Appendix “A”**.
3. On October 26, 2023 (the “**Date of Appointment**”), pursuant to an order of the Court (the “**Receivership Order**”), Deloitte was appointed as receiver (the “**Receiver**”) of the property, assets, and undertakings of Velocity and of the Dealer Property. A copy of the Receivership Order is attached hereto as **Appendix “B”**.
4. On December 8, 2023, pursuant to an order (the “**A&R Receivership Order**”) of the Court, Deloitte was appointed over all the property, assets, and undertakings of Velocity and of the Dealer (together, the “**Property**”). A copy of the A&R Receivership Order is attached hereto as **Appendix “C”**.
5. The purpose of this second report of the Receiver (the “**Second Report**”) is to provide information to the Court with respect to:

- a) the activities of the Receiver since the First Report of the Receiver dated December 4, 2023 (the “**First Report**”);
- b) the basis for a vesting order in respect of vehicles sold at public auction (the “**Vesting Order**”); and
- c) the basis for an order that, among other things, (i) approves the Second Report and the activities described herein and, (ii) approves a form of vesting order substantively similar to the Vesting Order to permit the completion of sale transactions in respect of vehicles that may be sold by the Receiver from time to time.

TERMS OF REFERENCE

- 6. In preparing this Second Report, Deloitte has been provided with, and has relied upon unaudited, draft, and/or internal financial information, the Debtors’ books and records, discussions with the Debtors’ management, shareholders, and employees, and information from third-party sources (collectively, the “**Information**”). Except as otherwise described in this Second Report:
 - a) Deloitte has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, Deloitte has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CAS**”) pursuant to the *Chartered Professional Accountants Canada Handbook*, and accordingly, the Monitor expresses no opinion or other form of assurance contemplated under CAS in respect of the Information.

- b) Deloitte has filed this Second Report solely for the purpose of providing information to this Court. Parties using the Second Report other than for the purposes outlined herein are cautioned it may not be appropriate for their purposes.
7. Unless otherwise stated, all dollar amounts contained in this Second Report are expressed in Canadian dollars.

BACKGROUND

8. Velocity was incorporated on August 21, 2019, under the *Ontario Business Corporations Act*. The directors and officers of Velocity are Hollinsworth Auguste (“**Auguste**”) and Hugh Waddell (“**Waddell**”).
9. The Dealer was incorporated on June 4, 1991, and was revived on July 12, 1996, under the *Ontario Business Corporations Act*. The Dealer operates a used car dealership (the “**Dealership**”) located at 809 Clonsilla Avenue, Peterborough, Ontario (the “**Premises**”). The directors and officers of the Dealer are Waddell and Meggan M. E. Waddell.
10. The Dealership’s primary business activity is leasing used vehicles to customers with sub-prime credit ratings. The financial and operational relationship between Velocity and the Dealer is set out in greater detail in the First Report.
11. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the First Report, a copy of which is attached as **Appendix “D”**.

LEASE SERVICING

12. As set out in the First Report, the Receiver approached six potential lease servicers, of which five entered into non-disclosure agreements and reviewed available data on the lease portfolio. Of those five servicers, three submitted lease servicing proposals to the Receiver.
13. After reviewing the proposals submitted, the Receiver determined that the proposal (the “**Northlake Proposal**”) submitted by Northlake was the most attractive for the following reasons:
 - a) The Northlake Proposal included servicing costs that were significantly lower than those set out in the other two proposals;
 - b) To the Receiver’s knowledge, Northlake has no relationship with the Debtors or any other stakeholder that presents a potential conflict of interest;
 - c) Northlake has experience servicing distressed lease portfolios in similar circumstances;
 - d) Northlake is able to quickly assume its obligations under the Northlake Proposal, which will minimize professional fees associated with ongoing lease servicing efforts by the Receiver; and
 - e) The Northlake Proposal provides for the greatest recovery available in the circumstances.
14. Under the Northlake Proposal, Northlake will provide, among other things, the following services:

- a) responding timely to inquiries, demands or complaints of lessees and governmental authorities regarding the lease receivables (the “**Receivables**”);
 - b) investigating delinquencies and making reasonable efforts to collect any past due payments;
 - c) performing activities commonly referred to as “skip tracing” for lessees that cannot be contacted;
 - d) maintaining a log of communications with lessees in default and maintaining a history of payments made and documentary evidence of Northlake’s efforts to affect a cure of any delinquency or default and to collect the Receivables;
 - e) providing information to the Receiver and assisting the Receiver in administering and enforcing all rights and responsibilities of the Receiver in the Receivables;
 - f) providing accounting and oversight information to the Receiver; and
 - g) keeping, storing and maintaining access to books, records and documents pertaining to the Receivables, including collection efforts, and making periodic reports to the Receiver.
15. The Receiver and Northlake are negotiating the terms of a servicing agreement, which the Receiver expects will be executed in the near term.

SALE OF VEHICLES

16. As set out in the First Report, the Receiver delivered 40 vehicles to North Toronto Auto Auctions (“**NTAA**”) to be sold by public auction pursuant to section 4(k) of the Receivership Order.
17. NTAA carried out a public auction on November 25, 2023, at which 39 of the 40 vehicles were sold for gross proceeds of \$183,850 (the “**Auction Proceeds**”). NTAA subsequently

advised the Receiver that 11 of the vehicles were encumbered by registrations (the “**PPSA Registrations**”) in favour Nextgear Capital Corporation (“**Nextgear**”), Kawartha Credit Union (“**KCU**”) and Automotive Finance Canada (“**AFC**” and, together, the “**PPSA Registrants**”).

18. The Receiver has contacted each of Nextgear, KCU and AFC to request authorization to discharge their registrations on the basis that any claims against the Property held by the PPSA Registrants must be dealt with in the context of the receivership proceedings.
19. The Receiver wrote to Nextgear on December 14, 2023, and provided details of vehicles sold at auction that were subject to registrations in favour of Nextgear and requested that the registrations be discharged. On January 9, 2024, counsel to Nextgear provided the Receiver with copies of its security documentation and advised that it is prepared to discharge the PPSA Registrations in favour of Nextgear if the Receiver confirmed that it would continue to hold the Auction Proceeds and would not distribute or utilize the funds pending the outcome of the claims of the PPSA Registrants and without Nextgear’s prior consent. The Receiver requires the Auction Proceeds to fund the Receivership and was not prepared to confirm it would not utilize the funds.
20. To date, KCU has not responded to the Receiver’s request to discharge its registration.
21. AFC advised the Receiver on December 13, 2023, that it would not discharge its registrations and requested the return of the vehicles. Following conversations between the Receiver and AFC in early January 2024, and in response to a request from the Receiver for particulars of AFC’s security, AFC provided statements of amounts owing on the vehicles subject to its registrations and a copy of a demand promissory note and security

agreement. The Receiver wrote to AFC on January 2, 2024, to request additional documentation of the individual registrations and on January 10, 2024, AFC provided additional security documentation.

22. The Receiver is in the process of reviewing the security documentation received from the PPSA Registrants.
23. NTAA has advised the Receiver that it will not release the Auction Proceeds until the PPSA Registrations have been discharged. NTAA has also advised the Receiver that it will not include any further Property in its auctions until the PPSA Registrations have been discharged. The Receiver has approximately 22 vehicles at NTAA pending an auction on January 27, 2024, and expects to deliver at least another seven cars to NTAA before that date (together with additional vehicles that may be sold by the Receiver from time to time, the “**Unsold Vehicles**”).
24. In addition to Nextgear and AFC, there are PPSA registrations in favour of Go To Loans Inc. and Jaqstan Consulting Inc. o/a Autoloans 4 You in respect of the Unsold Vehicles.
25. The Receiver is empowered by the A&R Receivership Order to realize on the Property and to seek a vesting order to convey the Property to any purchasers thereof, free and clear of any encumbrances. In order to allow the Receiver to realize on the Property efficiently, and to preserve the rights and interests of secured creditors, the Receiver is requesting that the Court issue an order (a) vesting title in certain vehicles sold by the Receiver at public auction in the respective purchaser of the vehicles free and clear of any encumbrances; (b) transferring any security interest in the sold vehicles to the proceeds of sale; and (c)

authorizing the Receiver to discharge any registrations against the sold vehicles without further order of the Court.

26. With respect to the Unsold Vehicles, the Receiver seeks the approval of a form of vesting order identical to the form of the Vesting Order sought in this motion, save and except that the description of the vehicles are in blank and remain to be completed.
27. The Receiver seeks the authority for its counsel, Thornton Grout Finnigan LLP (“**TGF**”), to complete such vesting orders upon the sale of the Unsold Vehicles in order to permit the completion of the transfer of these vehicles. Such vesting orders would be presented by TGF to the Registrar of the Ontario Superior Court of Justice (Commercial List) for issuance without a further motion to the Court, subject to any material deviations from the draft form of vesting order. If there were any material deviations being proposed, the Receiver intends to return to Court.
28. This relief is appropriate in the circumstances because it would avoid the cost and complexity of further Court appearances, which would minimize the recovery available for the Debtors’ stakeholders.

CONCLUSION AND RECOMMENDATION

29. In order to minimize the ongoing cost of servicing the lease portfolio and facilitate the Receiver’s ability to realize on the Property, the Receiver recommends that the Court issue:
 - a) the Vesting Order; and

- b) an order approving the Second Report and the activities described herein and the form of vesting order substantively similar to the Vesting Order and authorizing TGF to complete and deliver same to the Registrar for issuance as the Unsold Vehicles are sold from time to time.

All of which is respectfully submitted at Toronto, Ontario this 15th day of January, 2024.

DELOITTE RESTRUCTURING INC.,
solely in its capacity as Court-Appointed
Receiver of Velocity Asset and Credit
Corporation and 926749 Ontario Ltd.
and without personal or corporate liability

Per:



Jorden Sleeth, CPA, CA, CIRP, LIT
Senior Vice-President

Appendix I

maryanne@clonsillaautosales.com

From: Hugh Waddell <hugh@clonsillaautosales.com>
Sent: August 23, 2023 10:37 AM
To: Maryanne Jacobs
Subject: Fwd: Please unplate the units that are Plated by Thursday .

----- Forwarded message -----

From: Fasuyi, Scott (CAI - Milton) <Scott.Fasuyi@coxautoinc.com>
Date: Tue, Aug 22, 2023 at 4:22 PM
Subject: Fwd: Please unplate the units that are Plated by Thursday .
To: Hugh Waddell <hugh@clonsillaautosales.com>
Cc: Solomon, Sherin (CAI - Milton) <Sherin.Solomon@coxautoinc.com>

Hi Hugh, please see below

Get [Outlook for iOS](#)

From: Solomon, Sherin (CAI - Milton) <Sherin.Solomon@coxautoinc.com>
Sent: Tuesday, August 22, 2023 2:12 PM
To: hugh@clonsillaautosales.com <hugh@clonsillaautosales.com>
Cc: Fasuyi, Scott (CAI - Milton) <Scott.Fasuyi@coxautoinc.com>
Subject: Please unplate the units that are Plated by Thursday .

Hi Hugh,

As discussed over the phone, appreciate you UNPLATING all units by Thursday Morning. There are 25 units in total and going forward we do not expect the units to be plated under any circumstances. (you will have to work this out with your insurance company) . I will confirm Thursday morning if all are done.

You confirmed that you do lease here pay here on NON-Nextgear units , I wanted to note that on system so its recorded .

As you stated all Nextgear cars are for Retail and if a customer wants it for lease with Velocity (for a 60 month lease) , you complete the paperwork and before releasing the car to the customer you pay Nextgear for that unit.

VIN	Description	Unit	Stock #	Vehicle Status
1C6RR7LG9MS546747	2021 Ram 1500 DS Black	Black	745	Collateral Un
2G1FC1E30D9116247	2013 Chevrolet Camaro Black	Black	744	Collateral Un
1C4PJMB53EW187045	2014 Jeep Cherokee Black	Black	749	Collateral Un
2FMPK4AP0H8B44746	2017 FORD EDGE White	White	713	Collateral Un
1C6RR7GM9J5252745	2018 Ram 1500 White	White	711	Collateral Un
3GCUKREC2HG214403	2017 Chevrolet Silverado 1500 Red	Red	725	Collateral Un
2FMPK4K9XL8B19183	2020 Ford Edge Red	Red	753	Collateral Ve
1FTEW1EGXJFC35956	2018 Ford F150 Black	Black	735	Collateral Ve
1C6SRFKT5KN725664	2019 Ram 1500 Gray	Gray	733	Collateral Ve
2C3CCAAG2HH591853	2017 CHRYSLER 300 Black	Black	747	Collateral Ve
3GCUKSEC7JG239410	2018 Chevrolet Silverado 1500 Black	Black	723	Collateral Ve
SALAK2V60GA807574	2016 Land Rover LR4 White	White	719	Collateral Ve
1C6RD7MT5CS287568	2012 RAM 1500 Blue	Blue	715	Collateral Ve
1C6RD7FP3CS226820	2012 Ram 1500 Black	Black	754	In Stock
1C4RJFAG5CC178752	2012 Jeep Grand Cherokee Gray	Gray	742	In Stock
5FNYP4H92F8503972	2015 Honda Pilot Gray	Gray	757	In Stock
1C6SRFTT2KN552197	2019 Ram 1500		748	In Stock
3C4PDDEG3CT285705	2012 Dodge Journey White	White	755	In Stock
JN1B10RR6HM413734	2017 INFINITI ILOX50 White	White	716	In Stock
JN8AF5MV5FT556144	2015 Nissan JUKE Blue	Blue	760	In Stock
1FT7W2BT5BEA48874	2011 Ford F250SD White	White	727	In Stock
3GNVKFE08AG141544	2010 Chevrolet Avalanche Black	Black	734	In Stock
1C6RR7MT1DS636583	2013 Ram 1500		746	In Stock
2C4RDG8G7CR317010	2012 Dodge Grand Caravan White	White	729	In Stock
1FMCU0GX1DUA08431	2013 Ford Escape Gray	Gray	751	In Stock
3N1AB7AP1GL640284	2016 Nissan Sentra Black	Black	756	In Stock
1C6RR7YT8HS623250	2017 Ram 1500 Tan	Tan	752	In Stock
KM8SNDHF9GU142002	2016 Hyundai Santa Fe Red	Red	758	In Stock
KL8CA6SA1GC582923	2016 Chevrolet Spark Red	Red	759	Pass
5N1AN0NWXCC520739	2012 Nissan Xterra Silver	Silver	740	Pending Fun
1G1PC55B2E7394545	2014 Chevrolet Cruze Black	Black	743	Pending Fun
1C4RJFBG3HC619798	2017 JEEP G CHER LTDAN Green	Green	717	Pending Fun
3GKALMEV3JL176947	2018 GMC Terrain Silver	Silver	718	Pending Fun
1C4RJFBG0FC851532	2015 Jeep Grand Cherokee White	White	750	Pending Fun
JN8AF5MV9DT225127	2013 Nissan JUKE Gray	Gray	738	Pending Fun
1FMCU9J91DUA75559	2013 Ford Escape Black	Black	741	Pending Fun
3GTU2PEJ4HG175428	2017 GMC Sierra 1500		739	Pending Fun

Thank You ,

Sherin Solomon

Director Portfolio Management - Canada

Nextgear Capital

11799 North College Ave | Carmel, IN | 46032

Mobile: 416 919 8428

nextgearcapital.ca

Word of the day click [here](#)



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--

Hugh Waddell

Clonsilla Auto Sales

(P) 705-742-6500

(F) 705-742-6407

www.clonsillaautosales.com

"There are no secrets to success, it is the result of preparation, hard work and learning from failure"

- General Colin Powell

Appendix J

<u>Vehicle</u>	<u>VIN</u>	<u>Current Status</u>
2017 GMC Sierra	3GTU2PEJ4HG175428	Outstanding
2011 GMC Sierra	3GTP2UEA3BG346012	Outstanding
2018 Audi Q7	WA1LAAF71JD006625	Outstanding
2012 Chevrolet Avalanche	3GNTKGE71CG110536	Outstanding
2018 BMW 430i	WBA4Z3C56JEC47981	Outstanding
2017 ARCTIC CAT ALTERRA	4UF17ATV2HT209823	Outstanding
2012 SEA DOO S10	CEC14669D212	Outstanding
2013 COACHMAN MIRANDA	1FGGF5DY8D0A01444	Outstanding
2021 KEYSTONE 260BH SPRINGDALE	4YDT26022M3106818	Outstanding
2015 DODGE JOURNEY	3C4PDCAB9FT564567	Outstanding
2008 Rockwood Trailer	4X4TRLE2681825894	Outstanding
2016 Land Rover LR4	SALAK2V60GA807574	Recovered
2015 Chevrolet Suburban	1GNSKJKCXHR659974	Recovered
2012 Ram 3500	3C63D3FLXCG237722	Recovered
2019 Ram 1500 Rebel	1C6SRFLT6KN742004	Outstanding

Appendix K















ENTREPRISE
RENTALS
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WETZEL
100%
WETZEL
100%
WETZEL
100%

ENTREPRISE









Appendix L

Derek Harland

From: David Steinberg <david@kfglaw.ca>
Sent: Monday, January 22, 2024 9:47 AM
To: Rebecca Kennedy
Cc: Hugh Waddell; Nancy Waddell; Nicole Benoit
Subject: Clonsilla Auto - personal vehicles (2301379)
Attachments: lr4 & suburban.pdf

Importance: High

Dear Rebecca,

I understand that the receiver has notified the Waddells of its intention to take possession of various vehicles.

I am advised that at least two of those vehicles are not owned by Clonsilla Auto; rather, they are owned by the Waddells, personally. Specifically, a Land Rover LR-4 and a Suburban.

Please see attached copies of applicable proof of ownership and bills of sale which support the Waddell's position.

Kindly confirm that the receiver will take no action to possess these vehicles.

If you have any questions about this matter, please feel free to call me at the number below.

Thank you,

David

David Steinberg
Counsel



Keslassy Freedman Gelfand LLP

2345 Yonge Street, Suite 300

Toronto, Ontario M4P 2E5

T: 416.645.5382, Ext. 230

F: 416.665.4291

David@kfglaw.ca

www.kfglaw.ca

*Practicing through David Sydney Steinberg
Professional Corporation*

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Appendix M

January 31, 2024

VIA EMAIL

Keslassy Freedman Gelfand LLP
2345 Yonge Street, Suite 300
Toronto, Ontario M4P 2E5

Attention: David Steinberg

Dear Madam and Sir:

Re: In the Matter of the Receivership of Velocity Asset and Credit Corporation (“Velocity”) and 926749 Ontario Ltd. o/a Clonsilla Leasing (the “Dealer”), Court File No. CV-23-00707330-00CL

As you are aware, we are legal counsel to Deloitte Restructuring Inc., in its capacity as receiver (the “**Receiver**”) of Velocity and the Dealer. We are writing in response to your email dated January 22, 2024, regarding the alleged personal vehicles of the Ms. Nancy Waddell and Ms. Megan Waddell (also known as Ms. Megan Ann Archer-Graziano, together with Ms. Nancy Wadell, the “**Waddells**”). We confirm receipt of the accompanying documents regarding the ownership of the Land Rover LR-4 bearing VIN: SALAK2V60GA807574 (the “**Land Rover**”) and the Suburban bearing VIN: 1GNSKJKCXFR659974 (the “**Suburban**”).

We have carefully reviewed the documents you presented, alongside the information in the Receiver’s possession. Based on our understanding, it is important to outline the following key points:

1. On October 6, 2023, Enlightened Funding Corporation (“**Enlightened**”) served its Application Record, seeking to appoint a receiver over Velocity and the Dealer. The Application was returnable on October 13, 2023.
2. At that time the Application Record was served, the Land Rover and the Suburban were both subject to Leases that were financed by Enlightened. As a result, both the Land Rover and the Suburban were subject to the security interest of Enlightened.
3. On October 13, 2023, the original return date for Enlightened’s Application, your clients allegedly purchased the vehicles from the Dealer. The alleged purchase price from the documents you proved are as follows:
 - Land Rover: \$31,000 plus HST in the amount of \$4,030 for a total of \$35,030; and

- Suburban: \$17,000 plus HST in the amount of \$2,210 for a total of \$19,210.

The Receiver does not agree that these are the appropriate fair market values for such vehicles; however, the Receiver notes that the above were the amounts set out in the documentation you provided.

4. Enlightened has never received any buyout or repayment with respect to the leases registered against the Land Rover or the Suburban.
5. Clonsilla Auto's financial records do not show any deposits matching the amounts for these vehicles.
6. You have confirmed that the Waddell's did not pay the consideration set out in the Bills of Sale for the Suburban or the Land Rover. You have alleged that the Waddells have taken the Land Rover and Suburban as a reduction of amounts owing to Northbridge Estates Inc. There is no evidence of this in any books and records of Clonsilla.
7. Regardless of the assertions set out above, no funds were ever paid to Enlightened with respect to the Land Rover and the Suburban and at no time did Enlightened consent to the release of any security interest in the Land Rover or the Suburban.
8. Nevertheless, Mr. Hugh Waddell instructed an employee of the Dealer to discharge the security interests registered against the Land Rover and the Suburban on October 22, 2023.

Given the above, it is the Receiver's position that these vehicles are subject to the security interest of Enlightened, and that Mr. Hugh Waddell improperly instructed his employee to release the PPSA registrations. Further, as no consideration was paid, they are void.

We understand that the Land Rover and the Suburban have been returned to the Receiver. On behalf of the Receiver, we hereby demand that your client sign over the registration of the Land Rover and the Suburban to the Receiver so that such vehicles may be dealt with by the Receiver in carrying out its mandate.

The Receiver reserves its rights with respect to any further required actions that may be taken against your clients as more information about other transfers are discovered.

Yours truly,

Thornton Grout Finnigan LLP

A handwritten signature in black ink that reads "Rebecca L. Kennedy". The signature is written in a cursive style with a large, stylized initial "R".

Rebecca L. Kennedy

cc: Jorden Sleeth and Richard Williams, Deloitte Restructuring Inc.

Appendix N

**AUTOLOANS 4 YOU
71 ORTONA COURT
CONCORD, ON L4K3M2**

Date: November 30, 2023

Lessee Name: Tanya M. Jacobs & Lionel Duane Jacobs

Lease Contract Submitted For Payment

Lease Vehicle Description:

2014 Jeep Cherokee Trailhawk VIN: 1C4PJMB53EW187045 (Used)

Fixed Rate Installment Note

The undersigned (and if more than one, jointly and severally) promise to pay to AUTOLOANS 4 YOU The principle sum of: **\$24,850.42** in consecutive monthly installments of **\$590.54** each on the **1st** day of every month commencing **December 1, 2023**, and including the final payment date of **June 1, 2029**.

On which date the balance of said principle sum shall be paid together with interest on the principle amount outstanding from time to time from the date hereof payable monthly on said dates before as well as after default, maturity and judgment at the nominal rate of **18%** per annum. Upon default of payment of any installment of principle or interest upon the due date thereof the entire unpaid balance of said principle sum and accrued interest shall immediately become due and payable without notice. All amounts in arrears under this promissory note shall bear interest until paid at the rate specified above. In the event that the dealer defaults for a period of more than 60 days, the lease and the lease receivables will be assigned to AUTOLOANS 4 YOU and all vehicle ownerships will be surrendered forthwith.

926749 ONTARIO LTD. O/A CLONSILLA AUTO SALES

Per: 

HUGH WADDELL

I have the authority to Bind the Corporation

Guarantor: 

HUGH WADDELL

**AUTOLOANS 4 YOU
71 ORTONA COURT
CONCORD, ON L4K3M2**

Date: November 30, 2023

Lessee Name: Florence Sunday

Lease Contract Submitted For Payment

Lease Vehicle Description:

2016 Nissan Sentra VIN: 3N1AB7AP1GL640284 (Used)

Fixed Rate Installment Note

The undersigned (and if more than one, jointly and severally) promise to pay to AUTOLOANS 4 YOU The principle sum of: **\$15,317.66** in consecutive monthly installments of **\$357.01** each on the **1st** day of every month commencing **December 1, 2023**, and including the final payment date of **August 1, 2029**.

On which date the balance of said principle sum shall be paid together with interest on the principle amount outstanding from time to time from the date hereof payable monthly on said dates before as well as after default, maturity and judgment at the nominal rate of **17.9%** per annum. Upon default of payment of any installment of principle or interest upon the due date thereof the entire unpaid balance of said principle sum and accrued interest shall immediately become due and payable without notice. All amounts in arrears under this promissory note shall bear interest until paid at the rate specified above. In the event that the dealer defaults for a period of more than 60 days, the lease and the lease receivables will be assigned to AUTOLOANS 4 YOU and all vehicle ownerships will be surrendered forthwith.

926749 ONTARIO LTD. O/A CLONSILLA AUTO SALES

Per: 

HUGH WADDELL

I have the authority to Bind the Corporation

Guarantor: 

HUGH WADDELL

**AUTOLOANS 4 YOU
71 ORTONA COURT
CONCORD, ON L4K3M2**

Date: November 30, 2023

Lessee Name: Oxana Naimmi

Lease Contract Submitted For Payment

Lease Vehicle Description:

2014 Jeep Cherokee Sport VIN: 1C4PJMAS0EW322371 (Used)

Fixed Rate Installment Note

The undersigned (and if more than one, jointly and severally) promise to pay to AUTOLOANS 4 YOU The principle sum of: **\$27,459.17** in consecutive monthly installments of **\$641.54** each on the **1st** day of every month commencing **December 1, 2023**, and including the final payment date of **August 1, 2029**.

On which date the balance of said principle sum shall be paid together with interest on the principle amount outstanding from time to time from the date hereof payable monthly on said dates before as well as after default, maturity and judgment at the nominal rate of **18%** per annum. Upon default of payment of any installment of principle or interest upon the due date thereof the entire unpaid balance of said principle sum and accrued interest shall immediately become due and payable without notice. All amounts in arrears under this promissory note shall bear interest until paid at the rate specified above. In the event that the dealer defaults for a period of more than **60** days, the lease and the lease receivables will be assigned to AUTOLOANS 4 YOU and all vehicle ownerships will be surrendered forthwith.

926749 ONTARIO LTD. O/A CLONSILLA AUTO SALES

Per: 

HUGH WADDELL

I have the authority to Bind the Corporation

Guarantor: 

HUGH WADDELL

**AUTOLOANS 4 YOU
71 ORTONA COURT
CONCORD, ON L4K3M2**

Date: November 30, 2023

Lessee Name: Douglas Everson

Lease Contract Submitted For Payment

Lease Vehicle Description:

2014 Hyundai Elantra VIN: 5NPDH4AE2EH489314 (Used)

Fixed Rate Installment Note

The undersigned (and if more than one, jointly and severally) promise to pay to AUTOLOANS 4 YOU The principle sum of: **\$22,915.76** in consecutive monthly installments of **\$547.00** each on the 1st day of every month commencing **December 1, 2023**, and including the final payment date of **August 1, 2029**.

On which date the balance of said principle sum shall be paid together with interest on the principle amount outstanding from time to time from the date hereof payable monthly on said dates before as well as after default, maturity and judgment at the nominal rate of **18.9%** per annum. Upon default of payment of any installment of principle or interest upon the due date thereof the entire unpaid balance of said principle sum and accrued interest shall immediately become due and payable without notice. All amounts in arrears under this promissory note shall bear interest until paid at the rate specified above. In the event that the dealer defaults for a period of more than 60 days, the lease and the lease receivables will be assigned to AUTOLOANS 4 YOU and all vehicle ownerships will be surrendered forthwith.

926749 ONTARIO LTD. O/A CLONSILLA AUTO SALES

Per: _____

HUGH WADDELL

I have the authority to Bind the Corporation

Guarantor: _____

HUGH WADDELL

Appendix O

December 13, 2023

VIA COURIER

Nancy Waddell
124 Lily Lake Road
Peterborough, ON K9J 6X3

Dear Ms. Wadell:

Re: In the Matter of the Receivership of Velocity Asset and Credit Corporation (“Velocity”) and 926749 Ontario Ltd. o/a Clonsilla Leasing (the “Dealer” and together with Velocity, the “Debtors”), Court File No. CV-23-00707330-00CL (the “Receivership Proceeding”)

We are counsel to Deloitte Restructuring Inc., in its capacity as Receiver (in such capacity, the “**Receiver**”) of all property, assets and undertakings of Velocity and the Dealer (together, the “**Property**”). On December 8, 2023, Justice Conway granted an Amended and Restated Receivership Order (the “**Order**”) that expanded the Receivership Proceeding to all property of the Debtors. A copy of the Order is enclosed.

Paragraph 10 of the Order provides:

THIS COURT ORDERS that the Receiver is hereby authorized to examine under oath any Person, including but not limited to representatives of the Debtors, that the Receiver reasonably considers to have knowledge of the affairs or Property of the Debtors.

The Receiver hereby notifies you that in accordance with paragraph 10, you may be examined by the Receiver regarding the affairs or Property of the Debtors. If you are examined, we will serve a Notice of Examination providing details of the date and time of the examination.

In the meantime, you must ensure that documents in your possession, power and control that are relevant to the affairs or Property of the Debtors are preserved. This extends to all types of documents, whether in paper form, electronically stored information, and any form of communication. Such steps may include:

- (a) ensuring that relevant documents (including electronically stored information) are not destroyed, lost or relinquished to others, either intentionally, or inadvertently such as through the implementation of an ordinary course document retention/destruction policy;
- (b) ensuring that relevant documents are not modified; and

(c) ensuring that relevant documents remain accessible.

This also includes the preservation of documents stored on your behalf by third parties (such as banks, professionals (e.g., accountants or lawyers), insurers, third party service providers, affiliated companies, data warehouses or internet service providers). In the case of electronically stored information, please ensure that relevant data is preserved intact and unmodified in its original electronic form.

Please ensure that you also immediately notify any relevant individuals of the need to preserve relevant documents.

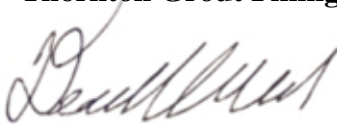
Further, paragraphs 4 and 5 of the Order provide for the Receiver to take possession and control of any Property of the Debtors and for those with knowledge of the existence of any Property to advise the Receiver of its existence and deliver all such Property to the Receiver upon the Receiver's request.

The Receiver hereby notifies you that, in accordance with paragraphs 4 and 5 of the Order, [you/your client] is hereby directed to contact the Receiver to report the existence of Property and arrange its delivery to the Receiver.

We thank you in advance for your assistance and cooperation.

Yours truly,

Thornton Grout Finnigan LLP



Derek Harland
Encl.

cc: Jorden Sleeth and Richard Williams, Deloitte Restructuring Inc.

Appendix P

VIA EMAIL

February 15, 2024

Attn: **Nancy Waddell**

Subject: In the matter of the Receivership of Velocity Asset and Credit Corporation and 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing – Bank Account Information

Dear Mrs. Waddell,

By Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated December 8, 2023, (the “**Appointment Order**”), Deloitte Restructuring Inc. was appointed as the receiver and manager (in such capacity, the “**Receiver**”) without security, of all of the present and future assets, undertakings and real and personal property of 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing (the “**Debtor**”), including all proceeds thereof (the “**Property**”). A copy of the Appointment Order is attached hereto.

Pursuant to the Appointment Order, any person with information, including bank account information, relating to the Debtor or the Property is required to provide such information to the Receiver. Further, the Receiver also has broad investigative powers as set out in paragraph 9 of the Appointment Order:

... the Receiver is hereby authorized to exercise all available investigative and other rights and remedies that are available to a trustee in bankruptcy under the Bankruptcy and Insolvency Act ...

In accordance with the Appointment Order, the Receiver demands that you immediately provide the transit, institution, and account number for all bank accounts held by you, your immediate family, or any corporate entities that you control or exercise influence over from the period of January 1, 2022, to February 14, 2024.

If you have any questions in the meantime, please contact Richard Williams from the Receiver’s office via email at richwilliams@deloitte.ca or (416) 258-8761.

Yours truly,

DELOITTE RESTRUCTURING INC.,
solely in its capacity as the Court-appointed Receiver
of 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing
with no personal or corporate liability

Per:



Richard Williams, CPA, CA, CIRP, LIT
Senior Vice-President

Appendix Q

Derek Harland

From: Frank Bennett <bennett@ican.net>
Sent: Thursday, February 29, 2024 11:08 AM
To: Rebecca Kennedy
Cc: bennett@ican.net
Subject: RE: Velocity Asset and Credit Corporation and 926749 Ontario Ltd.

Thank you Ms. Kennedy for a review of paragraphs 9 and 10 of the December 8, 2024 order and the sections in the Bankruptcy and Insolvency Act. As I mentioned in an earlier email, I think the scope of the investigatory power is too broad to include family members as "Persons" as defined in paragraph 5 of the order as well as the types of personal documents that can be demanded from third parties. Paragraphs 9 and 10 were added at the December 8 hearing at which time the companies and Hugh Waddell had no legal representation. As the court made no reference or declaration that the companies were insolvent, I take the view that the court was without jurisdiction to make the order under the Bankruptcy and Insolvency Act, and therefore it cannot incorporate rights and remedies of a trustee in bankruptcy. I am also of the view that even if the companies were insolvent, the court cannot incorporate those rights as they belong exclusively to a trustee in bankruptcy. If you continue to insist on production, I will seek instructions to bring a motion under paragraph 36 to vary or amend the order.

The receiver is in possession of all the companies' books and records along with the email of Hugh Waddell. The receiver is not authorized to reconcile the books from third party documents, but to gather in and realize on the assets. According to paragraphs 6 and 7, the receiver is to take copies and return the originals to Hugh Waddell. He has requested the books and records, but to date the receiver is still in possession. Please request that receiver return the books and records and the Hugh Waddell email so that he can defend any proceeding that the receiver is contemplating.

At this time, I have been retained only by Nancy and Hugh Waddell with respect to the Deloitte demand dated February 15. I have not been retained by the other persons served with the demand.

In any event, and on a without prejudice basis, I seek resolution of any dispute between the receiver and the Waddells. The receiver has been in possession of the books and records since October 26, 2023 and should by now know what claims it has if any at all.

Frank Bennett
Bennett Bankruptcy Law
tel: 416.363.8688
email: bennett@ican.net

copy to Hugh and Nancy Waddell

On Tue 24/02/27 4:01 PM , Rebecca Kennedy Rkennedy@tgf.ca sent:

> Mr. Bennett,

>

> The authority to investigate is borne out paragraphs 9 and 10 of the
> Amended and Restated Receivership Order dated December 8, 2023 (the
> "Receivership Order"). For your ease of reference, I reproduce those
> paragraphs here:

>

> INVESTIGATIVE POWERS

>

> 9. THIS COURT ORDERS that the Receiver is hereby authorized to
> exercise all available investigative and other rights and remedies
> that are available to a trustee in bankruptcy under the Bankruptcy and

> Insolvency Act, R.S.C. 1985, c. B- 3, as amended.

> 10. THIS COURT ORDERS that the Receiver is hereby authorized to

> examine under oath any Person, including but not limited to

> representatives of the Debtors, that the Receiver reasonably considers

> to have knowledge of the affairs or Property of the Debtors.

>

> Paragraph 9 grants the Receiver with all available investigative and

> other rights and remedies that are available to a trustee in

> bankruptcy under the Bankruptcy and Insolvency Act ("BIA").

>

> Section 163 of the BIA provides investigative powers to a Trustee.

> The Receiver has such powers pursuant to the Receivership Order.

> Section 95-101 provides the ability to investigate and pursue the

> fraudulent transfers that were made from the Debtors. This may include

> transfers to your clients. The Receiver has such powers pursuant to

> the Receivership Order.

>

> The Receivership Order was not appealed and such appeal period has

> expired.

>

> The Receiver requires the requested banking information from your

> clients, being the numbers for certain accounts of the Waddells and

> corporations they control, to reconcile the many transfers out of the

> Debtor's accounts. The power to do such investigation is grounded in

> paragraph 9 and 10 of the Receivership Order.

> On behalf of the Receiver, we demand that your clients provide their

> banking account numbers by the end of day tomorrow so that the

> Receiver may reconcile the transfers they received.

>

> If your clients do not cooperate, we will be reattending at court and

> will seek further relief, including with respect to production.

>

> Regards,

> Rebecca

> [1]

> Rebecca Kennedy | Rkennedy@tgf.ca [2]

> | Direct Line +1 416 304 0603 [3] | www.tgf.ca [4]

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> a copy.

> -----Original Message-----

> From: Frank Bennett

> Sent: Friday, February 23, 2024 4:29 PM

> To: bennett@ican.net; Rebecca Kennedy

> Subject: Re: Velocity Asset and Credit Corporation and 926749 Ontario

> Ltd.

>

> Ms. Kennedy,

>
> I acknowledge your email dated February 21.
> Do you have any authority that speaks of a court-appointed receiver to
> demand production of personal banking records from third parties?
> The amended order, and specifically paragraph 9, does not mention that
> the court-appointed receiver can investigate frauds and transfers of
> undervalue involving the Waddell family. The receiver should be
> focusing on recovering the maximum amount for all stakeholders, not
> investigating frauds and transfers for remedies it does not have.
> In addition, Hugh Waddell has requested from the receiver copies of
> all company documents and his email. Please request that the receiver
> follow through as the receiver has possession of the books and records
> of the companies, its assets as well as the email of Hugh Waddell.
> Frank Bennett
> Bennett Bankruptcy Law
> tel: 416.363.8688
> email: bennett@ican.net
>
> On Wed 24/02/21 7:05 PM , Rebecca Kennedy Rkennedy@tgf.ca sent:
>> Mr. Bennett,
>>
>> Thank you for acknowledging the breadth of the investigatory
> powers of
>> the Receiver. If you have reviewed the materials, you will be well
>
>> aware that the Receiver is tasked with investigating potential
> frauds
>> and transfers of undervalue that involve the Waddells.
>> Obviously, these transfers will predate the Receivership.
>>
>> The banking information of the Waddells and that of corporations
> the
>> Waddells control is required as part of the investigation.
>> If you and your client do not cooperate, we can reattend for an
> order
>> compelling them to provide the requested information, at their
> cost.
>>
>> Regards,
>> Rebecca
>> [1]
>> Rebecca Kennedy | | Rkennedy@tgf.ca
>> [2] | Direct Line +1 416 304 0603 [3] | | Suite 3200, TD West
>> Tower, 100 Wellington Street West, P.O. Box 329, Toronto-Dominion
>> Centre, Toronto, Ontario M5K 1K7 | 416-304-1616 | Fax: 416-304-1313
> |
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>> -----Original Message-----
>> From: Williams, Richard
>> Sent: Wednesday, February 21, 2024 10:24 AM
>> To: bennett@ican.net
>> Cc: Rebecca Kennedy
>> Subject: RE:Re Velocity Asset and Credit Corporation and 926749
>> Ontario Ltd.
>>
>> Mr. Bennett,
>>
>> I have forwarded your message to the Receiver's counsel for
> response.
>> Going forward, please direct any correspondence to Rebecca Kennedy
> at
>> Thornton Grout Finnigan LLP (copied here).
>>
>> Regards,
>>
>> --
>> Richard Williams CPA, CIRP, LIT
>> Deloitte LLP | Deloitte Restructuring Inc.
>> (416) 258-8761
>> richwilliams@deloitte.ca
>>
>> -----Original Message-----
>> From: Frank Bennett
>> Sent: Wednesday, February 21, 2024 10:14 AM
>> To: Williams, Richard
>> Cc: bennett@ican.net
>> Subject: [EXT] Re Velocity Asset and Credit Corporation and 926749
>> Ontario Ltd.
>> Hello Mr. Williams,
>>
>> I have been consulted by Nancy Waddell and family regarding your
>> letters dated February 15, 2024.
>> Paragraph 9 of the Amended Receivership Order is general and
>> open-ended. It does not set out the scope of the investigation nor
>> does it set out any restrictions. In addition, there is no basis
> upon
>> which the receiver can demand personal banking information from the
>
>> Waddell family long before the receivership was initiated.

>> Accordingly, they will not be submitting personal banking
> information.
>> Frank Bennett
>> Bennett Bankruptcy Law
>> tel: 416.363.8688
>> email: bennett@ican.net
>>
>> Copy to Nancy Waddell
>> Confidentiality Warning:
>>
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Appendix R

Sale Process

VELOCITY ASSET AND CREDIT CORPORATION and

926749 ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING

Introduction

1. On October 13, 2023 Enlightened Funding Corporation (“**Enlightened**”) made an application (the “**Application**”) to the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) for an order appointing Deloitte Restructuring Inc. (“**Deloitte**”) as receiver of the property, assets, and undertakings of Velocity Asset and Credit Corporation (“**Velocity**”) and certain property of 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing (the “**Dealer**” and, together with Velocity, the “**Debtors**”), including all of the Leases, Leased Vehicles, Rights, Collections and the Dealer Blocked Account (each as defined in a dealer security agreement entered into between Enlightened and 926749 Ontario Ltd.) and all products or proceeds thereof (the “**Dealer Property**”).
2. The Application was adjourned to October 26, 2023, to provide the Debtors with an opportunity to respond to the Application.
3. On October 26, 2023 (the “**Date of Appointment**”), pursuant to an order of the Court (the “**Receivership Order**”), Deloitte was appointed as receiver (the “**Receiver**”) of the property, assets, and undertakings of Velocity and of the Dealer Property.
4. On December 8, 2023, pursuant to an order (the “**A&R Receivership Order**”) of the Court, Deloitte was appointed over all the property, assets, and undertakings of Velocity and of the Dealer (together, the “**Property**”).
5. On April 23, 2023, pursuant to an order (the “**Sale Process Order**”) of the Court, the Receiver was, among other things, authorized to conduct a sale process (the “**Sale Process**”) in respect of the assets of the Debtors.

Opportunity

6. The Sale Process is intended to solicit interest in opportunities for a sale of all or part of the Debtors’ assets (the “**Opportunity**”). The Opportunity may include one or more sales of all or substantially all of the Debtors’ assets (the “**Property**”) (each, a “**Transaction**”).
7. This document (the “**Sale Process Procedure**”) describes the Sale Process, including the manner in which individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures, governmental organizations or other entities (each, a “**Person**”) may gain access to, or continue to have access to, due diligence materials concerning the Debtors and the Property, how bids will be submitted to and dealt with by the Receiver and how Court approval will be obtained in respect of a Transaction.

8. The Sale Process contemplates a two-stage process that involves the submission by interested parties to first a letter of interest by the Phase 1 Bid Deadline followed by binding offers by the Phase 2 Bid Deadline (as defined below).
9. Except to the extent otherwise set forth in a definitive sale agreement with a successful bidder, any Transaction will be on an “as is, where is” basis and without surviving representations or warranties of any kind, nature, or description by the Receiver, the Debtors, or any of their respective agents, advisors or estates, and, in the event of a sale, all of the right, title and interest of the Debtors in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon pursuant to Court orders, to the extent that the Court deems it appropriate to grant such relief and except as otherwise provided in such Court orders.
10. In the Sale Process, (i) “**Business Day**” means any day (other than Saturday or Sunday) that banks are open for business in Toronto, Ontario. If any deadline date referred to in the Sale Process falls on a day that is not a Business Day, then such date shall be extended until the next Business Day; and (ii) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase, “without limitation”.

Timeline

11. The following table sets out the key milestones under the Sale Process:

Milestone	Timeline	Targeted Deadline
Commencement date	Immediately following the approval of the Sale Process	April 23, 2024
Preparation of Sale Process materials (i.e., Teaser, Investment Memorandum, Buyer list, Notices for trade publication, NDA, populate EDR)	10 days	May 3, 2024
Phase 1 Bid Deadline	45 days	June 17, 2024
Assessment of Phase 1 Bids	5 days	June 21, 2024
Phase 2 Bid Deadline	40 days	August 2, 2024
Auction Date (if applicable)	1 day	August 9, 2024
Finalize Transaction agreement	7 days	August 16, 2024
Sale Approval Motion (as defined below) in Court	As soon as reasonably practicable	August 30, 2024 (outside date)
Closing of the Transaction	As soon as reasonably practicable	September 6, 2024 (outside date)

12. The dates set out in the Sale Process may be extended by either: (i) further order of the Court; or (ii) the Receiver.

Solicitation of Interest: Notice of the Sale Process

13. As soon as reasonably practicable:

- a. the Receiver will prepare a list of potential bidders, including (i) parties that operate in a similar industry, and (ii) local and international strategic and financial parties who the Receiver believes may be interested in a Transaction pursuant to the Sale Process (collectively, “**Known Potential Bidders**”);
- b. the Receiver will arrange for a notice of the Sale Process (and such other relevant information which the Receiver considers appropriate) (the “**Notice**”) to be published in *Insolvency Insider*, the Receiver’s website, and any other newspaper or journal or industry website as the Receiver considers appropriate, if any; and
- c. the Receiver will prepare: (i) a process summary (the “**Teaser Letter**”) describing the Opportunity, outlining the process under the Sale Process and inviting recipients of the Teaser Letter to express their interest pursuant to the Sale Process; and (ii) a non-disclosure agreement (an “**NDA**”).

14. The Receiver will send the Teaser Letter and NDA to each Known Potential Bidder and to any other Person who requests a copy of the Teaser Letter and NDA or who is identified to the Receiver as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Potential Bidders and Due Diligence Materials

15. Any party who wishes to participate in the Sale Process (a “**Potential Bidder**”), must provide to the Receiver an NDA executed by it, and which shall inure to the benefit of any purchaser of the Property, or any portion thereof, and a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder.

16. The Receiver shall, in its reasonable business judgment and subject to competitive and other business considerations, afford each Potential Bidder who has signed and delivered an NDA to the Receiver and provided information as to their financial ability, in the Receiver’s sole discretion, to close a transaction, such access to due diligence material and information relating to the Property as the Receiver deems appropriate. Due diligence shall include access to an electronic data room (“**EDR**”) containing information about the Debtors and the Opportunity, and may also include management presentations, on-site inspections, and other matters which a Potential Bidder may reasonably request and as to which the Receiver may agree. The Receiver will designate a representative to coordinate all reasonable requests for additional information and due diligence access from Potential Bidders and the manner in which such requests must be communicated. The Receiver will not be obligated to furnish any information relating to the Property to any person other than to Potential Bidders. The Receiver is not responsible for, and will bear no liability with respect to, any information obtained by any party in connection with the Sale Process, the Opportunity or the Property.

17. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property in connection with their participation in the Sale Process and any Transaction they enter into.

Phase 1: Non-Binding LOI

18. Potential Bidders that wish to submit a bid to purchase the Property (a “**Phase 1 Bidder**”) shall submit a non-binding letter of intent (an “**LOI**”) that complies with all of the following requirements to the Receiver’s counsel at the address specified in Schedule “1” hereto (including by e-mail), so as to be received by them not later than **5:00 PM (EST) on June 17, 2024** (the “**Phase 1 Bid Deadline**”) or as may be modified in the Bid process letter that may be circulated by the Receiver to Potential Bidders (each LOI that meets the requirements set out below, a “**Qualified Phase 1 Bid**”):

- a. the LOI must be duly executed by all required parties;
- b. the LOI must be received by the Phase 1 Bid Deadline;
- c. the LOI identifies the Phase 1 Bidder and representatives thereof who are authorized to appear and act on behalf of the Phase 1 Bidder for all purposes regarding the contemplated transaction;
- d. the LOI clearly indicates that the Phase 1 Bidder is seeking to acquire all or substantially all of the Property;
- e. the LOI contains such other information as may be reasonably requested by the Receiver;
- f. the LOI identifies the following:
 - i. the proposed purchase price in Canadian dollars and a description of any non-cash consideration, including details of any liabilities to be assumed by the Phase 1 Bidder and key assumptions supporting the valuation;
 - ii. a description of the Property that is expected to be subject to the transaction and any of the Property expected to be excluded;
 - iii. a specific indication of the financial capability of the Phase 1 Bidder and the expected structure and financing of the transaction;
 - iv. a description of the conditions and approvals required to complete the closing of the transaction;
 - v. a description of those liabilities and obligations (including operating liabilities) which the Phase 1 Bidder intends to assume and which such liabilities and obligations it does not intend to assume; and

- vi. any other terms or conditions of the LOI that the Phase 1 Bidder believes are material to the transaction.

19. The Receiver may waive strict compliance with any one or more of the requirements above.

Evaluation of Competing Phase 1 Bids

- 20. The Receiver, in consultation with Peoples Trust Company (“**Peoples**”) may, following the receipt of any LOI, seek clarification with respect to any of the terms or conditions of such LOI prior to determining if the LOI should be considered a Phase 1 Qualified Bid or a Phase 1 Satisfactory Bid (as defined below).
- 21. Following the Phase 1 Bid Deadline, the Receiver, in consultation with Peoples, will determine the LOIs that are selected as the most favourable Phase 1 Qualified Bids, which will then be deemed “**Phase 1 Satisfactory Bids**”.
- 22. Phase 1 Bidders whose LOIs are selected as Phase 1 Satisfactory Bidders will be determined as being Phase 2 Qualified Bidders. The Receiver will notify each Phase 1 Bidder in writing as to whether it was determined to be a Phase 2 Qualified Bidder no later than five (5) business days following the Phase 1 Bid Deadline, or at such later time as the Receiver, in consultation with Peoples, deems appropriate, acting reasonably.

Phase 2: Formal Binding Offers

- 23. Phase 2 Qualified Bidders that wish to make a formal offer to purchase the Property shall submit a binding offer (a “**Bid**”) that complies with all of the following requirements to the Receiver’s counsel at the address specified in Schedule “1” hereto (including by e-mail), so as to be received by them not later than **5:00 PM (EST) on August 2, 2024** or as may be modified in the Bid process letter that may be circulated by the Receiver to Phase 2 Qualified Bidders (the “**Phase 2 Bid Deadline**”):
 - a. the Bid must be a binding offer to acquire all, substantially all or a portion of the Property (a “**Sale Proposal**”);
 - b. the Bid (either individually or in combination with other bids that make up one bid) is an offer to purchase the Property and is consistent with any necessary terms and conditions established by the Receiver and communicated to Bidders;
 - c. the Bid includes a letter stating that the Phase 2 Qualified Bidder’s offer is irrevocable until the selection of the Successful Bidder (as defined below), provided that if such Phase 2 Qualified Bidder is selected as the Successful Bidder, its offer shall remain irrevocable until the closing of the transaction with the Successful Bidder;
 - d. the Bid includes duly authorized and executed transaction agreements, which provide:
 - i. the purchase price (the “**Purchase Price**”) for the Sale Proposal;

- ii. a description of the Property that is expected to be subject to the transaction and any of the Property expected to be excluded;
 - iii. a description of the conditions and approvals required to complete the closing of the transaction;
 - iv. a description of those liabilities and obligations (including operating liabilities) which the Phase 2 Qualified Bidder intends to assume and which such liabilities and obligations it does not intend to assume;
 - v. any other terms or conditions of the Bid that the Bid Phase 2 Qualified Bidder believes are material to the transaction; and
 - vi. any and all exhibits and schedules thereto;
- e. the Bid is accompanied by a deposit (the “**Deposit**”) in the form of a wire transfer (to a trust account specified by the Receiver), in an amount equal to ten percent (10%) of the Purchase Price, to be held and dealt with in accordance with this Sale Process;
- f. the Bid includes written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction, that will allow the Receiver to make a determination as to the Phase 2 Qualified Bidder’s financial and other capabilities to consummate the proposed transaction;
- g. the Bid is not conditioned on (i) the outcome of unperformed due diligence by the Phase 2 Qualified Bidder, or (ii) obtaining financing. Any conditions and approvals required to complete the Sale Proposal will be included in the transaction documents;
- h. the Bid fully discloses the identity of each entity that will be entering into the transaction or the financing, or that is otherwise participating or benefiting from such bid;
- i. the Bid includes acknowledgements and representations of the Phase 2 Qualified Bidder that the Phase 2 Qualified Bidder:
- i. is completing the Transaction on an “as is, where is” basis;
 - ii. has had an opportunity to conduct any and all due diligence regarding the Property and the Debtors prior to making its Bid;
 - iii. has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its Bid; and
 - iv. did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Property or the Debtors or the completeness of any information

provided in connection therewith, except as expressly stated in the definitive transaction agreement(s);

- j. the Bid is received by the Phase 2 Bid Deadline; and
 - k. the Bid contemplates closing the Transaction set out therein immediately following the granting of an order by the Court approving the same.
24. Following the Bid Deadline, the Receiver will assess the Bids received. The Receiver, in consultation with People's Trust Company, will designate the most competitive bids that comply with the foregoing requirements to be "**Phase 2 Qualified Bids**". No Bids received shall be deemed not to be Phase 2 Qualified Bids without the approval of the Receiver. Only Phase 2 Qualified Bidders whose bids have been designated as Phase 2 Qualified Bids are eligible to become the Successful Bidder(s).
25. The Receiver, in consultation with People's Trust Company, may waive strict compliance with any one or more of the requirements specified above and deem such non-compliant Bids to be a Phase 2 Qualified Bid. The Receiver will be under no obligation to negotiate identical terms with, or extend identical terms to, each Bidder.
26. The Receiver shall notify each Bidder in writing as to whether its Bid constituted a Phase 2 Qualified Bid within two (2) business days of the Phase 2 Bid Deadline, or at such later time as the Receiver deems appropriate.
27. The Receiver may aggregate separate Bids from unaffiliated Bidders to create one Phase 2 Qualified Bid.

Evaluation of Competing Bids

28. A Phase 2 Qualified Bid will be evaluated based upon several factors including, without limitation: (i) the Purchase Price and the net value provided by such bid, (ii) the identity, circumstances and ability of the Bidder to successfully complete such Transaction(s), (iii) the proposed Transaction documents, (iv) the assets included or excluded from the bid, (v) any related restructuring costs, (vi) the likelihood and timing of consummating such Transaction, each as determined by the Receiver and (vii) any other factor deemed relevant by the Receiver.
29. The Receiver reserves the right to negotiate with any bidder with respect to their Phase 2 Qualified Bid if the Receiver determines such negotiations to be in the best interest of the Sale Process.

Auction

30. If the Receiver receives at least two Phase 2 Qualified Bids and determines, in consultation with Peoples, that they are competitive, the Receiver may proceed to conduct and administer an Auction in accordance with the terms of this Sale Process (the "**Auction**"). Instructions to participate in the Auction, which will take place via video conferencing, or in person, as

determined by the Receiver, and will be provided to Qualified Parties (as defined below) not less than 48 hours prior to the Auction.

31. Only parties that provided a Phase 2 Qualified Bid by the Phase 2 Bid Deadline, as confirmed by the Receiver (collectively, the “**Qualified Parties**”), shall be eligible to participate in any Auction. No later than 5:00 p.m. (EST) on the day prior to any Auction, each Qualified Party must inform the Receiver whether it intends to participate in the Auction. The Receiver will promptly thereafter inform in writing each Qualified Party who has expressed its intent to participate in the Auction of the identity of all other Qualified Parties that have indicated their intent to participate in the Auction.

Auction Procedure

32. If the Receiver is to conduct an Auction, the Auction shall be governed by the following procedures:
 - a. **Participation at the Auction.** Only the Qualified Parties, the Receiver and each of their respective advisors will be entitled to attend the Auction, and only the Qualified Parties will be entitled to make any subsequent Overbids (as defined below) at the Auction. The Receiver shall provide all Qualified Bidders with the details of the lead bid by 5:00 PM (EST) no later than five (5) days after the Bid Deadline. Each Qualified Bidder must inform the Receiver whether it intends to participate in the Auction no later than 5:00 PM (EST) on the Business Day prior to the Auction;
 - b. **No Collusion.** Each Qualified Party participating at the Auction shall be required to confirm on the record at the Auction that: (i) it has not engaged in any collusion with respect to the Auction and the bid process; and (ii) its bid is a good-faith *bona fide* offer and it intends to consummate the proposed transaction if selected as the Successful Bid;
 - c. **Minimum Overbid.** The Auction shall begin with the Qualified Bid that represents the highest or otherwise best Qualified Bid as determined by the Receiver, in consultation with Peoples (the “**Initial Bid**”), and any bid made at the Auction by a Qualified Party subsequent to the Receiver’s announcement of the Initial Bid (each, an “**Overbid**”), must proceed in minimum additional cash increments of \$100,000;
 - d. **Bidding Disclosure.** The Auction shall be conducted such that all bids will be made and received in one group video-conference or otherwise, on an open basis, and all Qualified Parties will be entitled to be present for all bidding with the understanding that the true identity of each Qualified Party will be fully disclosed to all other Qualified Parties and that all material terms of each subsequent bid will be fully disclosed to all other Qualified Parties throughout the entire Auction; provided, however, that the Receiver, in its discretion, may establish separate video conference rooms to permit interim discussions between the Receiver and

individual Qualified Parties with the understanding that all formal bids will be delivered in one group video conference, on an open basis;

- e. **Bidding Conclusion.** The Auction shall continue in one or more rounds and will conclude after each participating Qualified Party has had the opportunity to submit one or more additional bids with full knowledge and written confirmation of the then-existing highest bid(s);
- f. **No Post-Auction Bids.** No bids will be considered for any purpose after the Auction has concluded; and
- g. **Auction Procedures.** The Receiver shall be at liberty to set additional procedural rules at the Auction as it sees fit.

Selection of Successful Bid

- 33. If the Receiver elects to conduct an Auction, before the conclusion of the Auction, the Receiver will:
 - a. review and evaluate each Qualified Bid, considering the factors set out in paragraph 28 and any other factor that the Receiver may reasonably deem relevant, provided that each Qualified Bid may be negotiated among the Receiver and the Qualified Bidder, and may be amended, modified or varied to improve such Qualified Bid as a result of such negotiations; and
 - b. identify the highest or otherwise best bid received at the Auction (the “**Successful Bid**” and the Qualified Party making such bid, the “**Successful Party**”).
- 34. The Receiver reserves the right to select a Successful Bid without the requirement to perform an Auction if, in the Receiver’s opinion, an Auction will not lead to a better bid as part of the Sale Process.
- 35. The Successful Party shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid was made within one business day of the Successful Bid being selected as such, unless extended by the Receiver, subject to the milestones set forth in paragraph 11.

Sale Approval Motion Hearing

- 36. At the hearing of the motion to approve any transaction with a Successful Party (the “**Sale Approval Motion**”), the Receiver shall seek, among other things, approval from the Court to consummate any Successful Bid. All the Qualified Bids other than the Successful Bid, if any, shall be deemed to be rejected by the Receiver on and as of the date of approval of the Successful Bid by the Court.

Confidentiality and Access to Information

37. All discussions regarding a Bid should be directed through the Receiver. Under no circumstances should the former management of the Debtors be contacted directly without the prior consent of the Receiver. Any such unauthorized contact or communication could result in the exclusion of the interested party from the Sale Process.
38. Participants and prospective participants in the Sale Process shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Bidders, Qualified Bids, the details of any Bids submitted or the details of any confidential discussions or correspondence between the Receiver and such other bidders or Potential Bidders in connection with the Sale Process, except to the extent the Receiver, with the consent of the applicable participants, seeks to combine separate bids from Qualified Bidders.

Supervision of the Sale Process

39. The Receiver shall oversee and conduct the Sale Process, in all respects, and, without limitation to that supervisory role, the Receiver will participate in the Sale Process in the manner set out in this Sale Process Procedure and the Sale Process Order and any other orders of the Court, and is entitled to receive all information in relation to the Sale Process.
40. This Sale Process does not, and will not be interpreted to create any contractual or other legal relationship between the Receiver and any Potential Bidder, any Qualified Bidder or any other Person, other than as specifically set forth in a definitive agreement that may be entered into with the Receiver.
41. Without limiting the preceding paragraph, the Receiver shall not have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Bidder, the Successful Bidder, the Debtors, or any other creditor or other stakeholder of the Debtors, for any act or omission related to the process contemplated by this Sale Process Procedure, except to the extent such act or omission is the result from gross negligence or willful misconduct of the Receiver. By submitting a bid, each Bidder, or Successful Bidder shall be deemed to have agreed that it has no claim against the Receiver for any reason whatsoever, except to the extent that such claim is the result of gross negligence or willful misconduct of the Receiver.
42. Participants in the Sale Process are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a Transaction.
43. The Receiver shall have the right to modify the Sale Process Procedure (including, without limitation, pursuant to the Bid process letter) if, in its reasonable business judgment, such modification will enhance the process or better achieve the objectives of the Sale Process; provided that the Service List in these proceedings shall be advised of any substantive modification to the procedures set forth herein.

Deposits

44. All Deposits received pursuant to this Sale Process shall be held in trust by the Receiver. The Receiver shall hold Deposits paid by each of the Bidders in accordance with the terms outlined in this Sale Process. In the event that a Deposit is paid pursuant to this Sale Process and the Receiver elects not to negotiate and settle the terms and conditions of a definitive agreement with the Person that paid such Deposit, the Receiver shall return the Deposit to that Person. In the event that the Successful Bidder defaults in the payment or performance of any obligations owed to the Receiver pursuant to any Final Agreement, the Deposit paid by the Successful Bidder, as applicable, shall be forfeited as liquidated damages and not as a penalty.

Schedule “1”

Address of Receiver

To the Receiver:

Deloitte Restructuring Inc.

8 Adelaide Street West, Suite 200
Toronto, ON, Canada, M5H 0A9

Attention: Jorden Sleeth and Richard Williams

Email:

jsleeth@deloitte.ca
richwilliams@deloitte.ca

with a copy to:

Thornton Grout Finnigan LLP

Suite 3200, 100 Wellington Street West
P.O. Box 329, Toronto-Dominion Centre
Toronto, Ontario M5K 1K7

Attention: Rebecca Kennedy

Email: rkennedy@tgf.ca

Appendix S



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-23-00707330-00CL

DATE: April 12, 2024

NO. ON LIST: 1

TITLE OF PROCEEDING: ENLIGHTENED FUNDING CORPORATION v. VELOCITY ASSET
AND CREDIT CORPORATION et al

BEFORE: JUSTICE CONWAY

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Haddon Murray	Counsel to Peoples Trust Company, the Applicant by assignment	haddon.murray@gowlingwlg.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Frank Bennett	Counsel for Velocity Asset and Credit Corporation and 926749 Ontario Ltd. O/A Clonsilla Auto Sales and Leasing	bennett@ican.net

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Rebecca Kennedy Deborah Palter Derek Harland	Counsel for the Receiver - Deloitte	rkennedy@tgf.ca dpalter@tgf.ca dharland@tgf.ca

ENDORSEMENT OF JUSTICE CONWAY:

- [1] Scheduling appointment held today. Mr. Bennett, for the debtors and the Waddell family, seeks to schedule a motion to vary the receivership order granted by the court on December 8, 2023 (the “**Variation Motion**”). Specifically, the motion is for an order to delete paragraph 9 that granted the Receiver the investigative powers of a trustee in bankruptcy and to delete paragraph 10 that authorizes the Receiver to examine persons under oath.
- [2] There is a Receiver’s motion scheduled for April 23, 2024 on this file (the “**April 23 Motion**”). The motion, among other things, is for an order to authorize the Receiver to assign the debtors into bankruptcy (this is part of the motion on December 8 that I had adjourned to a later date).
- [3] Mr. Bennett says that he will be contesting the April 23 Motion, on the basis, *inter alia*, that the Receiver has a conflict of interest in acting as a trustee in bankruptcy.
- [4] The Receiver submits that the Variation Motion will be moot if the April 23 Motion is successful. It submits that if the debtors are assigned into bankruptcy, there will be no purpose in varying the December 8, 2023 order as the trustee in bankruptcy will have the investigative and examination powers under the BIA.
- [5] After discussion with counsel today, and without deciding anything of a substantive nature, I have directed that the April 23 Motion proceed as scheduled. On that date, the parties can, in addition to their submissions on the Receiver’s motion, make submissions with respect to the scheduling of the Variation Motion. The judge on April 23, 2024 can make whatever directions on scheduling that motion as the judge considers appropriate at that time.

Conway J.

Appendix T

**In the Matter of the Receivership of
Velocity Asset and Credit Corporation and
926749 Ontario Ltd. o/a Clonsilla Auto Sales & Leasing
Interim Statement of Receipts and Disbursements
For the period from October 26, 2023 to March 31, 2024**

		<i>Notes</i>
Receipts		
Lease Proceeds	\$ 899,321.96	1
Advance from Secured Creditor	600,000.00	2
Sales of vehicles	251,774.15	
Insurance Premium Refunds and Proceeds	44,040.79	
Sales of Equipment	6,235.29	
Miscellaneous Refunds	3,062.30	
Bank Interest	1,430.52	
Payment under Proposal	247.96	
Total receipts	<u>\$1,806,112.85</u>	
Disbursements		
Receiver's fees and disbursements	\$ 1,143,880.01	
HST Paid		
HST paid on Receiver's Fees	148,704.39	
HST paid on Legal Fees	10,413.29	
HST paid on administrative disburser	6,829.14	
Sub-total	165,946.82	
Legal Fees/Disbursements	80,102.08	
Surveillance & Security	24,747.75	
Insurance Premium	10,431.49	
Contractor Services	10,863.00	
Occupation rent	9,973.76	
Operating expenses	7,585.00	
Repairs and maintenance	3,702.60	
Rent for a Room	3,225.00	
Property/Realty Taxes	2,245.87	
Utilities	928.85	
Computer Services	920.00	
Bank Charges	145.30	
Filing Fee - OSB	150.60	
Total disbursements	<u>\$1,464,848.13</u>	
Excess of Receipts over Disbursements	<u>\$ 341,264.72</u>	

Notes:

- 1 Proceeds from lease payments include HST, which the Receiver is in the process of reconciling.
- 2 Advance from Peoples Trust Company pursuant to Receiver's Certificates

Appendix U

ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N :

ENLIGHTENED FUNDING CORPORATION

Applicant

- and -

VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING

Respondents

AFFIDAVIT OF JORDEN SLEETH
(sworn April 12, 2024)

I, **Jorden Sleeth**, of the Town of Oakville, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Chartered Insolvency and Restructuring Professional and Licensed Insolvency Trustee qualified to practice in the Province of Ontario, and am a Senior Vice-President of Deloitte Restructuring Inc. ("**Deloitte**"), the Court-appointed receiver (the "**Receiver**") of Velocity Asset and Credit Corporation and 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing (the "**Debtors**"). Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.
2. Deloitte was appointed as Receiver pursuant to the Order granted by the Honourable Justice Conway dated October 26, 2023 (the "**Appointment Order**"). The scope of the receivership was expanded pursuant to an order (the "**A&R Receivership Order**") granted by the Honourable Justice Conway dated December 8, 2023.
3. Attached hereto and marked as **Exhibit "A"** is a schedule summarizing the invoices in Exhibit "A", the total billable hours charged, the total fees charged and the average hourly rate charged. The Receiver expended a total of 3,091.6 hours in connection with this matter during the period from October 26, 2023 to March 31, 2024, giving rise to fees of \$1,166,606.00 and disbursements of \$62,317.02

totaling \$1,228,923.02. With HST of \$159,759.99 total fees, disbursements and HST total \$1,388,683.01. The average fee rate was \$377/hour.

4. Attached hereto and marked as **Exhibit "B"** is a copy of the invoices rendered by the Receiver in respect of the periods from October 26, 2023 to March 31, 2024. The invoices contain the fees (including details of the billing rates and total hours of each of the members of Deloitte who acted on behalf of the Receiver in these proceedings), disbursements and HST charged by Deloitte in these proceedings.

5. To the best of my knowledge, Deloitte's rates and disbursements are consistent with those in the market for these types of matters and the hourly billing rates charged by Deloitte are comparable to the rates charged by Deloitte for services rendered in similar proceedings.

SWORN BEFORE ME via video conference, on
April 12, 2022.



Commissioner for Taking Affidavits



Jordan Sleeth CPA, CIRP, LIT

Todd Jeffrey Ambachtsheer,
a Commissioner, etc., Province of Ontario,
for Deloitte LLP and Deloitte Restructuring Inc.
Expires September 9, 2024.

Attached is Exhibit "A" Referred to in the

AFFIDAVIT OF JORDEN SLEETH

Sworn before me

This 12th day of April, 2024



Commissioner for taking Affidavits, etc.

Todd Jeffrey Ambachtsheer,
a Commissioner, etc., Province of Ontario,
for Deloitte LLP and Deloitte Restructuring Inc.
Expires September 9, 2024.

Exhibit "A"

**In the matter of the receivership of Velocity Asset and Credit Corporation and
926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing**

Summary of the fees and disbursements of Deloitte Restructuring Inc. in its capacity as Receiver of the Debtors.
For the period October 26, 2023 to March 31, 2024

Invoice #	Period		Hours	Fees	Disbursements	Subtotal	HST	Total	Avg Hrly Rate
	Start	End							
8004196776	26-Oct-23	15-Nov-23	426.2	180,937.50	229.38	181,166.88	23,551.69	204,718.57	\$ 425
8004269724	16-Nov-23	1-Dec-23	346.3	149,920.00	3,242.75	153,162.75	19,911.16	173,073.91	\$ 433
8004361424	2-Dec-23	31-Dec-23	622.3	241,132.50	1,876.49	243,008.99	31,591.17	274,600.16	\$ 387
8004444856	1-Jan-24	19-Jan-24	666.2	245,999.00	9,243.57	255,242.57	33,181.53	288,424.10	\$ 369
8004444862	20-Jan-24	2-Feb-24	512.3	174,366.50	27,490.87	201,857.37	26,241.46	228,098.83	\$ 340
8004540705	3-Feb-24	1-Mar-24	352.0	106,138.50	3,302.94	109,441.44	14,227.39	123,668.83	\$ 302
8004632953	2-Mar-24	31-Mar-24	166.3	68,112.00	16,931.02	85,043.02	11,055.59	96,098.61	\$ 410
Total			3,091.6	\$ 1,166,606.00	\$ 62,317.02	\$ 1,228,923.02	\$ 159,759.99	\$ 1,388,683.01	\$ 377

Attached is Exhibit "B" Referred to in the

AFFIDAVIT OF JORDREN SLEETH

Sworn before me

This 12th day of April, 2024



Commissioner for taking Affidavits, etc.

Todd Jeffrey Ambachtsheer,
a Commissioner, etc., Province of Ontario,
for Deloitte LLP and Deloitte Restructuring Inc.
Expires September 9, 2024.



Invoice 8004196776

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Jordan Sleeth
Velocity Asset and Credit Corporation
c/o Deloitte Restructuring Inc.
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: November 29, 2023
Client No.: 1677324
WBS#: EFC00011
Engagement Partner: Jordan Sleeth

GST/HST Registration: 122893605RT0001
QST Registration: 1012314163TQ0001

For professional services rendered

Fees

Rendered by Deloitte Restructuring Inc. in its capacity as Receiver of Velocity Asset and Credit Corporation and 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing for the period October 26, 2023 to November 15, 2023.

Please see attached Appendix for details.

Expense

Out-of-pocket Expenses.

Sales Tax

HST applicable 180,937.50

HST applicable 229.38

HST at 13.00 % 23,551.69

Total Amount Due (CAD) 204,718.57

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.



Invoice Number 8004196776

November 29, 2023

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
Velocity Asset and Credit Corporation	1677324	8004196776	204,718.57	Payment for invoice 8004196776

Contact:

Please send payment confirmation by email to: receivablesdebitors@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments(remittance email mandatory) :

Preferred Method

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Transit – Institution : 47696-002

Account Number : 1590219

USD Payment

Transit – Institution : 47696-002

Account Number : 1363514

2. Wire Payment :

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Account Number : 476961590219

Swift Code : NOSCCATT

USD Payment, Beneficiary Bank (Bank of Nova Scotia) :

Account Number : 476961363514

Swift Code : NOSCCATT

Clearing Code : CC000247696

Address: P.O. Box 4234 STN A, Toronto ON M4W 5P6

USD Payment, Intermediary Bank (Bank of America NA) :

Address: 222 Broadway, New York, NY 10038

Account Number : 476961363514

Swift Code : BOFAUS3N

ABA Routing Number : 026009593

Note: Intermediary Bank information may not be required for payments coming from outside the US

3. Online Payment :

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to :

For CAD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

For USD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1



**Appendix #1
Summary of Fees**

Name	Level	Hours	Rate	Amount
Sleeth, Jordan	Partner	36.9	750.00	27,675.00
Williams, Richard	Director	82.5	625.00	51,562.50
Casey, Brian	Senior Manager	2.0	525.00	1,050.00
Chen, Kangli	Manager	101.0	450.00	45,450.00
Brown, Rose	Manager	10.9	450.00	4,905.00
Pardinas, Elijah	Senior	9.9	300.00	2,970.00
Pandit, Arpana	Senior	2.0	300.00	600.00
Messina, Stephen	Senior	29.5	300.00	8,850.00
Alleyne, Jaylon	Analyst	151.5	250.00	37,875.00
Total Professional Hours and Fees		426.2		180,937.50
Out-of-pocket Expenses				229.38
Total Fees and Expenses (CAD)				181,166.88



Appendix #2

Work performed from October 26, 2023 to November 15, 2023

Date	Name	Narrative	Hours
10/26/2023	Messina, Stephen	On site in Peterborough to take possession of the car dealership loan portfolio. Took inventory of all vehicles on the lot, tagged them into a spreadsheet.	8.0
10/26/2023	Pardinas, Elijah	Travel to and attendance at client site. Return travel.	1.6
10/26/2023	Sleeth, Jordan	Attend court hearing; attend onsite - meet with H. Wadell; email court order to H. Auguste, call re: AWS environment and Velocity records; update call with ██████████ stakeholders; calls with R. Kennedy re: day 1 activities and priorities; arrange case website posting; call and email with ██████████ re: securing AWS environment. Return travel.	8.0
10/26/2023	Williams, Richard	Travel to Peterborough. Virtual attendance at court hearing. Receivership planning. Attend at Clonsilla Auto sales - meeting H. Waddell. Prepare creditor notices, bank letters and other correspondence.	10.0
10/27/2023	Messina, Stephen	On site in Peterborough, finished tagging all vehicles in the lot with leasing information. Called locksmith to change locks, coordinated	8.0
10/27/2023	Pandit, Arpana	Collating the Name of Parties and their Addresses from PPSA file	2.0
10/27/2023	Pardinas, Elijah	Meeting ██████████ to discuss AWS application/framework	0.5
10/27/2023	Sleeth, Jordan	Various - calls ██████████ re: AWS database and structure, access AWS site and review content; calls with R. Williams re: banking considerations, securing assets plan (keys, leases, vehicles); update call with ██████████ counsel; Call ██████████ re: servicing portfolio abilities and requirements, emails to ██████████ re: same; call with TGF team ██████████.	3.0
10/27/2023	Williams, Richard	Attend at dealership. Meetings with management and employees. Engaged in obtaining and reviewing business records. Prepare flow of funds analysis. Calls with lenders and counsel.	10.5
10/28/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Reviewed and confirmed physical leases on site. Checked physical car keys on site and segregated EFC-funded lease vehicles from others. Took possession of EFC-funded vehicle from ██████████ Clonsilla employee who had it in his personal possession at time of receivership. Return travel.	6.5

Date	Name	Narrative	Hours
10/28/2023	Williams, Richard	Travel to and attend at Dealer. On site monitoring. Cash flow reconciliations and discussions with management.	4.0
10/29/2023	Sleeth, Jordan	Coordinate onsite attendance, memo re: work plan; email ██████ re: servicer quotes	0.8
10/30/2023	Casey, Brian	Data details discovery, imaging requirements	1.0
10/30/2023	Chen, Kangli	Contact North Toronto Auction on PPSA registration after vehicle sold	0.1
10/30/2023	Messina, Stephen	On site at Clonsilla Auto. Located and secured all remaining EC leases. Prepared vehicle continuity for Clonsilla management to document the arrival of all vehicles on hand. Located and secured all remaining keys on hand.	9.0
10/30/2023	Sleeth, Jordan	Various - call with ██████; review ██████ servicer proposal, search National Auto contacts for servicing.	2.5
10/30/2023	Williams, Richard	Telephone calls and emails with insurance company, secured creditors and other stakeholders. Call with IT provider re: transfer of Velocity data. Directions to team re reconciliation of leases and other tasks. Call with H. Waddell.	4.0
10/30/2023	Williams, Richard	Call ██████ re lease servicing. Review ██████ proposal and data requirements.	0.5
10/31/2023	Chen, Kangli	Check VIN against PPSA registration, Update notices of Receiver with available financial information	3.0
10/31/2023	Pardinas, Elijah	Travel to and from client site, on-site imaging/collection of desktop computer, evidence management.	7.0
10/31/2023	Sleeth, Jordan	Call with ██████ re: servicing proposal, email offer requirements; calls with R. Williams re: onsite activities, account analyses.	0.7
10/31/2023	Williams, Richard	Review emails re attendance today and forensic imaging. Travel to and attend at dealership. Engaged in development of continuity schedule and bank reconciliations. Meetings H. Waddell. T/c and emails with RBC and NTAA	8.0
11/1/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Reviewed flow of funds statement progress to date and reviewed groupings for sorting August to October 26 bank statements. Multiple meetings with ██████ to update unknown cheques, deposits and payors / payees in the bank statements. Met with H. Waddell ██████. Reviewed remaining transactions and categorized them with available information.	11.0
11/1/2023	Chen, Kangli	Update notice of receiver with available financial information, call with TGF and update, Check velocity inventory list vs. nextgear inventory list & PPSA status	2.8

Date	Name	Narrative	Hours
11/1/2023	Pardinas, Elijah	Evidence Management	0.5
11/1/2023	Sleeth, Jordan	Update call with TGF; call ██████ re: servicing proposal; call with counsel to Clonsilla.	1.0
11/1/2023	Williams, Richard	Travel to and attendance at dealership. Meetings with ██████ and management. Direction to engagement team re bank recs. T/c AB, J. Sleeth. Calls and emails with Nextgear and RBC. Review vehicle listings and match to customers. MEeting TGF.	6.0
11/2/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Continued to work on flow of funds statement and focused on completing September's transactions using August categorizations. Met with ██████ several times throughout the day to update unknown cheques, deposits, and payors/payees in the bank statements from Aug – Oct. Met with Hugh Waddell to ask about payments ██████. Received information from RBC Account Manager and used it to fill in information gaps that we don't have. Return travel.	11.0
11/2/2023	Brown, Rose	Mailing - Input Creditors listings into Ascend, Prepare labels, print notices, Prepare mailing and review with RW, Take to mail room.	2.1
11/2/2023	Casey, Brian	Data details discovery, imaging requirements	0.5
11/2/2023	Chen, Kangli	check to loan agreement ██████, fund-flow analysis (discussion, review RBC credit cards & cheque account on repayment of credit cards)	7.5
11/2/2023	Williams, Richard	Emails ██████ re data tape. T/c and emails ██████ Preparing notice and statement. Review and revisions to draft NDA, lease letter. Emails ██████ re data tape. Written update to Peoples, EFC. Meetings with engagement team.	6.0
11/3/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Continued to work on flow of funds statement and focused on completing December's transactions using August and September categorizations. Met ██████ several times throughout the day to update unknown cheques, deposits, and payors/payees in the bank statements from Aug – Oct. Met with Hugh Waddell to ask about payments ██████. Received information from RBC Account Manager and used it to fill in information gaps that we don't have. Received information from ██████ to help with remaining transaction gaps. Return travel.	11.0
11/3/2023	Chen, Kangli	Fund flow analysis (review ██████ Oct cheque records to decide nature of payment, review Velocity ██████ accounts transactions, lessee list & catch up), call with creditor	7.4

Date	Name	Narrative	Hours
11/3/2023	Williams, Richard	Review and analysis of data tape. Reconciliation to [REDACTED] portfolios. Emails to servicers providing NDA. Emails TGF re disclaimer.	1.5
11/4/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Finalizing the flow of funds statement by reviewing my work to ensure that transactions we're allocated to the correct areas. Spoke with Maryanne to ensure that remaining unknown transactions were still unknown. Reorganized total cost categories inline with existing structure [REDACTED].	7.0
11/4/2023	Chen, Kangli	Fund flow analysis (PPT & check Velocity [REDACTED] accounts)	2.0
11/6/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Recorded the mileage and brief notes of all EFC vehicles on site to prepare for auctioneer. Conducted bank reconciliation of rejected payments from Oct. 26-Nov.5th and attributed them to customers. Prepared payment documentation for maintenance bill. Provided comments to [REDACTED] for preparation of Flow Chart presentation based on findings from Flow of Funds Contacted [REDACTED] Account Manager for further clarification on missing [REDACTED] transactions. Coordinated with Clonsilla staff to complete work required for customer lease payments.	12.0
11/6/2023	Brown, Rose	Input and prepare deposit slip and take to the bank.	0.5
11/6/2023	Chen, Kangli	Small creditor [REDACTED], Fund-flow analysis (flow chart)	0.4
11/6/2023	Messina, Stephen	Contacted several parties in the car dealership business in search for parties willing and able to help service the velocity leases.	1.0
11/6/2023	Sleeth, Jorden	Various: call with [REDACTED]; liaise with servicers and provide NDA, portfolio details, email memo re: [REDACTED]; review flow of funds analysis and provide revisions; update calls with [REDACTED].	4.3
11/6/2023	Williams, Richard	Travel to and attend at dealership. Meetings with [REDACTED] H. Waddell. Debrief and planning call with J. Sleeth. Review email correspondence re flow of funds, Nextgear payments, vehicle auction.	5.5
11/7/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Prepared and scanned samples of written and digital leases [REDACTED] s. Met with [REDACTED] North Toronto Auctions and gave him a full tour of the vehicles on site at Clonsilla including, jumping cars to see if they would start, discussing status of cars, and showing him available locations for hauling vehicles. Reviewed and received clarification on related party, unsecured loan, and unknown related entity's documentation, provided by Hugh Waddell. Pushed Clonsilla staff to complete work required for customer lease payments. Return travel.	12.0

Date	Name	Narrative	Hours
11/7/2023	Brown, Rose	Discuss with [REDACTED] Mailing to Leasing holders. Save Certificate on Q Drive and transfer estates and attached bank accounts.	0.5
11/7/2023	Casey, Brian	Data review	0.5
11/7/2023	Chen, Kangli	Travel to and attendance at dealership. Fun flow chart & Velocity [REDACTED] accounts [REDACTED] review, discussion, sample check lessee contact information for Notice to Lessee purpose, OSB documents file to Teams, small creditors (computer rental, furniture rental, etc). Return travel.	9.0
11/7/2023	Messina, Stephen	Held discussion with [REDACTED] and developed list of reputable parties to contact. Contacted several other parties via email and phone to pitch the leasing opportunity.	1.5
11/7/2023	Sleeth, Jorden	Call with [REDACTED] re: servicing; call with [REDACTED] re: servicing options, email to [REDACTED] re: servicing; call [REDACTED]; email update to TGF and team [REDACTED]; call with TGF (Kennedy, Harland) re: [REDACTED]; review notice to Lessees for DRI website.	4.7
11/7/2023	Williams, Richard	T/c and emails J. Sleeth, C. Chen, J. Alleyne re lease reconciliation efforts, lease servicing, etc... Emails [REDACTED] re info request. Consider HST issue. T/c C. Chen, J. Sleeth re flow of funds and servicing. Create mail files for lessee notices.	5.0
11/8/2023	Alleyne, Jaylon	Reviewed documentation from Nextgear on vehicles bought out by Nextgear. Compared Nextgear's records against Clonsilla's records to confirm accuracy and source of funding. Reconciled Nextgear purchases to flow of funds to confirm that purchase amounts are inline with Nextgear's reporting. Pushed Clonsilla staff to complete work required for customer lease payments. Began to calculate estimated customer arrears as of August 16th, 2023.	7.0
11/8/2023	Brown, Rose	Prepare for mailing to Leasing holders. Prepare Disbursement cheques and deposit and take to the bank.	1.5
11/8/2023	Chen, Kangli	Travel to Peterborough and attendance at dealership. Check duplicate VINs for Lessee Notices. Return travel	6.5
11/8/2023	Messina, Stephen	Prepared for and held discussion with [REDACTED] leasing to provide them an understanding of the opportunity and how this can suit them	1.0
11/8/2023	Sleeth, Jorden	Call with J. Todd (Deloitte Operate) re: servicing; update calls with [REDACTED].	1.4

Date	Name	Narrative	Hours
11/8/2023	Williams, Richard	Review vehicle reconciliations. Correspondence with Nextgear re vehicle payouts. Review email H. Waddell and discussions J. Sleeth, R. Kennedy. Response H. Waddell. Emails ██████████	2.0
11/9/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Worked with Clonsilla staff to clear customer personal belongings from repossessed vehicles. Verified that vehicles to be sent to auction were indeed funded by EFC, were not bought out, and customers were in arrears. Sent finalized operable vehicle list to Deloitte RS team and contacted ██████████ to confirm hauling and auction of vehicles. Attended Velocity Catchup call with Deloitte RS team. Pushed Clonsilla staff to complete work required for customer lease payments.	14.0
11/9/2023	Brown, Rose	Prepare labels and print letters, Label and stuffing of 750 envelopes - Lease holding correspondence	5.2
11/9/2023	Chen, Kangli	Travel to and attendance at dealership. Check duplicate VINs for lessee notices, check ██████ payment (Sep1-Nov9) to EFC list & all-inclusive list, Understand the possible fund-flow ██████████ Return travel.	7.0
11/9/2023	Messina, Stephen	Provided email response to interested parties with the specifics of the opportunity and nature of the portfolio	0.5
11/9/2023	Pardinas, Elijah	QA of file exports from forensic image	0.3
11/9/2023	Sleeth, Jordan	Review funding request letter and comment; review update to EFC and PTC, provide comments; email ██████████ re: ERV/loan provision.	0.6
11/9/2023	Williams, Richard	Lessee notices, correspondence potential lease servicers, directions to engagement team. Emails H. Waddell re HST question. Review inventory reconciliations and directory of imaged files. Review list of vehicles for auction and discussions J. Alleyne.	3.0
11/9/2023	Williams, Richard	Emails TGF re notice requirements, HST issues and tracing. Emails H. Waddell re vehicles to auction, HST.	1.0
11/10/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Contacted hauler and auctioneer to confirm logistics of auction and transport of vehicles. Refined raw data received from ██████████ based on expected lease payments from customers. Worked with ██████████ to solve mailing issue ██████████. Submitted maintenance work invoice for payment. Pushed Clonsilla staff to complete work required for customer lease payments.	9.0
11/10/2023	Chen, Kangli	Travel to and from Peterborough ██████████	4.0
11/10/2023	Chen, Kangli	Travel to and attendance at dealership. Summarize Aug-Oct expected payment (from rough info provided ██████████). Return travel.	8.0

Date	Name	Narrative	Hours
11/10/2023	Sleeth, Jordan	Update calls with ██████████, debrief with ██████████	1.0
11/10/2023	Williams, Richard	Review tracing memo. Review of files from ██████████ computer - emails engagement team re payment schedule. Update calls with ██████████. T/c and emails J. Sleeth. Receipt and review of draft notice from D. Harland.	3.0
11/11/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Prepared list of most recent customers on repossessed vehicles that are to go to auction. Further refined raw data ██████████ into workable document and merged changes ██████████. Used existing bank reconciliation work to consolidate with expected payments. Pushed Clonsilla staff to complete work required for customer lease payments. Discussed ██████████ various issues with payment statuses of specific customers.	9.0
11/11/2023	Chen, Kangli	Prepare payment info (based on rough info provided ██████████), Tranche & Bank Info	6.0
11/11/2023	Sleeth, Jordan	Call with TGF re: ██████████ issues and additional investigations, court report, updates ██████████.	0.5
11/12/2023	Alleyne, Jaylon	Reconciled bank statements from all of Oct 2023 to refined work file to get a status of customers in arrears from October 2023.	2.0
11/13/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Physical inventory inspection of all vehicles on site. Using refined PAP sheet from Maryanne, completed first snapshot of lessees in arrears as of October. Contacted ██████████ group for missing PAP files from July-September to complete arrears file. Worked with ██████████ and Hugh Waddell to obtain copies of official drawdown notices for Tranches 1-3 of EFC funding. Only successful in obtaining tranche 2. Emailed auctioneer and provided more information which required checking all vehicles. Contacted security servicing company and extended engagement for two further weeks. Pushed Clonsilla staff to complete work required for customer lease payments.	12.0
11/13/2023	Chen, Kangli	Travel to and attendance at dealership. Follow up call for internal discussion, hour update workplan, compare expected payment info (based on rough info provided ██████████) to Tranche info & do reconciliation. Return travel.	9.6
11/13/2023	Sleeth, Jordan	Call with PTC re: ██████████ updates; call with ██████████ re: HST; call with ██████████ re: ██████████ review; review repossession notices; call ██████████ re: servicing options; review tracing results and circulate email to PTC re:	4.1
11/13/2023	Sleeth, Jordan	cont'd - duplicate VINs and buyouts; follow up with servicers.	0.1

Date	Name	Narrative	Hours
11/13/2023	Williams, Richard	Emails R. Kennedy, J. Alleyne, S. MacDonald, S. Messina. Emails with team re: lease notices and arrears balances. Analyze duplicate VIN records and prepare data summary. Team call. T/c J. Sleeth re duplicate VINs. Lessee notices. Validate VIN duplication.	6.0
11/14/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Contacted [REDACTED] to request expedited delivery of rejected payments report to complete lessees in arrears report. Modified lessees in arrears report to ensure accuracy between leases paid and payors. Finalized pickup of vehicles from vehicle hauler and conducted final check of vehicles to prepare for hauling. Pushed Clonsilla staff to complete work required for customer lease payments.	14.0
11/14/2023	Brown, Rose	AR Demand mailing - Print letters and labels, Prepare and stuff envelopes, prepare mail voucher and take mailroom.	0.8
11/14/2023	Chen, Kangli	Travel to and attendance at dealership. Compare expected payment info (based on rough info provided [REDACTED] to Tranche info & do reconciliation, 3 hours check to physical documents of samples of duplicate VINs & Chat with [REDACTED] 1.2 hours deal with 4 lessees' call upon letter. Return travel.	11.2
11/14/2023	Messina, Stephen	Held discussion with [REDACTED] leasing, presenting the servicing opportunity	0.5
11/14/2023	Sleeth, Jordan	Call with [REDACTED] re: servicing; updates with [REDACTED] re: [REDACTED] VIN searching, mechanic updates, review analysis re: same.	2.5
11/14/2023	Williams, Richard	Finalize duplicate VIN review. Instructions to team on lease audit. Review email correspondence. Notices and emails re auction. Calls with potential services / bailiffs.	3.0
11/15/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Helped haulers on site as they hauled vehicles to auctioneers' location. Contacted and engaged key cutting service to have new vehicle key cut for previously stolen key [REDACTED]. Attended Velocity check-in meeting with Deloitte RS team and discussed results of current lease in arrears report. Further refined lessees in report, preparing for lease servicing company and on-going updates as customers pay. Pushed Clonsilla staff to complete work required for customer lease payments.	14.0
11/15/2023	Brown, Rose	Trust Banking Adm - Prepare bank folders and estate folders and file back up.	0.3
11/15/2023	Chen, Kangli	Travel to and from Peterborough [REDACTED]	4.0
11/15/2023	Chen, Kangli	Travel to and attendance at dealership. Deal with 18 lessees' call after letter delivered, prepare a draft payment & collection schedule. Return travel.	12.5

Date	Name	Narrative	Hours
11/15/2023	Sleeth, Jordan	Meeting with R. Kennedy re: [REDACTED] results, secured vehicles offsite, notices to Clonsilla, update [REDACTED] group call re: same (w/Williams, Harland and Kennedy).	1.7
11/15/2023	Williams, Richard	T/c engagement team re collections. T/c J. Sleeth. Prepare schedules of duplicate VIN. Emails with counsel. T/c H. Waddell re notices to lessees. Emails J. Alleyne re car sales, info requests. Call w/ counsel.	3.5
Total			426.2



Appendix #2
Work performed from October 26, 2023 to November 15, 2023

Date	Name	Narrative	Hours
10/26/2023	Messina, Stephen	On site in Peterborough to take possession of the car dealership loan portfolio. Took inventory of all vehicles on the lot, tagged them into a spreadsheet.	8.0
10/26/2023	Pardinas, Elijah	Travel to and attendance at client site. Return travel.	1.6
10/26/2023	Sleeth, Jordan	Attend court hearing; attend onsite - meet with H. Wadell; email court order to H. Auguste, call re: AWS environment and Velocity records; update call with ██████████ stakeholders; calls with R. Kennedy re: day 1 activities and priorities; arrange case website posting; call and email ██████████ re: securing AWS environment. Return travel.	8.0
10/26/2023	Williams, Richard	Travel to Peterborough. Virtual attendance at court hearing. Receivership planning. Attend at Clonsilla Auto sales - meeting H. Waddell. Prepare creditor notices, bank letters and other correspondence.	10.0
10/27/2023	Messina, Stephen	On site in Peterborough, finished tagging all vehicles in the lot with leasing information. Called locksmith to change locks, coordinated	8.0
10/27/2023	Pandit, Arpana	Collating the Name of Parties and their Addresses from PPSA file	2.0
10/27/2023	Pardinas, Elijah	Meeting ██████████ to discuss AWS application/framework	0.5
10/27/2023	Sleeth, Jordan	Various - calls ██████████ re: AWS database and structure, access AWS site and review content; calls with R. Williams re: banking considerations, securing assets plan (keys, leases, vehicles); update call with ██████████ and counsel; Call ██████████ re: servicing portfolio abilities and requirements, emails to ██████████ re: same; call with TGF team re: priorities.	3.0
10/27/2023	Williams, Richard	Attend at dealership. Meetings with management and employees. Engaged in obtaining and reviewing business records. Prepare flow of funds analysis. Calls with lenders and counsel.	10.5
10/28/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Reviewed and confirmed physical leases on site. Checked physical car keys on site and segregated EFC-funded lease vehicles from others. Took possession of EFC-funded vehicle from ██████████ Clonsilla employee who had it in his personal possession at time of receivership. Return travel.	6.5
10/28/2023	Williams, Richard	Travel to and attend at Dealer. On site monitoring. Cash flow reconciliations and discussions with management.	4.0
10/29/2023	Sleeth, Jordan	Coordinate onsite attendance, memo re: work plan; email ██████████ re: servicer quotes	0.8
10/30/2023	Casey, Brian	Data details discovery, imaging requirements	1.0

Date	Name	Narrative	Hours
10/30/2023	Chen, Kangli	Contact North Toronto Auction on PPSA registration after vehicle sold	0.1
10/30/2023	Messina, Stephen	On site at Clonsilla Auto. Located and secured all remaining EC leases. Prepared vehicle continuity for Clonsilla management to document the arrival of all vehicles on hand. Located and secured all remaining keys on hand.	9.0
10/30/2023	Sleeth, Jorden	Various - call with ██████; review ██████ servicer proposal, search National Auto contacts for servicing.	2.5
10/30/2023	Williams, Richard	Telephone calls and emails with insurance company, secured creditors and other stakeholders. Call with IT provider re: transfer of Velocity data. Directions to team re reconciliation of leases and other tasks. Call with H. Waddell.	4.0
10/30/2023	Williams, Richard	Call ██████ re lease servicing. Review ██████ proposal and data requirements.	0.5
10/31/2023	Chen, Kangli	Check VIN against PPSA registration, Update notices of Receiver with available financial information	3.0
10/31/2023	Pardinas, Elijah	Travel to and from client site, on-site imaging/collection of desktop computer, evidence management.	7.0
10/31/2023	Sleeth, Jorden	Call with ██████ re: servicing proposal, email offer requirements; calls with R. Williams re: onsite activities, account analyses.	0.7
10/31/2023	Williams, Richard	Review emails re attendance today and forensic imaging. Travel to and attend at dealership. Engaged in development of continuity schedule and bank reconciliations. Meetings H. Waddell. T/c and emails with RBC and NTAA	8.0
11/1/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Reviewed flow of funds statement progress to date and reviewed groupings for sorting August to October 26 bank statements. Multiple meetings ██████ to update unknown cheques, deposits and payors / payees in the bank statements. Met with H. Waddell to ask about payments. Reviewed remaining transactions and categorized them with available information.	11.0
11/1/2023	Chen, Kangli	Update notice of receiver with available financial information, call with TGF and update, Check velocity inventory list vs. nextgear inventory list & PPSA status	2.8
11/1/2023	Pardinas, Elijah	Evidence Management	0.5
11/1/2023	Sleeth, Jorden	Update call with TGF; call ██████ re: servicing proposal; call with counsel to Clonsilla.	1.0
11/1/2023	Williams, Richard	Travel to and attendance at dealership. Meetings with ██████ and management. Direction to engagement team re bank recs. T/c AB, J. Sleeth. Calls and emails with Nextgear and RBC. Review vehicle listings and match to customers. MEeting TGF.	6.0

Date	Name	Narrative	Hours
11/2/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Continued to work on flow of funds statement and focused on completing September's transactions using August categorizations. Met with [REDACTED] several times throughout the day to update unknown cheques, deposits, and payors/payees in the bank statements from Aug - Oct. Met with Hugh Waddell to ask about payments [REDACTED]. Received information from [REDACTED] Account Manager and used it to fill in information gaps that we don't have. Return travel.	11.0
11/2/2023	Brown, Rose	Mailing - Input Creditors listings into Ascend, Prepare labels, print notices, Prepare mailing and review with RW, Take to mail room.	2.1
11/2/2023	Casey, Brian	Data details discovery, imaging requirements	0.5
11/2/2023	Chen, Kangli	check to loan agreement for [REDACTED], fund-flow analysis (discussion, review RBC credit cards & cheque account on repayment of credit cards)	7.5
11/2/2023	Williams, Richard	Emails [REDACTED] re data tape. T/c and emails [REDACTED]. Preparing notice and statement. Review and revisions to draft NDA, lease letter. Emails [REDACTED] re data tape. Written update to Peoples, EFC. Meetings with engagement team.	6.0
11/3/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Continued to work on flow of funds statement and focused on completing December's transactions using August and September categorizations. Met with [REDACTED] several times throughout the day to update unknown cheques, deposits, and payors/payees in the bank statements from Aug - Oct. Met with Hugh Waddell to ask about payments [REDACTED]. Received information from [REDACTED] Account Manager and used it to fill in information gaps that we don't have. Received information from [REDACTED] to help with remaining transaction gaps. Return travel.	11.0
11/3/2023	Chen, Kangli	Fund flow analysis (review [REDACTED] Oct cheque records to decide nature of payment, review Velocity [REDACTED] accounts transactions, lessee list & catch up), call with creditor	7.4
11/3/2023	Williams, Richard	Review and analysis of data tape. Reconciliation to [REDACTED] portfolios. Emails to servicers providing NDA. Emails TGF re disclaimer.	1.5
11/4/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Finalizing the flow of funds statement by reviewing my work to ensure that transactions we're allocated to the correct areas. Spoke with [REDACTED] to ensure that remaining unknown transactions were still unknown. Reorganized total cost categories inline with existing structure [REDACTED].	7.0
11/4/2023	Chen, Kangli	Fund flow analysis (PPT & check Velocity [REDACTED] accounts)	2.0

Date	Name	Narrative	Hours
11/6/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Recorded the mileage and brief notes of all EFC vehicles on site to prepare for auctioneer. Conducted bank reconciliation of rejected payments from Oct. 26-Nov.5th and attributed them to customers. Prepared payment documentation for maintenance bill. Provided comments [REDACTED] for preparation of Flow Chart presentation based on findings from Flow of Funds Contacted [REDACTED] Account Manager for further clarification on missing [REDACTED] transactions. Coordinated with Clonsilla staff to complete work required for customer lease payments.	12.0
11/6/2023	Brown, Rose	Input and prepare deposit slip and take to the bank.	0.5
11/6/2023	Chen, Kangli	Small creditor (Log Splitter), Fund-flow analysis (flow chart)	0.4
11/6/2023	Messina, Stephen	Contacted several parties in the car dealership business in search for parties willing and able to help service the velocity leases.	1.0
11/6/2023	Sleeth, Jorden	Various: call with [REDACTED]; liaise with servicers and provide NDA, portfolio details, email memo re: [REDACTED]; review flow of funds analysis and provide revisions; update calls with R. Williams.	4.3
11/6/2023	Williams, Richard	Travel to and attend at dealership. Meetings with [REDACTED] H. Waddell. Debrief and planning call with J. Sleeth. Review email correspondence re flow of funds, Nextgear payments, vehicle auction.	5.5
11/7/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Prepared and scanned samples of written and digital leases for Richard Williams. Met with [REDACTED] and gave him a full tour of the vehicles on site at Clonsilla including, jumping cars to see if they would start, discussing status of cars, and showing him available locations for hauling vehicles. Reviewed and received clarification on related party, unsecured loan, and unknown related entity's documentation, provided by Hugh Waddell. Pushed Clonsilla staff to complete work required for customer lease payments. Return travel.	12.0
11/7/2023	Brown, Rose	Discuss with RW - Mailing to Leasing holders. Save Certificate on Q Drive and transfer estates and attached bank accounts.	0.5
11/7/2023	Casey, Brian	Data review	0.5
11/7/2023	Chen, Kangli	Travel to and attendance at dealership. Fun flow chart & Velocity [REDACTED] accounts [REDACTED] review, discussion, sample check lessee contact information for Notice to Lessee purpose, OSB documents file to Teams, small creditors (computer rental, furniture rental, etc). Return travel.	9.0
11/7/2023	Messina, Stephen	Held discussion with [REDACTED] and developed list of reputable parties to contact. Contacted several other parties via email and phone to pitch the leasing opportunity.	1.5

Date	Name	Narrative	Hours
11/7/2023	Sleeth, Jordan	Call ██████ re: servicing; call with ██████ re: servicing options, email to ██████ re: servicing; call with ██████ re: ██████ analysis; email update to TGF and team re: PTC requirements; call with TGF (Kennedy, Harland) re: ██████ findings; HST considerations, email to R. Williams re: same; review notice to Lessees for DRI website.	4.7
11/7/2023	Williams, Richard	T/c and emails J. Sleeth, C. Chen, J. Alleyne re lease reconciliation efforts, lease servicing, etc... Emails ██████ re info request. Consider HST issue. T/c C. Chen, J. Sleeth re flow of funds and servicing. Create mail files for lessee notices.	5.0
11/8/2023	Alleyne, Jaylon	Reviewed documentation from Nextgear on vehicles bought out by Nextgear. Compared Nextgear's records against Clonsilla's records to confirm accuracy and source of funding. Reconciled Nextgear purchases to flow of funds to confirm that purchase amounts are inline with Nextgear's reporting. Pushed Clonsilla staff to complete work required for customer lease payments. Began to calculate estimated customer arrears as of August 16th, 2023.	7.0
11/8/2023	Brown, Rose	Prepare for mailing to Leasing holders. Prepare Disbursement cheques and deposit and take to the bank.	1.5
11/8/2023	Chen, Kangli	Travel to Peterborough and attendance at dealership. Check duplicate VINs for Lessee Notices. Return travel	6.5
11/8/2023	Messina, Stephen	Prepared for and held discussion with Policaro leasing to provide them an understanding of the opportunity and how this can suit them	1.0
11/8/2023	Sleeth, Jordan	Call with J. Todd (Deloitte Operate) re: servicing; update calls with R. Williams.	1.4
11/8/2023	Williams, Richard	Review vehicle reconciliations. Correspondence with Nextgear re vehicle payouts. Review email H. Waddell and discussions J. Sleeth, R. Kennedy. Response H. Waddell. Emails ██████	2.0
11/9/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Worked with Clonsilla staff to clear customer personal belongings from repossessed vehicles. Verified that vehicles to be sent to auction were indeed funded by EFC, were not bought out, and customers were in arrears. Sent finalized operable vehicle list to Deloitte RS team and contacted ██████ to confirm hauling and auction of vehicles. Attended Velocity Catchup call with Deloitte RS team. Pushed Clonsilla staff to complete work required for customer lease payments.	14.0
11/9/2023	Brown, Rose	Prepare labels and print letters, Label and stuffing of 750 envelopes - Lease holding correspondence	5.2
11/9/2023	Chen, Kangli	Travel to and attendance at dealership. Check duplicate VINs for lessee notices, check RBC payment (Sep1-Nov9) to EFC list & all-inclusive list, Understand the possible fund-flow through chat with ██████ Return travel.	7.0
11/9/2023	Messina, Stephen	Provided email response to interested parties with the specifics of the opportunity and nature of the portfolio	0.5
11/9/2023	Pardinas, Elijah	QA of file exports from forensic image	0.3

Date	Name	Narrative	Hours
11/9/2023	Sleeth, Jordan	Review funding request letter and comment; review update to EFC and PTC, provide comments; email to [REDACTED] re: ERV/loan provision.	0.6
11/9/2023	Williams, Richard	Lessee notices, correspondence potential lease servicers, directions to engagement team. Emails H. Waddell re HST question. Review inventory reconciliations and directory of imaged files. Review list of vehicles for auction and discussions J. Alleyne.	3.0
11/9/2023	Williams, Richard	Emails TGF re notice requirements, HST issues and tracing. Emails H. Waddell re vehicles to auction, HST.	1.0
11/10/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Contacted hauler and auctioneer to confirm logistics of auction and transport of vehicles. Refined raw data received from [REDACTED] based on expected lease payments from customers. Worked with [REDACTED] to solve mailing issue [REDACTED]. Submitted maintenance work invoice for payment. Pushed Clonsilla staff to complete work required for customer lease payments.	9.0
11/10/2023	Chen, Kangli	Travel to and from Peterborough [REDACTED]	4.0
11/10/2023	Chen, Kangli	Travel to and attendance at dealership. Summarize Aug-Oct expected payment (from rough info provided by [REDACTED]). Return travel.	8.0
11/10/2023	Sleeth, Jordan	Update calls with [REDACTED], debrief with R. Williams.	1.0
11/10/2023	Williams, Richard	Review [REDACTED] memo. Review of files from [REDACTED] computer - emails engagement team re payment schedule. Update calls with [REDACTED]. T/c and emails J. Sleeth. Receipt and review of draft notice from D. Harland.	3.0
11/11/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Prepared list of most recent customers on repossessed vehicles that are to go to auction. Further refined raw data [REDACTED] into workable document and merged changes [REDACTED]. Used existing bank reconciliation work to consolidate with expected payments. Pushed Clonsilla staff to complete work required for customer lease payments. Discussed with [REDACTED] various issues with payment statuses of specific customers.	9.0
11/11/2023	Chen, Kangli	Prepare payment info (based on rough info provided [REDACTED]), Tranche & Bank Info	6.0
11/11/2023	Sleeth, Jordan	Call with TGF re: [REDACTED] issues and additional investigations, court report, updates to PTC.	0.5
11/12/2023	Alleyne, Jaylon	Reconciled bank statements from all of Oct 2023 to refined work file to get a status of customers in arrears from October 2023.	2.0

Date	Name	Narrative	Hours
11/13/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Physical inventory inspection of all vehicles on site. Using refined PAP sheet [REDACTED], completed first snapshot of lessees in arrears as of October. Contacted [REDACTED] for missing PAP files from July-September to complete arrears file. Worked with [REDACTED] and Hugh Waddell to obtain copies of official drawdown notices for Tranches 1-3 of EFC funding. Only successful in obtaining tranche 2. Emailed auctioneer and provided more information which required checking all vehicles. Contacted security servicing company and extended engagement for two further weeks. Pushed Clonsilla staff to complete work required for customer lease payments.	12.0
11/13/2023	Chen, Kangli	Travel to and attendance at dealership. Follow up call for internal discussion, hour update workplan, compare expected payment info (based on rough info provided [REDACTED] to Tranche info & do reconciliation. Return travel.	9.6
11/13/2023	Sleeth, Jordan	Call with PTC re: [REDACTED] updates; call with [REDACTED] re: HST; call with C. Chen and R Williams re: [REDACTED] review; review repossession notices; call with [REDACTED] re: servicing options; review tracing results and circulate email to PTC re:	4.1
11/13/2023	Sleeth, Jordan	cont'd - duplicate VINs and buyouts; follow up with servicers.	0.1
11/13/2023	Williams, Richard	Emails R. Kennedy, J. Alleyne, S. MacDonald, S. Messina. Emails with team re: lease notices and arrears balances. Analyze duplicate VIN records and prepare data summary. Team call. T/c J. Sleeth re duplicate VINs. Lessee notices. Validate VIN duplication.	6.0
11/14/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Contacted [REDACTED] to request expedited delivery of rejected payments report to complete lessees in arrears report. Modified lessees in arrears report to ensure accuracy between leases paid and payors. Finalized pickup of vehicles from vehicle hauler and conducted final check of vehicles to prepare for hauling. Pushed Clonsilla staff to complete work required for customer lease payments.	14.0
11/14/2023	Brown, Rose	AR Demand mailing - Print letters and labels, Prepare and stuff envelopes, prepare mail voucher and take mailroom.	0.8
11/14/2023	Chen, Kangli	Travel to and attendance at dealership. Compare expected payment info (based on rough info provided [REDACTED]) to Tranche info & do reconciliation, 3 hours check to physical documents of samples of duplicate VINs & Chat with [REDACTED] 1.2 hours deal with 4 lessees' call upon letter. Return travel.	11.2
11/14/2023	Messina, Stephen	Held discussion with [REDACTED] leasing, presenting the servicing opportunity	0.5

Date	Name	Narrative	Hours
11/14/2023	Sleeth, Jordan	Call with ██████ re: servicing; updates with R. Williams re: tracing, VIN searching, mechanic updates, review analysis re: same.	2.5
11/14/2023	Williams, Richard	Finalize duplicate VIN review. Instructions to team on lease audit. Review email correspondence. Notices and emails re auction. Calls with potential services / bailiffs.	3.0
11/15/2023	Alleyne, Jaylon	Travel to and attendance at dealership. Helped haulers on site as they hauled vehicles to auctioneers' location. Contacted and engaged key cutting service to have new vehicle key cut for previously stolen key (██████). Attended Velocity check-in meeting with Deloitte RS team and discussed results of current lease in arrears report. Further refined lessees in report, preparing for lease servicing company and on-going updates as customers pay. Pushed Clonsilla staff to complete work required for customer lease payments.	14.0
11/15/2023	Brown, Rose	Trust Banking Adm - Prepare bank folders and estate folders and file back up.	0.3
11/15/2023	Chen, Kangli	Travel to and from Peterborough ██████	4.0
11/15/2023	Chen, Kangli	Travel to and attendance at dealership. Deal with 18 lessees' call after letter delivered, prepare a draft payment & collection schedule. Return travel.	12.5
11/15/2023	Sleeth, Jordan	Meeting with R. Kennedy re: ██████ results, secured vehicles offsite, notices to Clonsilla, update ██████, group call re: same (w/Williams, Harland and Kennedy).	1.7
11/15/2023	Williams, Richard	T/c engagement team re collections. T/c J. Sleeth. Prepare schedules of duplicate VIN. Emails with counsel. T/c H. Waddell re notices to lessees. Emails J. Alleyne re car sales, info requests. Call w/ counsel.	3.5
Total			426.2



ATTN: Jordan Sleeth
Velocity Asset and Credit Corporation
c/o Deloitte Restructuring Inc.
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Invoice 8004269724

DeloitteRestructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: December 15, 2023
Client No.: 1677324
WBS#: EFC00011
Engagement Partner: Jordan Sleeth

GST/HST Registration: 122893605RT0001
QST Registration: 1012314163TQ0001

For professional services rendered

Fees

Rendered by Deloitte Restructuring Inc. in its capacity as Receiver of Velocity Asset and Credit Corporation and 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing for the period November 16, 2023 to December 1, 2023.

Please see attached appendices.

HST applicable 149,920.00

Expense

Out-of-pocket Expenses

HST applicable 3,242.75

Sales Tax

HST at 13.00 % 19,911.16

Total Amount Due (CAD) 173,073.91

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.



Invoice Number 8004269724

December 15, 2023

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
Velocity Asset and Credit Corporation	1677324	8004269724	173,073.91	Payment for invoice 8004269724

Contact:

Please send payment confirmation by email to: receivablesdebitors@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments(remittance email mandatory) :

Preferred Method

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Transit – Institution : 47696-002

Account Number : 1590219

USD Payment

Transit – Institution : 47696-002

Account Number : 1363514

2. Wire Payment :

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Account Number : 476961590219

Swift Code : NOSCCATT

USD Payment, Beneficiary Bank (Bank of Nova Scotia) :

Account Number : 476961363514

Swift Code : NOSCCATT

Clearing Code : CC000247696

Address: P.O. Box 4234 STN A, Toronto ON M4W 5P6

USD Payment, Intermediary Bank (Bank of America NA) :

Address: 222 Broadway, New York, NY 10038

Account Number : 476961363514

Swift Code : BOFAUS3N

ABA Routing Number : 026009593

Note: Intermediary Bank information may not be required for payments coming from outside the US

3. Online Payment :

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to :

For CAD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

For USD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1



**Appendix #1
Summary of Fees**

Name	Level	Hours	Rate	Amount
Sleeth, Jordan	Partner	28.5	750.00	21,375.00
Williams, Richard	Director	60.1	625.00	37,562.50
Casey, Brian	Senior Manager	0.5	525.00	262.50
Chen, Kangli	Manager	129.7	450.00	58,365.00
Brown, Rose	Manager	2.3	450.00	1,035.00
Dew, Todd	Senior	0.4	300.00	120.00
Orvitz, Alexander	Analyst	1.0	250.00	250.00
Alleyne, Jaylon	Analyst	123.8	250.00	30,950.00
Total Professional Hours and Fees		346.3		149,920.00
Out-of-pocket Expenses				3,242.75
Total Fees and Expenses (CAD)				153,162.75



Appendix #2
Work performed from November 16, 2023 to December 1, 2023

Date	Name	Narrative	Hours
11/16/2023	Williams, Richard	Duplicate VIN reviews, emails re police report. Execute CRA notice. Review collections and correspondence logs, emails C. Chen. T/c engagement team. T/c H. Waddell. Review TGF draft letters. Emails re [REDACTED] inventory, VIN verification.	3.0
11/16/2023	Brown, Rose	Telephone Call - review and call back. Forward message to RW. Send Fax to CRA for set up HST number.	0.4
11/16/2023	Williams, Richard	Online investigation of potentially fraudulent lease, including MTO searches. Emails engagement team and review of lease documents. Review of file listing from [REDACTED] and email [REDACTED]	2.0
11/16/2023	Alleyne, Jaylon	Investigation of physical and velocity posted documentation to find missing lessees. Assisted where needed with lease dispute investigations. Meeting with [REDACTED]	10.0
11/16/2023	Sleeth, Jorden	Calls with R. Williams re: lessee calls, offsite vehicles, email to TGF re: same, review letter to Clonsilla and to 3rd party dealership and provide comments.	1.3
11/16/2023	Chen, Kangli	Travel to and attend at dealership. Deal with 31 lessees' call after letter delivery, hour internal discussion on payment/collection schedule & reconcile to Tranche/Bank info [REDACTED]	10.1
11/17/2023	Alleyne, Jaylon	Worked with [REDACTED] to solve email and document access problems. [REDACTED] investigate fraudulent leases and missing vehicles.	12.3
11/17/2023	Orvitz, Alexander	File request, export, QA, and delivery	0.5
11/17/2023	Williams, Richard	Emails J. Sleeth, R. Kennedy re info request [REDACTED]. Review emails re [REDACTED] info request. Review H. Auguste emails attaching Tranches 1-3. Update duplicate VIN schedules. Emails engagement team. Calls with TGF, Gowlings. Review drafts.	4.0
11/17/2023	Williams, Richard	T/c [REDACTED] Assemble lease package and email to [REDACTED]. Emails engagement team.	0.5
11/17/2023	Casey, Brian	Data Extraction / meetings / QA	0.5
11/17/2023	Sleeth, Jorden	Review letters to Clonsilla and provide comments; call with Gowlings (Cohen, Murray) and receiver team to discuss [REDACTED] call with R. Williams re: lessee calls and resulting lease issues and documentation of same; review EFC lease report and duplicate VINs.	2.8
11/17/2023	Chen, Kangli	Travel to and attend at dealership. Telephone correspondence with lessees disputing information and investigation of lessee disputes.	9.9
11/18/2023	Alleyne, Jaylon	Traveled to and from dealership. Worked with [REDACTED] to find missing lease files, collected cash lease payments and deposited at bank, further investigations into fraudulent leases.	9.0
11/18/2023	Williams, Richard	Emails J. Alleyne, [REDACTED].	0.4
11/19/2023	Alleyne, Jaylon	Emails to [REDACTED] and R. Williams. Conducted investigation task for R. Williams and J. Sleeth.	3.0
11/19/2023	Chen, Kangli	Investigation and documentation of disputed lease files. Correspondence with lessees.	6.7
11/20/2023	Williams, Richard	Review [REDACTED] vehicle listing and compare to buyout register. Emails J. Sleeth, D. Harland re [REDACTED] letter. Emails [REDACTED] re Velocity Quickbooks access. Preliminary review of Velocity financial data, further emails [REDACTED].	1.3
11/20/2023	Williams, Richard	T/c and emails J. Sleeth. Review draft supplementary letter to [REDACTED]. T/c [REDACTED]. Emails D. Harland. T/c and emails D. Harland, J. Sleeth, H. Waddell re buy-outs and bill of sale. Prepare [REDACTED] Lease Master.	2.5

Date	Name	Narrative	Hours
11/20/2023	Brown, Rose	Scan return Mail and send to RW/CC.	0.3
11/20/2023	Dew, Todd	Bank reconciliations	0.4
11/20/2023	Alleyne, Jaylon	Traveled to and from dealership. Reviewed [REDACTED] listing again to confirm no additional cars posted. Worked with [REDACTED] account manager to find additional details for lease portfolio reconciliation. Met with H. Waddell. Prepared for vehicle buyouts through working with [REDACTED] to calculate buyout amount.	12.0
11/20/2023	Chen, Kangli	Travel to and attend at dealership. Investigation and documentation of disputed lease files. Correspondence with lessees.	10.3
11/20/2023	Sleeth, Jorden	Review letter to [REDACTED] and provide comments; review correspondence with MNP; call with R. Williams re: [REDACTED] re: duplicate funded vehicles.	0.8
11/21/2023	Williams, Richard	Review of lease disputes. T/c engagement team. Emails J. Sleeth, D. Harland re [REDACTED]. Multiple emails H. Waddell. T/c [REDACTED]. Emails D. Harland re [REDACTED]	5.0
11/21/2023	Brown, Rose	Trust Banking - Disbursement cheques.	0.3
11/21/2023	Alleyne, Jaylon	Traveled to and from dealership. Reviewed new lease master file and translated current workings into it. Planning call with engagement team.	11.0
11/21/2023	Orvitz, Alexander	file request 3, export, QA, and delivery	0.5
11/21/2023	Chen, Kangli	Travel to and attend at dealership. Investigation and documentation of disputed lease files. Correspondence with lessees. Update Lease Master. Planning call with engagement team.	10.2
11/21/2023	Sleeth, Jorden	Team call re: status of lease collections, offsite collateral, debtor cooperation; consider extension request from H. Waddell, draft response and circulate [REDACTED]	1.8
11/22/2023	Alleyne, Jaylon	Prepared and shipped vehicle ownerships to [REDACTED] for auction on 11/25/2023.	1.0
11/22/2023	Williams, Richard	Email [REDACTED] providing access to Velocity financial information. Review of financial information and emails [REDACTED] re duplicate VIN. T/c and emails [REDACTED] re [REDACTED] insurance. Emails J. Alleyne re bank rec.	2.0
11/22/2023	Williams, Richard	Draft first report. T/c [REDACTED] re bailiff services. Emails J. Sleeth, TGF re [REDACTED]. Email [REDACTED] T/c and emails re [REDACTED] issue. Review email [REDACTED]. Emails [REDACTED]	4.5
11/22/2023	Chen, Kangli	Travel to and attend at dealership. Investigation and documentation of disputed lease files. Correspondence with lessees. Updates to R. Williams.	10.0
11/22/2023	Sleeth, Jorden	Review [REDACTED] letter from TGF; review [REDACTED] credit agreement and email from [REDACTED] consider same; review e-mail to [REDACTED] re: Clonsilla B&R; call with [REDACTED] re: servicing opportunity, circulate request for proposal.	1.7
11/23/2023	Williams, Richard	Drafting report, review lessee correspondence. Emails D. Harland, J. Sleeth. T/c [REDACTED]. Emails [REDACTED]. Emails [REDACTED] re [REDACTED] records.	2.5
11/23/2023	Alleyne, Jaylon	Traveled to and from dealership. Prepared and shipped vehicle ownerships [REDACTED] for auction on 11/25/2023. Continued previous investigation work and building lease payment reconciliation.	7.0
11/23/2023	Chen, Kangli	Travel to and attend at dealership. Check physical files, check payment information, discuss with [REDACTED] and prepare buy-out information for cases that lessees requested over the phone, review physical files & PAP info for file [REDACTED], deal with lessees' call (3 of Nov23)	9.8
11/23/2023	Sleeth, Jorden	Circulate NDA to [REDACTED] review and comment on letter to counsel to [REDACTED]	0.4

Date	Name	Narrative	Hours
11/24/2023	Williams, Richard	T/c and emails ██████████ Call with ██████████. Review bank reconciliation and emails J. Alleyne.	1.5
11/24/2023	Alleyne, Jaylon	Traveled to and from dealership. Prepared and shipped vehicle ownerships ██████████ for auction on 11/25/2023. Continued previous investigation work and building lease payment reconciliation.	4.0
11/24/2023	Chen, Kangli	Review lease ██████████ (payment schedule etc., meet lessee in person & relevant emails), calls with lessees (10 for Nov 24) & prepare documents for problem files, lease ██████████ (email trustee, notes to file), review and log physical files & discuss with ██████████	10.4
11/24/2023	Sleeth, Jorden	Draft update memo and compile attachments for ██████████ ██████████ call will ██████████	1.5
11/25/2023	Chen, Kangli	Receive lessee calls and emails, check physical files for problem files & discuss with ██████████ and update records - 12 problematic files	9.8
11/25/2023	Williams, Richard	T/c and emails J. Alleyne, ██████████ and J. Sleeth re auction and ██████████ registration.	0.6
11/26/2023	Williams, Richard	Review correspondence H. Waddell. Review draft order and email J. Sleeth. Review emails with counsel. Review lease disputes and emails ██████████ update Lease Master. Prepare updated lease servicing data tape.	2.2
11/26/2023	Alleyne, Jaylon	Emailed with engagement team and contacted ██████████ to confirm auction. Ad hoc lease payment checks.	2.0
11/26/2023	Sleeth, Jorden	Receive email from H. Waddell, circulate internally; review draft court order, provide comments to TGF and internal team re: same.	0.8
11/27/2023	Williams, Richard	Call with counsel to discuss next steps and path ██████████. Call with Peoples ██████████	1.0
11/27/2023	Williams, Richard	Drafting first report, reconciliation of collections to Velocity payments, reconciliation of number of active leases, correspondence with engagement team. Emails ██████████ T/c and emails with potential servicers.	7.3
11/27/2023	Alleyne, Jaylon	Traveled to and from dealership. Continued previous investigation work and building lease payment reconciliation. Reviewed ██████████ security and paperwork to confirm location of vehicles.	10.0
11/27/2023	Chen, Kangli	Review physical documents of problem files & discuss/confirm with ██████████ status of each, notes to file. Calls with lessees, email to R Williams re: same ██████████	9.8
11/27/2023	Sleeth, Jorden	Various - receive updates from R. Williams and J. Alleyne re: "funded in error" leases; email memo to TGF re: report for court, additional relief; call with TGF; update call with ██████████ ██████████ review ██████████ NDA and return same, circulate data tape; email to H. Waddell re: information requests; ██████████ memo to ██████████	3.7
11/28/2023	Williams, Richard	Finalize draft of first report. Emails ██████████ ██████████. Review CRA correspondence ██████████. T/c ██████████ re lease servicing. Emails ██████████ staff re auction issues. Emails J. Alleyne, ██████████ re ██████████ requests.	4.5
11/28/2023	Brown, Rose	Discussion with JS with regards to payment/receipts. Prepare R&D's for Velocity and 927649/Clonsilla and send to RW. Discuss depositing funds into ██████████ account and send email to ██████████.	1.0
11/28/2023	Alleyne, Jaylon	Traveled to and from dealership. Prepared and shipped remaining vehicle ownerships ██████████ for auction on 11/25/2023. Continued previous investigation work and building lease payment reconciliation. Met with H. Waddell to return payment to him.	10.0
11/28/2023	Chen, Kangli	Update records after detailed review of physical files & discuss with ██████████ (for files related to calls thru Nov 25, 2023 Saturday)	6.3

Date	Name	Narrative	Hours
11/28/2023	Sleeth, Jordan	Review draft receiver report and provide comments; call with [REDACTED] (prospective servicer); update meeting with R. Kennedy (TGF) and R. Williams, discuss [REDACTED] order; email [REDACTED] re: potential fraud [REDACTED]	2.8
11/29/2023	Brown, Rose	Scanning Return Mail rec'd and send RW.	0.1
11/29/2023	Williams, Richard	Emails [REDACTED] J. Alleyne. Review buyout requests and identify additional documents required. Trust administration and emails [REDACTED] Emails [REDACTED] [REDACTED] re [REDACTED] leases. Coordinate review of leases and t/c J. Sleeth.	2.0
11/29/2023	Williams, Richard	Call with [REDACTED] to discuss lease servicing and disposition of their lease contracts. Review and execute [REDACTED] NDA and send lease servicing data. Review responses from H. Wadell and associated emails.	1.5
11/29/2023	Alleyne, Jaylon	Traveled to and from dealership. Performed investigative work and sampling to determine [REDACTED] files.	10.5
11/29/2023	Chen, Kangli	Prepare excel listing of buy-out schedule with amortization; return calls to lessors and document lessee log, returned mail info in CAS Master file, compare [REDACTED] list vs. EFC list, index and store leases, check & discuss exception with [REDACTED]	9.9
11/29/2023	Sleeth, Jordan	Call with [REDACTED] re: notice to Clonsilla and attempt to PAP overlapping customers with EFC liened VINs, debrief same with R. Williams, circulate [REDACTED] decisions [REDACTED] draft email to H. Waddell re: Nov 17 information requests.	1.8
11/29/2023	Sleeth, Jordan	Review draft court report and provide edits/revisions.	2.8
11/30/2023	Brown, Rose	Confirm wire/Transfer is deposited to Trust Account and input into Ascend.	0.2
11/30/2023	Williams, Richard	Review of comments on reports and revision of same. Emails engagement team. Correspondence with lessees. Emails to [REDACTED] Review of [REDACTED] leases with J. Alleyne. Emails H. Waddell.	4.6
11/30/2023	Alleyne, Jaylon	Traveled to and from dealership. Investigated [REDACTED] files and made detailed notes on findings.	11.0
11/30/2023	Chen, Kangli	Review lease [REDACTED] call with lessee, check physical documents, discuss with [REDACTED] Hugh, call with team re: lease issues, memo to file; various discussions with [REDACTED] update emails to R. Williams.	6.5
12/1/2023	Alleyne, Jaylon	Traveled to and from dealership. Investigated [REDACTED] files and made detailed notes on findings. Scenario planning of common [REDACTED] findings for future investigative work.	11.0
12/1/2023	Williams, Richard	Review QA comments on first report and revise. Call with [REDACTED] Emails [REDACTED] H. Waddell. Call with [REDACTED] T/c and emails [REDACTED] Meeting to review report with TGF.	6.2
12/1/2023	Williams, Richard	Prepare report appendices, t/c [REDACTED] re PPSA registration issues. Emails D. Harland.	1.0
12/1/2023	Chen, Kangli	Update [REDACTED] Master file for returned mail, attend to Lessee calls [REDACTED] and draft memos to file; discuss physical file lease status [REDACTED], review completeness of EFC lease files and schedule (and cross reference against [REDACTED]).	10.0
12/1/2023	Sleeth, Jordan	Receiver report - detailed review of report, revise to address comments from QA review; calls with R. Williams re: same; call with TGF re: report, detailed review to address mark ups; call with [REDACTED] re: report; call with [REDACTED] call with [REDACTED] review and comment on draft order and notice of motion.	6.3
Total			346.3



Appendix #3
Out of pocket Expenses

Description	Amount
Parking	37.50
Transportation	2,061.88
Search and Filing Fees	132.51
Locksmith	214.14
Postage and Courier	796.72
Total	3,242.75



Invoice 8004361424

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Jordan Sleeth
Velocity Asset and Credit Corporation
c/o Deloitte Restructuring Inc.
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: January 16, 2024
Client No.: 1677324
WBS#: EFC00011
Engagement Partner: Jordan Sleeth

GST/HST Registration: 122893605RT0001
QST Registration: 1000870419 TQ0002

For professional services rendered

Fees

Work performed by Deloitte Restructuring Inc. in its capacity as Receiver of Velocity Asset and Credit Corporation and 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing for the period December 2, 2023 to December 31, 2023.

Please see attached appendices for details.

HST applicable 241,132.50

Expense

Out-of-pocket Expenses

HST applicable 1,876.49

Sales Tax

HST at 13.00 % 31,591.17

Total Amount Due (CAD) 274,600.16

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.



Invoice Number 8004361424

January 16, 2024

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
Velocity Asset and Credit Corporation	1677324	8004361424	274,600.16	Payment for invoice 8004361424

Contact:

Please send payment confirmation by email to: receivablesdebitors@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments(remittance email mandatory) :

Preferred Method

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Transit – Institution : 47696-002

Account Number : 1590219

USD Payment

Transit – Institution : 47696-002

Account Number : 1363514

2. Wire Payment :

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Account Number : 476961590219

Swift Code : NOSCCATT

USD Payment, Beneficiary Bank (Bank of Nova Scotia) :

Account Number : 476961363514

Swift Code : NOSCCATT

Clearing Code : CC000247696

Address: P.O. Box 4234 STN A, Toronto ON M4W 5P6

USD Payment, Intermediary Bank (Bank of America NA) :

Address: 222 Broadway, New York, NY 10038

Account Number : 476961363514

Swift Code : BOFAUS3N

ABA Routing Number : 026009593

Note: Intermediary Bank information may not be required for payments coming from outside the US

3. Online Payment :

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to :

For CAD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

For USD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1



**Appendix #1
Summary of Fees**

Name	Level	Hours	Rate	Amount
Sleeth, Jorden	Partner	45.30	750.00	33,975.00
Williams, Richard	Director	63.90	625.00	39,937.50
Chen, Kangli	Manager	177.90	450.00	80,055.00
Brown, Rose	Manager	4.30	450.00	1,935.00
Conorton, Laura	Consultant	4.10	300.00	1,230.00
Pardinas, Elijah	Senior	14.50	300.00	4,350.00
Messina, Stephen	Senior	31.50	300.00	9,450.00
Pannu, Ravneet	Analyst	131.60	250.00	32,900.00
Alleyne, Jaylon	Analyst	145.20	250.00	36,300.00
Garcia, Andy	Analyst	4.00	250.00	1,000.00
Total Professional Hours and Fees		622.30		241,132.50
Out-of-pocket Expenses				1,876.49
Total Fees and Expenses (CAD)				243,008.99



Appendix #3
Out of pocket Expenses

Description	Amount
Telecommunication	170.74
Parking	-
Transportation	549.29
Meals	570.25
Accommodations	518.80
Search and Filing Fees	42.56
Postage and Courier	-
Miscellaneous	24.85
Total	1,876.49



Appendix #2

Work performed from December 2, 2023 to December 31, 2023

Date	Name	Narrative	Hours
12/2/2023	Alleyne, Jaylon	On site attendance at Clonsilla. Worked with Clonsilla staff to facilitate pre-buyout paperwork. Pre-approved payment allocations.	6.90
12/2/2023	Chen, Kangli	Dealing with lessees calls ██████████ and ensure payment ██████████ received, internal discussion on vehicle sold without involving receiver, summarize call log & update dispute log & prepare documents	6.80
12/2/2023	Sleeth, Jordan	Review receiver's report, review H. Wadell response to Nov 17 letter, calls with R. Williams re: same, review lease schedules and related documentation.	4.50
12/3/2023	Chen, Kangli	Summarize call log including dispute log, calls to lessees, direct ██████████	5.50
12/3/2023	Sleeth, Jordan	Review Gowlings comments on Receiver report, calls with R. Kennedy, emails with R. Williams re: report, review responses from ██████████	2.00
12/3/2023	Williams, Richard	Review comments and revisions to draft report. Emails with TGF, Gowlings and J. Sleeth. Emails ██████████.	1.50
12/4/2023	Alleyne, Jaylon	Attendance at Clonsilla. Onboarding of new contractor. Reconciliation of onsite inventory. PAP reconciliation and bank training for lease servicing take over.	9.20
12/4/2023	Chen, Kangli	Attendance at client site. Team internal discussion, deal with lessees' calls and investigate physical paper file of problem files.	9.50
12/4/2023	Conorton, Laura	Website update	0.10
12/4/2023	Pannu, Ravneet	Onsite attendance, review and upload lease documents to database, meetings with R. Williams, C. Chen and J. Alleyne.	8.00
12/4/2023	Sleeth, Jordan	Review court report and approve for filing; calls with R. Williams re: servicing, onsite activities; call with prospective servicer ██████████	1.50
12/4/2023	Williams, Richard	Travel to and attendance at Dealership. Emails ██████████ R. Kennedy, J. Sleeth. Meet with ██████████ and engagement team. T/c TGF. Email from ██████████ re ██████████ portfolio. Meeting H. Waddell re motion record. Review lease buyout and discussions ██████████ Return travel. T/c ██████████ re ██████████ carve-out. T/c with potential lease servicer. Emails ██████████.	5.50

Date	Name	Narrative	Hours
12/5/2023	Alleyne, Jaylon	On site at Clonsilla. Taking Possession Meeting with Engagement Team. Prepared for takeover of Clonsilla and training for PAP entry.	8.90
12/5/2023	Brown, Rose	Trust Banking - Disbursement cheque.	0.20
12/5/2023	Chen, Kangli	Attendance at dealership. Internal discussions with engagement team, check paper file of problem files, direct [REDACTED] re: outstanding payments	9.30
12/5/2023	Messina, Stephen	Prepared for, attended and debriefed team on plan for the full taking of possession. Drafted retention letter, termination letter and asset release document	1.60
12/5/2023	Pannu, Ravneet	Onsite attendance, review and upload lease documents to database, meetings with C. Chen and J. Alleyne.	8.40
12/5/2023	Sleeth, Jordan	Receivership planning call with Receiver team; review correspondence from H. Waddell; call with R. Kennedy.	1.00
12/5/2023	Williams, Richard	Emails J. Alleyne, [REDACTED] Planning meeting with engagement team re taking possession on Friday. Emails with [REDACTED]. Draft and review [REDACTED] letters. Emails H. Waddell, R. Kennedy. Review lease disputes and buyouts.	3.00
12/6/2023	Alleyne, Jaylon	Preparing for taking possession. Finalized vehicle buyouts.	5.30
12/6/2023	Chen, Kangli	Attendance at dealership. Review of physical files to address lessee issues and disputes, update revised master lease list, various dcw [REDACTED] calls with R. Williams.	9.60
12/6/2023	Messina, Stephen	Sent emails to prepare to take possession of full facility	0.20
12/6/2023	Pannu, Ravneet	Onsite attendance, review and upload lease documents to database, meetings with C. Chen and J. Alleyne.	8.30
12/6/2023	Sleeth, Jordan	Call with TGF re: Dec. 8 hearing - prepare submission arguments re: extension request, potential defences; review report to prepare for Dec. 8.	2.50
12/6/2023	Sleeth, Jordan	Planning considerations re: Dec 8 take possession - offsite access, retention letters, call [REDACTED] re: servicing.	1.50
12/6/2023	Williams, Richard	Emails [REDACTED] J. Sleeth, H. Wadell. T/c J. Alleyne re identifying [REDACTED] contacts in advance of [REDACTED] order. Meeting J. Sleeth, TGF re court hearing on Friday.	3.10
12/7/2023	Alleyne, Jaylon	Calls with R. Williams, investigate transactions and review emails, prepare questions for H. Waddell and assisting with investigation of lease disputes.	2.00
12/7/2023	Chen, Kangli	Onsite attendance at dealership. Review disputed files with retained employees and review physical files to address lessee issues and disputes.	8.50

Date	Name	Narrative	Hours
12/7/2023	Pannu, Ravneet	Onsite attendance, review and upload lease documents to database, meetings with C. Chen and J. Alleyne.	8.50
12/7/2023	Sleeth, Jordan	Prepare for Dec 8 receivership hearing - review and provide comments on Factum, review Receiver report and support, call with TGF re: same, review.	2.80
12/7/2023	Williams, Richard	Emails B. Casey, J. Alleyne. Review deposit details and emails R. Kennedy. Emails D. Harland re deposits. Review [REDACTED] vehicle listing and supporting documents. Emails [REDACTED] re servicing. Emails D. Harland, [REDACTED] re discharges.	2.00
12/7/2023	Williams, Richard	Emails R. Kennedy re support from [REDACTED]. Emails [REDACTED] re [REDACTED]. T/c TGF to review submissions for hearing. Review and comment on [REDACTED] term sheet.	1.70
12/8/2023	Alleyne, Jaylon	Supporting engagement team with ad hoc tasks, [REDACTED]	3.00
12/8/2023	Chen, Kangli	Check physical paper file of problem files, take possession after court order ([REDACTED] letters, [REDACTED] letters, letter to [REDACTED], utilities account check etc.)	9.20
12/8/2023	Messina, Stephen	On site at client location in Peterborough, physically took inventory of all cars on site, interviewed Owner to determine [REDACTED]	5.70
12/8/2023	Pannu, Ravneet	Onsite attendance, review and upload lease documents to database, meetings with R. Williams, C. Chen and J. Alleyne.	9.10
12/8/2023	Sleeth, Jordan	Prepare for and attend court hearing to expand receiver powers, debrief with R. Kennedy and R. Williams; calls with R. Williams re: [REDACTED] issues, [REDACTED] vehicle purchases.	4.30
12/8/2023	Williams, Richard	Prep questions [REDACTED]. Travel to Peterborough. Attend court hearing. Attend at dealership and meet with H. Waddell. Telephone conference with engagement team and counsel. Meetings with employees. Engaged with taking possession.	8.40
12/11/2023	Alleyne, Jaylon	Onsite at Clonsilla. Met with retained staff and discussed [REDACTED]. Dealt with adhoc issues brought up by lessees that needed to be resolved including collection of cash payments.	10.60
12/11/2023	Chen, Kangli	Onsite attendance at dealership. Review lease files, update for payments received, review lease files based on calls from lessees [REDACTED] various emails & check physical files.	10.70
12/11/2023	Conorton, Laura	Website updates	0.40

Date	Name	Narrative	Hours
12/11/2023	Messina, Stephen	Calls and emails with team to discuss status of [REDACTED] auction and inventory of cars.	0.40
12/11/2023	Pannu, Ravneet	Onsite attendance, review of company service providers, draft letters to service providers advising of receivership for R. Williams review; review of leases and compare with database, meetings with C. Chen and J. Alleyne.	8.80
12/11/2023	Pardinas, Elijah	On-site collection – imaging of [REDACTED] device	5.00
12/11/2023	Sleeth, Jordan	Call with TGF team re: [REDACTED] issues, [REDACTED] issues, servicer [REDACTED] and issues; revise [REDACTED] notice letter and circulate.	2.50
12/11/2023	Williams, Richard	Attendance at site. Engaged with release of vehicle. T/c and emails with [REDACTED] PPSA searches. Meeting [REDACTED] Review incoming mail. Meeting [REDACTED] re: cars in shop. Return travel.	8.70
12/12/2023	Alleyne, Jaylon	Attendace at Clonsilla. Took control of Clonsilla electronic assets. Dealt with adhoc issues brought up by lessees that needed to be resolved including collection of payments.	10.80
12/12/2023	Brown, Rose	Review Email regarding transfer of funds [REDACTED]	0.10
12/12/2023	Chen, Kangli	Extensive telephone and email correspondence with lessees and other stakeholders. Investigation of payment status and lease disputes. Dealing with [REDACTED] letter. Review of physical files.	9.50
12/12/2023	Conorton, Laura	Website Updates	0.30
12/12/2023	Pannu, Ravneet	Onsite attendance, correspondence with company service providers, review of leases and compare with database, contact lessees; meetings with C. Chen and J. Alleyne.	8.80
12/12/2023	Pardinas, Elijah	[REDACTED] Collection – Scoping and configuration	2.00
12/12/2023	Sleeth, Jordan	Update call with [REDACTED] review [REDACTED] account issue with R. Willaims; review lessee memo re: duplicate lease.	1.00
12/12/2023	Sleeth, Jordan	Various: call with counsel to [REDACTED] update from R. Williams; call with counsel to [REDACTED] call with R. Williams and [REDACTED] of Clonsilla.	1.50
12/12/2023	Williams, Richard	Attend at dealership. Meetings [REDACTED] H. Waddell. Finalize [REDACTED] agreements. Review incoming mail. Email correspondence with creditors. T/c [REDACTED] Extensive correspondence [REDACTED] to secure [REDACTED]. Emails J. Sleeth, R. Kennedy. T/c and emails with stakeholders (banks, utilities, insurers). Update call with PTC. Review and finalize WEPPA schedule.	8.90

Date	Name	Narrative	Hours
12/13/2023	Alleyne, Jaylon	Attend at Clonsilla. Worked on [REDACTED] PAP reconciliation. Dealt with adhoc issues brought up by lessees that needed to be resolved including collection of payments.	11.10
12/13/2023	Chen, Kangli	Attendance at dealership. Correspondence with CRA re RT0002 account. Telephone calls and email correspondence with lessees and other stakeholders regarding lease disputes. Return travel.	9.20
12/13/2023	Conorton, Laura	Processing wire payment [REDACTED], recording incoming wire, correspondence with [REDACTED], trust administration and banking and account review	1.00
12/13/2023	Messina, Stephen	Generated WEPPA materials, submitted Receiver registration form for WEPPA, reassessed amounts to be paid, set up the mail merge letters to be sent with claim amounts for all employees	4.10
12/13/2023	Pannu, Ravneet	Onsite attendance, calls with lessees, review leases and compare with database, meetings with C. Chen and J. Alleyne; draft letters to lessees re: payments.	8.80
12/13/2023	Pardinas, Elijah	[REDACTED] – Scoping and configuration	1.50
12/13/2023	Sleeth, Jordan	Review investigation notice letters; email to [REDACTED] counsel re: PPSA registrations; consider [REDACTED] attendance parameters, email [REDACTED] re: same.	1.00
12/13/2023	Williams, Richard	Engaged with WEPPA administration. Emails with counsel, J. Sleeth. Dealing with discharges of PPSA held by [REDACTED]. Review correspondence to examinees. Emails H. Waddell, engagement team.	4.30
12/14/2023	Alleyne, Jaylon	On site attendance at Clonsilla. Began investigation into Clonsilla assets. Dealt with adhoc issues brought up by lessees that needed to be resolved including collection of payments. Contacted external stakeholders to notify of restated receivership order.	12.60
12/14/2023	Chen, Kangli	Onsite attendance at dealership. Extensive telephone correspondence with lessees regarding lease disputes. Telephone calls with secured and unsecured creditors. Meet with bailiff [REDACTED] Review paper files and discuss with staff.	9.60
12/14/2023	Garcia, Andy	Setting up evidence management and running searches/exports for O365 environment.	1.00
12/14/2023	Messina, Stephen	Finalized WEPPA figures, prepared all document to be sent to each employee (custom and generic), emailed WEPP package to all employees, filed WEPP claims with Service Canada for all employees.	4.30

Date	Name	Narrative	Hours
12/14/2023	Pannu, Ravneet	Onsite attendance, review of leases and draft letters to lessees; draft letters for ██████████ re: cancellation of ██████████ vehicle insurance for R. Williams review; email correspondence to ██████████ re: approved letter for ██████████ meetings with C. Chen and J. Alleyne.	9.10
12/14/2023	Sleeth, Jordan	Review draft and final letters sent to ██████████ banks re: ██████████ call with R. Williams re: servicer proposals; call with H. Waddell re: onsite attendance.	0.70
12/14/2023	Sleeth, Jordan	Call with R. Williams and B. Casey re: document storage ██████████	0.50
12/14/2023	Williams, Richard	Emails H. Waddell, J. Sleeth. Review correspondence re payables, liens and other claims. Prepare letter to MTO for ██████████ sale. Finalizing amended Notice and Statement. Meeting ██████████ re data capture and storage ██████████	3.50
12/14/2023	Williams, Richard	Review and approval of WEPPA materials, emails S. Messina. Review and approve letters re insurance and dealer plates. Review and approve bank letters. T/c J. Sleeth re workplan. Emails re ██████████ refund. Prepare summary of servicing proposals.	2.50
12/15/2023	Alleyne, Jaylon	On site at Clonsilla. Investigation into Clonsilla assets. Dealt with adhoc issues brought up by lessees that needed to be resolved including collection of payments.	11.50
12/15/2023	Chen, Kangli	Travel to and attendance at dealer site. Extensive email and telephone correspondence with lessees and external stakeholders. Prepare internal summaries of ██████████ cases.	9.50
12/15/2023	Conorton, Laura	Reviewing and consolidating emails with regards to payment request, modifying requisition and preparation	0.20
12/15/2023	Garcia, Andy	Exporting mailboxes from O365, preservation of O365 mailboxes, Evidence management. Manual exporting of each mailbox for Google Takeout + QA. Creating forensic images of exports + QA. Updating evidence management.	2.50
12/15/2023	Messina, Stephen	Responded to questions about claims and employee's asset removal	0.30
12/15/2023	Pannu, Ravneet	Onsite attendance, supervision of former employee ██████████ re: pick up of personal items, review leases for time sensitive issues and assist with resolution; compare leases with database, meetings with C. Chen and J. Alleyne; draft letters to lessees.	8.50
12/15/2023	Pardinas, Elijah	██████████ – Scoping and configuration	1.50
12/15/2023	Sleeth, Jordan	Update call with R. Williams and R Kennedy; review updates re: lessees; call with Bailiff.	2.50
12/15/2023	Sleeth, Jordan	Landlord issues.	0.20

Date	Name	Narrative	Hours
12/15/2023	Williams, Richard	Emails re lien discharge. Finalize creditor listing for Notice and Statement. Meeting J. Sleeth, R. Kennedy. Emails with [REDACTED]	2.00
12/17/2023	Alleyne, Jaylon	Meeting with engagement team, contacted external stakeholders. Prepared list of missing Clonsilla assets.	4.30
12/17/2023	Chen, Kangli	Update dispute log till Dec 17, 2023 (with a rough category of problems)	3.50
12/17/2023	Sleeth, Jorden	Call with C. Chen, J. Alleyne and [REDACTED] re: weekly priorities, status of servicing, lessee concerns; review servicer proposals, circulate to TGF.	1.50
12/18/2023	Alleyne, Jaylon	Attend at Clonsilla. Investigation into Clonsilla assets. Dealt with adhoc issues brought up by lessees that needed to be resolved including collection of payments. Investigated missing vehicles and tracked them down for asset listing.	11.80
12/18/2023	Chen, Kangli	Attendance at dealership. Internal discussions with team. Review and investigation of lease disputes. Telephone and email correspondence with lessees and external stakeholders.	10.30
12/18/2023	Conorton, Laura	Saving of Weppa POC's, trust administration	0.30
12/18/2023	Messina, Stephen	Updated WEPPA profile for employees submitting PoC's, called customers with disputes, drafted S245 report to reflect 12.8 receivership	2.80
12/18/2023	Pannu, Ravneet	Onsite attendance, calls with lessees, review leases and compare with database, compile unsecured creditors lists and documents; meetings with C. Chen and J. Alleyne; draft letters to lessees.	8.70
12/18/2023	Sleeth, Jorden	Call with team re: priorities; call with R. Kenndy and S. McGrath re: [REDACTED]; emails to Insurance Broker, Bailiff; revise s.245 report and circulate to TGF for comments.	2.00
12/19/2023	Alleyne, Jaylon	On site at Clonsilla. Investigation into Clonsilla assets. Dealt with adhoc issues brought up by lessees that needed to be resolved including collection of payments. Prepared buyout paperwork for lessees.	12.60
12/19/2023	Chen, Kangli	Onsite attendance at dealership. Meeting with J. Sleeth re [REDACTED] issue. Extensive telephone and email correspondence with lessees re disputes. Review and investigation of lease disputes.	10.40
12/19/2023	Conorton, Laura	Updating weppa POC's, Processing cheque payment for reimbursement of NSF fees	0.80
12/19/2023	Garcia, Andy	Review Google Takeout data downloaded from Google CLI and manually downloading each ZIP. Review [REDACTED] data. Updating evidence management.	0.50

Date	Name	Narrative	Hours
12/19/2023	Messina, Stephen	Discussion with team, WEPPA update, generated generic response to creditors to be used, emailed various creditors in response to disputes.	2.10
12/19/2023	Pannu, Ravneet	Onsite attendance, calls with lessees, review leases and compare with database, meetings with C. Chen and J. Alleyne; draft letters to lessees.	10.10
12/19/2023	Pardinas, Elijah	██████████ - preservation and analysis	1.50
12/19/2023	Sleeth, Jordan	Various - review ██████ servicer proposal; emails to team re: dealer plates and related insurance cutoff; call with onsite team re: priorities; review various letters; call with lessee, call with ██████; call with J. Alleyne and C. Chen re: ██████ sales; review ██████ documents, draft memo to TGF; call with Bailiff.	3.50
12/20/2023	Alleyne, Jaylon	Attendance at Clonsilla. Worked on reconciliation of PAP payments to lessees. Worked with Clonsilla contractor to complete accurate list of all leases. Began packing process.	13.10
12/20/2023	Brown, Rose	Scan mail rec'd and send to ██████. Prepare Mailing labels and copy Amended - Notice of Receiver.	1.70
12/20/2023	Chen, Kangli	Attendance at dealership. Extensive telephone and email correspondence with lessees re disputes. Review and investigation of lease disputes. Detailed investigation of ██████ case including discussion with ██████	9.80
12/20/2023	Conorton, Laura	Updating Weppa POC information	0.40
12/20/2023	Messina, Stephen	Updated and finalized S245 report, developed mailing list for the amended report and applied lawyer comments to mailing. Filed remaining WEPPA claim for employees filing PoCs.	5.90
12/20/2023	Pannu, Ravneet	Onsite attendance, calls with lessees, review leases and compare with database, meetings with C. Chen and J. Alleyne; draft letters to lessees and creditors advising of receivership.	9.10
12/20/2023	Pardinas, Elijah	██████████ - preservation validation and evidence management	1.50
12/20/2023	Sleeth, Jordan	Team call; call with TGF re: ██████, draft letters to ██████ re: vehicles offsite and interference with lessees, call with counsel to ██████ review letters to lessess and approve finalize s.245 notice for OSB.	2.80
12/21/2023	Alleyne, Jaylon	On site at Clonsilla. Worked on reconciliation of PAP payments to lessees. Worked with Clonsilla contractor to complete accurate list of all leases. Prepared important documentation for offsite keeping over holidays.	11.50
12/21/2023	Brown, Rose	Label envelopes and folder and stuff envelopes for mailing of Amended Notice of Receiver. Prepare/Fax to OSB the notice of Receiver. Save all documents and WP on Q Drive. Prepare Affidavit of Mailing and have Commission by TA.	2.30

Date	Name	Narrative	Hours
12/21/2023	Chen, Kangli	Attendance at dealership. Extensive telephone and email correspondence. Meeting with walk-in lessee. Review and investigate lease disputes.	10.80
12/21/2023	Conorton, Laura	Reviewing revised mailing, correspondence with team on mailing	0.30
12/21/2023	Messina, Stephen	Dealt with various creditor questions on the phone and through email, taking note of their issue and providing email responses.	1.70
12/21/2023	Pannu, Ravneet	Onsite attendance, calls with lessees, review leases and compare with database, meetings with C. Chen and J. Alleyne; draft letters to lessees and creditors advising of receivership.	9.20
12/21/2023	Sleeth, Jordan	Team calls, update call with [REDACTED]; review [REDACTED] letter and discuss with R. Kennedy.	2.50
12/22/2023	Chen, Kangli	Onsite attendance at dealership. Extensive telephone and email correspondence. Internal discussions with team. Review PAP setup for certain leases.	8.20
12/22/2023	Conorton, Laura	Website updates and corrections	0.30
12/22/2023	Messina, Stephen	Called and emailed various creditors to address their concerns	2.40
12/22/2023	Pannu, Ravneet	Onsite attendance, attendance at Canada Post for mail forwarding, review leases and compare with database, meetings with C. Chen; draft letters to lessees.	8.20
12/22/2023	Pardinas, Elijah	[REDACTED] evidence management and verification of data	1.50
12/22/2023	Sleeth, Jordan	Call with R. Kennedy re: [REDACTED] letter, review lease and determine [REDACTED] review lessee correspondence; call with C. Chen and [REDACTED].	1.50
12/26/2023	Chen, Kangli	Telephone and email correspondence with lessees. Investigate lease disputes.	3.80
12/26/2023	Williams, Richard	Review and response to various email correspondence.	1.00
12/27/2023	Chen, Kangli	Telephone and email correspondence with lessees. Investigate lease disputes.	3.30
12/27/2023	Williams, Richard	T/c [REDACTED] Emails [REDACTED]. T/c RK, DH, JS. T/c and emails [REDACTED]	2.20
12/28/2023	Chen, Kangli	Telephone and email correspondence with lessees. Investigate lease disputes.	3.20
12/28/2023	Williams, Richard	T/c [REDACTED] Review emails H. Waddell re [REDACTED] issue. Emails Gowlings, J. Sleeth re [REDACTED] notice.	1.30

Date	Name	Narrative	Hours
12/29/2023	Chen, Kangli	Telephone and email correspondence with lessees. Investigate lease disputes.	3.50
12/29/2023	Sleeth, Jordan	Review correspondence with lessees, letter to [REDACTED] respond to same; SISP planning	1.50
12/29/2023	Williams, Richard	Review TGF email re lease issue; emails M. Waddell. Review email correspondence re multiple lessee issues and stakeholder disputes and email team in response.	1.80
12/30/2023	Chen, Kangli	Telephone and email correspondence with lessees. Investigate lease disputes.	4.20
12/31/2023	Williams, Richard	Review email correspondence from stakeholders. Prepare agenda for workplan meeting. Prepare issues list. Review lease disputes.	2.50
Total			622.30



Invoice 8004444856

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Jordan Sleeth
Velocity Asset and Credit Corporation
c/o Deloitte Restructuring Inc.
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: February 09, 2024
Client No.: 1677324
WBS#: EFC00011
Engagement Partner: Jordan Sleeth

GST/HST Registration: 122893605RT0001
QST Registration: 1012314163TQ0001

For professional services rendered

Fees

Rendered by Deloitte Restructuring Inc. in its capacity as Receiver of Velocity Asset and Credit Corporation and 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing for the period January 1, 2024 to January 19, 2024.

Please see attached appendices.

Expense

Out-of-pocket Expenses

Sales Tax

HST applicable 245,999.00

HST applicable 9,243.57

HST at 13.00 % 33,181.53

Total Amount Due (CAD) 288,424.10

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.



Invoice Number 8004444856

February 09, 2024

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
Velocity Asset and Credit Corporation	1677324	8004444856	288,424.10	Payment for invoice 8004444856

Contact:

Please send payment confirmation by email to: receivablesdebitors@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments(remittance email mandatory) :

Preferred Method

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Transit – Institution : 47696-002

Account Number : 1590219

USD Payment

Transit – Institution : 47696-002

Account Number : 1363514

2. Wire Payment :

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Account Number : 476961590219

Swift Code : NOSCCATT

USD Payment, Beneficiary Bank (Bank of Nova Scotia) :

Account Number : 476961363514

Swift Code : NOSCCATT

Clearing Code : CC000247696

Address: P.O. Box 4234 STN A, Toronto ON M4W 5P6

USD Payment, Intermediary Bank (Bank of America NA) :

Address: 222 Broadway, New York, NY 10038

Account Number : 476961363514

Swift Code : BOFAUS3N

ABA Routing Number : 026009593

Note: Intermediary Bank information may not be required for payments coming from outside the US

3. Online Payment :

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to :

For CAD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

For USD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1



**Appendix #1
Summary of Fees**

Name	Level	Hours	Rate	Amount
Sleeth, Jordan	Partner	20.0	785.00	15,700.00
Williams, Richard	Director	58.4	660.00	38,544.00
Casey, Brian	Senior Manager	2.5	550.00	1,375.00
Chen, Kangli	Manager	126.8	475.00	60,230.00
Brown, Rose	Manager	4.5	475.00	2,137.50
Conorton, Laura	Consultant	5.1	300.00	1,530.00
Messina, Stephen	Senior	60.7	325.00	19,727.50
Pannu, Ravneet	Analyst	121.5	275.00	33,412.50
Alleyne, Jaylon	Analyst	153.0	275.00	42,075.00
Aching, Chanelle	Analyst	113.7	275.00	31,267.50
Total Professional Hours and Fees		666.2		245,999.00
Out-of-pocket Expenses				9,243.57
Total Fees and Expenses (CAD)				255,242.57



Appendix #2

Work performed from January 1, 2024 to January 19, 2024

Date	Name	Narrative	Hours
1/1/2024	Chen, Kangli	Check files and payment status, correspondence with lessees/internal communication	2.7
1/2/2024	Williams, Richard	Workplan meeting, emails R. Kennedy, ██████████, H. Waddell. Trust administration.	4.5
1/2/2024	Conorton, Laura	Website updates	0.1
1/2/2024	Alleyne, Jaylon	Meeting with engagement team to discuss priorities and next steps. Reviewed work to date and formulate 10 day workplan to meet deadlines. Complied asset listing and contacted stakeholders for updates on current asset whereabouts.	8.0
1/2/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed physical lease files to address lessee concerns. Check to payment status of files. Telephone calls and emails with external stakeholders. Internal discussion. Return travel.	10.3
1/2/2024	Sleeth, Jordan	Internal team call re: priorities, workstream allocation; review dealer plate issue and letter to H. Waddell.	1.0
1/2/2024	Pannu, Ravneet	Onsite attendance, calls with lessees, review leases and compare with database, meetings with C. Chen; draft letters to lessees.	5.2
1/3/2024	Conorton, Laura	Preparing wire payment to ██████████ recording incoming wire from ██████████ correspondence with bank	1.0
1/3/2024	Williams, Richard	Email correspondence. Lease servicing data tape. Trust administration. Meeting J. Alleyne. Review CRA HST correspondence. Meeting J. Alleyne, C. Chen. Emails re lease servicing.	3.5
1/3/2024	Brown, Rose	Trust Banking Adm - Void cheques issued with incorrect amounts and re-issue and send out.	0.5
1/3/2024	Alleyne, Jaylon	Met with Clonsilla contractors to review current status of the project and formulate strategy to meet deadlines. Commented on and fixed contractor work to date.	12.0
1/3/2024	Messina, Stephen	Responded to creditor emails	0.6
1/3/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed physical lease files to address lessee concerns. Check to payment status of files. Telephone calls and emails with external stakeholders. Return travel.	9.2
1/3/2024	Sleeth, Jordan	Lessee issues, liaise with R. Williams re: same; respond to servicer providers; landlord issues.	1.0

Date	Name	Narrative	Hours
1/3/2024	Pannu, Ravneet	Onsite attendance, calls with lessees, review leases and compare with database, meetings with C. Chen; draft letters to lessees.	9.2
1/4/2024	Williams, Richard	Emails J. Sleeth, D. Harland, C. Chen. Email correspondence with lessees and review of lease disputes. T/c ██████ review redline. Emails with TGF re outstanding legal issues. Review TGF redline of ██████ agreement and forward comments to J. Sleeth.	5.0
1/4/2024	Conorton, Laura	Reviewing cheque requests, inputting cheques to ██████	0.5
1/4/2024	Brown, Rose	Review Disbursement request.	0.1
1/4/2024	Williams, Richard	Meeting with TGF to discuss legal issues. Emails ██████	1.0
1/4/2024	Alleyne, Jaylon	Constant update with engagement team regarding the status of deliverables. QA and edit of asset listing for sending to counsel. Securing assets in Peterborough through arranging transportation and payment of assets in ██████ Region.	12.0
1/4/2024	Messina, Stephen	Called numerous lessees and creditors who have inquired of ongoing issues at the dealership. Called Service Canada for update on WEPPA filings.	3.3
1/4/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed physical lease files to address lessee concerns. Check to payment status of files. Telephone calls and emails with external stakeholders. Prepare cheque requisition. Return travel.	7.6
1/4/2024	Sleeth, Jordan	Call with ██████ re: servicing proposal, agreement, ter; review legal issues with R. Kennedy and D. Harland; review ██████ correspondence; insurance considerations.	1.5
1/4/2024	Aching, Chanelle	Onsite attendance. Meetings with ██████. Review of Court materials and Deloitte working papers. Reviewed and worked on Deloitte Master Portfolio Workbook spreadsheet. Meetings with ██████. Meetings with Jaylon Alleyne via Microsoft Teams to understand ██████. Review status of active leases and payments made using Deloitte Master Portfolio Workbook. E-Filed, sorted, recorded and printed history of all active leases that have existing PAP established. Verified all active leases with outstanding payments on vehicles for full and complete information.	9.5
1/4/2024	Pannu, Ravneet	Onsite attendance, calls with lessees, review leases and compare with database, meetings with C. Chen; draft letters to lessees.	8.7
1/5/2024	Conorton, Laura	Inputting and recording new POC. Correspondence with team on payment requests	0.5

Date	Name	Narrative	Hours
1/5/2024	Alleyne, Jaylon	Constant communication with engagement team to ensure tracking towards deadlines. Built tax calculation for outstanding taxes from beginning of receivership for remittance. QA of engagement work and provided feedback to team to improve deliverable.	6.0
1/5/2024	Messina, Stephen	Called and responded to numerous lessees or creditors with respect to their receivership concerns. Updated our lease disputes log to better categorize the queries received thus far.	5.3
1/5/2024	Williams, Richard	Email correspondence with lessees and external stakeholders. Complete documentation to finalize sales and buyouts of vehicles. Review draft correspondence re [REDACTED] release. Review emails re [REDACTED] rental demand, [REDACTED] issue. Meetings with team.	6.0
1/5/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed physical lease files to address lessee concerns. Check to payment status of files. Telephone calls and emails with external stakeholders. Problem category & action plan for files. Return travel.	7.6
1/5/2024	Sleeth, Jorden	Call with TGF re: outstanding issues; review [REDACTED] service agreement.	1.0
1/5/2024	Aching, Chanelle	Onsite attendance at Clonsilla. Continued e-filing, sorting, recording and printing of active leases that have existing PAP established. Verified all active leases with outstanding payments on vehicles for full and complete information to bring lease to current status. Meetings with J. Alleyne to discuss lease portfolio and those lessees in arrears.	10.0
1/5/2024	Pannu, Ravneet	Onsite attendance, calls with lessees, review leases and compare with database, meetings with [REDACTED] draft letters to lessees.	9.3
1/7/2024	Chen, Kangli	Email correspondence - 3 cases	0.8
1/8/2024	Conorton, Laura	Inputting cheque and creating shipment request for duplicate lease payment reimbursement	0.5
1/8/2024	Williams, Richard	Emails with lessees and stakeholders. Review work plans and emails to team. Emails [REDACTED] J. Sleeth re data to assess impact of lease amendments. Trust administration. [REDACTED] agreement.	4.7
1/8/2024	Brown, Rose	Trust Banking Adm - Disbursement cheques.	0.5
1/8/2024	Messina, Stephen	Updated lease disputes log to include categories, calls and emails with various lessees and creditors.	2.4
1/8/2024	Alleyne, Jaylon	Traveled to and attended on site. Met with contractors to go over progress on lease portfolio reconstruction. Met with engagement team to discuss progress on lease portfolio reconstruction.	12.0

Date	Name	Narrative	Hours
1/8/2024	Sleeth, Jordan	Consider lessee warranty issues; review ██████████ agreement and comment re: offboarding fee; creditor notice review.	1.0
1/8/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed physical lease files to address lessee concerns. Check to payment status of files. Telephone calls and emails and deal with walk-in with external stakeholders. Internal discussion. Return travel.	10.2
1/8/2024	Aching, Chanelle	Onsite attendance at Clonsilla. Met with J. Alleyne and ██████████ to go through updates on Deloitte Master Portfolio Workbook lease issues. Continued with e-filing, sorting, recording and printing of history of ACH Direct Payments & Deposits of all active leases. Met with Richard Williams on Microsoft Teams to obtain updates and discuss pressing issues and tasks surrounding receivership.	9.6
1/8/2024	Pannu, Ravneet	Onsite attendance, calls with lessees, review leases and compare with database, meetings with ██████████ and J. Alleyne; draft letters and emails to lessees.	8.1
1/9/2024	Williams, Richard	Lessee correspondence. Draft workplan for stakeholder issues. Emails ██████████ T/c ██████████ re ██████████ claim - ██████████ ██████████ Draft second report to court.	5.0
1/9/2024	Brown, Rose	Scan and send mail to the team.	0.4
1/9/2024	Conorton, Laura	Correspondence with ██████████ on cheque received, follow up, corrections of invoices for payment to ██████████ tracking shipment	2.0
1/9/2024	Messina, Stephen	Numerous calls and emails with creditors and lessees regarding lease payments, information on the receivership and other issues	5.6
1/9/2024	Alleyne, Jaylon	Traveled to and attended on site. Facilitated return of lessee cars and contacted auctioneer to prepare vehicles for auction. Met with lease reconstruction team and developed plan to meet deadline.	12.0
1/9/2024	Sleeth, Jordan	Review 2nd court report, provide comments.	0.5
1/9/2024	Sleeth, Jordan	Call with ██████████ counsel, update to TGF re same, review CRA correspondence re: ██████████ updates to ██████████ review lessee correspondence ██████████; review ██████████ memo.	2.0
1/9/2024	Chen, Kangli	Telephone calls and emails with external stakeholders (including passing on ██████████ calls&emails). Cheque request for payment to ██████████	7.2

Date	Name	Narrative	Hours
1/9/2024	Aching, Chanelle	Onsite attendance at Clonsilla. Continued with and completed e-filing, sorting, recording and printing of history of ACH Direct Payments & Deposits of all active leases. Prepared a consolidated list of active lessees that have made electronic transfer payments. Logged e-transfer lessee payment amounts on Deloitte Master Portfolio Workbook excel spreadsheet. Meetings with J. Alleyne and [REDACTED] to discuss lease portfolio updates.	9.4
1/9/2024	Pannu, Ravneet	Onsite attendance, calls with lessees, review leases and compare with database, meetings with [REDACTED] and J. Alleyne; draft letters and emails to lessees.	8.4
1/10/2024	Brown, Rose	Scan and send mail to the team.	0.3
1/10/2024	Williams, Richard	Review [REDACTED] purchase agreement and related documentation and emails to TGF. Review redirected mail and directions to team. Lessee correspondence. Discussions with J. Alleyne, S. Messina re vehicle and lessee issues. T/c [REDACTED] Emails re Relativi	4.3
1/10/2024	Williams, Richard	Email [REDACTED] Review [REDACTED] statements. T/c R. Kennedy. Review H. Waddell emails for [REDACTED] issue and forward same to R. Kennedy.	2.2
1/10/2024	Messina, Stephen	Numerous calls and emails with creditors and lessees regarding lease payments, information on the receivership and other issues	4.5
1/10/2024	Alleyne, Jaylon	Traveled to and attended on site. Met with lease reconstruction team and set plan for the day. Worked with [REDACTED] for reconstruction purposes. Facilitated return of additional lessees vehicles.	6.0
1/10/2024	Sleeth, Jorden	Call with counsel to [REDACTED] preparation meeting re: same with R. Kennedy; call with TGF re: [REDACTED] planning.	1.8
1/10/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed physical lease files to address lessee concerns. Check to payment status of files. Telephone calls and emails and deal with walk-in with external stakeholders. Internal discussion (30 items). Return travel.	8.4
1/10/2024	Aching, Chanelle	Onsite attendance at Clonsilla. Meetings with J. Alleyne & [REDACTED] Review updates of Deloitte Master Portfolio Workbook ("DMPW"). Logged & completed all e-transfer lessee payment amounts on DMPW. Reviewed physical auto lease files and logged active PAP Contracts. Created scheduled monthly and bi-weekly payments on [REDACTED]. Checked for confirmation of payments of lessees and logged information on DMPW.	9.1
1/10/2024	Pannu, Ravneet	Onsite attendance, calls with lessees, review leases and compare with database, meetings with [REDACTED] and J. Alleyne; draft letters and emails to lessees.	9.5

Date	Name	Narrative	Hours
1/11/2024	Williams, Richard	Email correspondence with engagement team. Execute MTO authorization. Attend at dealership. Meetings with engagement team, ██████. Review PPSA registration issue. Execute bills of sale. Meet with ██████. Emails ██████ re ██████.	4.2
1/11/2024	Williams, Richard	Discussions ██████ re Relativity setup. T/c TGF, J. Sleeth to discuss ██████ and other issues.	1.1
1/11/2024	Messina, Stephen	Numerous calls and emails with creditors and lessees regarding lease payments, information on the receivership and other issues. Drafted template letter to lessee ██████.	5.0
1/11/2024	Alleyne, Jaylon	Traveled to and attended on site. Met with lease reconstruction team to determine plan for the day. Reviewed active physical lease files to corroborate payment amounts. Calculated lease portfolio information for reporting purposes.	14.0
1/11/2024	Casey, Brian	Data Collection coordination	1.0
1/11/2024	Sleeth, Jorden	Calls with R. Kennedy, D. Harland and R. Williams re: court attendance, ██████, other workstream updates.	1.1
1/11/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed physical lease files to address lessee concerns. Check to payment status of files. Telephone calls and emails and deal with walk-in with external stakeholders. Internal discussion (16 items). Return travel.	8.6
1/11/2024	Aching, Chanelle	Onsite attendance at Clonsilla. Meetings with J. Alleyne & ██████. Review of physical lease files to obtain and confirm full breakdown of amortization value for the period January to March 2024, lease term, total value of lease payment per month, term interest and term as of January 2024. Corrected discrepancies on Deloitte Master Portfolio Workbook where necessary. Confirmed all active files for capitalized cost value.	10.3
1/11/2024	Pannu, Ravneet	Onsite attendance, calls with lessees, review leases and compare with database, meetings with R. Williams, ██████ and J. Alleyne; draft letters and emails to lessees; draft lease termination and buyout statements for R.Williams and ██████ review.	9.7
1/12/2024	Williams, Richard	Emails TGF, J. Sleeth re ██████ issues. Review and edit lessee correspondence. Emails ██████, J. Alleyne re ██████ documents. Review of email records re: ██████. T/c and emails J. Sleeth, R. Kennedy re ██████ T/c ██████.	3.2
1/12/2024	Alleyne, Jaylon	Traveled to and attended on site. Managed site packing and recording for Iron Mountain scanning of physical documents.	10.0

Date	Name	Narrative	Hours
1/12/2024	Casey, Brian	Data Collection coordination	1.0
1/12/2024	Williams, Richard	Call with ██████ re servicing agreement. Emails TGF re ██████ issue - review letter to ██████.	0.7
1/12/2024	Messina, Stephen	Commute to client site and return. Boxing of all documents and records on site. Discussion with several lessees via phone and email. Coordination of paper scrapping company to unlock box and discontinue service.	6.4
1/12/2024	Sleeth, Jordan	██████ issues, calls with R. Kennedy re: same, updated ██████ calculation; various discussion with R. Williams re: lessees; call with ██████ re: servicing.	1.8
1/12/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed physical lease files to address lessee concerns. Check to payment status of files. Telephone calls and emails and deal with walk-in with external stakeholders (10 items). Internal discussion. Return travel.	7.2
1/12/2024	Aching, Chanelle	Onsite attendance, read through emails, Meetings with J. Alleyne. Sorting through physical lease documentation and miscellaneous items found in various offices for Relativity Database upload, shredding, labelling, moving and packing of other office material. VIN searches of active leases.	8.0
1/12/2024	Pannu, Ravneet	Onsite attendance, sort through physical documents in various offices for database upload, shredding and storage by Iron Mountain.	8.0
1/13/2024	Williams, Richard	██████ letter.	0.2
1/14/2024	Messina, Stephen	Responded to creditor / lessee emails	1.5
1/14/2024	Sleeth, Jordan	Team memo re: ██████ transition.	0.3
1/15/2024	Conorton, Laura	Recording receipt of funds from company account to trusted account, trust administration	0.4
1/15/2024	Williams, Richard	Review dispute log, emails ██████ S. Messina. Deal with lessee correspondence, insurance issues. Engaged with ██████ agreement, emails TGF. Emails TGF re ██████ letter and ██████ Instructions J. Alleyne re rent cheque. Team call.	2.9
1/15/2024	Williams, Richard	Review of comments on draft report. T/c with TGF. Circulate executed report. Review lessee letters.	0.8
1/15/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Drafted demand letters to select payees. Emails sent to insurance providers with respect to Clonsilla owned cars.	6.3

Date	Name	Narrative	Hours
1/15/2024	Sleeth, Jordan	Internal call re: servicing, workstream status; calls with TGF re: 2nd report and filing of same; review of Servicer agreement and comments from [REDACTED] re confidentiality [REDACTED] HST issues; review [REDACTED] correspondence; follow up re: [REDACTED] vehicle	2.3
1/15/2024	Brown, Rose	Open and scan mail rec'd and send to Team.	0.8
1/15/2024	Casey, Brian	Data follow-up	0.5
1/15/2024	Alleyne, Jaylon	Traveled to and attended on site. Worked with team to continue lease reconstruction work. Met with team to review current process, and updated arrears status. Met with engagement team.	12.0
1/15/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed physical lease files & Check to payment status of files. Calls and emails and deal with walk-in with external stakeholders. Review insurance letters. Internal discussion. Return travel.	10.0
1/15/2024	Aching, Chanelle	Onsite attendance, read through emails. Meetings with J. Alleyne, R Williams & Deloitte team. Sort through boxes of physical lease files to determine and differentiate active and terminated leases. Record data on active and terminated lease files on Deloitte Master Portfolio Workbook excel spreadsheet re: actual lease payment, term, interest rate and term as of Jan 2024. Meeting with Richard Williams to discuss Project Velocity updates- Workstream update; Update on physical move; Update on court hearing and other housekeeping matters.	9.4
1/15/2024	Pannu, Ravneet	Onsite attendance, draft correspondence for [REDACTED] individuals re: vehicle return for R. Williams review, review leases and compare with database, summarize lease files and determine arrears for lessee correspondence, draft letters and emails to lessees; meeting with R. Williams, J. Sleeth, [REDACTED] J. Alleyne, S. Messina and [REDACTED]	8.3
1/16/2024	Conorton, Laura	website updates	0.1
1/16/2024	Williams, Richard	Review draft letters. Emails [REDACTED] Emails M. Waddell. Lessee correspondence. T/c and emails R. Kennedy re [REDACTED] issue and court hearing. Emails [REDACTED] T/c J. Sleeth, R. Kennedy re [REDACTED] and [REDACTED] response. T/c [REDACTED]	2.3
1/16/2024	Brown, Rose	Trust Banking Disbursement cheques. Prepare courier to send mail rec'd in error back to Clonsilla to hand delivery.	0.5
1/16/2024	Sleeth, Jordan	Call with R. Kennedy and R. Williams re: [REDACTED] claim.	0.4
1/16/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Sent demand letters to select lessees.	4.7

Date	Name	Narrative	Hours
1/16/2024	Alleyne, Jaylon	Traveled to and attended on site. Met with team focused on lease reconstruction. Focused on and developed standardization [REDACTED] Prepared office to move to new location and box tagging for iron mountain.	12.0
1/16/2024	Chen, Kangli	Update dispute log. Reviewed physical lease files & Check to payment status of files. Calls and emails and internal communication of various files. Review insurance letters.	8.5
1/16/2024	Aching, Chanelle	Onsite attendance, read through emails. Meetings with J. Alleyne. Sort through boxes of physical lease files to determine and differentiate active vs terminate leases. Record data on Deloitte Master Portfolio Workbook excel spreadhseet re: actual lease payment, term, interest rate, and term as of January 2024.	9.3
1/16/2024	Pannu, Ravneet	Onsite attendance, letter correspondence with [REDACTED] individuals re: vehicle return, review leases and compare with database, summarize lease files and determine arrears for lessee correspondence, draft letters and emails to lessees; meetings with [REDACTED] and J. Alleyne; assist J. Alleyne with data entry re lease payment/term specifics.	9.4
1/17/2024	Williams, Richard	Review emails re insurance issues and updated dispute log. Correspondence with lessees and stakeholders. T/c with [REDACTED] re investigations. Emails TGF re [REDACTED] documents and [REDACTED]	3.1
1/17/2024	Sleeth, Jordan	Call with [REDACTED]; call with [REDACTED]; memo and call to J. Alleyne re; [REDACTED] analysis; call with [REDACTED]; review [REDACTED] e-mail re: Jan 19 relief, respond to TGF re: same.	2.0
1/17/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Sent demand letters to select lessees.	2.7
1/17/2024	Alleyne, Jaylon	Traveled to and attended on site. Met with lease reconstruction team and discussed best way to meet deadline and get the portfolio to a completed state. Facilitated move of offices.	15.0
1/17/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed physical lease files & Check to payment status of files. Calls and emails and deal with walk-in with external stakeholders. Update dispute log & link to master list. Loss estimate. Return travel.	10.0
1/17/2024	Aching, Chanelle	Onsite attendance, read through emails. Meetings with J. Alleyne, J. Sleeth and [REDACTED] Moved [REDACTED] boxes of information as needed. Validated active lease information for missing physical lease files using [REDACTED]. Assisted J. Alleyne with loss estimate [REDACTED]. Recorded data on Deloitte Master Portfolio Workbook for missing physical lease documentation.	10.8

Date	Name	Narrative	Hours
1/17/2024	Pannu, Ravneet	Onsite attendance, review leases and prepare summary and arrears info from lessee files for ██████, S. Messina and R. Williams. Assist with relocating offices, prepare and sort boxes for Iron Mountain.	10.1
1/18/2024	Williams, Richard	Extensive correspondence ██████ and engagement team re lease buyout. Emails TGF re factum, ██████ issue, ██████ cost allocation. T/c ██████	2.3
1/18/2024	Sleeth, Jordan	Review factum for Jan 19 motion; status update call with R. Williams re: ██████ draft.	0.5
1/18/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Sent demand letters to select lessees.	5.1
1/18/2024	Alleyne, Jaylon	Traveled to and attended on site. Worked to construct lease portfolio write-down. Met with lease reconstruction portfolio team to ensure progress towards deadline.	12.0
1/18/2024	Chen, Kangli	Travel to and attendance at dealership. Calls and emails and deal with walk-in with external stakeholders (including ██████ items). Documents from dustbin. Loss estimate. Return travel.	10.0
1/18/2024	Aching, Chanelle	Onsite attendance, read through emails. Meetings with J. Alleyne. Confirmed lessee's PAP information and manually entered payments for their lease payment amounts. Reviewed ██████ for validation of physical missing files to confirm payments. Standardized labels in Deloitte Master Portfolio Workbook for Column E & F. Assisted J. Alleyne with loss estimations ██████. Reviewed Master Loss estimates worksheet and reconcile duplicate tranches.	9.3
1/18/2024	Pannu, Ravneet	Onsite attendance, prepared report of leases associated with unattached plates for R. Williams; miscellaneous lease arrears/buyout report tasks for J. Alleyne; obtaining lease agreement information and preparing buyout estimates for lessees. Review of lease disputes log of assigned files and review of lessee arrears.	8.7
1/19/2024	Williams, Richard	Review portfolio valuation and t/c J. Alleyne. T/c TGF. Attend hearing on vesting order. Emails ██████	1.4
1/19/2024	Brown, Rose	Trust Banking Adm - Disbursement cheque and Lease caller. Opening of re-direction mail and scan.	1.4
1/19/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Sent demand letters to select lessees.	7.3
1/19/2024	Alleyne, Jaylon	Traveled to and attended on site. Worked with lease reconstruction team to meet goal of reconstructing the portfolio and discuss problem files. Worked to construct loss estimate for ██████ portfolio.	10.0

Date	Name	Narrative	Hours
1/19/2024	Chen, Kangli	Travel to and attendance at dealership. Calls and emails and deal with walk-in with external stakeholders (including Autoloan items). Keys for buyout. Internal communication. Return travel.	8.5
1/19/2024	Sleeth, Jordan	Prepare for and attend court hearing - call with counsel to [REDACTED]; call with counsel to [REDACTED].	1.8
1/19/2024	Aching, Chanelle	Onsite attendance, read through emails. Onsite attendance; meeting with J. Alleyne. Used [REDACTED] for validation of physical missing files to confirm payments. Standardized information on DMPW Label Sheet. Confirmed lease payments for active clients in arrears. Set up PAP for customers	9.0
1/19/2024	Pannu, Ravneet	Onsite attendance; add lessee arrears plan and PAP plan information into spreadsheet prepared by J. Alleyne for lease servicing; assist [REDACTED] and S. Messina by obtaining lease agreement information from database to recoup arrears.	8.9
Total			666.2



Appendix #3
Out of pocket Expenses

Description	Amount
Telecommunication	166.69
Parking	-
Transportation	5,428.05
Meals	1,203.41
Accommodations	1,013.30
Search and Filing Fees	63.84
Postage and Courier	808.13
Printing & Copying	143.44
Office Supplies	416.71
Miscellaneous	-
Total	\$ 9,243.57



Invoice 8004444862

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Jordan Sleeth
Velocity Asset and Credit Corporation
c/o Deloitte Restructuring Inc.
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: February 09, 2024
Client No.: 1677324
WBS#: EFC00011
Engagement Partner: Jordan Sleeth

GST/HST Registration: 122893605RT0001
QST Registration: 1012314163TQ0001

For professional services rendered

Fees

Rendered by Deloitte Restructuring Inc. in its capacity as Receiver of Velocity Asset and Credit Corporation and 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing for the period January 20, 2024 to February 2, 2024.

Please see attached appendices.

Expense

Out-of-pocket Expenses

Sales Tax

HST applicable 174,366.50

HST applicable 27,490.87

HST at 13.00 % 26,241.46

Total Amount Due (CAD) 228,098.83

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.



Invoice Number 8004444862

February 09, 2024

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
Velocity Asset and Credit Corporation	1677324	8004444862	228,098.83	Payment for invoice 8004444862

Contact:

Please send payment confirmation by email to: receivablesdebitors@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments(remittance email mandatory) :

Preferred Method

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Transit – Institution : 47696-002

Account Number : 1590219

USD Payment

Transit – Institution : 47696-002

Account Number : 1363514

2. Wire Payment :

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Account Number : 476961590219

Swift Code : NOSCCATT

USD Payment, Beneficiary Bank (Bank of Nova Scotia) :

Account Number : 476961363514

Swift Code : NOSCCATT

Clearing Code : CC000247696

Address: P.O. Box 4234 STN A, Toronto ON M4W 5P6

USD Payment, Intermediary Bank (Bank of America NA) :

Address: 222 Broadway, New York, NY 10038

Account Number : 476961363514

Swift Code : BOFAUS3N

ABA Routing Number : 026009593

Note: Intermediary Bank information may not be required for payments coming from outside the US

3. Online Payment :

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to :

For CAD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

For USD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1



**Appendix #1
Summary of Fees**

Name	Level	Hours	Rate	Amount
Sleeth, Jorden	Partner	2.8	785.00	2,198.00
Williams, Richard	Director	25.6	660.00	16,896.00
Casey, Brian	Senior Manager	3.0	550.00	1,650.00
Chen, Kangli	Manager	81.9	475.00	38,902.50
Brown, Rose	Manager	2.9	475.00	1,377.50
Conorton, Laura	Consultant	0.8	300.00	240.00
Messina, Stephen	Senior	61.5	325.00	19,987.50
Dew, Todd	Senior	0.4	325.00	130.00
Obasa, Kanyisola	Senior	7.0	325.00	2,275.00
Madur, Sai Deepika	Senior	19.0	325.00	6,175.00
Pannu, Ravneet	Analyst	91.0	275.00	25,025.00
Aching, Chanelle	Analyst	96.4	275.00	26,510.00
Alleyne, Jaylon	Analyst	117.0	275.00	32,175.00
Tarapore, Maya	Analyst	1.0	275.00	275.00
Chen, Guo	Analyst	2.0	275.00	550.00
Total Professional Hours and Fees		512.3		174,366.50
Out-of-pocket Expenses				27,490.87
Total Fees and Expenses (CAD)				201,857.37



Appendix #2

Work performed from January 20, 2024 to February 2, 2024

Date	Name	Narrative	Hours
1/22/2024	Williams, Richard	Review of redirected mail. Emails ██████████ Email ██████████ re ██████████ demand. Review portfolio ██████████ and meeting J. Alleyne. Review R. Kennedy email re ██████████ and instructions ██████████ Review insurance correspondence. Emails ██████████	2.3
1/22/2024	Williams, Richard	Follow up on status of records digitization. Review status of portfolio valuation.	0.4
1/22/2024	Brown, Rose	Scan mail rec'd Velocity & Clonsilla and send to the Team. Review Calls received and send to SM.	0.7
1/22/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Drafted demand letters to select payees. Call with Service Canada in connection with WEPPA filing.	6.1
1/22/2024	Alleyne, Jaylon	Traveled to and from and attended on site. Met with lease reconstruction team and provided directions to complete portfolio. Worked on preliminary ██████████ calculation for lender. Met with R. Williams to discuss ██████████	9.0
1/22/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed physical lease files & Check to payment status of files. Calls and emails with external stakeholders. Review insurance letters. Internal discussion. Return travel.	7.5
1/22/2024	Aching, Chanelle	Onsite attendance, read through emails, meeting with J. Alleyne. Continued to use ██████████ for validation of physical missing files to confirm lease payments. Standardized information on DMPW Label Sheet. Confirmed lease PAP for active clients. Created pending status of items to fill-in for DMPW. Assisted J. Alleyne with bank reconciliations to determine an estimation of the value of the lease portfolio since the receivership order was made.	9.7
1/22/2024	Pannu, Ravneet	Onsite attendance; add lessee arrears plan and PAP plan information into spreadsheet prepared by J. Alleyne for lease servicing; assist ██████████ and S. Messina by obtaining lease agreement information from database to recoup arrears.	8.7
1/23/2024	Brown, Rose	Scan mail rec'd Velocity & Clonsilla and send to the Team.	0.3
1/23/2024	Williams, Richard	Emails ██████████ re record digitization. Emails ██████████. Emails re lien release letters. Review redirected mail, including Velocity ██████████ Engaged with insurance issue and WEPPA dispute. T/c R. Kennedy re ██████████ issue.	2.4

Date	Name	Narrative	Hours
1/23/2024	Conorton, Laura	Website updates	0.2
1/23/2024	Williams, Richard	Emails ██████ re ██████ transaction. Engaged in review and revision of ERV.	2.7
1/23/2024	Dew, Todd	Bank reconciliations	0.4
1/23/2024	Sleeth, Jordan	Review draft ██████, provide revision, circulate to PTC; execute ██████ servicing agreement.	0.8
1/23/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email.	4.6
1/23/2024	Alleyne, Jaylon	Traveled to and attended on site. Met with lease reconstruction team and worked to update sheet. Helped to complete portfolio ██████ calculation for lender. Managed lessee voluntary surrender pickups.	12.0
1/23/2024	Casey, Brian	Data Collection /Scan/Meetings	0.5
1/23/2024	Obasa, Kanyisola	Data processing and ingestion	1.5
1/23/2024	Madur, Sai Deepika	Velocity processing tasks. set up of profiles and processing sets. arranging data by custodian. Creation of tracker and training new hire on the process.	4.0
1/23/2024	Chen, Kangli	Reviewed lease files & Check to payment status of files. Calls and emails with external stakeholders. Review insurance letters and chasing insurance company regarding "Insured" contact info.	7.5
1/23/2024	Pannu, Ravneet	Onsite attendance; add lessee arrears plan and PAP plan information into spreadsheet prepared by J. Alleyne for lease servicing; assist ██████ and S. Messina by obtaining lease agreement information from database to recoup arrears and contacting insurance brokers to confirm coverage information for lessee correspondence.	9.0
1/23/2024	Aching, Chanelle	Onsite attendance, read Deloitte emails. Meeting with J. Alleyne. Go through DMPW & record status of files as well as term, interest rate etc. Sorted through, organized & labeled boxes of information at Clonsilla office and determined which are for shredding and IM. Set up PAP for active and defaulting lessees.	9.2
1/24/2024	Sleeth, Jordan	Call with PTC re: draft ██████ review and approve revised version; call with TGF re: ██████ analysis ██████	1.5
1/24/2024	Williams, Richard	Review of lessee correspondence and instructions to engagement team. T/c with PTC re ██████ and revisions to same. Draft lease servicing notice and emails ██████ T/c ██████ re advances ██████ Emails TGF.	1.2
1/24/2024	Williams, Richard	T/c with ██████ re servicing transition. Set up SFTP site. Review emails J. Alleyne, ██████	1.4

Date	Name	Narrative	Hours
1/24/2024	Tarapore, Maya	Data processing and ingestion	1.0
1/24/2024	Alleyne, Jaylon	Traveled to and attended on site. Met with ██████████ K. Chen, R. Williams, & J. Sleeth, for ██████████ meeting to give them an overview of the portfolio. Worked to develop lists of vehicles for PPSA discharges.	12.0
1/24/2024	Casey, Brian	Data Collection /Scan/Meetings	0.5
1/24/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Reviewed letter to be sent to all lessees in connection with ██████████ lease administration	5.9
1/24/2024	Obasa, Kanyisola	Data processing, ingestion and QA	1.0
1/24/2024	Madur, Sai Deepika	Velocity processing tasks. set up of profiles and processing sets. arranging data by custodian.	3.5
1/24/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed files & Check to payment status of files. Calls and emails with external stakeholders. Call with ██████████. Return travel.	8.5
1/24/2024	Aching, Chanelle	Onsite attendance, read Deloitte emails. Met with J. Alleyne. Continued with recording interest rate, term & terms as of Jan 2024 for active leases on DMPW. Set up PAP for active leases in arrears.	9.6
1/24/2024	Pannu, Ravneet	Onsite attendance; add lessee arrears plan and PAP plan information into spreadsheet prepared by J. Alleyne for lease servicing; assist C. Chen and S. Messina by obtaining lease agreement and payment information from database to prepare reports to recoup arrears; contacting insurance brokers to confirm coverage information for lessee correspondence.	9.8
1/25/2024	Brown, Rose	Scan and send mail to the Team.	0.2
1/25/2024	Williams, Richard	Emails re auction. Review CRA correspondence. Emails re doc scanning and Relativity. Meeting with TGF. Emails and t/c J. Alleyne re ownerships. Meeting S. Messina ██████████ registration, email R. Kennedy.	1.8
1/25/2024	Madur, Sai Deepika	Velocity processing tasks - monitoring of the error data set, retry various methods and publishing of completed sets. troubleshooting error set and retry.	5.0
1/25/2024	Alleyne, Jaylon	Traveled to and attended onsite. Worked to develop permit applications for disposal of assets. Managed reconrol of voluntarily surrendered assets. Confirmed ownership of assets.	12.0
1/25/2024	Casey, Brian	Data Collection /Scan/Meetings	0.5
1/25/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email.	5.7

Date	Name	Narrative	Hours
1/25/2024	Obasa, Kanyisola	Data processing, ingestion and QA	1.0
1/25/2024	Sleeth, Jordan	Call with TGF re: ██████████	0.5
1/25/2024	Chen, Kangli	Reviewed lease files & Check to payment status of files. Calls and emails with external stakeholders. Review insurance letters (for cancelled items). Internal discussion.	8.3
1/25/2024	Pannu, Ravneet	Onsite attendance; assist C. Chen and S. Messina by obtaining lease agreement and payment information from database to prepare reports to recoup arrears; compile mailing list for lessee files with cancelled insurance; contacting insurance brokers to confirm coverage information for lessee correspondence.	8.7
1/25/2024	Aching, Chanelle	Onsite attendance, read Deloitte emails. Set up PAP information for active lessees. Completed entering data for active and defaulting lessees in DMPW.	10.0
1/26/2024	Williams, Richard	Email ██████████ Emails ██████████ re SFTP. Estate administration. Emails R. Kiff, J. Alleyne re plow truck. Emails R. Kennedy. ██████████ letter. Emails ██████████ re ██████████ enquiry. Emails re lien releases. Emails JA re ██████████ vehicles.	2.1
1/26/2024	Williams, Richard	Emails ██████████ engagement team re warranty issues.	0.1
1/26/2024	Brown, Rose	Trust Banking Admin - Disbursement cheque and open mail rec'd.	0.3
1/26/2024	Alleyne, Jaylon	Traveled to and attended on site. Met with lease reconstruction team to polish sheet for transition. Reconciliation of bank statement to lessees. Prepared for move offsite.	12.0
1/26/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Printed, sorted and mailed 62 letters to lessees in connection with Clonsilla being listed as a named insured on lessee insurance	5.4
1/26/2024	Obasa, Kanyisola	Data processing, ingestion and QA	1.5
1/26/2024	Madur, Sai Deepika	Velocity retry of large data for processing. execution of the zip files by splitting and trying through RDC. Retry of processing for the uploaded files and error handling.	4.5
1/26/2024	Chen, Kangli	Reviewed lease files & Check to payment status of files. Calls and emails with external stakeholders. Review insurance letters. Internal discussion.	7.3
1/26/2024	Aching, Chanelle	Onsite attendance, read and responded to emails. Set up PAP for defaulting leases. Entered data in DMPW. Drafted memo for interpretation of DMPW to provide servicer. ██████████ meeting to discuss ██████████	8.9

Date	Name	Narrative	Hours
1/26/2024	Pannu, Ravneet	Onsite attendance; assist C. Chen and S. Messina by obtaining lease agreement and payment information from database to prepare reports to recoup arrears; compile mailing list for lessee files with cancelled insurance.	7.2
1/27/2024	Alleyne, Jaylon	Put together list of lessees who made lease payments from beginning of receivership to date.	3.0
1/29/2024	Williams, Richard	Emails re lease disputes. Review of bills of sale. Emails re Relativity and data ingestion. Review redirected mail. Emails R. Kennedy re [REDACTED] Emails re auction, snow plow sale.	1.8
1/29/2024	Brown, Rose	Scan and sent mail rec'd to Team. Trust Banking Adm - Disbursement cheque.	0.5
1/29/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email.	6.6
1/29/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed physical lease files & Check to payment status of files. Calls and emails with external stakeholders (22 items). Internal discussion. Return travel.	9.0
1/29/2024	Alleyne, Jaylon	Traveled to and from site. Prepared to return premises to landlord. Ad hoc lease servicing of walk-in lessees with problems ranging from payment to lease termination and completing vehicle sales. Secured remaining physical client files on site.	12.0
1/29/2024	Casey, Brian	Data transfer follow-up	0.5
1/29/2024	Madur, Sai Deepika	User account creation and creation of group. permission update.	2.0
1/29/2024	Obasa, Kanyisola	Data processing and post ingestion tasks	2.0
1/29/2024	Aching, Chanelle	Onsite attendance, read emails, Meeting with J. Alleyne. Continued editing draft DMPW Memo. Updated DMPW statuses for defaulting leases. Standardized DMPW Labels. Review October 26-Dec 31 Payments excel spreadsheet and reconcile PAP contract names with expected payments and actual payments for October and part of November. Manual moving and packing of boxes from Clonsilla office [REDACTED]	9.7
1/29/2024	Pannu, Ravneet	Onsite attendance; assist C. Chen and S. Messina by obtaining lease agreement and lessee payment information from database to prepare reports to recoup arrears; physical move of boxes from Debtor site to worksite.	9.0
1/30/2024	Williams, Richard	T/c R. Kennedy re draft letters, Relativity. Confirm Relativity access. Review emails re lease disputes, auction results. Trust administration. Review and revise draft TGF letters to [REDACTED] Emails D. Harland re auction results, discharges	1.3

Date	Name	Narrative	Hours
1/30/2024	Brown, Rose	Scan and sent mail rec'd to Team. Trust Banking Adm - Disbursement cheque.	0.1
1/30/2024	Williams, Richard	Workplan review and updates. Emails ██████████ J. Alleyne re transition ██████████. Emails ██████████ re ██████████ ownership. T/c C. Chen. Additional emails ██████████ Emails ██████████. Emails ██████████ re snow plow.	1.0
1/30/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email.	5.5
1/30/2024	Chen, Kangli	Reviewed lease files & Check to payment status of files. Calls and emails with external stakeholders (7 complex items). Internal discussion. Update dispute log till end of Jan 30, 2024.	7.5
1/30/2024	Alleyne, Jaylon	Organized transport for remaining assets on site. Answered various emails with R. Williams, C. Chen, and S. Messina.	3.0
1/30/2024	Chen, Guo	Device imaging and evidence management	2.0
1/30/2024	Casey, Brian	Data transfer follow-up	0.5
1/30/2024	Pannu, Ravneet	Onsite attendance; assist C. Chen and S. Messina by obtaining lease agreement and lessee payment information from database to prepare reports to recoup arrears.	9.1
1/30/2024	Aching, Chanelle	Onsite attendance, read & responded to Deloitte emails. Continue with updating DMPW & completed reviewing October 26-Dec 31 Payments excel spreadsheet while reconciling PAP Contract names with expected payments and actual payments.	9.4
1/31/2024	Williams, Richard	Engagement planning and team correspondence. Review dispute log. Trust administration. Review redirected mail. Emails to Hub, J. Alleyne re premises. Emails re lien discharge. Attend to matters related to release of premises.	2.2
1/31/2024	Conorton, Laura	Recording receipt of funds, transfer from ██████████ account. Scanning mail and return notices to team and filing	0.6
1/31/2024	Williams, Richard	Emails J. Alleyne re premises and steps to vacate. Review returned and redirected mail. Emails re lease notices. Emails ██████████ access; ██████████ re ██████████ report; J. Alleyne re rent distribution.	1.0
1/31/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed lease files & Check to payment status of files. Calls and emails with external stakeholders (11 items). Internal discussion. Call with ██████████ All mails received got uploaded to Sharefile. Return travel.	11.5

Date	Name	Narrative	Hours
1/31/2024	Alleyne, Jaylon	Traveled to and from site. Managed final removal of assets from site. Cleared and documented site for passing to landlord. Met with C. Chen, S. Messina to review mailing lists to prepare for off-boarding of lease servicing. Facilitated return of building.	15.0
1/31/2024	Casey, Brian	Data transfer follow-up	0.5
1/31/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Setup the mail merge to notify lessees of the [REDACTED] lease facilitation.	7.8
1/31/2024	Aching, Chanelle	Onsite attendance at 2 offices. Read Deloitte emails. Meeting with C. Chen to assist with creating reports [REDACTED]. Meeting with J. Alleyne. Continued with pending tasks on DMPW. Reviewed October 26- Dec 31 Payments excel spreadsheet and reconcile PAP Contract names with expected & actual payments. Clonsilla office clean up & handover. Organize email PAP request in Deloitte MS Teams database. Update PAP information for lessees.	9.4
1/31/2024	Pannu, Ravneet	Onsite attendance; attended Debtor address to clean and organize before key turnover; attended key turnover meeting with J. Alleyne, [REDACTED] as well as Debtor and landlord reps; drafting meeting minutes for key and property return; returned to off-site address and assisted C. Chen by obtaining lease agreement and lessee payment information from database to prepare reports to recoup arrears; notating buyout and termination template cells for J. Alleyne.	10.3
2/1/2024	Brown, Rose	Trust Banking Adm - Disbursement cheques and prepare courier voucher to sent Rent cheque by courier and take to the mail room.	0.5
2/1/2024	Williams, Richard	Lessee correspondence. Emails engagement team re notice mailing. Review minutes of leased premises handover. Trust administration. Engaged with lien discharge issues. Emails [REDACTED] agent re 2012 Journey sale. T/c [REDACTED]	2.1
2/1/2024	Chen, Kangli	Travel to and attendance at dealership. Reviewed lease files & Check to payment status of files. Calls and emails with external stakeholders (wrap up). Dispute log update. Internal discussion. Return travel.	10.0
2/1/2024	Alleyne, Jaylon	Traveled to and from site. Met with lease portfolio reconstruction team to update portfolio for lease servicer. Facilitated sale of assets and liaised with government agencies to finalize sales. Prepared for closing temporary office.	12.0
2/1/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Finalized mailing to notify lessees of the [REDACTED] lease facilitation leading to 603 letters mailed.	5.9

Date	Name	Narrative	Hours
2/1/2024	Pannu, Ravneet	Onsite attendance; assisted C. Chen and S. Messina by obtaining lease agreement and lessee payment information from database to prepare reports to recoup arrears, lessee buyout and termination estimates; correspondence with insurance adjustor [REDACTED]	9.5
2/1/2024	Aching, Chanelle	Onsite attendance, read Deloitte emails. Continued reviewing and updating data for November 26-Dec 31 Payments excel spreadsheet and reconciled PAP contract names with expected payments and actual payments. Standardized DMPW for [REDACTED]. Followed up on pending tasks for lessees. Entered e-transfer payment data for defaulting lessees on DMPW.	9.6
2/2/2024	Brown, Rose	Scan and sent mail rec'd to the Team.	0.3
2/2/2024	Williams, Richard	Lessee correspondence. Email DM, MS, JA re [REDACTED] transition and insurance documents. Emails [REDACTED]. Emails re scanning and digitization of records, vacating premises.	1.8
2/2/2024	Chen, Kangli	Reviewed lease files & Check to payment status of files. Calls and emails with external stakeholders (wrap up). Dispute log update. Internal discussion.	4.8
2/2/2024	Alleyne, Jaylon	Traveled to and from site. Worked with lease reconstruction team to ensure that portfolio is in position to pass to servicer. Packed and moved out of temporary site. Off-boarding of contractors.	15.0
2/2/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Sorted lessee responses to insurance letter, filing each of the confirmations provided.	8.0
2/2/2024	Aching, Chanelle	Onsite attendance, read and responded to Deloitte emails. Meeting with J. Alleyne. Followed up on pending lease files. Assisted [REDACTED] with retrieval of [REDACTED] employee tax information. Set up PAPs and contracts for defaulting lessees. Updated address information for lessees. Moving of final boxes for IM scanning. Entered cash and e-transfer payments on DMPW. Standardized DMPW for [REDACTED] re accounting status of lessees. Uploaded necessary information on Deloitte database. Removed all Project Velocity data and information on personal computer or other devices and submitted acknowledgement of same to LPS team. Returned/Handover of [REDACTED] to J. Alleyne and all other physical materials specific to Project Velocity.	10.9

Date	Name	Narrative	Hours
2/2/2024	Pannu, Ravneet	Onsite attendance; meeting with J. Alleyne and lessees re: buyout of lease; assisted C. Chen and S. Messina by obtaining lease agreement and lessee payment information from database to prepare reports to recoup arrears as well as for lessee buyout and termination estimates; attended at MTO to obtain missing ownerships for J. Alleyne; assisted M. Jacobs with corresponding with ADP to obtain [REDACTED] information; correspondence with utility companies re: bill payments and cessation of attendance and key turnover at debtor address; moving and sorting of misc. boxed items to brought back to Deloitte BAE.	9.7
Total			512.3



Appendix #3
Out of pocket Expenses

Description	Amount
Telecommunication	377.00
Parking	-
Transportation	3,353.61
Meals	1,045.46
Accommodations	2,967.80
Search and Filing Fees	70.90
Postage and Courier	15.76
Printing & Copying	143.44
Office Supplies	-
Miscellaneous	-
AFT Hosting January 2024	19,516.90
Total	\$ 27,490.87



Invoice 8004540705

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Jordan Sleeth
Velocity Asset and Credit Corporation
c/o Deloitte Restructuring Inc.
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: March 08, 2024
Client No.: 1677324
WBS#: EFC00011
Engagement Partner: Jordan Sleeth

GST/HST Registration: 122893605RT0001
QST Registration: 1012314163TQ0001

For professional services rendered

Fees

Rendered by Deloitte Restructuring Inc. in its capacity as Receiver of Velocity Asset and Credit Corporation and 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing for the period February 3, 2024 to March 1, 2024.

Please see attached appendices for details.

HST applicable 106,138.50

Expense

Out-of-pocket Expenses

HST applicable 3,302.94

Sales Tax

HST at 13.00 % 14,227.39

Total Amount Due (CAD) 123,668.83

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.



Invoice Number 8004540705

March 08, 2024

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
Velocity Asset and Credit Corporation	1677324	8004540705	123,668.83	Payment for invoice 8004540705

Contact:

Please send payment confirmation by email to: receivablesdebitors@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments(remittance email mandatory) :

Preferred Method

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Transit – Institution : 47696-002

Account Number : 1590219

USD Payment

Transit – Institution : 47696-002

Account Number : 1363514

2. Wire Payment :

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Account Number : 476961590219

Swift Code : NOSCCATT

USD Payment, Beneficiary Bank (Bank of Nova Scotia) :

Account Number : 476961363514

Swift Code : NOSCCATT

Clearing Code : CC000247696

Address: P.O. Box 4234 STN A, Toronto ON M4W 5P6

USD Payment, Intermediary Bank (Bank of America NA) :

Address: 222 Broadway, New York, NY 10038

Account Number : 476961363514

Swift Code : BOFAUS3N

ABA Routing Number : 026009593

Note: Intermediary Bank information may not be required for payments coming from outside the US

3. Online Payment :

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to :

For CAD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

For USD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1



**Appendix #1
Summary of Fees**

Name	Level	Hours	Role	Rate	Amount
Sleeth, Jordan	Partner	10.2	Core RS	785.00	8,007.00
Foran, James	Partner	1.5	Core RS	785.00	1,177.50
Williams, Richard	Director	41.9	Core RS	660.00	27,654.00
Casey, Brian	Senior Manager	6.0	Core RS	550.00	3,300.00
Chen, Kangli	Manager	19.2	Core RS	475.00	9,120.00
Brown, Rose	Manager	11.2	Core RS	475.00	5,320.00
Joshi, Bhavanshu	Manager	2.0	IJV	350.00	700.00
Conorton, Laura	Consultant	1.6	Core RS	300.00	480.00
Messina, Stephen	Senior	98.1	Core RS	325.00	31,882.50
Berardi, Gianluca	Senior	4.8	Core RS	325.00	1,560.00
Alleyne, Jaylon	Analyst	122.5	Core RS	275.00	33,687.50
Obasa, Kanyisola	Analyst	2.0	IJV	250.00	500.00
Madur, Sai Deepika	Analyst	0.5	IJV	250.00	125.00
Rawat, Aakash	Analyst	22.0	IJV	250.00	5,500.00
Chen, Guo	Analyst	8.5	IJV	250.00	2,125.00
Total Professional Hours and Fees		352.0			131,138.50
Out-of-pocket Expenses					3,302.94
Total Fees and Expenses (CAD)					134,441.44
Courtesy discount					(25,000.00)
Revised Total Fees and Expenses (CAD)					109,441.44



Appendix #2
Work performed from February 3, 2024 to March 1, 2024

Date	Name	Narrative	Hours
2/3/2024	Alleyne, Jaylon	Completed lease reconstruction to pass to lease servicer. Updated lessee information to help with the transition of the lease portfolio to the servicer.	3.0
2/3/2024	Messina, Stephen	Discussing with various lessees with respect to unpaid amounts, leases, repossessions etc. via email.	2.3
2/4/2024	Foran, James	Preliminary review of NRV	0.6
2/5/2024	Foran, James	Complete review of NRV and discuss same with Richard Williams	0.9
2/5/2024	Williams, Richard	Emails re [REDACTED] transition, vehicle repo, [REDACTED] claims. Trust administration. Review bank recs and emails J. Alleyne. T/c and emails [REDACTED] QA. Revisions to [REDACTED]. Emails re scanning at IM. T/c TGF re [REDACTED] leases.	3.5
2/5/2024	Williams, Richard	Review and analysis of [REDACTED] lease portfolio. Identify and validate cross-funded leases.	0.9
2/5/2024	Brown, Rose	Trust Banking Administration - Disbursement cheques.	0.4
2/5/2024	Chen, Guo	Review scanned copies of cheques and payments to provide payment details to TGF to trace potentially fraudulent transactions.	1.0
2/5/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Called utility companies to determine amounts owed by the Receiver.	5.2
2/5/2024	Alleyne, Jaylon	Organized transition of portfolio to [REDACTED]. Met with bank representatives for additional reporting information. Prepared reconciliation for HST remittance.	9.0
2/5/2024	Chen, Kangli	Internal communication on lease issues	0.4
2/6/2024	Williams, Richard	Review direct and redirected mail. Emails re scanning issue. Email RK with list of [REDACTED] leases. Review of draft APA. Emails [REDACTED] re contractor details.	1.5
2/6/2024	Williams, Richard	Emails SC, SM re WEPPA. Review revised WEPPA calculations and discussions SM. Consider issue of utility payments and [REDACTED] reporting requirements.	1.0
2/6/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Confirmed that WEPP claims need to be filed in accordance with initial receivership. Preliminary math done to support new claims.	6.4
2/6/2024	Casey, Brian	Data Coordination and Validation / Meetings	0.5

Date	Name	Narrative	Hours
2/6/2024	Alleyne, Jaylon	Met with bank representatives and account manager for additional reporting information. Prepared HST remittance. Informal meetings with S. Messina regarding portfolio transition from Deloitte servicing team.	9.0
2/6/2024	Chen, Kangli	Internal communication on lease issues	0.5
2/7/2024	Williams, Richard	Emails TGF re [REDACTED] correspondence. Emails and discussions S. Messina re WEPPA. Emails [REDACTED] re [REDACTED] leases. Emails [REDACTED] re auction results. Emails [REDACTED] re scanning. T/c R. Kennedy. Emails D. Harland re lien discharges.	2.6
2/7/2024	Casey, Brian	Data Coordination and Validation / Meetings	0.5
2/7/2024	Brown, Rose	Scanning and sending mail to the Team.	0.1
2/7/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Finalized math for new WEPP claims and drafted letter to be sent in tandem with updated proof of claims.	6.6
2/7/2024	Alleyne, Jaylon	Completed tear down of Peterborough office. Met with R. Williams and [REDACTED] to discuss banking transition and HST remittance issues.	4.0
2/7/2024	Chen, Kangli	Internal communication on lease issues	0.8
2/8/2024	Williams, Richard	Discussions J. Alleyne, review estate costs and emails [REDACTED] T/c and emails re [REDACTED] vehicles. Emails RK, DD.	1.3
2/8/2024	Chen, Guo	Review scanned copies of cheques and payments to provide payment details to TGF [REDACTED]	1.0
2/8/2024	Casey, Brian	Data Coordination and Validation / Meetings	0.5
2/8/2024	Brown, Rose	Scanning and sending mail to the Team.	0.2
2/8/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email.	5.0
2/8/2024	Alleyne, Jaylon	Vehicle search for record purposes. Liaised with government agency for paperwork transfer and obtained necessary paperwork.	8.0
2/8/2024	Chen, Kangli	Internal communication on lease issues, upload letters related to lease [REDACTED]	1.9
2/9/2024	Brown, Rose	Scanning and sending mail to the Team. Trust Banking Administration - Deposit.	0.8
2/9/2024	Williams, Richard	Emails RK re [REDACTED] vehicles. Emails D. Harland, J. Alleyne re vehicle registrations and discharge. Emails [REDACTED] re [REDACTED] registrations on [REDACTED] vehicles. Customer payment complaints	2.1

Date	Name	Narrative	Hours
2/9/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email.	6.5
2/9/2024	Alleyne, Jaylon	Communication with lessee's regarding payment issues.	1.0
2/9/2024	Chen, Kangli	Internal communication on lease issues	1.5
2/12/2024	Conorton, Laura	Website Update.Processing wire payment [REDACTED] trust administration. Recording receipt of transfer from [REDACTED] account	0.8
2/12/2024	Williams, Richard	Emails [REDACTED] re records digitization, Relativity access. Trust administration, letter to [REDACTED] re funds transfer. Emails D. Harland, R. Kennedy re vesting order, lien discharges. TGF call. Emails J. Alleyne, R. Kennedy re 2018 BMW. Review DH emails	2.5
2/12/2024	Williams, Richard	Review DH email to MTO. Emails R Kennedy	0.1
2/12/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email.	5.8
2/12/2024	Berardi, Gianluca	Organized the Velocity ROE's information and associated T4's from 2018-2023	1.1
2/12/2024	Chen, Kangli	Internal communications - sample on how to calculate overdue balances and four lessees	2.5
2/12/2024	Madur, Sai Deepika	New user setup creation for multiple users.	0.3
2/12/2024	Alleyne, Jaylon	Worked with S. Messina to assist in lease servicing activities where necessary such as calculating buyouts, updating customer payment information, etc. Prepared list of missing CAS vehicles. Met with [REDACTED] account manager for reporting information.	7.5
2/12/2024	Sleeth, Jordan	Update with TGF.	0.5
2/13/2024	Williams, Richard	Review and consider [REDACTED] email re [REDACTED] T/c J. Alleyne re bank recs. J. Alleyne email re PAP reconciliation procedures. T/c J. Sleeth. Prepare pro fees summary. Emails [REDACTED] re [REDACTED] discharge request. Doc imaging.	1.8
2/13/2024	Conorton, Laura	Sorting through mail (creditor mailing returned mail, misc mail items), scanning, filing	0.8
2/13/2024	Williams, Richard	Trust administration, emails with [REDACTED] re [REDACTED] functionality. Emails [REDACTED] re [REDACTED] advances [REDACTED]. Trust administration and review of supplier invoices. Execute TPS SOW. Emails re vehicle proceeds. Review WEPPA.	1.3
2/13/2024	Brown, Rose	Scan mail rec'd and send to the Team. Scan 83 cheques and back up received from [REDACTED] and send to the team.	1.4

Date	Name	Narrative	Hours
2/13/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Email to landlord regarding utilities. Filed WEPPA again pursuant to Oct 26 filing.	6.8
2/13/2024	Berardi, Gianluca	Developed the Velocity Bill of Sale PDF with editable text fields to input vehicle sale information for S. Messina	3.7
2/13/2024	Chen, Kangli	Internal communication - HST matters for returning a leased vehicle & several lessees	0.9
2/13/2024	Alleyne, Jaylon	Prepared reporting documentation procedures to engage overseas team for filtering data. Contacted insurance companies to begin processing claims. Finalized contractor invoices.	8.0
2/14/2024	Brown, Rose	Input 83 cheques and descriptions into Ascend. Copy cheques, Review back up, Prepare deposit slip and endorse all 83 cheques, Take deposit to the bank.	2.3
2/14/2024	Williams, Richard	Emails [REDACTED] re data analysis. Trust administration. Creditor correspondence, emails re discharges. Meeting with TGF re [REDACTED] T/c [REDACTED] re lease servicing. Emails PTC, t/c J. Sleeth. Emails [REDACTED]	2.5
2/14/2024	Chen, Guo	Review scanned copies of cheques and payments to provide payment details to TGF to trace potentially fraudulent transactions.	2.0
2/14/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Email to with [REDACTED] team regarding expectations.	8.8
2/14/2024	Chen, Kangli	Call with [REDACTED] Internal communication - help with another payment status check on one lessee, Internal communication - several lessees issues	3.1
2/14/2024	Alleyne, Jaylon	Met with S. Messina to prepare for [REDACTED] servicing transition. Met with [REDACTED] engagement team (R. Williams, S. Messina, C. Chen) to ensure finalized transition plan is in place. Attended TGF meeting with J. Sleeth, R. Williams.	8.5
2/14/2024	Sleeth, Jordan	Meeting with TGF re: [REDACTED] planning, update for [REDACTED] next steps in receivership (SISP, court report, etc.)	1.3
2/15/2024	Chen, Guo	Review scanned copies of cheques and payments to provide payment details to TGF [REDACTED]	2.0
2/15/2024	Williams, Richard	Emails re [REDACTED] vehicles, ownership delivery. T/c [REDACTED] re document scanning. Review [REDACTED] demand letters. CRA letter re HST audit. Emails D. Harland; creditor correspondence. Review [REDACTED] emails.	1.8
2/15/2024	Brown, Rose	Scan Mail rec'd and send to the Team.	0.5
2/15/2024	Casey, Brian	Meetings, Data collection, QA, data transfer	0.5

Date	Name	Narrative	Hours
2/15/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Received WEPPA proof of claims and northlake call.	7.6
2/15/2024	Chen, Kangli	Internal communication - one complicated case	1.2
2/15/2024	Rawat, Aakash	Review scanned copies of cheques and payments to provide payment details to TGF to trace potentially fraudulent transactions.	4.0
2/15/2024	Alleyne, Jaylon	Prepared and sent out demand letters [REDACTED] Prepared finalized bill of sale documents for customers. Sent out agreed upon deliverables from prior TGF meeting. Prepared 18 month bank reconciliation.	10.0
2/16/2024	Casey, Brian	Meetings, Data collection, QA, data transfer	0.5
2/16/2024	Williams, Richard	Attend [REDACTED] call with Gowlings. Review emails from [REDACTED] counsel re sale of vehicle. Review [REDACTED] emails. Emails [REDACTED] Review and comment on draft sale documentation. Review [REDACTED] information request. T/c [REDACTED] re samples. Email J. Alleyne.	2.4
2/16/2024	Messina, Stephen	Discussing with various lessees and creditors with respect to unpaid amounts, leases, repossessions etc. via phone and email. Review of bank account and development of initial flow of funds.	5.5
2/16/2024	Chen, Kangli	Internal communication - several complicated lessees, update dispute log & upload f [REDACTED]	2.3
2/16/2024	Alleyne, Jaylon	Ad hoc lease servicing from questions that consumers have. Dealt with issues from [REDACTED] regarding lease servicing transition. Prepared [REDACTED] basis explanation for [REDACTED] audit purposes.	6.0
2/16/2024	Sleeth, Jordan	Call with [REDACTED] auditor, debrief with R. Williams.	0.8
2/16/2024	Sleeth, Jordan	[REDACTED] call with TGF and Gowlings [REDACTED] re: [REDACTED] and SISP, review agenda and speaking notes.	1.3
2/18/2024	Messina, Stephen	Sent emails to lessees, emailed [REDACTED] lessee cases and respond to mailing list concern.	1.1
2/19/2024	Williams, Richard	Review stakeholder correspondence. Review draft response to [REDACTED] info request and emails J. Alleyne. Emails re [REDACTED] data analysis of PAP reports. Emails J. Sleeth, TGF re [REDACTED] letters.	0.7
2/20/2024	Williams, Richard	Consider CRA issues and emails to team. Review emails re scanning, missing vehicles. Email [REDACTED] re [REDACTED] categories. Emails with [REDACTED] et all re Relativity and Sharefile access.	1.0

Date	Name	Narrative	Hours
2/20/2024	Alleyne, Jaylon	Met with lease servicer and S. Messina regarding leasing calculations. Completed lessee vehicle sales, prepared asset discharges, and further investigation into missing assets.	7.5
2/20/2024	Messina, Stephen	Sent emails to lessees, preparation and debrief with [REDACTED] on leasing status, generated deposit req for insurance claim, initial draft of fund flow for August 2023.	8.2
2/20/2024	Obasa, Kanyisola	Processing	0.5
2/21/2024	Williams, Richard	Emails [REDACTED] T/c R. Kennedy. Review R. Kennedy email to [REDACTED] Review and revision to [REDACTED] letter of direction. Emails [REDACTED] re Relativity. T/c [REDACTED] J. Alleyne re audit. Review lease buyout docs. Draft letter [REDACTED]	3.2
2/21/2024	Alleyne, Jaylon	Prepared correspondence with financial institutions regarding missing bank information. Insurance [REDACTED] Meeting with R. Williams and client audit team regarding [REDACTED] questions and clarifications.	6.5
2/21/2024	Chen, Guo	Review scanned copies of cheques and payments to provide payment details to TGF to trace potentially fraudulent transactions.	1.0
2/21/2024	Sleeth, Jordan	Review correspondence from counsel [REDACTED] respond to TGF.	0.3
2/21/2024	Messina, Stephen	Calls and emails with various lessee's, emails to [REDACTED] regarding the ongoing leasing situation, further drafting of fund flow.	5.4
2/21/2024	Obasa, Kanyisola	Processing and review support	1.0
2/22/2024	Alleyne, Jaylon	Contacted vendors for access to client documents. Helped finalize and send bank reconciliation for legal counsel.	7.0
2/22/2024	Williams, Richard	Draft [REDACTED] letter. Review emails re lease servicing, [REDACTED] Insurance cancellation. Review flow of funds. Review information provided [REDACTED]. Review direct and redirected mail. Review and draft response to [REDACTED] questions [REDACTED].	2.8
2/22/2024	Brown, Rose	Prepare R&D and send to Team. Input correction to GL's as requested and update R&D and send to Team. Input in to Ascend and prepare wires and have signed by signing officers. Sorting and scanning mail rec'd and send to the team.	2.1
2/22/2024	Casey, Brian	Data access and QA, meetings	0.5
2/22/2024	Sleeth, Jordan	Various - review [REDACTED] queries and response; review HST assessment from CRA.	0.5
2/22/2024	Messina, Stephen	Filed WEPPA proof of claims and sent reminders to employees yet to provide new claim, emails and calls with various lessees, completion of fund flow and circulation to broader team and counsel.	3.2

Date	Name	Narrative	Hours
2/23/2024	Chen, Guo	Review scanned copies of cheques and payments to provide payment details to TGF [REDACTED]	1.0
2/23/2024	Brown, Rose	Scan and send wire to [REDACTED] for processing. Prepare deposit and take to the bank.	0.5
2/23/2024	Casey, Brian	Data access and QA, meetings	0.5
2/23/2024	Williams, Richard	T/c J. Sleeth, R. Kennedy. Emails [REDACTED] Email [REDACTED] re [REDACTED] audit. Emails [REDACTED] Emails H. Waddell re padlock keys. T/c [REDACTED]	1.3
2/23/2024	Chen, Kangli	Internal communication - some old cases	0.4
2/23/2024	Madur, Sai Deepika	Relativity access reset for users.	0.2
2/23/2024	Messina, Stephen	Filed HST returns for Clonsilla and Velocity accounts, sent letter to [REDACTED] legal counsel to obtain filing information, filed additional WEPP claim, calls and emails with various lessees.	3.7
2/25/2024	Sleeth, Jordan	Draft update letter [REDACTED] email memo to R. Williams; review TGF memo re: [REDACTED] financing to Clonsilla.	1.8
2/26/2024	Williams, Richard	Review and revise letter [REDACTED] Email [REDACTED] lease review and email J. Sleeth. Emails re vesting order, lien releases. T/c [REDACTED] and emails [REDACTED] re vehicle surrender. Review emails re WEPPA, flow of funds. T/c M. Lombard.	2.4
2/26/2024	Brown, Rose	Scanning of Mail received and send to the team.	0.2
2/26/2024	Messina, Stephen	Calls and emails with lessees and creditors, WEPPA emails to Service Canada and employees to finalize secondary filing.	4.1
2/26/2024	Rawat, Aakash	Review scanned copies of cheques and payments to provide payment details to TGF [REDACTED]	6.0
2/26/2024	Joshi, Bhavanshu	Liaise with S. Messina re: [REDACTED] exercise; meeting with team re: same.	2.0
2/26/2024	Chen, Kangli	Internal communication (with Stephen & Jaylon) on lessees	1.5
2/26/2024	Sleeth, Jordan	Review borrowing needs, emails with R. Williams re: same.	0.4
2/27/2024	Williams, Richard	Review [REDACTED] claims and emails J. Sleeth. Email N. Waddell. Emails re estate issue w/ lessee. T/c [REDACTED] trustee and email [REDACTED] RK email to [REDACTED] Emails engagement team re scanning, T4s. Duplicate lease review, lien releases. Review mail.	2.1
2/27/2024	Messina, Stephen	Calls and emails with lessees and creditors, emails to [REDACTED] on current status, upload documents to sharefile	3.7

Date	Name	Narrative	Hours
2/27/2024	Brown, Rose	Open and scan mail rec'd and send to Team.	0.4
2/27/2024	Rawat, Aakash	Review scanned copies of cheques and payments to provide payment details to TGF [REDACTED]	4.0
2/27/2024	Alleyne, Jaylon	Analysis of cross-funded leases not subject to receivership. Prepared discharge documentation for finalizing vehicle sales. Discussion with former staff.	7.5
2/27/2024	Casey, Brian	Scanned docs QA/collection/preparing for loading	0.5
2/28/2024	Williams, Richard	Email RK re [REDACTED] Letter to [REDACTED] re fund transfer. Meeting with TGF re [REDACTED]	0.6
2/28/2024	Messina, Stephen	Managed emails and calls with lessees and creditors. Discussion with TGF on [REDACTED].	2.2
2/28/2024	Chen, Guo	Review scanned copies of cheques and payments to provide payment details to TGF [REDACTED]	0.5
2/28/2024	Brown, Rose	Trust Banking Adm - Deposit, Open mail rec'd. Seal envelope for sending, prepare mail voucher form and take to mail room.	1.0
2/28/2024	Rawat, Aakash	Review scanned copies of cheques and payments to provide payment details to TGF to trace potentially fraudulent transactions.	8.0
2/28/2024	Chen, Kangli	Internal communication (with Stephen & Jaylon) on creditors & lessees	1.5
2/28/2024	Alleyne, Jaylon	TGF meeting with J. Sleeth, R. Williams, S. Messina, and TGF regarding [REDACTED] Prepared raw data for [REDACTED] Ad hoc lessee correspondence.	5.0
2/28/2024	Casey, Brian	Scanned docs QA/collection/preparing for loading	0.5
2/28/2024	Sleeth, Jordan	Call with TGF re: flow of funds and litigation strategy	0.5
2/28/2024	Sleeth, Jordan	[REDACTED] emails and calls with independence re: records copying	2.0
2/29/2024	Williams, Richard	Revisions to [REDACTED] letter. Emails [REDACTED] Call w/ [REDACTED] Emails / discussions re document scanning. Emails [REDACTED] re audit.	1.6
2/29/2024	Brown, Rose	Open Mail rec'd and scanning. Seal additional envelopes for mailing and prepare mail voucher form and take to mail room	0.8
2/29/2024	Chen, Kangli	"Stay" communication to creditors	0.7
2/29/2024	Alleyne, Jaylon	Completion of HST payable calculation. Reviewed and prepared documentation for [REDACTED] auditors. Two meetings with [REDACTED] regarding vehicle sale procedures and banking update.	7.0

Date	Name	Narrative	Hours
2/29/2024	Casey, Brian	Scanned docs QA/collection/preparing for loading, Meeting	1.0
2/29/2024	Obasa, Kanyisola	Review scanned copies of cheques and payments to provide payment details to TGF to trace potentially fraudulent transactions.	0.5
3/1/2024	Brown, Rose	Pick up mail and open mail, scan and send to the team.	0.5
3/1/2024	Williams, Richard	T/c with ██████████ to review audit issues. F/u with J. Sleeth. Emails J. Alleyne. Review redirected mail.	0.9
3/1/2024	Casey, Brian	Scanned docs QA/collection/preparing for loading	0.5
3/1/2024	Alleyne, Jaylon	Meeting with ██████ auditors, J. Sleeth & R. Williams regarding ██████ calculation. Further discussion with ██████ auditors regarding ██████ calculation. Finalized HST payable calculation.	8.0
3/1/2024	Sleeth, Jordan	Call with ██████ debrief with R. Williams, email with M. Lombard.	0.8
Total			352.0



Appendix #3
Out of pocket Expenses

Description	Amount
Telecommunication	389.29
Transportation	406.88
Meals	100.48
Accommodations	1,786.47
Search and Filing Fees	8.00
Postage and Courier	611.82
Total	3,302.94



Invoice 8004632953

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Jordan Sleeth
Velocity Asset and Credit Corporation
c/o Deloitte Restructuring Inc.
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: April 03, 2024
Client No.: 1677324
WBS#: EFC00011
Engagement Partner: Jordan Sleeth

GST/HST Registration: 122893605RT0001
QST Registration: 1012314163TQ0001

For professional services rendered

Fees

Rendered by Deloitte Restructuring Inc. in its capacity as Receiver of Velocity Asset and Credit Corporation and 926749 Ontario Ltd. o/a Clonsilla Auto Sales and Leasing for the period March 2, 2024 to March 31, 2024.

HST applicable 68,112.00

Expense

Out-of-pocket Expenses

HST applicable 16,931.02

Sales Tax

HST at 13.00 % 11,055.59

Total Amount Due (CAD) 96,098.61

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.



Invoice Number 8004632953

April 03, 2024

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
Velocity Asset and Credit Corporation	1677324	8004632953	96,098.61	Payment for invoice 8004632953

Contact:

Please send payment confirmation by email to: receivablesdebitors@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments(remittance email mandatory) :

Preferred Method

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Transit – Institution : 47696-002

Account Number : 1590219

USD Payment

Transit – Institution : 47696-002

Account Number : 1363514

2. Wire Payment :

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Account Number : 476961590219

Swift Code : NOSCCATT

USD Payment, Beneficiary Bank (Bank of Nova Scotia) :

Account Number : 476961363514

Swift Code : NOSCCATT

Clearing Code : CC000247696

Address: P.O. Box 4234 STN A, Toronto ON M4W 5P6

USD Payment, Intermediary Bank (Bank of America NA) :

Address: 222 Broadway, New York, NY 10038

Account Number : 476961363514

Swift Code : BOFAUS3N

ABA Routing Number : 026009593

Note: Intermediary Bank information may not be required for payments coming from outside the US

3. Online Payment :

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to :

For CAD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

For USD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1



**Appendix #1
Summary of Fees**

Name	Level	Hours	Role	Rate	Amount
Sleeth, Jordan	Partner	14.5	Core RS	785.00	11,382.50
Stamatis, Bill	Partner	1.5	Valuation	785.00	1,177.50
Hou, Qiang Qiang	Partner	0.5	Valuation	785.00	392.50
Williams, Richard	Director	18.2	Core RS	660.00	12,012.00
Casey, Brian	Senior Manager	5.5	Forensics	550.00	3,025.00
Brown, Rose	Manager	7.6	Core RS	475.00	3,610.00
Chen, Kangli	Manager	8.9	Core RS	475.00	4,227.50
Conorton, Laura	Consultant	4.4	Core RS	300.00	1,320.00
Messina, Stephen	Senior	41.2	Core RS	325.00	13,390.00
Dew, Todd	Senior	0.4	Core RS	325.00	130.00
Alleyne, Jaylon	Analyst	61.8	Core RS	275.00	16,995.00
Obasa, Kanyisola	Analyst	0.8	Forensics	250.00	200.00
Chen, Guo	Analyst	1.0	Forensics	250.00	250.00
Total Professional Hours and Fees		166.3			68,112.00
Out-of-pocket Expenses					16,931.02
Total Fees and Expenses (CAD)					85,043.02



Appendix #2
Work performed from March 2, 2024 to March 31, 2024

Date	Name	Narrative	Hours
3/3/2024	Sleeth, Jordan	Audit issue - emails with [REDACTED]	0.2
3/4/2024	Williams, Richard	Review Gowlings letter re [REDACTED] Emails J. Alleyne re HST update. Trust administration. Emails [REDACTED]	0.5
3/4/2024	Stamatis, Bill	Review of materials and consultation with Jordan on analytical approaches to alleviate burden on management/debtor related to financial statement audit activities	0.5
3/4/2024	Sleeth, Jordan	Audit issue - discussion with [REDACTED]	0.5
3/4/2024	Obasa, Kanyisola	Relativity data upload and review support	0.2
3/4/2024	Alleyne, Jaylon	Correspondence with R. Williams and S. Messina. Calculation of payment of HST payable, correspondence for investigation purposes, trust administration for payments.	8.0
3/5/2024	Williams, Richard	Emails re [REDACTED] audit. Creditor correspondence. Call w/ [REDACTED] Call w/ M. Lombard.	2.0
3/5/2024	Messina, Stephen	Calls and emails with various lessees directing them to [REDACTED] reviewed current HST filing status	6.4
3/5/2024	Stamatis, Bill	Review of materials and consultation with Jordan on analytical approaches to alleviate burden on management/debtor related to financial statement audit activities	0.5
3/5/2024	Sleeth, Jordan	Audit issues - internal calls with I. Hou and R. Williams, call with M. Lombard and [REDACTED] re: same; call with [REDACTED] auditor.	1.5
3/5/2024	Sleeth, Jordan	Review TGF response [REDACTED], consider [REDACTED] circulate email memo to Gowlings re: [REDACTED] options.	0.6
3/5/2024	Alleyne, Jaylon	[REDACTED] valuation meeting with J. Sleeth, internal valuations partners, [REDACTED] correspondence with [REDACTED] correspondence, and claim organization.	7.5
3/6/2024	Williams, Richard	Multiple emails with counsel regarding lessees. T/c and emails [REDACTED] Email [REDACTED] re realization assumptions.	1.2
3/6/2024	Chen, Guo	Collections and evidence management	1.0
3/6/2024	Brown, Rose	Scan and send mail rec'd to the Team.	0.2
3/6/2024	Messina, Stephen	Email exchanges and calls with lessees directing them to [REDACTED]	3.6

Date	Name	Narrative	Hours
3/6/2024	Stamatis, Bill	Review of materials and consultation with Jordan and Ivy on analytical approaches to alleviate burden on management/debtor related to financial statement audit activities	0.5
3/6/2024	Sleeth, Jordan	Finalize and circulate update letter to [REDACTED] including borrow request.	0.7
3/6/2024	Sleeth, Jordan	Review creditor correspondence, email to TGF re: response.	0.2
3/6/2024	Casey, Brian	Data Collection / Validation and movement	0.5
3/6/2024	Alleyne, Jaylon	Correspondence with S. Messina and K. Chen. Vehicle investigation, lessee vehicle sales and transfer, and [REDACTED] calculation correspondence.	9.0
3/7/2024	Williams, Richard	Emails M. Lombard, J. Alleyne. Refer abandoned vehicle to [REDACTED] Emails D. Harland re [REDACTED] leases. T/c R. Kennedy re [REDACTED] Emails with former employee. Review emails re vehicle transfer and plating issues.	1.2
3/7/2024	Brown, Rose	Input cheques received for depositing. Take deposit to the bank.	0.3
3/7/2024	Hou, Qiang Qiang	Discuss with the engagement and provide comments [REDACTED]	0.5
3/7/2024	Sleeth, Jordan	Emails with M. Lombard re: receiver borrowings, review template receiver line agreement; review investigation list and [REDACTED] issues.	1.0
3/7/2024	Messina, Stephen	Calls and emails with various creditors, procurement of lease buyout documents	4.1
3/7/2024	Casey, Brian	Data Collection / Validation and movement	0.5
3/7/2024	Alleyne, Jaylon	Further [REDACTED] correspondence, preparation of modified discharges, lessee investigation.	2.0
3/8/2024	Williams, Richard	Review and respond to [REDACTED] email re [REDACTED] assumptions. T/c customer - refer to [REDACTED] T/c D. Harland, J. Sleeth re [REDACTED] leases. T/c J. Sleeth and further emails [REDACTED] Review insurance statements and email J. Alleyne. Review [REDACTED] list.	1.5
3/8/2024	Sleeth, Jordan	Call with D. Harland (TGF) and R. Williams re: [REDACTED] leases.	0.5
3/8/2024	Casey, Brian	Data Collection / Validation and movement	0.5
3/8/2024	Messina, Stephen	emails and calls with lessees, compilation of cheque data for flow of funds analysis	3.9
3/8/2024	Obasa, Kanyisola	Relativity data upload and review support	0.2
3/8/2024	Alleyne, Jaylon	Correspondence with CAS staff, preparation for examinations. Finalizing lessee correspondence. Preparing and reconciling cheque payments.	5.0

Date	Name	Narrative	Hours
3/11/2024	Williams, Richard	██████████ email re lease sampling. T/c and emails J. Sleeth re ██████████ email. Planning ██████████ Review TGF memo re ██████████. Correspond with lessees ██████████ Review MTO letter. Emails H. Murray ██████████	3.1
3/11/2024	Messina, Stephen	Phone calls and emails with lessees and creditors regarding leases or unsecured amounts referring them to ██████████ Phone calls with insurance companies to get proof of loss cheques.	5.8
3/11/2024	Brown, Rose	Trust Banking Adm - Disbursement cheque. Scan cheque received ██████████ and send to Team.	0.5
3/11/2024	Alleyne, Jaylon	Lessee correspondence regarding required documentation, trust administration regarding deposits, and organizing final confirmations on discharge of assets.	5.0
3/11/2024	Sleeth, Jordan	Review and edit TGF ██████████ memo, develop ██████████ budget ██████████ circulate to Gowlings.	3.0
3/12/2024	Williams, Richard	Emails D. Harland re MTO. Review J. Sleeth email to TGF re ██████████ memo. Review CRA correspondence and t/c J. Sleeth. Emails ██████████ re rent cheque, ownership. Emails S. Messina ██████████	0.9
3/12/2024	Messina, Stephen	Phone calls and emails with lessees and creditors regarding leases or unsecured amounts referring them to ██████████ prepared deposit req's for insurance payouts collected, refined flow of funds model to coincide with ██████████ list	5.2
3/12/2024	Brown, Rose	Scan and saving and send mail rec'd to the team received Mar 7 to 12/24. Trust Banking Adm - Prepare disbursement cheque- review schedule attached and discuss with SM. Prepare deposit and take to the bank.	2.1
3/12/2024	Alleyne, Jaylon	Audit correspondence and auctioneer correspondence.	4.0
3/12/2024	Sleeth, Jordan	Emails with landlord to dealership re: rent payment; review lease for late payments.	0.8
3/13/2024	Williams, Richard	Emails ██████████ Emails J. Alleyne. Review D. Harland email ██████████ Review lessee issues and emails S. Messina. Trust administration.	0.8
3/13/2024	Conorton, Laura	Correspondence with bank on incoming wire, processing wire payment ██████████ trust administration banking	0.7
3/13/2024	Messina, Stephen	Phone calls and emails with lessees and creditors regarding leases or unsecured amounts referring them to ██████████	3.6
3/13/2024	Casey, Brian	Data QA/Data transfer	0.5
3/13/2024	Brown, Rose	Trust Banking Adm - Deposit and Scan and send mail to the team.	0.9
3/13/2024	Obasa, Kanyisola	Relativity data upload and review support	0.2

Date	Name	Narrative	Hours
3/13/2024	Alleyne, Jaylon	Cheque invoice preparation, correspondence with counsel regarding discharges, and correspondence with R. Williams and S. Messina.	3.0
3/13/2024	Sleeth, Jordan	Review email memo to [REDACTED] counsel and provide comments; review correspondence [REDACTED] and draft email to [REDACTED] re: same.	0.6
3/14/2024	Messina, Stephen	Phone calls and emails with lessees and creditors regarding leases or unsecured amounts referring them to [REDACTED] prepared deposit req's for insurance payouts collected.	2.1
3/14/2024	Williams, Richard	Emails [REDACTED] re customer buyouts. Revisions to [REDACTED] emails thereto.	0.6
3/14/2024	Casey, Brian	Data QA/Data transfer	0.5
3/14/2024	Brown, Rose	Trust Banking - Deposit, Disbursement cheque and Scan and send mail to the team.	0.9
3/14/2024	Alleyne, Jaylon	Revised [REDACTED] calculation.	1.0
3/14/2024	Sleeth, Jordan	Review revised [REDACTED] memo and provide comments.	0.5
3/14/2024	Sleeth, Jordan	Call with [REDACTED] e inputs to [REDACTED] circulate memo [REDACTED]	0.4
3/15/2024	Casey, Brian	Data QA/Data transfer	1.0
3/15/2024	Williams, Richard	Emails [REDACTED]. T/c J. Sleeth re [REDACTED] budget. Review [REDACTED] revisions and bridge analysis.	0.5
3/15/2024	Brown, Rose	Trust Banking Adm - Deposit.	0.4
3/15/2024	Obasa, Kanyisola	Relativity data upload and review support	0.2
3/15/2024	Alleyne, Jaylon	[REDACTED] revision waterfall and review of calculation.	3.0
3/15/2024	Sleeth, Jordan	Further revisions to [REDACTED] memo, revise cost estimates.	0.8
3/16/2024	Messina, Stephen	Emails with lessees regarding questions on their lease. Addressed abandoned car situation and sent information to [REDACTED]	0.5
3/18/2024	Conorton, Laura	Trust administration and banking	0.3
3/18/2024	Dew, Todd	Bank reconciliations	0.4
3/18/2024	Williams, Richard	Emails D. Harland, [REDACTED] re [REDACTED] leases. Trust administration. Emails M. Lombard, J. Sleeth. T/c J. Sleeth.	0.9
3/18/2024	Brown, Rose	Trust Banking Adm - Deposit and take to the bank.	0.8
3/18/2024	Messina, Stephen	Responded to lessees with lease concerns.	0.2
3/18/2024	Alleyne, Jaylon	Meeting with J. Sleeth re: Revised [REDACTED] Calculation. Lease servicer emails regarding payment information. Estate banking.	4.0

Date	Name	Narrative	Hours
3/18/2024	Sleeth, Jordan	Review updated ██████████ analysis, circulate to █████	1.0
3/19/2024	Brown, Rose	Scan and send mail to the Team.	0.2
3/19/2024	Conorton, Laura	Preparing courier for cheque to ██████████ Recording incoming amounts, trust administration	0.6
3/19/2024	Williams, Richard	Review D. Harland emails to ██████████ Review revised █████ and J. Sleeth email to ██████████ Emails D. Harland, J. Alleyne re ██████████ funds. Review redirected mail. Trust administration.	0.8
3/19/2024	Messina, Stephen	Responded to lessees with lease concerns.	0.1
3/20/2024	Williams, Richard	Emails D. Harland, ██████████ re ██████████ leases. Review correspondence ██████████ Trust administration. Call with ██████████ to review leases.	1.2
3/20/2024	Conorton, Laura	Recording receipt of funds and wire payment ██████████. Correspondence with team and bank on transaction and processing. Trust administration, sorting receipts and disbursements	1.6
3/20/2024	Messina, Stephen	Responded to various lessees with lease concerns, filtered through mail and provided insurance letters ██████████	0.8
3/20/2024	Alleyne, Jaylon	██████████ payment meeting with R. Williams, others. Estate banking. Ad hoc discussion with S. Messina regarding lessee request.	2.0
3/20/2024	Chen, Kangli	Prepare draft interim report of Velocity and Clonsilla.	0.5
3/21/2024	Conorton, Laura	Processing wire ██████████ for 2 invoices, trust administration and banking	0.8
3/21/2024	Williams, Richard	Emails ██████████ J. Alleyne re records access. Emails ██████████ and t/c R. Kennedy. Trust administration.	0.6
3/21/2024	Messina, Stephen	Responded to various lessees with lease concerns, filtered through mail and provided relevant information to ██████████	1.2
3/21/2024	Alleyne, Jaylon	Investigation of missing vehicles through ██████████ information. Estate banking. Answering lease servicer questions.	3.0
3/21/2024	Brown, Rose	Scan and send mail to the Team	0.2
3/21/2024	Chen, Kangli	Prepare draft interim report of Velocity & Clonsilla.	4.0
3/21/2024	Sleeth, Jordan	Review ██████████ provide comments ██████████	0.3
3/22/2024	Williams, Richard	Emails ██████████	0.3
3/22/2024	Conorton, Laura	Trust administration and banking	0.2
3/22/2024	Messina, Stephen	Reviewed and discussed draft of 246 report. Made changes related to work performed over last 6 months.	1.2

Date	Name	Narrative	Hours
3/22/2024	Alleyne, Jaylon	Meeting with C. Chen & S. Messina regarding court report. Edits to court report.	0.8
3/22/2024	Chen, Kangli	Prepare draft interim report of Velocity & Clonsilla.	4.0
3/25/2024	Williams, Richard	Emails ██████ re ██████ request. Emails ██████ re vehicle possession.	0.2
3/25/2024	Messina, Stephen	Phone call discussion with lessees, drafted letter to MTO regarding lessee plate attachment issue, completed proof of loss received.	2.2
3/25/2024	Brown, Rose	Trust Banking Adm - Deposit. Scanning mail and send to the team. Forwarding Lessee call to Jaylon & Steven.	1.1
3/26/2024	Conorton, Laura	Mailing letter	0.2
3/26/2024	Williams, Richard	Emails ██████ Trust administration. Review emails D. Harland, R. Kennedy, ██████ Review email from ██████ to ██████	0.8
3/26/2024	Alleyne, Jaylon	████████ leases investigation. Emails with R. Williams & Counsel.	1.0
3/26/2024	Sleeth, Jordan	Emails with ██████ re: ██████ queries; receive and review update ██████	0.4
3/26/2024	Sleeth, Jordan	Review email re: ██████ call with ██████ re: same.	0.5
3/27/2024	Alleyne, Jaylon	Estate banking	1.0
3/27/2024	Messina, Stephen	Phone calls with several lessees, notifying them of receivership.	0.3
3/27/2024	Williams, Richard	Emails re ██████ filing. Review Velocity 246 report.	0.4
3/27/2024	Casey, Brian	Data collection and validation of the velocity was site that was collected	1.0
3/28/2024	Casey, Brian	Data collection and validation of the velocity was site that was collected	1.0
3/28/2024	Alleyne, Jaylon	Emails and correspondence with J. Sleeth, R. Williams, and ██████ Estate banking. Reviewing court reports.	2.5
3/28/2024	Chen, Kangli	Draft interim report, ██████ contact information to 2 lessees	0.4
3/28/2024	Sleeth, Jordan	Call with ██████ re: ██████ diligence ██████ call with Gowlings and TGF ██████	1.0
4/1/2024	Williams, Richard	Emails J. Sleeth, D. Harland. Consider structure of Receiver's report. Emails ██████ re Velocity database info and relativity. Emails ██████.	0.7
Total			166.3



Appendix #3
Out of pocket Expenses

Description	Amount
Telecommunication	396.02
Transportation	1,868.10
Meals	1,389.28
Search and Filing Fees	1,104.00
Postage and Courier	894.07
Printing & Copying	150.75
Office Supplies	1,823.58
Miscellaneous	1,262.84
Personal Car Mileage	4,399.63
Tolls/Road Charges	471.48
AFT Hosting February 2024	3,171.27
Total	16,931.02

**IN THE MATTER OF AN APPLICATION UNDER 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***

ENLIGHTENED FUNDING CORPORATION

and

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING**

Applicant

Respondents

Court File No.: CV-23-00707330-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

**AFFIDAVIT OF JORDEN
SLEETH**

THORNTON GROUT FINNIGAN LLP
100 Wellington St. West
Suite 3200
TD West Tower, Toronto-Dominion Centre
Toronto, ON M5K 1K7

Rebecca L. Kennedy (LSO# 61146S)

Email: rkennedy@tgf.ca

Derek Harland (LSO# 79504N)

Email: धारland@tgf.ca

Tel: 416 304-1616

Counsel for the Receiver, Deloitte Restructuring Inc.
in its capacity as Court-appointed Receiver

Appendix V

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

ENLIGHTENED FUNDING CORPORATION

Applicant

– and –

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749 ONTARIO LTD.
O/A CLONSILLA AUTO SALES AND LEASING**

Respondents

IN THE MATTER OF AN APPLICATION UNDER 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*

**AFFIDAVIT OF REBECCA L. KENNEDY
(Sworn April 15, 2024)**

I, **Rebecca L. Kennedy**, of the City of Pickering, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a partner in the law firm of Thornton Grout Finnigan LLP (“**TGF**”), lawyers for Deloitte Restructuring Inc. in its capacity as Court-appointed Receiver (in such capacity, the “**Receiver**”) and, as such, I have knowledge of the matters to which I hereinafter depose, except where stated to be on information and belief, and where so stated, I verily believe it to be true.
2. Attached hereto as Exhibit “**A**” are copies of the invoices (the “**Invoices**”) issued by TGF to the Receiver for fees and disbursements incurred by TGF in the course of these proceedings for the period from September 19, 2023 to March 31, 2024 (the “**Fee Approval Period**”).
3. As evidenced by the Invoices attached at Exhibit “**A**”, in the course of the Fee Approval Period, TGF counsel, students and law clerks have expended a total of 638 hours in connection with these proceedings, and have incurred CAD \$339,840.50 in fees, CAD \$10,207.23 in disbursements and CAD \$45,504.67 in HST, for a total of CAD \$395,552.40.

4. Attached hereto as Exhibit “B” is a schedule summarizing the Invoices and the total billable hours charged.

5. Attached hereto as Exhibit “C” is a schedule summarizing the respective years of call, where applicable, and billing rates of each of the TGF professionals who acted for the Receiver during the Fee Approval Period.

6. To the best of my knowledge, the rates charged by TGF in the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services. I believe the total hours, fees and disbursements incurred by TGF on this matter are reasonable and appropriate in the circumstances.

7. This Affidavit is sworn in support of a motion, *inter alia*, approving TGF’s fees and disbursements incurred in respect of these proceedings during the Fee Approval Period.

SWORN remotely via videoconference, by Rebecca L. Kennedy stated as being located in the City of Pickering, in the Province of Ontario, before me at the City of Toronto, the Province of Ontario, this 15th day of April, 2024 in accordance with O. Reg 431/20, *Administering Oath or Declaration Remotely*.



Commissioner for Taking Affidavits, etc.



REBECCA L. KENNEDY

EXHIBIT "A" to the Affidavit of Rebecca L. Kennedy
SWORN remotely via videoconference in the City of
Pickering, in the Province of Ontario, before me at the City of
Toronto, the Province of Ontario, this 15th day of April, 2024
in accordance with O. Reg 431/20, *Administering Oath or
Declaration Remotely.*



A Commissioner for taking affidavits

DEREK HARLAND

Deloitte & Touche
8 Adelaide Street West
Suite 200
Toronto, ON M5H 0A9

November 7, 2023

Attention: Jorden Sleeth

Invoice No. 40064
File No. 533-049

RE: Velocity Asset and Credit Corporation

TO ALL PROFESSIONAL SERVICES RENDERED HEREIN INCLUDING THE FOLLOWING for the period ending: October 25, 2023

FEES

- Sep-19-23 Review and respond to email correspondence; prepare for and attend call with appointing creditor and counsel;
- Client meeting with R. Kennedy regarding receivership;
- Sep-20-23 Research on the locality of debtor for Toronto commercial list for R. Kennedy;
- Sep-21-23 Review of research from D. Alievsky; emails regarding same;
- Oct-05-23 Telephone call with J. Sleeth; further emails regarding motions;
- Oct-06-23 Review of materials; comment on same; review of comments from DRI; attend call with DRI to discuss; email to A. Nelms; call with A. Nelms;
- Oct-11-23 Review factum; provide comments on same; emails from and to J. Sleeth and R. Williams;
- Discuss receivership application with R. Kennedy; research [REDACTED] discuss same with D. Alievsky; draft email memo to R. Kennedy regarding receivership over dealership;
- Brief research regarding the [REDACTED] [REDACTED] correspondence with D. Harland on same;
- Oct-12-23 Review of research; prepare for and attend call with DRI; review letters; review email correspondence; discuss letters and adjournment with D. Harland;
- Review application materials: attend call with Deloitte to discuss appointment of receiver; review drafts of Independent Contractor Agreement and first-day letters; draft email to J. Sleeth

regarding review of same; call with R. Kennedy and D. Alievsky to discuss receivership application;

Meeting with Deloitte and R. Kennedy and D. Harland on updates and preparation before receivership motion; drafting of s. 245 and 246 notices and sent to D. Harland; further meeting with R. Kennedy and D. Harland regarding comments on termination letter, bank letter, lessee letter and contractor agreement;

Oct-13-23 Review of email correspondence; review of materials from J. Sleeth; prepare for and attend court hearing;

Attend call with Deloitte to discuss first-day appointment; attend court hearing for receivership appointment; review draft notice on receiver's website;

Application hearing for the appointment of a receiver;

Oct-16-23 Telephone call with J. Sleeth;

Oct-20-23 Emails from and to M. Shakra;

Oct-22-23 Telephone call with M. Shakra;

Oct-23-23 Review of responding motion record; review of reply motion record; prepare for and attend call with M. Shakra and J. Sleeth;

Review responding motion record; draft email to R. Kennedy regarding same;

Oct-24-23 Review and respond to email correspondence; prepare for and attend call with counsel; further review of reply to affidavit; review materials from J. Sleeth; emails regarding same; call with J. Sleeth;

Oct-25-23 Review of revised receivership order; correspondence with court; telephone call with Bennett Jones; telephone call with J. Sleeth;

Review Second Glavey Affidavit;

And to all other necessary telephone communications, attendances and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Rebecca Kennedy	11.40	\$800.00	\$9,120.00
Derek Harland	9.50	\$525.00	\$4,987.50
Daniel Alievsky (Student)	9.80	\$400.00	\$3,920.00

Total Fees \$18,027.50

HST (@ 13%) on Fees \$2,343.58

Total Fees and HST \$20,371.08

DISBURSEMENTS

3% Administrative Fee \$540.83

Total Taxable Disbursements \$540.83

HST (@ 13%) on Taxable Disbursements \$70.31

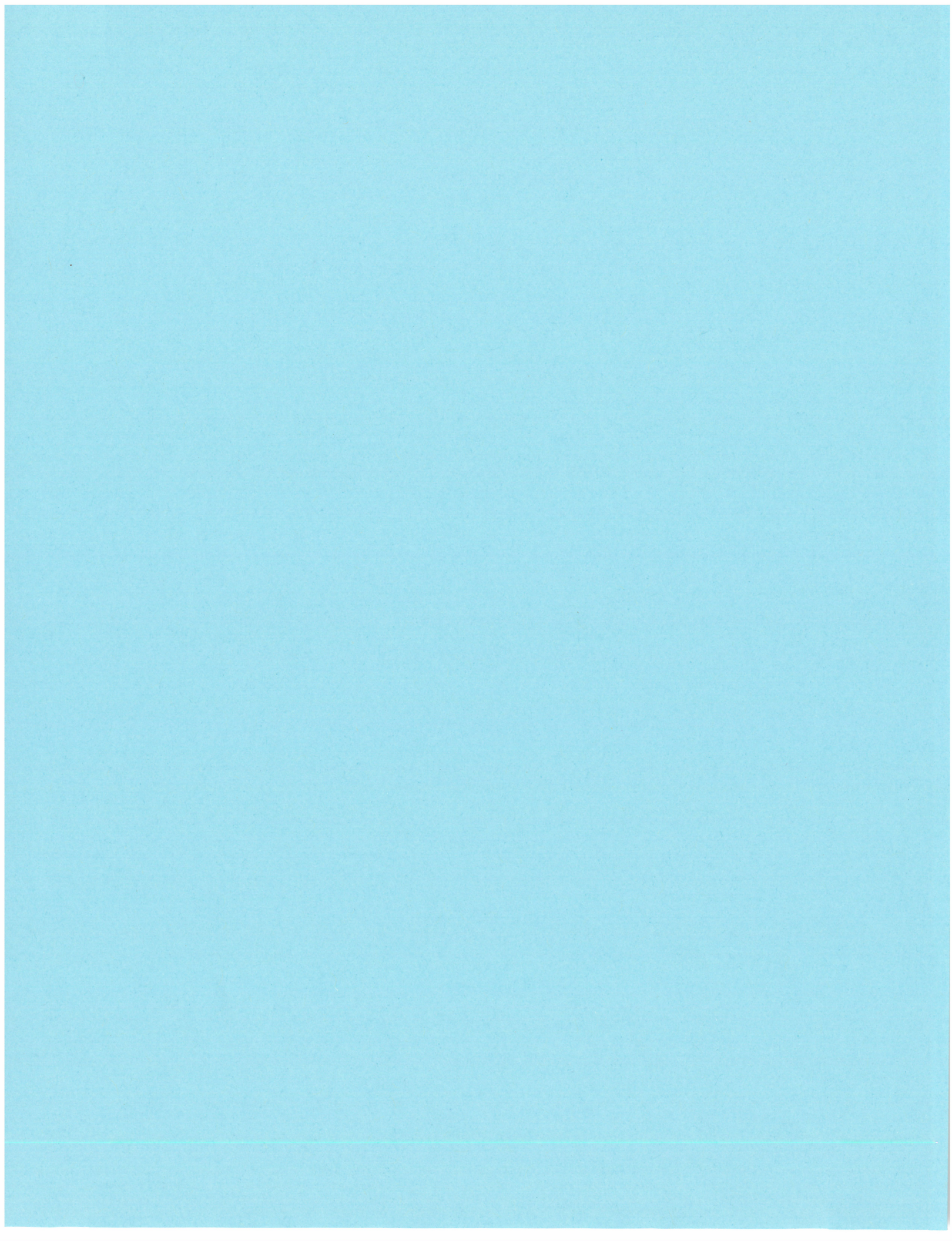
Total *Non-Taxable Disbursements \$0.00**Total Disbursements and HST \$611.14****TOTAL DUE & OWING \$20,982.22****Thornton Grout Finnigan LLP**


Per: Rebecca Kennedy

E. & O. E. GST/HST # 87042 1039 RT0001 * GST/HST Exempt

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*Payment can be made to us by:**1. Cheque Payable to Thornton Grout Finnigan LLP or**2. EFT or Wire Transfer to:**Account No. 027779-002**Transit No. 10532**Institution No. 016 (HSBC Bank Canada)**Account Name - Thornton Grout Finnigan LLP**Address of Bank - 111 Yonge Street, Toronto, Ontario M5C 1W4**Name of Bank - HSBC Bank Canada**SwiftCode: HKBCCATT**Attention: Credit Services Department**Please send remittance advice to ychiu@tgf.ca*





Thornton Grout Finnigan LLP
RESTRUCTURING + LITIGATION

Deloitte & Touche
8 Adelaide Street West
Suite 200
Toronto, ON M5H 0A9

Toronto-Dominion Centre
100 Wellington Street West
Suite 3200, P.O. Box 329
Toronto, ON Canada M5K 1K7
T 416.304.1616 F 416.304.1313

November 29, 2023

Attention: **Jorden Sleeth**

Invoice No. **40159**
File No. **533-049**

RE: **Velocity Asset and Credit Corporation**

TO ALL PROFESSIONAL SERVICES RENDERED HEREIN INCLUDING THE FOLLOWING for the period ending: November 15, 2023

FEES

- Oct-26-23 Review of court materials; prepare for court attendance; various calls with M. Shakra and J. Sleeth; attend court; further calls with J. Sleeth;

Attend court hearing for receivership application; draft email to J. Sleeth and R. Williams regarding notice on receiver's website; draft email to J. Sleeth regarding Service List; discuss Service List with D. Alievsky; attend call with Deloitte and Enlightened to discuss first day;

Attended receivership motion hearing; meeting with D. Harland regarding assignment to create service list; preliminary start to service list;
- Oct-27-23 Prepare for and attend court hearing; debrief call with J. Sleeth; prepare for and attend update calls;

Call with R. Kennedy to discuss research regarding [REDACTED] discuss research with D. Alievsky; attend update call with Deloitte and Enlightened; attend debrief call with Deloitte;

Prepare initial draft of service list; research for D. Harland regarding [REDACTED]
- Oct-28-23 Research regarding [REDACTED]; finalizing memorandum for D. Harland on [REDACTED];
- Oct-30-23 Review and comment on memo regarding [REDACTED] draft email to R. Kennedy and D. Alievsky regarding same; draft email to R. Kennedy regarding action items; discuss memo with D. Alievsky;

Prepare and finalize the initial service list; revisions to memorandum regarding [REDACTED]
- Oct-31-23 Review of memorandum on proceeds; consider issues regarding [REDACTED] consider issues with [REDACTED]; call with J. Sleeth;

Review draft Service List; discuss same with D. Alievsky; review proposals from service providers; review revised memo on [REDACTED]

Meeting with D. Harland regarding clarification points for a memorandum on [REDACTED] revisions to the memorandum regarding same; finalize initial draft of service list;

- Nov-01-23 Review and respond to email correspondence; prepare for and attend update call; instructions regarding Non-Disclosure Agreement and letters;
- Attend call with Deloitte and R. Kennedy; draft letters to lessees; discuss same with R. Kennedy; review and comment on draft NDA; discuss same with D. Alievsky;
- Meeting with Deloitte team regarding updates and next steps; drafting NDA; correspondence with D. Harland on same;
- Nov-02-23 Review of NDA; review of letter; call and emails with D. Harland; emails from R. Williams;
- Draft email to Deloitte regarding lessee letters; exchange emails with Deloitte regarding NDA; call with R. Kennedy;
- Revisions to Lessee Letter and NDA;
- Nov-03-23 Exchange emails with Deloitte regarding NDA; discuss same with D. Alievsky;
- Further revisions to Non-Disclosure Agreement and Lessee Letter;
- Nov-06-23 Review and respond to email correspondence; call with J. Sleeth;
- Nov-07-23 Review and respond to email correspondence; review of security and loan agreements; review of other issues from J. Sleeth; prepare for and attend call with J. Sleeth and R. Williams;
- Attend call with Deloitte and R. Kennedy; review update email from J. Sleeth; discuss memo with D. Alievsky;
- Meeting with Deloitte and TGF team; further research and revisions to memorandum regarding [REDACTED]
- Nov-08-23 Emails regarding memorandum on [REDACTED]; review same; discuss research with J. Sleeth; emails regarding response to Mr. Waddell;
- Review and comment on draft memo; review case law; discuss same with D. Alievsky;
- Nov-09-23 Review of memorandum; review of summary from R. Williams; review of email regarding [REDACTED] consider issue;
- Review Initial Order; draft email to R. Kennedy regarding same; review documents from Deloitte; revise memo; exchange emails with R. Kennedy regarding same; call with R. Kennedy; draft email to Deloitte regarding memo;
- Draft letter to lessees regarding [REDACTED]
- Nov-10-23 Call with R. Kennedy; revise draft notice to lessees; draft email to Deloitte regarding same;
- Nov-11-23 Review and respond to email correspondence; prepare for and attend update call;
- Call with Deloitte and R. Kennedy; call with D. Alievsky to discuss research;

Call D. Harland regarding the research [REDACTED];
research on same;

Nov-12-23 Review memo and case law; draft email to D. Alievsky regarding same;
Research regarding [REDACTED];

Nov-13-23 Review of email correspondence; reply to same; review of memorandum; emails regarding same;
emails regarding notice period; email to A. Nelms and M. Shakra regarding [REDACTED];
Review lease agreement; draft email to Deloitte regarding same; exchange emails with Deloitte
regarding lessee notice; review security documents; draft email to D. Cohen regarding same;

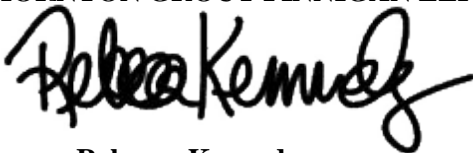
Nov-14-23 Emails from and to D. Harland;
Review documents from Deloitte; review update email from R. Williams;

Nov-15-23 Review and respond to email correspondence; prepare for and attend update call;
Review documents from Deloitte; call with Deloitte and R. Kennedy;

And to all other necessary telephone communications, attendances and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Rebecca Kennedy	13.60	\$800.00	\$10,880.00
Derek Harland	20.00	\$525.00	\$10,500.00
Daniel Alievsky (Student)	41.90	\$400.00	\$16,760.00
Total Fees			\$38,140.00
HST (@ 13%) on Fees			<u>\$4,958.20</u>
Total Fees and HST			\$43,098.20
<u>DISBURSEMENTS</u>			
3% Administrative Fee			\$1,144.20
Total Taxable Disbursements			\$1,144.20
HST (@ 13%) on Taxable Disbursements			\$148.75
Total *Non-Taxable Disbursements			<u>\$0.00</u>
Total Disbursements and HST			<u>\$1,292.95</u>
TOTAL NOW DUE			<u>\$44,391.15</u>

THORNTON GROUT FINNIGAN LLP



Per: Rebecca Kennedy

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- 2. EFT or Wire Transfer to:*

Account No. 027779-001

Transit No. 10532

Institution No. 016 (HSBC Bank Canada)

Account Name - Thornton Grout Finnigan LLP

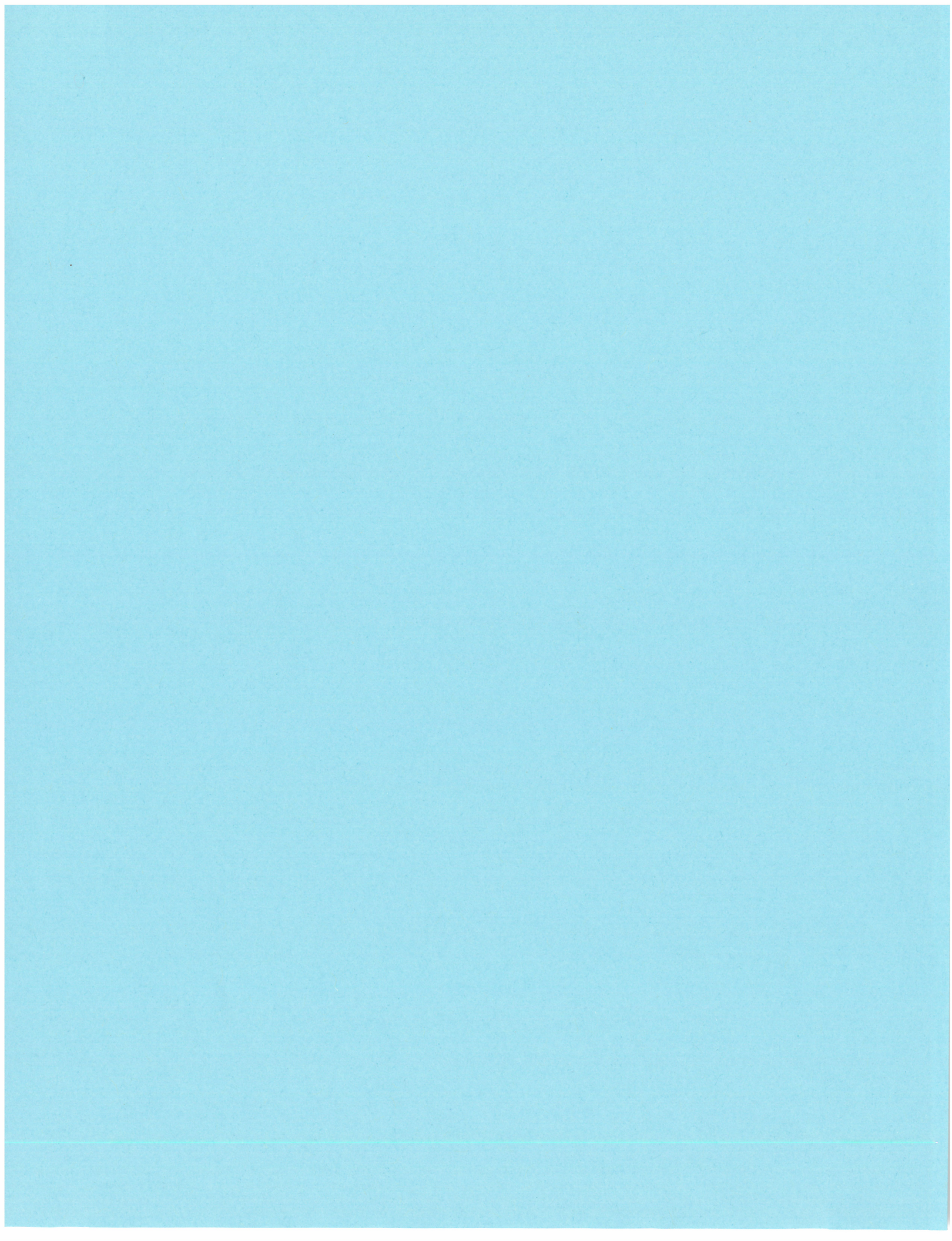
Address of Bank - 111 Yonge Street, Toronto, Ontario M5C 1W4

Name of Bank - HSBC Bank Canada

SwiftCode: HKBCCATT

Attention: Credit Services Department

Please send remittance advice to ychiu@tgf.ca





Thornton Grout Finnigan LLP
RESTRUCTURING + LITIGATION

Toronto-Dominion Centre
100 Wellington Street West
Suite 3200, P.O. Box 329
Toronto, ON Canada M5K 1K7
T 416.304.1616 F 416.304.1313

Deloitte & Touche
8 Adelaide Street West
Suite 200
Toronto, ON M5H 0A9

December 13, 2023

Attention: Jordan Sleeth

Invoice No. 40222
File No. 533-049

RE: Velocity Asset and Credit Corporation

TO ALL PROFESSIONAL SERVICES RENDERED HEREIN INCLUDING THE FOLLOWING for the period ending: November 30, 2023

FEES

- Nov-16-23 Draft letter to H. Waddell; draft letter to Auto Connect; discuss draft letters with R. Kennedy; exchange emails with Deloitte regarding same; deliver letter to Auto Connect;
- Nov-17-23 Review and respond to email correspondence; revise letter to H. Waddell; review of further comments from DRI; instructions to D. Harland; prepare for call with [REDACTED]

Call with Deloitte to discuss next steps; revise letter to H. Waddell; exchange emails with R. Kennedy and Deloitte regarding same; finalize letter to H. Waddell and deliver same; review documents received from Deloitte;
- Nov-18-23 Draft outline of Receiver's First Report; draft email to R. Kennedy regarding same;
- Nov-20-23 Telephone call and instructions with D. Harland; review of response from H. Waddell; emails regarding same; review of bill of sale;

Draft letter to Auto Connect; call with R. Kennedy to discuss same; deliver letter to Auto Connect; exchange various emails with Deloitte regarding Auto Connect; draft email to Deloitte regarding First Report; review bill of sale; draft addendum to same; exchange emails with Deloitte regarding same;
- Nov-21-23 Exchange emails with H. Waddell regarding information requests; exchange emails with Deloitte regarding Auto Connect; review various emails with H. Waddell;
- Nov-22-23 Instructions regarding draft order; call with D. Harland and D. Alievsky; review letter; review emails;

Draft letter to Auto Connect; exchange emails with Deloitte regarding same; draft email to [REDACTED] [REDACTED] call with R. Kennedy and D. Alievsky to discuss action items; call with [REDACTED] regarding letter; review email response from [REDACTED] exchange emails with A. Nelms regarding Receivership order; draft letter to [REDACTED] review and revise draft amended and restated Receivership order; discuss same with D. Alievsky;

Meeting with R. Kennedy and D. Harland regarding next steps; draft amended and restated Receivership order;

Nov-23-23 Further review of letter; email regarding same; review of email from D. Alievsky regarding Order; review of amended and restated order; suggested revisions regarding same;

Exchange emails with Deloitte regarding letter to [REDACTED] finalize and deliver same; review emails regarding amended and restated Receivership order;

Nov-24-23 Review emails with PTC;

Nov-25-23 Review email from H. Waddell;

Nov-26-23 Review and respond to email correspondence;

Nov-27-23 Review of emails regarding amended and restated order; prepare for and attend call with TGF and Deloitte team; review of letter to H. Waddell; review of information regarding lease reconciliation; discuss form of order and increase to borrowing with J. Sleeth;

Meeting with Deloitte team and R. Kennedy regarding next steps; draft letter for R. Kennedy to review on notice of expansion of powers;

Nov-28-23 Meeting with J. Sleeth and R. Williams; review and respond to email correspondence from same; instructions regarding review of First Report;

Review and revise First Report of the Receiver;

Nov-29-23 Review of emails with D. Alievsky; call with J. Sleeth; call with D. Alievsky; review of revised First Report;

Emails with R. Kennedy regarding court time for motion to expand the Receiver's powers; emails with Commercial List scheduling clerk regarding same; review prior Receivership materials; prepare court request form and circulate to R. Kennedy;

Telephone call with R. Kennedy regarding additions to Receiver's First Report; revisions to Receiver's First Report based on discussions with R. Kennedy;

Nov-30-23 Review and respond to email correspondence; various calls with J. Sleeth and D. Cohen; review of First Report; various calls with D. Harland; emails and call regarding [REDACTED]

Review and revise drafts of First Report; exchange emails with R. Kennedy regarding same; call with R. Kennedy regarding same; exchange emails with Deloitte regarding same; call with [REDACTED] regarding Auto Connect; draft email to Deloitte regarding same; discuss Notice of Motion with D. Alievsky; call with A. Nelms regarding attendance; discuss request form with R. Manea; draft Service List; draft emails to R. Kennedy and Deloitte regarding same;

Emails with R. Kennedy regarding court time and start of hearing on available date; revise court request form; discuss briefly with D. Harland regarding confirmations from other counsel; circulate court request form for signature and provide to Commercial List scheduling clerk;

Drafting notice of motion;

And to all other necessary telephone communications, attendances and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>	
Rebecca Kennedy	12.00	\$800.00	\$9,600.00	
Derek Harland	16.50	\$525.00	\$8,662.50	
Daniel Alievsky (Student)	7.60	\$400.00	\$3,040.00	
Roxana Manea (Law Clerk)	1.30	\$230.00	\$299.00	
Total Fees			\$21,601.50	
HST (@ 13%) on Fees			<u>\$2,808.20</u>	
Total Fees and HST				\$24,409.70
<u>DISBURSEMENTS</u>				
3% Administrative Fee			\$648.05	
Total Taxable Disbursements			\$648.05	
HST (@ 13%) on Taxable Disbursements			\$84.25	
Total *Non-Taxable Disbursements			<u>\$0.00</u>	
Total Disbursements and HST				<u>\$732.30</u>
TOTAL NOW DUE				<u>\$25,142.00</u>

THORNTON GROUT FINNIGAN LLP



Per: Rebecca Kennedy

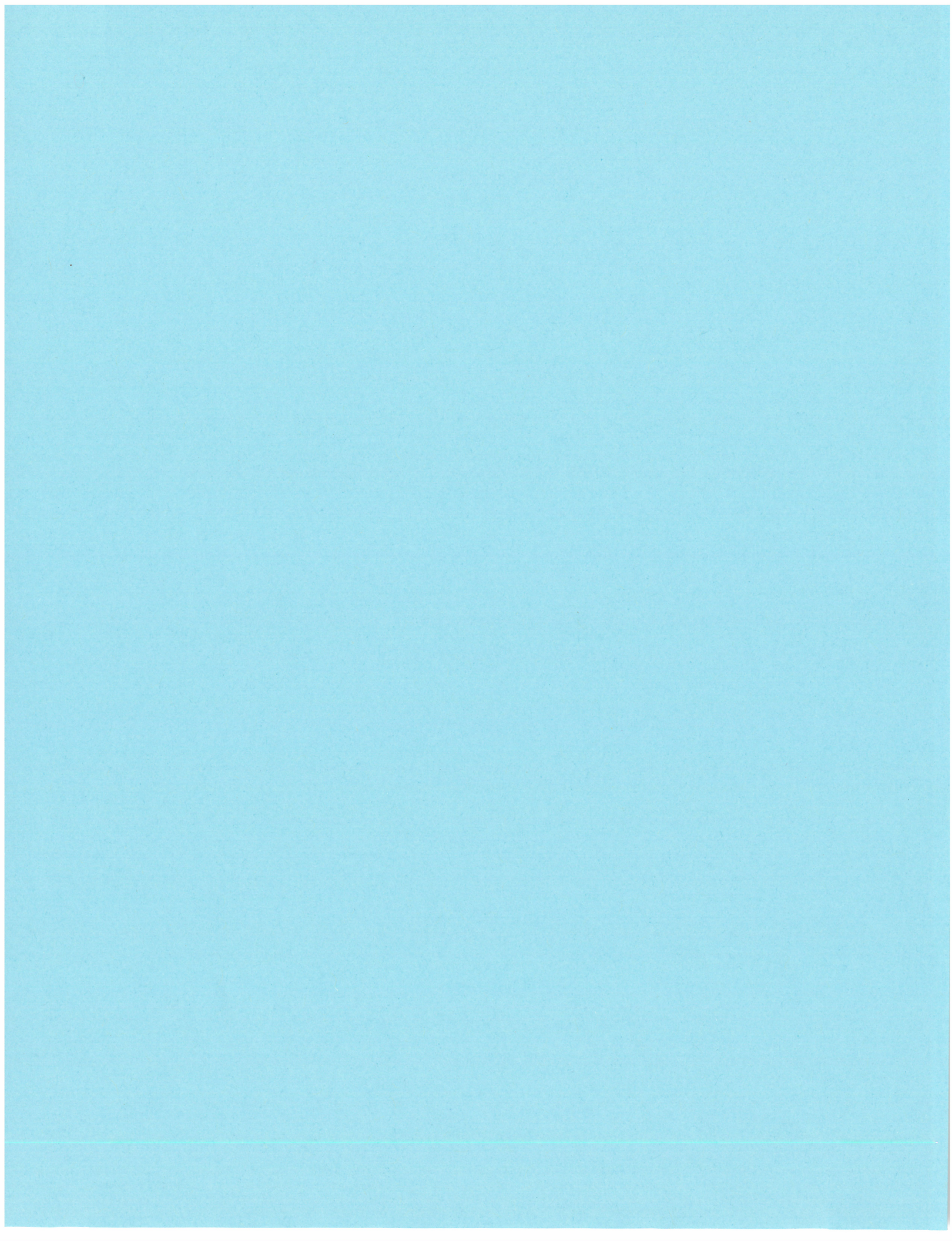
E. & O.E.

GST/HST #87042 1039 RT0001 * GST/HST Exempt

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2. EFT or Wire Transfer to:
 - Account No. 027779-001
 - Transit No. 10532
 - Institution No. 016 (HSBC Bank Canada)
 - Account Name - Thornton Grout Finnigan LLP
 - Address of Bank - 111 Yonge Street, Toronto, Ontario M5C 1W4
 - Name of Bank - HSBC Bank Canada
 - SwiftCode: HKBCCATT
 - Attention: Credit Services Department
 - Please send remittance advice to ychiu@tgf.ca





Thornton Grout Finnigan LLP
RESTRUCTURING + LITIGATION

Deloitte & Touche
8 Adelaide Street West
Suite 200
Toronto, ON M5H 0A9

Toronto-Dominion Centre
100 Wellington Street West
Suite 3200, P.O. Box 329
Toronto, ON Canada M5K 1K7
T 416.304.1616 F 416.304.1313

January 18, 2024

Attention: Jorden Sleeth

Invoice No. 40362
File No. 533-049

RE: Velocity Asset and Credit Corporation

TO ALL PROFESSIONAL SERVICES RENDERED HEREIN INCLUDING THE FOLLOWING for the period ending: December 31, 2023

FEES

- Dec-01-23 Review of orders; review of notice of motion; review of revised report; attend call regarding materials; calls with J. Sleeth and D. Cohen;
- Draft motion materials; exchange various emails regarding same; call with Deloitte to review report;
- Research for D. Harland regarding [REDACTED]
- Dec-02-23 Review various emails regarding motion materials;
- Dec-03-23 Review of revised material; review of comments from Gowlings; review of revised report; calls with J. Sleeth;
- Review comments on motion materials; revise motion materials; exchange various emails regarding same; review discharge letter; exchange emails with R. Williams regarding same;
- Dec-04-23 Final review of motion record; call with R. Williams regarding order; call with H. Murray; further emails from and to TGF and Deloitte team;
- Call with Deloitte to discuss form of order; exchange various emails regarding discharging PPSA registrations; finalize motion record and serve on Service List; discuss factum with D. Alievsky;
- Request from D. Harland with respect to the discharge of certain PPSA registrations; review no interest letters provided by Deloitte and prepare chart of VINs listed in letters; attend to PPSA search with respect to corporate debtor; further request from D. Harland and attend to corporate search with respect to Auto Connect Sales Inc.;
- Meeting with D. Harland regarding drafting factum on expanding receivership; draft factum on same; email to D. Harland regarding same;
- Dec-05-23 Prepare for and attend call with OMVIC; review and respond to email correspondence; further review of Report; emails from and to H. Waddell; various emails with Deloitte; consider issues for hearing; review and revise factum;

Call with OMVIC; exchange emails with BMO; review and revise factum; exchange various emails regarding same;

Commission affidavit of service of D. Harland;

Dec-06-23 Review of factum; revise same; prepare submissions for adjournment request; review of email correspondence; prepare for and attend call with Deloitte; prepare submissions;

Review and revise factum; exchange various emails regarding same; meeting with Deloitte to prepare for hearing; exchange various emails regarding PPSA registrations;

Review of email from D. Harland; review of Motion Record; updating Motion Record significantly with bookmarking and hyperlinks and testing same; emails with D. Harland regarding Factum and Counsel Slip; uploading Motion Record to CaseLines and attending to issues with CaseLines; call with D. Harland regarding next steps;

Emails with D. Harland regarding VINs and PPSA search against corporate debtor name; review PPSA search to identify VINs to discharge;

Research on [REDACTED] discussions with D. Harland on same;

Dec-07-23 Further revisions to factum; review and respond to email correspondence; review of final factum; emails regarding service of same; review of cases; draft submissions; review report; attend call with Deloitte;

Exchange various emails regarding PPSA registrations; finalize factum and serve on Service List; exchange various emails with parties regarding hearing; call with Deloitte to prepare for hearing; discuss hearing with R. Kennedy;

Review of email from D. Harland; attend to uploading Factum to CaseLines; emails with D. Harland regarding links and reuploading Factum to CaseLines; emails regarding affidavit of service and instructions to file materials through portal;

Discussion with D. Harland regarding VINs to discharge and PPSA searches with respect to same; validate VINs, conduct VIN-specific PPSA searches and review same; prepare chart of VINs and related PPSA registrations; detailed email to D. Harland regarding same and VINs that cannot be validated;

Dec-08-23 Prepare for hearing; attend hearing; attend debrief; further meeting with J. Sleeth and D. Harland; discuss letters with D. Harland;

Prepare for and attend hearing regarding receivership; prepare Participant Information Form; revise form of Order; draft letter to Auto Connect; serve Order and Endorsement on Service List; draft letters to Waddell's counsel;

Commission Affidavit of Service of D. Harland;

Review of emails from D. Harland; creating PIF and circulating same to D. Harland; hyperlinking Factum in CaseLines; emails with D. Harland; uploading PIF to CaseLines;

Emails with D. Harland regarding VINs that could not be validated and VIN-specific PPSA searches;

Dec-11-23 Prepare for and attend calls Deloitte; review of draft letters; review of draft emails; further call with R. Williams regarding [REDACTED] further emails regarding receivership; call with J. Sleeth

Draft letter regarding potential examinations; exchange various emails regarding PPSA discharges; review PPSA summary; exchange emails with D. Steinberg; call with Deloitte regarding investigation;

Emails with D. Harland regarding Acknowledgement & Direction with respect to PPSA discharge and provide precedent for same; further emails regarding [REDACTED], identify and bookmark VIN searches for same; discussion with D. Harland regarding discharges;

Dec-12-23 Review and respond to email correspondence; prepare for and attend call with [REDACTED] debrief with J. Sleeth; meeting with S. McGrath; calls with R. Williams;

Exchange various emails regarding PPSA discharges; review PPSA summary;

Draft letter to S. Waddell regarding cooperation requirements; draft letter to [REDACTED]

Dec-13-23 Various emails regarding letters to examinees; discuss same with D. Harland; discuss with J. Sleeth;

Exchange various emails regarding PPSA discharges; finalize letter to potential examinees; coordinate delivery of same; exchange emails with D. Steinberg; review draft discharges;

Instructions from D. Harland and prepare PPSA discharges (x31); verify individual debtor searches versus VIN searches to ensure discharged PPSA registrations only cover individual VINs; circulate drafts to D. Harland for sign-off; review emails with receiver regarding contacts at [REDACTED] and research contacts for same; emails with D. Harland regarding discharges;

Dec-14-23 Various emails regarding documents and examinations; review of discharges; discuss same with D. Harland;

Exchange various emails regarding discharges; review final discharges; exchange emails with [REDACTED]

Internal emails with D. Harland regarding PPSA discharges; attend to submitting same and retrieving confirmations of filing; attend to VIN post-searches; provide confirmations of filing of discharges and post-searches to D. Harland;

Dec-15-23 Review and respond to email correspondence; prepare for and attend call with J. Sleeth and R. Williams;

Dec-18-23 Prepare for and attend call with Deloitte regarding investigation; review and respond to email correspondence; further calls and discussions with TGF team regarding investigation; consider causes of action;

Reading draft report; call with client regarding investigation planning;

Call with former employee of Clonsilla; review various update emails;

Meeting with J. Sleeth, R. Kennedy and S. McGrath regarding [REDACTED]; draft of approval and vesting order and second report of receiver;

Dec-19-23 Prepare for and attend call regarding [REDACTED]; review and respond to email correspondence; various calls with J. Sleeth; call with bailiff; further call regarding [REDACTED]; review of emails regarding same;

Call with R. Kennedy and D. Alievsky to discuss [REDACTED]
[REDACTED]

Discussions with R. Kennedy, D. Harland and D. Alievsky regarding PPSA registration against multiple VINs; attend to [REDACTED]
[REDACTED]

Draft letter to lessees regarding [REDACTED] meeting with R. Kennedy, S. McGrath and D. Harland regarding next steps; discussions with R. Manea and R. Kennedy regarding [REDACTED] email to Deloitte regarding [REDACTED]

Dec-20-23 Review of email correspondence; call with J. Sleeth; further emails regarding [REDACTED] further call with J. Sleeth; emails regarding [REDACTED]

Research and draft memorandum for S. McGrath regarding [REDACTED]
[REDACTED]

Dec-21-23 Telephone call with J. Sleeth; email to [REDACTED] call with J. Sleeth regarding [REDACTED] various calls with D. Harland and D. Alievsky regarding [REDACTED] and responding letter; review of responding letter;

Review various emails regarding Servicer agreement;

Review and revise Servicing agreement; draft letter to H. Waddell regarding rent; finalize research and draft memorandum for S. McGrath regarding [REDACTED] email to S. McGrath and R. Kennedy regarding same;

Dec-22-23 Review of lease agreements; revise letter; emails regarding same; calls with J. Sleeth; revise and send letter;

Review of lease terms and waivers; email to R. Kennedy regarding same;

Dec-23-23 Various emails regarding Auto Connect vehicle purchases;

Dec-26-23 Emails regarding AFC;

Dec-27-23 Further emails regarding AFC and Auctioneer; prepare for and attend update call;

Call with Deloitte to discuss status update;

Dec-28-23 Email from H. Waddell; email to and from J. Sleeth; draft email to H. Waddell; confirm email with Deloitte and send same; email from M. Rusek; email from J. Sleeth and H. Murray regarding same;

Dec-30-23 Revise forbearance agreement; call with G. Moffat to discuss same; draft email to K. Mahar providing copy of forbearance agreement;

Dec-31-23 Review of email correspondence; email to team regarding task list;

And to all other necessary telephone communications, attendances and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>	
Rebecca Kennedy	40.40	\$800.00	\$32,320.00	
Scott McGrath	1.30	\$800.00	\$1,040.00	
Derek Harland	39.30	\$525.00	\$20,632.50	
Marco Gaspar	0.30	\$475.00	\$142.50	
Daniel Alievsky (Student)	29.80	\$400.00	\$11,920.00	
Bobbie-Jo Brinkman (Law Clerk)	2.90	\$230.00	\$667.00	
Roxana Manea (Law Clerk)	16.10	\$230.00	\$3,703.00	
Total Fees			\$70,425.00	
HST (@ 13%) on Fees			<u>\$9,155.25</u>	
Total Fees and HST				\$79,580.25
<u>DISBURSEMENTS</u>				
3% Administrative Fee			\$2,112.75	
Total Taxable Disbursements			\$2,112.75	
HST (@ 13%) on Taxable Disbursements			\$274.66	
Total *Non-Taxable Disbursements			<u>\$0.00</u>	
Total Disbursements and HST				<u>\$2,387.41</u>
TOTAL NOW DUE				<u>\$81,967.66</u>

THORNTON GROUT FINNIGAN LLP

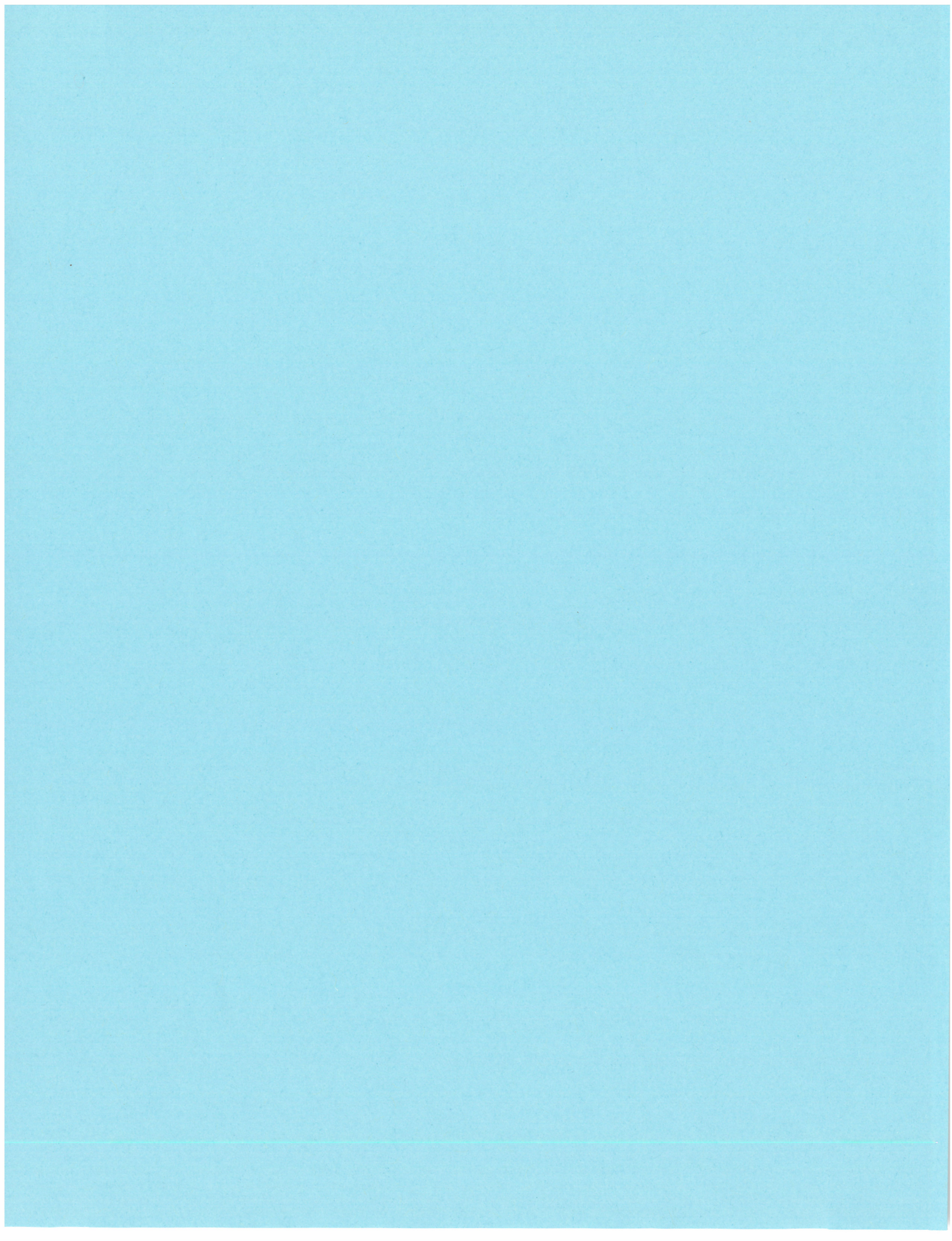
Per: Rebecca Kennedy

E.& O.E. GST/HST #87042 1039 RT0001 * GST/HST Exempt

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 33 of The Solicitor's Act, interest will be charged at the rate of 4.00% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

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 - Account Name - Thornton Grout Finnigan LLP*
 - Address of Bank - 111 Yonge Street, Toronto, Ontario M5C 1W4*
 - Name of Bank - HSBC Bank Canada*
 - SwiftCode: HKBCCATT*
 - Attention: Credit Services Department*
 - Please send remittance advice to ychiu@tgf.ca*





Thornton Grout Finnigan LLP
RESTRUCTURING + LITIGATION

Toronto-Dominion Centre
 100 Wellington Street West
 Suite 3200, P.O. Box 329
 Toronto, ON Canada M5K 1K7
 T 416.304.1616 F 416.304.1313

Deloitte & Touche
 8 Adelaide Street West
 Suite 200
 Toronto, ON M5H 0A9

February 26, 2024

Attention: Jorden Sleeth

Invoice No. 40506
File No. 533-049

RE: Velocity Asset and Credit Corporation

TO ALL PROFESSIONAL SERVICES RENDERED HEREIN INCLUDING THE FOLLOWING for the period ending: January 31, 2024

FEES

- Jan-02-24 Emails regarding PPSA registrations; emails regarding Northlake Servicing Agreement; review of redline of agreement; letters regarding insurance;

 Review lease servicing agreement; exchange emails with R. Kennedy regarding same;

 Various emails with D. Alievsky and G. Oxtoby regarding PPSA registration; revising VIN chart for registration; completing PPSA registration for VINs; review issues with one VIN regarding registration and update to D. Alievsky;

 Email from D. Alievsky regarding multiple VIN template and listing of 528 VINs for PPSA registration in favour of Deloitte; review Excel, validate and correct certain VINs and prepare multiple VIN template for registration; internal emails with G. Oxtoby regarding same and instructions related to registration;

 Draft letter to [REDACTED] communications with D. Harland, R. Kennedy regarding PPSA registrations; discussions with G. Oxtoby and A. Chang regarding PPSA registration;
- Jan-03-24 Further emails on PPSA registrations; emails regarding individual lessees; consider issues with MTO registration searches; email from H. Waddell; emails to J. Sleeth regarding same;

 Review emails regarding vehicle purchaser; review various emails regarding MTO registrations; review various emails regarding Auto Connect; review various emails regarding Waddell property; review various emails regarding rent;

 Reviewing PPSA registration for error in VIN; reviewing changes to be made to PPSA registration; emails with D. Alievsky regarding filing amendment to PPSA registration;

 Receive and review Verification Statement for PPSA registration made in favour of Deloitte; consider corrections to same with respect to debtor name and VINs that generated errors in registration; detailed email to G. Oxtoby and D. Alievsky regarding corrections to PPSA registration and issues with VINs; emails with D. Alievsky to obtain corrected VINs from client;

Discussions with A. Chang regarding PPSA registration;

Jan-04-24

Review and revise servicing agreement; call with J. Sleeth regarding same; further instructions to D. Alievsky; review of letter from F. Spizzirri; review of legal issues for call; attend call with J. Sleeth and R. Williams; further review of correspondence with Waddells; emails regarding same; emails regarding AutoLoans 4 You; review of summary from H. Waddell; revise of letter to [REDACTED]

Review letter regarding rent; call with Deloitte to discuss legal issues; review various emails regarding rent; exchange emails with R. Kennedy regarding servicing agreement; review revised draft of servicing agreement; call with R. Kennedy regarding outstanding issues;

Emails with R. Manea regarding amendments to PPSA registration;

Attend to matters regarding PPSA amendment to correct debtor name in registration made with respect to 520 MVs; identify and attempt to validate incorrect VINs (x22); emails with D. Alievsky regarding same and additional VINs provided by client; review list of additional MVs and conduct VIN validations (x77); identify incorrect VINs in new list and emails with D. Alievsky regarding same; conduct HIN validation search with respect to Full Throttle boat; prepare PPSA amendment for registration and circulate internally; conduct similar VIN PPSA searches to determine whether PPSA registrations exist with respect to possible similar VINs; review search result with [REDACTED]; [REDACTED]; conduct PPSA search against incorrect debtor name to determine what VINs were captured in incorrect registrations; emails to D. Alievsky and D. Harland regarding [REDACTED]

Email to J. Sleeth and R. Williams regarding servicing agreement; discussions with R. Kennedy and D. Harland regarding next steps; draft letter to H. Waddell regarding invoice; review R. Kennedy's revisions of the letter to A. Egoavil; email to J. Sleeth and R. Williams regarding letter to [REDACTED]; emails to and from and phone call with J. Alleyne regarding PPSA registration; emails to and from R. Manea regarding PPSA registration;

Jan-05-24

Review and respond to email correspondence; instructions regarding letter to [REDACTED]; review of revised addendum to Bill of sale; emails regarding Court attendance; review of letter to [REDACTED]; revise same; emails regarding report; call with R. Williams regarding same; further emails on Court attendance; email from F. Spizzirri;

Call with Deloitte regarding motion; draft addendum to wholesale bill of sale; exchange emails regarding same; review emails with Commercial List regarding scheduling motion; discuss contacting sheriff with B. Brinkman; prepare Commercial List Request Form; exchange emails with H. Murray regarding motion; exchange emails with R. Manea regarding PPSA registration;

Preparation of excel spreadsheet for fee affidavit; communications with D. Harland; emails to Court regarding Court availability; attempt to reach Peterborough enforcement office; further communications with D. Harland; preparation of Commercial List Request Form; email to D. Harland; finalize Commercial List Request Form and email same to Commercial List Office;

Review and consider extensive PPSA searches results covering 228 registrations made incorrectly against the debtor name variations "926749 Ontario Limited O/A Clonsilla Auto Sales and Leasing" and "926749 Ontario Ltd O/A Clonsilla Auto Sales and Leasing"; prepare Excel of VINs captured in searches against incorrect debtor names; emails with D. Alievsky regarding corrected VINs provided by client for PPSA amendment and additional VINs to cover in registration; revise draft PPSA amendment and circulate internally to D. Harland for sign-off; attend to filing of PPSA amendment, retrieve and review confirmation of filing, attend to post-registration search; attend to corporate search with respect to [REDACTED]

further emails with D. Alievsky and D. Harland regarding outstanding items to be corrected on Monday, [REDACTED]

Draft letter to [REDACTED]; emails to and from R. Manea and J. Alleyne regarding PPSA registration;

Jan-06-24 Review of email from Court regarding Court time and respond to same;

Jan-07-24 Emails from N. Waddell;

Jan-08-24 Review of servicing agreement; emails from and to D. Harland regarding same; review of comments from R. Williams; further emails regarding same; review of servicing agreement; review of further comments on same;

Review comments on servicing agreement; revise servicing agreement; exchange emails regarding same; review email from R. Williams regarding lease issue;

Retrieve and preliminary review of post-registration searches with respect to PPSA amendment filed on Friday; compare Excel of VINs covered in ROI registrations vs. VINs captured in listing of VINs provided by client for discharge;

Review of lease and related documentation; calculation of rent payments; review and turn comments in servicing agreement for D. Harland;

Jan-09-24 Review and respond to email correspondence; discuss issues with Auto Loans with D. Harland; further emails with J. Sleeth regarding same; review of letter; email from [REDACTED] review of materials; consider reply; email to Deloitte regarding same;

Review various emails regarding Jaqstan Consulting relationship with Clonsilla; discuss review of F. Spizzirri letter with D. Alievsky; exchange emails with R. Manea regarding PPSA registrations; review F. Spizzirri letter; draft email memo to Deloitte regarding same; review various emails regarding [REDACTED]; review emails with [REDACTED]

Preparation of fee affidavit;

Receive and review extensive PPSA post-searches (x2) and Verification Statements after filing of amendment to change debtor name and add additional MVs; compile Excel of ROI and Jaqstan registrations (108 VINs) and compare against VINs covered by Deloitte registrations; validate 49 ROI VINs not captured in Deloitte registrations; detailed email to D. Harland and D. Alievsky regarding [REDACTED]; instructions from D. Harland and compile list of follow-up questions for client regarding these [REDACTED]

Emails to and from R. Kennedy, J. Sleeth, and R. Williams regarding letter to [REDACTED] review of R. Manea's email regarding PPSA registration; review of F. Spizzirri's letter regarding AutoLoans property; email to D. Harland regarding findings of same;

Jan-10-24 Review and respond to email correspondence; review of memorandum [REDACTED] discuss file with J. Sleeth and R. Williams; prepare for and attend call with F. Spirizzi; review of bank statements; further call with Deloitte; email from J. Haylock;

Exchange various emails regarding Jaqstan Consulting transaction; review and comment on draft Second Report; exchange emails with R. Kennedy regarding same; review letter to MTO regarding [REDACTED] review various emails with Deloitte regarding PPSA registrations; review AFC security documents; review further documents regarding Jaqstan Consulting transaction;

Review of emails from R. Kennedy, D. Harland, J. Sleeth, and R. Williams; draft letter to MTO;

Jan-11-24

Review and revise report; review and respond to email correspondence; review of draft order; review of notice of motion; prepare for and attend meeting with TGF team to discuss [REDACTED]; further call with R. Williams and J. Sleeth;

Meeting with R. Kennedy, D. Alievsky and D. Harland to discuss [REDACTED]; email to R. Manea regarding [REDACTED]

Draft Notice of Motion; revise Second Report; draft email to Deloitte regarding same; draft order regarding Northlake Agreement; discuss same with R. Kennedy; attend internal meetings with R. Kennedy, S. McGrath and D. Alievsky to [REDACTED] review memo from D. Alievsky regarding [REDACTED]; call with Deloitte to discuss motion and action items; draft email to S. McGrath regarding [REDACTED] draft email to Deloitte regarding motion;

Emails with D. Harland; address preparing appendices for Second Report and book marking same; emails with D. Harland regarding website and inconsistencies;

Email from D. Alievsky regarding answers from client to follow-up questions; consider various VINs provided for discharge in December and conflicting requests to capture same in additional PPSA registration; attempt to validate VINs that were provided as corrected; emails with D. Alievsky regarding same and further follow-up clarification questions to be addressed with client;

Meeting with S. McGrath and R. Kennedy regarding examinations and next steps; draft letter to Waddell regarding lease discrepancy; review of R. Manea's email regarding [REDACTED]

Jan-12-24

Review of agreements; prepare response to N. Waddell; discuss same with D. Harland; calls with J. Sleeth; calls with R. Williams; circulate letter; correspondence from D. Steinberg; call with D. Steinberg; update call with J. Sleeth and R. Williams; further revision to letter; review of assignment; review of versions of assignment; further revisions to letter; review of order; discuss same with D. Harland; review notice of motion; discussion regarding [REDACTED];

Reviewing [REDACTED]

Draft letter to N. Waddell regarding lease discrepancy; exchange emails with R. Kennedy regarding same; review lease provisions regarding leasehold improvements; exchange emails with Deloitte regarding same; draft vesting order; exchange emails with R. Kennedy regarding same; draft email to Deloitte regarding same; draft order approving form of vesting order; draft email to R. Kennedy regarding same; review various emails regarding PPSA registrations; review various emails regarding Northlake agreement; review PPSA VIN searches; update schedules in orders; calls with R. Kennedy regarding motion materials;

Emails with R. Manea regarding VINs to be sold; validating VINs;

Instructions from D. Harland and request for PPSA searches with respect to VINs (x29) captured in client's Excel chart of MVs to be sold at NTAA auction; detailed internal instructions to A. Chang regarding procedure for VIN validations; verify VINs in NTAA Auction chart against VINs captured in Deloitte registration; emails with A. Chang regarding VIN validations and corrections; revise Excel NTAA Auction chart; attend to PPSA searches, retrieve and review results; combine searches and bookmark same; consider overnight search results for VINs included in NTAA Auction Excel that are also part of extensive Deloitte registration; emails with D. Harland regarding VIN searches, results and corrections required for VINs that did not validate properly;

Email from S. McGrath and instructions regarding [REDACTED]

██████████ provide Excel of property searches conducted in December; further emails with S. McGrath regarding corporate searches by principals' names and related entities; begin working on property and owner name searches; ██████████

Emails to and from D. Harland regarding ██████████ review 1995 lease regarding removing fixtures;

Jan-13-24

Continue to work on ██████████

Jan-14-24

Review comments from Northlake on servicing agreement;

Continue to work on property and owner name searches; online searches and investigations with respect to H. Auguste, S. Karmazyn and various sole proprietorships and federal entities related to these names and Waddell individuals; obtain corporate searches and federal corporate searches; obtain corporate filings at federal level connected to ██████████; update Excel chart of owner name and property searches; conduct Florida property searches and retrieve various instruments registered on Florida property; detailed email to S. McGrath regarding updated Excel chart, searches and findings;

Jan-15-24

Review and respond to email correspondence; review of revised Northlake Agreement; various calls with J. Sleeth; address legal issues for receiver;

Reviewing various searches to ██████████; emails with R. Manea regarding same;

Revise Northlake servicing agreement; exchange various emails regarding same; exchange emails with R. Manea regarding PPSA registrations and searches; exchange emails with R. Williams regarding Go To Loans; revise orders; exchange various emails with R. Kennedy regarding motion materials; revise Notice of Motion; revise Second Report; draft email to ██████████ regarding servicing agreement; update Service List; finalize motion materials; draft email to Service List regarding same; call with R. Kennedy and Deloitte to discuss action items;

Retrieve and review extensive PPSA searches with respect to 6 VINs requested by Deloitte on Friday; emails with D. Harland regarding same and corrected VINs; address additional PPSA searches (x2) regarding corrected VINs and provide to D. Harland; update chart of VINs to discharge; emails with S. McGrath regarding obtaining various instruments identified on PIN searches;

Email to D. Harland regarding list of secured creditors; modify service list; review notice of motion;

Jan-16-24

Review of materials regarding auto loans; prepare for and attend call with F. Spizzirri regarding same; further call with R. Williams;

Review email from F. Spizzirri; call with Deloitte to discuss AutoLoans;

Review of email from S. McGrath and circulated chains; address obtaining requested instruments; address obtaining relevant ██████████; messages to S. McGrath; ██████████

Review of service email from D. Harland; hyperlinking and bookmarking motion record for purposes of the Court; uploading motion record to CaseLines; communications with assistant regarding Affidavit of Service;

- Jan-17-24 Review and respond to email correspondence; consider issue with [REDACTED] emails from and to J. Haylock;
- Call with K. Warner regarding [REDACTED]; draft email to Deloitte regarding same; review email from J. Haylock regarding [REDACTED] call with J. Haylock to discuss motion; exchange emails with R. Kennedy and Deloitte regarding same; draft factum;
- Review of Affidavit of Service and update same; communications with D. Harland;
- Jan-18-24 Review and revise factum; emails regarding same; further review of email correspondence and reply to same;
- Draft factum; exchange emails with R. Kennedy regarding same; research cases regarding advanced vesting orders; finalize factum; draft email to Service List regarding same; review Kawartha security; review emails from J. Haylock regarding motion; review security documentation from Go To Loans;
- Commission Affidavit of D. Harland;
- Review of message from D Harland and compile Affidavit; email to D. Harland;
- Jan-19-24 Review of materials on CaseLines; various calls with J. Sleeth; calls with creditors' counsel; prepare for and attend Court hearing;
- Call with F. Spizzirri regarding Jaqstan Consulting transaction; call with J. Haylock regarding motion; draft language regarding Endorsement; attend Court motion; draft email to L. Quail regarding servicing agreement; prepare Participant Information Form; finalize orders; draft email to Justice Conway regarding same; draft email to Service List serving signed orders; draft email to R. Manea regarding PPSA discharges; call with R. Manea regarding same;
- Email from D. Harland regarding Vesting Order and PPSA registrations in favour of other secured parties to be discharged from VINs included in schedule to Order; review Schedule; consider chart of remaining registrations and incorrect VINs in Order; call with D. Harland regarding same; address update PPSA search with respect to corrected VIN 3N1AB6AP3CL629470;
- Jan-21-24 Review various emails from R. Manea regarding PPSA discharges;
- Review chart of PPSA registrations per VIN searches against schedule in Order; prepare additional draft discharges (x14) referring to searches as needed; consider Kawartha and AFC registrations; revise chart of VINs to be discharged; detailed email to D. Harland regarding draft discharges and AFC's registrations;
- Jan-22-24 Review and respond to email correspondence; consider [REDACTED]; review PPSA; attend TGF team meeting;
- Draft email to K. Warner regarding [REDACTED]; attend internal team meeting to discuss action items and security review; exchange various emails regarding PPSA discharges; review and sign PPSA discharges; review AFC registrations; exchange emails with R. Williams regarding same; review Beacon security documents; review email from D. Steinberg; discuss security review with D. Alievsky;
- Conduct validation searches on 29 VINs to be sold in second batch to add manufacturing year in Excel provided by client; conduct "condensed" PPSA search with respect to VIN JA32X2HU1DU601342 to determine additional discharges to be filed; prepare 2 additional discharge of Clonsilla and NextGear registrations made with respect to this VIN; conduct corporate

searches with respect to 11355716 Canada Inc. dba Luxeworth Group and attend to obtaining PPSA searches against these debtor names; attend to PPSA search with respect to Velocity Asset and Credit Corporation; retrieve confirmations of filing of discharges and attend to post-searches regarding various VINs; emails with D. Harland regarding discharges of AFC's registrations; attend to filing AFC discharges (x3), obtain confirmations and conduct VIN post-searches;

Meeting with R. Kennedy and D. Harland regarding security review and next steps; Call to J. Alleyne regarding inquiry into to-do list; email to R. Manea regarding PPSA search for Velocity;

Jan-23-24 Review of security; attend internal TGF meeting regarding security;

Review Beacon security documentation; exchange emails with S. Messina regarding insurance proceeds;

Retrieve, review and bookmark post-search with respect to partially discharged VIN; consider additional registrations in favour of Clonsilla and NextGear to be discharged and circulate draft discharges for same to D. Harland;

Review security documentation and PPSA searches to form security opinion;

Jan-24-24 Review and respond to email correspondence; review of [REDACTED];

Exchange various emails regarding PPSA discharges; review and sign discharges; discuss security review with D. Alievsky; review list of vehicles to be sold at auction; review email from J. Alleyne regarding bought-out vehicles; review various emails regarding rent; review various emails regarding scheduling meeting; review PPSA searches; review email from [REDACTED] regarding employment;

Attend to filing additional 2 discharges; obtain confirmations of filing and email same to D. Harland; attend to post-search; follow up on 2 incorrectly validated VINs included in Vesting Order; emails from D. Harland regarding 2 corrected VINs, additional MVs to be sold and VIN searches requested by client with respect to same and next batch of MVs to be sold; validate additional VINs provided by client;

Review security documentation and PPSA searches to form security opinion; meeting with D. Harland regarding same;

Jan-25-24 Prepare for and attend weekly update call; further review and respond to email correspondence; review of revised Service Agreement; emails from and to [REDACTED] regarding same; email to R. Williams regarding same;

Conduct VIN searches for last 2 discharges based on corrected VINs provided yesterday; update chart of registrations to discharge and notes on recent CIBC registration; attend to additional VIN searches (x17), review results and bookmark registrations in favour of ROI, Clonsilla and NextGear; update Excel provided by client of VINs to be sold (3rd batch), compare list of VINs to be sold against VINs captured in Deloitte's registration; combine VIN searches, and detailed email to D. Harland and D. Alievsky regarding additional searches requested by client, updated Excel of VINs to be discharged, discharges of Clonsilla and NextGear regs per Vesting Order and recent CIBC registration; emails with D. Alievsky regarding purchaser of vehicle financed by CIBC and request for information from Deloitte regarding 2012 Jeep Wrangler associated with incorrect VIN;

Meeting with R. Kennedy, R. Williams, and J. Sleeth regarding next steps and updates; draft two letters to D. Steinberg regarding [REDACTED]; review security documents;

Jan-26-24 Emails with D. Harland regarding discharges of Clonsilla and NextGen registrations with respect to corrected VINs; address filing of discharge (Clonsilla registration) against corrected VIN, obtain post-search and provide to D. Harland and D. Alievsky;

Jan-29-24 Emails from R. Williams; reply to same; instructions on letter; revise letter on personal vehicles; draft and revise letter regarding rent;

Draft letter to peel insurance;

Jan-30-24 Emails from and to R. Williams and D. Harland;

Emails to and from R. Manea and J. Alleyne; review of emails from and to R. Kennedy and R. Williams; review security documents;

Jan-31-24 Review and respond to email correspondence; attend call with D. Alievsky; instructions on letter; attend call with R. Williams; further emails on matter;

Instructions from D. Harland regarding discharge of [REDACTED]; address filing of same, obtain confirmation of filing and conduct VIN post-search; provide same to D. Harland;

Call with R. Kennedy regarding letters to D. Steinberg; email to D. Steinberg sending letters regarding personal vehicles and rent discrepancy;

And to all other necessary telephone communications, attendances, and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>	
Rebecca Kennedy	47.20	\$800.00	\$37,760.00	
Scott McGrath	8.60	\$800.00	\$6,880.00	
Derek Harland	44.40	\$575.00	\$25,530.00	
Marco Gaspar	0.10	\$500.00	\$50.00	
Daniel Alievsky (Student)	37.00	\$400.00	\$14,800.00	
Anne Chang (Law Clerk)	4.30	\$230.00	\$989.00	
Bobbie-Jo Brinkman (Law Clerk)	4.50	\$230.00	\$1,035.00	
Roxana Manea (Law Clerk)	55.90	\$230.00	\$12,857.00	
Total Fees			\$99,901.00	
HST (@ 13%) on Fees			\$12,987.13	
Total Fees and HST				\$112,888.13
<u>DISBURSEMENTS</u>				
MTO Request*			\$12.00	
3% Administrative Fee			\$2,997.03	
Total Taxable Disbursements			\$2,997.03	
HST (@ 13%) on Taxable Disbursements			\$389.61	
Total *Non-Taxable Disbursements			\$12.00	
Total Disbursements and HST				<u>\$3,398.64</u>
TOTAL NOW DUE				<u>\$116,286.77</u>

THORNTON GROUT FINNIGAN LLP**Per: Rebecca Kennedy**

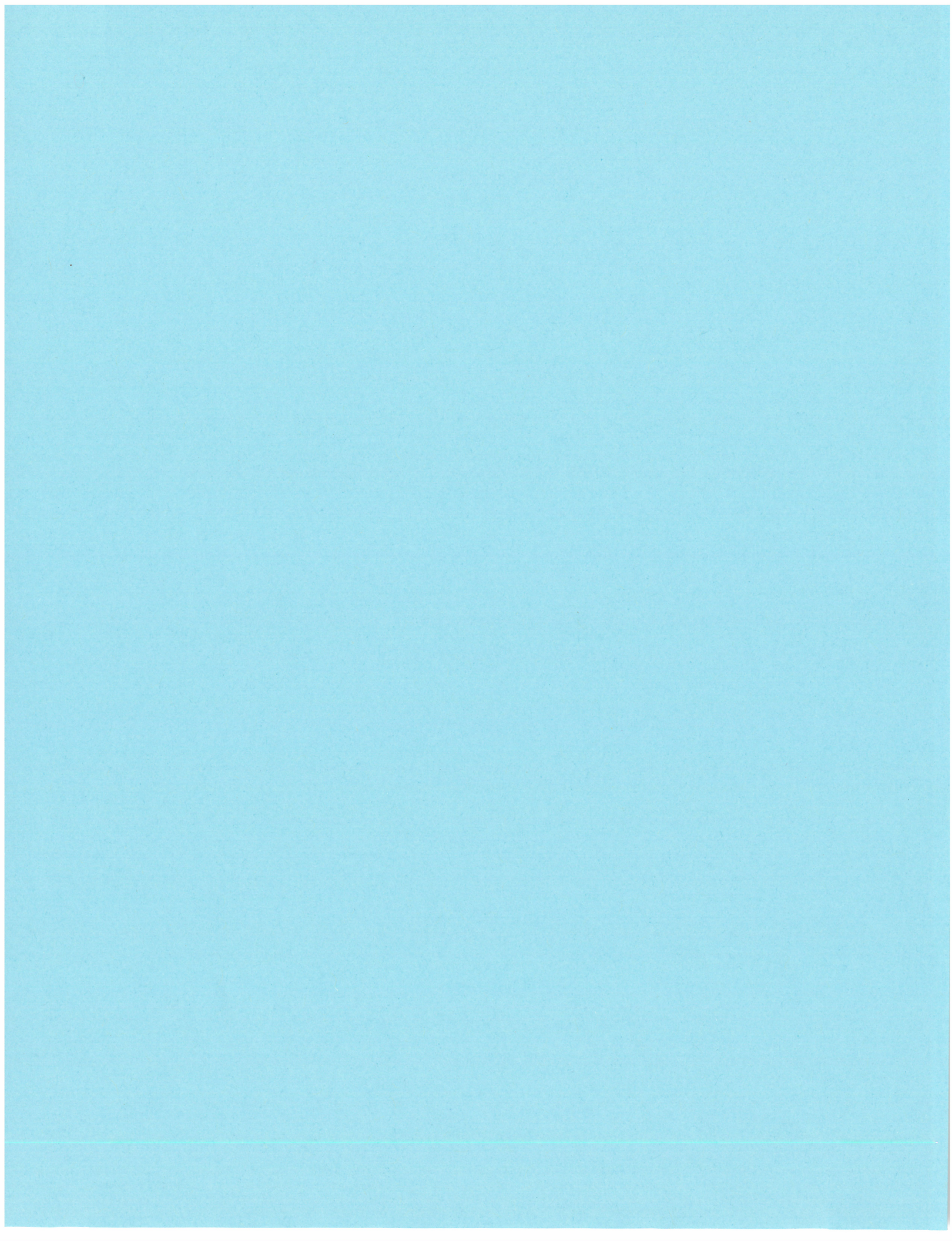
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2. *EFT or Wire Transfer to:*

*Account No. 027779-001**Transit No. 10532**Institution No. 016 (HSBC Bank Canada)**Account Name - Thornton Grout Finnigan LLP**Address of Bank - 111 Yonge Street, Toronto, Ontario M5C 1W4**Name of Bank - HSBC Bank Canada**SwiftCode: HKBCCATT**Attention: Credit Services Department**Please send remittance advice to ychiu@tgf.ca*





Thornton Grout Finnigan LLP
RESTRUCTURING + LITIGATION

Deloitte & Touche
8 Adelaide Street West
Suite 200
Toronto, ON M5H 0A9

Toronto-Dominion Centre
100 Wellington Street West
Suite 3200, P.O. Box 329
Toronto, ON Canada M5K 1K7
T 416.304.1616 F 416.304.1313

March 31, 2024

Attention: Jorden Sleeth

Invoice No. 40631
File No. 533-049

RE: Velocity Asset and Credit Corporation

TO ALL PROFESSIONAL SERVICES RENDERED HEREIN INCLUDING THE FOLLOWING for the period ending: February 29, 2024

FEES

- Feb-01-24 Emails with R. Manea regarding discharges; emails with S. Messina regarding same;
- Instructions from D. Harland regarding preparation of discharges of Clonsilla registrations regarding 2016 Kia Rio (VIN KNADM5A38G6605982) and 2016 Chevrolet Cruze (VIN 1G1BE5SM2G7328800); review emails from Deloitte regarding same and email correspondence with prior lessees regarding these MVs; review PPSA searches provided by Deloitte; prepare draft PPSA discharges of Clonsilla registrations, provide same to D. Harland; update chart of VINs to be discharges; validate additional VINs sent by Deloitte for discharge on January 30;
- Review of security documents;
- Feb-02-24 Email from J. Haylock; emails from and to D. Harland;
- Draft email to R. Kennedy regarding Beacon;
- Feb-04-24 Review of Beacon documents;
- Feb-05-24 Review of Beacon documents; discuss same with D. Harland;
- Review Beacon security and loan documentation; multiple calls with R. Kennedy to discuss same; emails with J. Alleyne regarding sold vehicles; emails with R. Manea regarding vesting order; attend call with R. Kennedy, J. Sleeth and R. Williams to discuss various action items;
- Emails from D. Harland and attend to [REDACTED]; work on PPSA discharges (second batch), review searches;
- Feb-06-24 Prepare for and attend call with J. Haylock; emails from and to R. Williams; review of security agreements;
- Call with J. Haylock regarding Beacon leases; emails with [REDACTED]; emails with R. Manea regarding discharges; review PPSA searches and discharges;

Emails from D. Harland and review Deloitte requests for various discharges; review PPSA searches conducted by Deloitte, obtain VIN searches and prepare draft discharges of Clonsilla regs with respect to 4 individuals; circulate drafts to D. Harland;

Feb-07-24 Emails from and to R. Williams; review of correspondence; review of updated issues tracker; call with R. Williams; call to J. Sleeth; review of security documentation and agreements from lenders;

Various emails with R. Manea regarding discharges; review PPSA searches and draft discharges; emails with R. Williams and J. Alleyne regarding vehicle liens; review issues tracker; emails with S. Messina regarding discharges;

Emails with D. Harland regarding [REDACTED] and clear search obtained in December vs. search showing 3 registrations conducted today; prepare urgent draft discharges regarding Clonsilla and Go To Loan registrations; attend to submitting same, obtain confirmations and post-registration VIN search; submit discharges (x4) for various VINs requested by Deloitte, obtain confirmations of filing and provide to D. Harland;

Feb-08-24 Various emails from and to R. Williams;

Emails with R. Manea regarding vesting order and PPSA discharges; review PPSA summaries regarding sold vehicles;

Email from D. Harland and review list of additional MVs provided by client; validate VINs and verify against Deloitte registrations and list of MVs on NTAA Auction list; review January 12 and 24 searches; attend to obtaining PPSA searches for additional MVs; review all searches and complete chart of registrations to be discharged; emails with D. Harland regarding various requests for PPSA searches received from client in January and February;

Feb-09-24 Review of information regarding the Waddell car transfers; email to and from R. Williams;

Emails with R. Williams and J. Alleyne regarding vesting order; prepare Excel chart summarizing vehicles sold at auction; emails with R. Manea regarding PPSA searches and discharges; review [REDACTED]; research RSLA priorities; emails with R. Manea regarding same;

Receive and review o/night PPSA searches with respect to 5 VINs and update chart of registrations to be discharges; emails with D. Harland regarding additional VINs to discharge requested by Deloitte; attend to obtaining additional o/night search; prepare draft discharges regarding Clonsilla's regs (x28) and partial discharge of Deloitte's registration with respect to 11 VINs sold or to be sold at auction; emails with D. Harland regarding discharges of other parties' registrations and RSLA lien claimant;

Feb-10-24 Review overnight PPSA search results; review draft discharges;

Receive, review and bookmark o/night PPSA search for [REDACTED]; revise chart of registrations to be discharged; emails with D. Harland regarding same and provide 2 additional draft discharges for this VIN for sign-off;

Feb-12-24 Review and respond to email correspondence; review of letter; instructions regarding same; review of information for [REDACTED] email regarding same;

Draft Vesting Order; draft email to R. Kennedy, R. Williams and J. Sleeth regarding same; emails with R. Kennedy regarding letter to MTO; call with R. Kennedy, J. Sleeth and R. Williams to discuss action items; discuss [REDACTED] with D. Alievsky; emails with D. Alievsky regarding same; draft emails to various secured parties regarding Vesting Order; revise letter to [REDACTED]; deliver letter to MTO; call with [REDACTED] to discuss [REDACTED]; draft email to R. Kennedy regarding

same; review draft discharges; emails with R. Manea regarding same; draft email to R. Williams and J. Sleeth regarding PPSA discharges;

Attend to filing partial discharge and discharges of Clonsilla's registrations (x26); retrieve confirmations of filing and provide to D. Harland;

Meeting with D. Harland regarding summary of [REDACTED]; draft memo to Deloitte regarding same;

Feb-13-24 Call with J. Sleeth; consider [REDACTED]; consider [REDACTED] call with S. McGrath;

Call with R. Kennedy to discuss [REDACTED] and next steps;

Review memo regarding [REDACTED]; review email from J. Alleyne regarding discharges;

Conduct VIN-specific post-discharge searches; receive and review Verification Statements for discharges filed on Feb. 12, 2024;

Draft memo to Deloitte regarding Beacon's security over certain leases;

Feb-14-24 Review of issues for investigation; prepare for and attend meeting with Deloitte; review of letters; emails regarding same; email from [REDACTED] emails to Deloitte regarding same;

Prepare for and attend meeting to discuss investigation; draft demand letter to Crown Automobile; emails with R. Kennedy regarding the letters; emails with J. Alleyne regarding PPSA registrations;

Request from D. Alievsky and attend to VIN validation and PPSA search ([REDACTED]); review and update chart of searched VINs;

Meeting with TGF and Deloitte regarding examinations; consolidate D. Harland and D. Alievsky's notes from the meeting; research [REDACTED]

Feb-15-24 Review and respond to email correspondence; emails regarding meeting; discuss letter to lessee with D. Harland;

Call with MTO to discuss information request; emails with [REDACTED] regarding same; various emails regarding PPSA discharges; finalize letter to [REDACTED] review memorandum regarding [REDACTED]; discuss same with D. Alievsky; review draft letter regarding bank accounts; email J. Alleyne regarding same; finalize letter to MTO and coordinate delivery;

Review overnight PPSA search with respect to 926749 Ontario Ltd.;

Email from D. Alievsky regarding additional VINs to discharge; review chart of VINs discharged and searches conducted to determine if VINs have been cleared; attend to VIN validations, update chart of VINs to be discharged and respond to email from D. Alievsky;

Research and draft memorandum regarding [REDACTED]

Feb-16-24 Review and respond to email correspondence; prepare agenda and speaking notes; emails regarding same; call with J. Sleeth; attend meeting with Gowlings;

Update telephone call with Gowlings;

Attend call with Gowlings to discuss next steps; review NextGear security documentation; emails with R. Kennedy regarding same; review various emails regarding PPSA registrations; review action item list;

Attend to obtaining PPSA searches for new VINs to discharge; review same and update chart of VINs to discharge; emails with D. Alievsky regarding discharges of 2 additional VINs; attend to obtaining overnight VIN-specific searches;

Feb-17-24 Emails with R. Kennedy regarding letters;

Review overnight VIN-specific searches and update chart of VINs to discharge;

Feb-19-24 Review various emails regarding communications with examinees;

Feb-20-24 Email from and to D. Harland regarding court order; emails with court office;

Finalize letter to Crown Automobile; discuss Vesting Order with R. Kennedy; draft email to Commercial List Office regarding same; emails with Registrar regarding signing order; emails with J. Allende regarding discharges; review email from J. Haylock regarding reconciled Beacon lease list;

Prepare draft discharges of Clonsilla regs (x3) with respect to VINs [REDACTED] and [REDACTED] and circulate to D. Harland for sign-off; attend to filing, retrieve confirmations and provide same to D. Harland; further emails with D. Harland regarding partial discharge of Deloitte's reg with respect to the VINs and prepare same;

Feb-21-24 Review of emails from R. Williams; review of materials from J. Haylock; emails from and to D. Harland; call to R. Williams; review of security documents; call with R. Williams; draft email to Frank Bennett; review of materials for NextGear; draft email to M. Sassi;

Review NextGear registrations; prepare list of NextGear vehicles sold at auction; draft email to R. Kennedy regarding same; emails with Registrar regarding Vesting Order; review and revise [REDACTED];

Discussion with G. Saran regarding procedure for VIN validations and PPSA searches;

Feb-22-24 Review of email correspondence;

Review and revise [REDACTED] draft email to R. Kennedy regarding same; discuss same with D. Alievsky; draft email to Service List regarding Vesting Order; various emails with R. Manea regarding remaining PPSA discharges; review same;

Email and instructions from D. Harland, prepare discharges of other parties' registrations per Vesting Order; discussion with D. Harland regarding 2 additional VINs included in the schedule to the Order and preparing discharges; attend to same; attend to filing discharges, retrieve confirmations and consider ROI registration lapsed before discharge filed; attend to post-registration search; email to D. Harland regarding confirmations of filing and lapsed ROI registration;

Review D. Harland's memorandum regarding Beacon's security; meeting with D. Harland regarding same;

Feb-23-24 Review of HST documentation; review of emails; call with R. Williams and J. Sleeth; review of emails from D. Harland; review and revise memorandum;

Emails with R. Kennedy regarding Beacon memo; revise same; draft email to J. Sleeth and R. Williams regarding same;

Receive and review o/night VIN search for [REDACTED] to confirm ROI registration had lapsed prior to discharge filing;

Feb-25-24 Review email from J. Sleeth regarding Beacon memo;

Feb-26-24 Review and respond to email correspondence; review of flow of funds; emails regarding same; consider budget; call with J. Sleeth; consider issues for investigation; review of information regarding Beacon leases;

Emails with R. Manea regarding ROI registrations; draft email to R. Kennedy regarding flow of funds discussion;

Feb-27-24 Review and respond to email correspondence; review of receivership order; review of Bankruptcy and Insolvency Act regarding [REDACTED] draft reply to F. Bennett; email to team regarding same; emails regarding [REDACTED]

Review [REDACTED];

Feb-28-24 Prepare for and attend call with Deloitte; attend call with TGF team; draft budget; call with R. Williams; review email regarding personal information; consider issues [REDACTED]

Meeting with client and TGF team regarding [REDACTED]; drafting memorandum to client regarding [REDACTED]

Attend call with Deloitte to discuss [REDACTED]; attend debrief with R. Kennedy, S. McGrath and D. Alievsky; review summary of searches on examining parties from R. Manea;

Meeting with TGF and Deloitte; research and draft memorandum regarding [REDACTED];

Feb-29-24 Calls with S. McGrath; review of email correspondence; discuss file with J. Sleeth and R. Williams;

And to all other necessary telephone communications, attendances and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Rebecca Kennedy	39.60	\$800.00	\$31,680.00
Scott McGrath	3.10	\$800.00	\$2,480.00
Derek Harland	35.30	\$575.00	\$20,297.50
Daniel Alievsky (Student)	22.00	\$400.00	\$8,800.00
Roxana Manea (Law clerk)	26.10	\$230.00	\$6,003.00
Total Fees			\$69,260.50
HST (@ 13%) on Fees			<u>\$9,003.87</u>
Total Fees and HST			\$78,264.37

DISBURSEMENTS

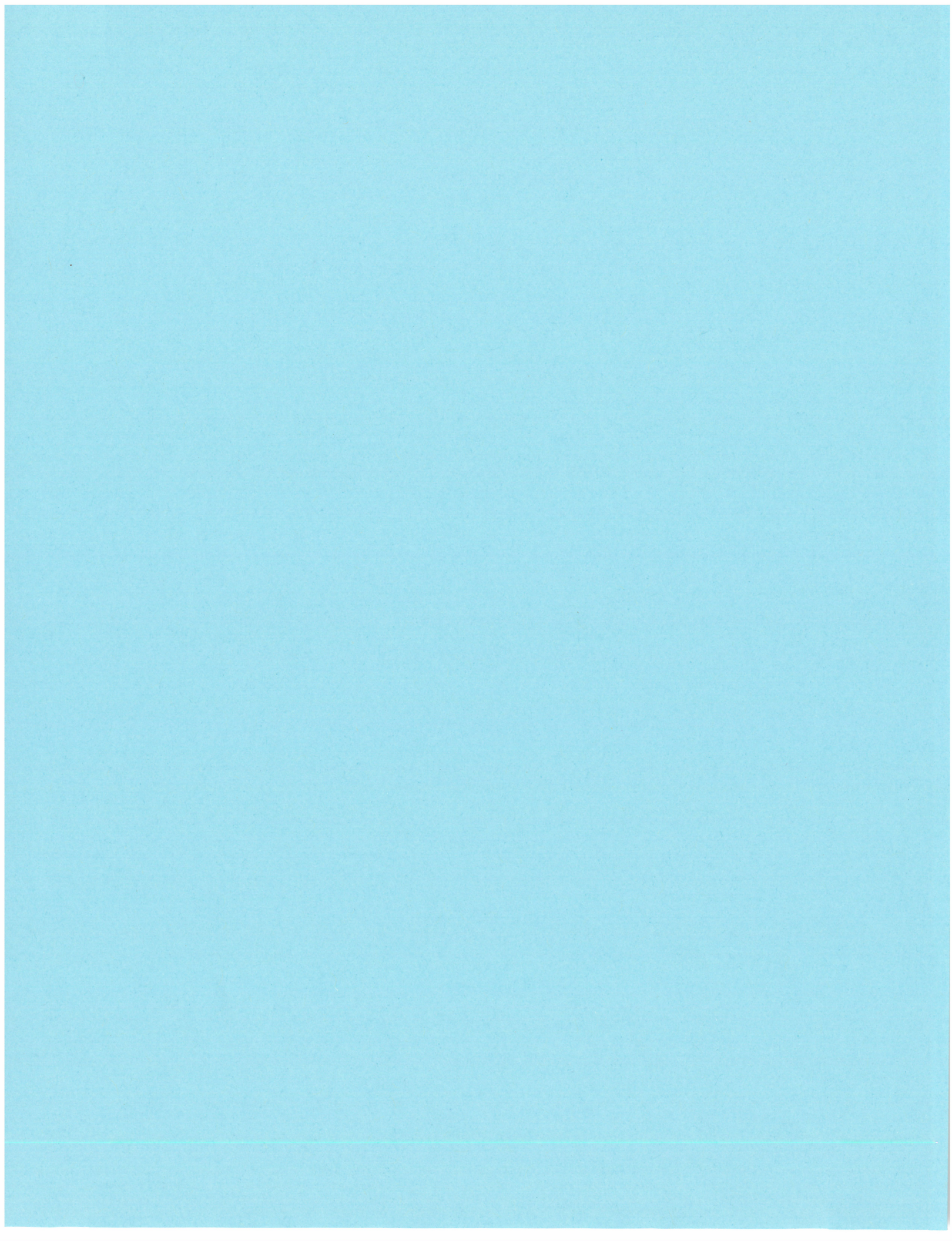
3% Administrative Fee \$2,077.82

Total Taxable Disbursements \$2,077.82**HST (@ 13%) on Taxable Disbursements** \$270.12**Total *Non-Taxable Disbursements** \$0.00**Total Disbursements and HST** \$2,347.94**TOTAL NOW DUE** \$80,612.31**THORNTON GROUT FINNIGAN LLP**

Per: Rebecca Kennedy**E.& O.E. GST/HST #87042 1039 RT0001 * GST/HST Exempt**

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 33 of The Solicitor's Act, interest will be charged at the rate of 4.00% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

*Payment can be made to us by:**1. Cheque Payable to Thornton Grout Finnigan LLP or**2. EFT or Wire Transfer to:**Account No. 027779-001**Transit No. 10532**Institution No. 016 (HSBC Bank Canada)**Account Name - Thornton Grout Finnigan LLP**Address of Bank - 111 Yonge Street, Toronto, Ontario M5C 1W4**Name of Bank - HSBC Bank Canada**SwiftCode: HKBCCATT**Attention: Credit Services Department**Please send remittance advice to ychiu@tgf.ca*





Thornton Grout Finnigan LLP
RESTRUCTURING + LITIGATION

Toronto-Dominion Centre
100 Wellington Street West
Suite 3200, P.O. Box 329
Toronto, ON Canada M5K 1K7
T 416.304.1616 F 416.304.1313

Deloitte & Touche
8 Adelaide Street West
Suite 200
Toronto, ON M5H 0A9

April 10, 2024

Attention: Jordan Sleeth

Invoice No. 40668
File No. 533-049

RE: Velocity Asset and Credit Corporation

TO ALL PROFESSIONAL SERVICES RENDERED HEREIN INCLUDING THE FOLLOWING for the period ending: March 31, 2024

FEES

- Mar-01-24 Call with [REDACTED];
- Mar-04-24 Preparing memorandum regarding [REDACTED]
Draft email to S. Messina and J. Alleyne regarding insurance claim; draft email to K. Warner regarding vesting order;
- Mar-05-24 Email from H. Murray; review of letter; call from J. Sleeth; call to H. Murray; review of memorandum regarding [REDACTED]; email to Gowlings and Deloitte regarding same;
Preparing memorandum regarding [REDACTED];
Attend weekly update call; review FreshCo NORD; draft email to M. Gaspar regarding same;
- Mar-06-24 Review and respond to email correspondence; call with J. Sleeth; further review of issues regarding leasee;
Review documents received from Beacon; draft email to Deloitte regarding same; exchange emails regarding letter to lessee;
Research regarding [REDACTED]
- Mar-07-24 Review and respond to email correspondence; review of estate issue; call with R. Williams; review of memorandum; email to S. McGrath regarding same; email from S. McGrath; finalize memorandum; email to Deloitte regarding same;
Preparing memorandum with [REDACTED]; emails with R. Kennedy regarding same;
Review [REDACTED]; exchange emails with R. Williams regarding same;

- Call with J. Alleyne regarding [REDACTED] correspondence with D. Harland regarding same;
- Mar-08-24 Call with J. Sleeth and R. Williams regarding Beacon leases; exchange various emails with R. Manea and S. Messina regarding PPSA discharges;
- Instructions from D. Harland regarding discharges with respect to VIN [REDACTED] per Deloitte's request; validate VIN and review PPSA search provided by Deloitte; attend to preparation of discharges and provide same to D. Harland for sign-off; attend to filing of discharges and retrieve confirmations of filing;
- Mar-11-24 Exchange emails with R. Kennedy regarding Beacon leases; draft email to H. Murray regarding Receiver's Certificate; exchange various emails regarding PPSA registrations; draft email to R. Williams regarding Beacon leases; draft email to MTO regarding registration list;
- Request from D. Harland regarding discharges with respect to [REDACTED] and [REDACTED]; review chart of discharged regs to confirm status; emails regarding discharges with respect to [REDACTED]; prepare discharge requested by Deloitte and attend to filing of same;
- Mar-12-24 Review and respond to email correspondence; review of revised memorandum; email to J. Sleeth regarding same; discuss revisions with TGF team;
- Exchange various emails regarding PPSA registrations; call with J. Haylock regarding Beacon leases; call with J. Sleeth regarding lease; exchange emails with J. Haylock regarding leases;
- Instructions from D. Harland and attend to VIN validation and PPSA search with respect to VIN [REDACTED]; confirm VIN is part of Deloitte's registration;
- Mar-13-24 Review of revised memorandum; review of emails and replies regarding memorandum;
- Reviewing comments by R. Williams on draft memorandum and budget and revising same;
- Draft email to R. Williams regarding Beacon leases; draft email to H. Murray and D. Cohen regarding same; draft email to MTO regarding vehicle list; exchange various emails with S. Messina regarding PPSA registrations; revise memo regarding investigation and budget;
- Review o/night PPSA for VIN [REDACTED], bookmark registrations and prepare draft discharges (x3); circulate to D. Harland for sign-off; update chart of discharged registrations;
- Mar-14-24 Finalize review of memorandum; email to D. Harland;
- Finalize memo regarding [REDACTED]; exchange various emails with J. Sleeth regarding same; exchange various emails with S. Messina regarding PPSA registrations;
- Mar-15-24 Exchange various emails with S. Messina regarding PPSA registrations; call with J. Haylock regarding Beacon leases; exchange various emails regarding same;
- Instructions from D. Harland regarding additional VIN searches and discharges requested by Deloitte; validate VINs, confirm they are part of Deloitte's registrations attend to obtaining overnight PPSA searches; emails with D. Harland regarding timing of filing of discharges; update chart of VINs to discharge;

Review overnight VIN searches; bookmark registrations and fill in details in tracking chart; email to D. Harland regarding searches and Go To Loan registrations;

Mar-18-24 Emails regarding Beacon leases; review of final PDF of memorandum; emails with D. Harland regarding same;

Exchange various emails regarding Beacon lease collections; draft email to D. Cohen and H. Murray regarding [REDACTED];

Prepare PPSA discharges (x4) and partial discharge of Deloitte's registration for 4 VINs and circulate to D. Harland for sign-off;

Mar-19-24 Review package from MTO; draft email to R. Williams regarding same; call with H. Murray regarding Beacon leases;

Attend to filing discharges and partial discharge of Deloitte's registration; obtain confirmations of filing and provide to D. Harland; updated tracking chart of filed discharges;

Mar-20-24 Call with Beacon to discuss leases and collections; draft email to R. Williams regarding MTO registration list; exchange various emails regarding Beacon leases;

Mar-21-24 Call from [REDACTED]; reporting call to R. Williams;

Mar-25-24 Discuss investigation and file status with R. Williams; discussion with D. Cohen; call with R. Williams; emails regarding beacon issues; consider issues with investigation;

Exchange various emails regarding PPSA registrations;

Mar-26-24 Email to D. Cohen; reply from same; consider issues for [REDACTED]; various emails regarding Beacon issues; emails regarding [REDACTED] and need for discussion with Gowlings;

Review documents received from Beacon; exchange emails with R. Williams and J. Alleyne regarding same;

Mar-27-24 Emails regarding payment records and bankruptcies;

Mar-28-24 Review and respond to email correspondence; prepare for and attend call with Gowlings; emails regarding court attendance;

Email and instructions from R. Kennedy regarding [REDACTED] emails with Commercial List scheduling clerk regarding same; prepare court request form for time on April 23 and provide to scheduling clerk; email from D. Harland requesting VIN PPSA searches and attend to same; confirm VINs are part of Deloitte's registration;

And to all other necessary telephone communications, attendances and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Rebecca Kennedy	13.00	\$800.00	\$10,400.00
Scott McGrath	5.10	\$800.00	\$4,080.00
Derek Harland	10.20	\$575.00	\$5,865.00
Roxana Manea (Law Clerk)	6.00	\$230.00	\$1,380.00
Daniel Alievsky (Student)	1.90	\$400.00	\$760.00

Total Fees	\$22,485.00	
HST (@ 13%) on Fees	<u>\$2,923.05</u>	
Total Fees and HST		\$25,408.05
<u>DISBURSEMENTS</u>		
3% Administrative Fee	\$674.55	
Total Taxable Disbursements	\$674.55	
HST (@ 13%) on Taxable Disbursements	\$87.69	
Total *Non-Taxable Disbursements	<u>\$0.00</u>	
Total Disbursements and HST		<u>\$762.24</u>
TOTAL NOW DUE		<u>\$26,170.29</u>

THORNTON GROUT FINNIGAN LLP



Per: Rebecca Kennedy

E.& O.E.
GST/HST #87042 1039 RT0001 * GST/HST Exempt

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 33 of The Solicitor's Act, interest will be charged at the rate of 4.00% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

Payment can be made to us by:

1. *Cheque Payable to Thornton Grout Finnigan LLP or*
2. *EFT or Wire Transfer to:*

Account No. 027779-001

Transit No. 10532

Institution No. 016 (HSBC Bank Canada)

Account Name - Thornton Grout Finnigan LLP

Address of Bank - 111 Yonge Street, Toronto, Ontario M5C 1W4

Name of Bank - HSBC Bank Canada

SwiftCode: HKBCCATT

Attention: Credit Services Department

Please send remittance advice to ychiu@tgf.ca

EXHIBIT "B" to the Affidavit of Rebecca L. Kennedy
SWORN remotely via videoconference in the City of
Pickering, in the Province of Ontario, before me at the City of
Toronto, the Province of Ontario, this 15th day of April, 2024
in accordance with O. Reg 431/20, *Administering Oath or
Declaration Remotely.*



A Commissioner for taking affidavits

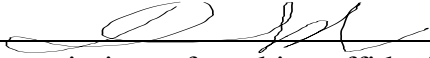
DEREK HARLAND

EXHIBIT “B”

Calculation of Average Hourly Billing Rates of
Thornton Grout Finnigan LLP
for the period September 19, 2023 to March 31, 2024

Invoice #	Fees	Disb.	HST	Total Hours	Average Hourly Rate	Total (Fees, Disb., HST)
40064	\$18,027.50	\$540.83	\$2,413.89	30.70	\$587.21	\$20,982.22
40159	\$38,140.00	\$1,144.20	\$5,106.95	75.50	\$505.17	\$44,391.15
40222	\$21,601.50	\$648.05	\$2,892.45	37.40	\$577.58	\$25,142.00
40362	\$70,425.00	\$2,112.75	\$9,429.91	130.10	\$541.31	\$81,967.66
40506	\$99,901.00	\$3,009.03	\$13,376.74	202.00	\$494.56	\$116,286.77
40631	\$69,260.50	\$2,077.82	\$9,273.99	126.10	\$549.25	\$80,612.31
40668	\$22,485.00	\$674.55	\$3,010.74	36.20	\$621.13	\$26,170.29
TOTALS:	\$339,840.50	\$10,207.23	\$45,504.67	638	\$532.67	\$395,552.40

EXHIBIT "C" to the Affidavit of Rebecca L. Kennedy
SWORN remotely via videoconference in the City of
Pickering, in the Province of Ontario, before me at the City of
Toronto, the Province of Ontario, this 15th day of April, 2024
in accordance with O. Reg 431/20, *Administering Oath or
Declaration Remotely.*


A Commissioner for taking affidavits

DEREK HARLAND

EXHIBIT “C”

Billing Rates of Thornton Grout Finnigan LLP

For the period September 19, 2023 to December 31, 2023

	<u>Position</u>	<u>Rate</u>	<u>Year of Call</u>
Rebecca Kennedy	Partner	\$800	2009
Scott McGrath	Partner	\$800	2010
Derek Harland	Associate	\$525	2020
Marco Gaspar	Associate	\$475	2022
Daniel Alievsky	Student	\$400	
Roxana Manea	Law Clerk	\$230	
Bobbie-Jo Brinkman	Law Clerk	\$230	

For the period January 1, 2024 to March 31, 2024

	<u>Position</u>	<u>Rate</u>	<u>Year of Call</u>
Rebecca Kennedy	Partner	\$800	2009
Scott McGrath	Partner	\$800	2010
Derek Harland	Associate	\$575	2020
Marco Gaspar	Associate	\$500	2022
Daniel Alievsky	Student	\$400	
Anne Chang	Law Clerk	\$230	
Roxana Manea	Law Clerk	\$230	
Bobbie-Jo Brinkman	Law Clerk	\$230	

IN THE MATTER OF AN APPLICATION UNDER 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*

Court File No. CV-23-00707330-00CL

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

Proceedings commenced at Toronto, Ontario

AFFIDAVIT OF REBECCA L. KENNEDY

Thornton Grout Finnigan LLP

TD West Tower, Toronto-Dominion Centre
100 Wellington Street West
Suite 3200
Toronto, ON M5K 1K7

Rebecca L. Kennedy (LSO# 61146S)

Tel: (416) 304-0603
Email: rkennedy@tgf.ca

Derek Harland (LSO# 79504N)

Tel: (416) 304-1127
Email: dharland@tgf.ca

Lawyers for the Receiver

**IN THE MATTER OF AN APPLICATION UNDER 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***

ENLIGHTENED FUNDING CORPORATION

and

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING**

Applicant

Respondents

Court File No.: CV-23-00707330-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

**THIRD REPORT OF THE
RECEIVER**

THORNTON GROUT FINNIGAN LLP
100 Wellington St. West
Suite 3200
TD West Tower, Toronto-Dominion Centre
Toronto, ON M5K 1K7

Rebecca L. Kennedy (LSO# 61146S)

Email: rkennedy@tgf.ca

Derek Harland (LSO# 79504N)

Email: धारland@tgf.ca

Tel: 416 304-1616

Counsel for the Receiver, Deloitte Restructuring Inc.
in its capacity as Court-appointed Receiver