

DISTRICT OF: NOVA SCOTIA

DIVISION NO: 01 - Halifax

COURT NO: Hfx No. 554688

ESTATE NO: 51-126653

**FIRST REPORT OF DELOITTE RESTRUCTURING INC.
IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF
KOOSHIE CUSHIONS OF CANADA LIMITED**

SEPTEMBER 24, 2026

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INTRODUCTION

1. On July 3, 2026, the Supreme Court of Nova Scotia in Bankruptcy and Insolvency (the "**Court**") granted an order (the "**Receivership Order**") appointing Deloitte Restructuring Inc. ("**Deloitte**") as receiver and manager (the "**Receiver**"), without security, of the real property municipally known as 339 Willow Street, Truro, Nova Scotia and more particularly described as parcel identification number 20239059, together with all proceeds thereof (the "**Property**"), acquired for, or used in relation to, the business carried on by Kooshie Cushions of Canada Limited ("**KCCL**", the "**Debtor**", or the "**Company**"). A copy of the Receivership Order is attached hereto as **Appendix A**.
2. KCCL is a private company incorporated under the laws of Nova Scotia ("**NS**") on October 25, 2019, and is wholly owned by Mark Shelley ("**Shelley**"). KCCL owns a mixed-use commercial property located at 339 Willow Street, Truro, Nova Scotia (the "**Real Property**"), which represents its primary asset. The Real Property is occupied by seven tenants, including healthcare, community service, and retail operators, and generates substantially all the Company's revenue through rental income.
3. On April 7, 2026, KCCL's primary secured lender, Business Development Bank of Canada ("**BDC**"), issued a notice of intention to enforce security in respect of amounts owing by KCCL of approximately \$2.6 million (the "**BDC Indebtedness**"). BDC holds and has registered security against the Property (the "**BDC Security**").
4. Deloitte was initially retained by BDC on April 20, 2026, to act as its financial advisor with respect to the Company (the "**Consulting Engagement**"). Throughout the Consulting Engagement, the Company provided limited cooperation and access to information requested by Deloitte.
5. On April 27, 2026, Deloitte was appointed receiver and manager pursuant to the BDC Security (the "**Private Receiver**" and the "**Private Receivership**", respectively). Despite such appointment, the Company continued to provide limited cooperation to Deloitte in its capacity as Private Receiver, which ultimately resulted in the commencement of these receivership proceedings.

PURPOSE

6. The purpose of this first report of the Receiver (the "**First Report**") is to provide the Court with an update with respect to:
- (i) the Receiver's activities since the granting of the Receivership Order;
 - (ii) a description of the Receiver's proposed sale and investment solicitation process (the "**SISP**"); and
 - (iii) the Receiver's request for an order:
 - a. approving the SISP (the "**Sales Process Order**");
 - b. approving the activities of the Receiver as described in this First Report, including, without limitation, the steps taken by the Receiver pursuant to the Receivership Order;
 - c. approving the fees and disbursements of the Receiver as described in the affidavit of James Foran dated September 24, 2026 (the "**Foran Affidavit**") attached hereto as **Appendix B**;
 - d. approving the fees and disbursements of the Receiver's legal counsel as described in the affidavit of Dillon Trider dated September 23, 2026 (the "**Trider Affidavit**") attached hereto as **Appendix C**;
 - e. approving the Receiver's Interim Statement of Receipts and Disbursements for the period from July 3 to September 21, 2026 (the "**Interim SRD**"), attached hereto as **Appendix D**;
 - f. approving an increase in the maximum outstanding principal amount of the Receiver's Borrowing Facility (as defined later in this First Report) from \$50,000 to \$500,000 to continue maintenance and preservation activities in respect of the Property as further discussed herein; and
 - g. providing such further or other relief that the Court considers just and warranted in the circumstance.

TERMS OF REFERENCE

7. In preparing this First Report, the Receiver has relied upon unaudited financial information contained within the Company's books and records, discussions with the Company's management, discussions with the Company's external account, and information provided by BDC (the "**Information**"). The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information. The Receiver may refine or alter its observations as further information is obtained or brought to its attention after the date of this First Report.
8. Deloitte has prepared this First Report in its capacity as Receiver to provide background to the Court for its consideration of the relief being sought. Parties using this First Report other than for the purposes outlined herein are cautioned that it may not be appropriate for their purposes.
9. Capitalized items not otherwise defined herein are as defined in various materials filed with the Court in these receivership proceedings which can be found on the Receiver's website at www.insolvencies.deloitte.ca/KCCL (the "**Receivers Website**").
10. All dollar amounts in this First Report are in Canadian dollars, unless otherwise indicated.

RECEIVER'S ACTIVITIES

11. Since the granting of the Receivership Order, the Receiver's activities have included, but have not been limited to the following:
 - (i) taking possession, securing, and insuring the assets of KCCL;
 - (ii) obtaining electronic copies of the books and records of KCCL;
 - (iii) issuing notice of the receivership to all tenants, providing contact information and banking instructions for future rents until further notice;
 - (iv) executing tenant lease renewal documents and collecting occupancy rents;

- (v) engaging a third-party property manager to facilitate landlord activities, including, but not limited to, tenant queries and/or complaints, property repairs and maintenance, and record keeping;
- (vi) arranging for continued service from critical utilities and property maintenance vendors;
- (vii) arranging for mail redirection with Canada Post;
- (viii) issuing statutory notices pursuant to sections 245(1) and 246(1) of the BIA to the creditors of KCCL;
- (ix) requesting the KCCL bank accounts maintained with CIBC be changed to deposit only and opening new trust accounts in the name of the receivership estate to facilitate future receipts and disbursements;
- (x) informing the Canada Revenue Agency ("**CRA**") of the receivership and requesting new tax accounts be established for the post-receivership period;
- (xi) participating in discussions with potential interested parties in the Property;
- (xii) preparing and updating from time to time a cash flow forecast for the receivership proceedings (the "**CFF**");
- (xiii) participating in discussions with BDC and their legal counsel, BoyneClarke LLP;
- (xiv) participating in discussions with the Receiver's legal counsel Burchell Wickwire Bryson LLP ("**BWB**");
- (xv) creating and maintaining the Receiver's Website where periodic updates regarding the administration of the estate will be posted;
- (xvi) corresponding with creditors, tenants, and other stakeholders; and
- (xvii) preparing this First Report.

COMPANY'S BOOKS AND RECORDS

12. Since the granting of the Receivership Order, the Receiver has obtained and reviewed certain books and records of KCCL, held discussions with the external accountant of KCCL, held discussions with Shelley, and discussed with KCCL's legal counsel (the "**Receiver's Review**").
13. To date, the Receiver's Review has identified approximately \$400,000 of cash withdrawals and payments from KCCL's bank account that were made directly to Shelley, to entities in which the Receiver understands Shelley has an equity interest, or for which the Receiver has been unable to determine the ultimate recipient or purpose based on the available records (the "**Related Party Amounts**").
14. The Receiver has discussed the Related Party Amounts with Shelley and KCCL's legal counsel and has been advised that the payments were made as compensation for services rendered and that Shelley asserts he had a bona fide entitlement to at least a portion of the Related Party Amounts. The Receiver has further been advised that neither Shelley nor the related entities have the financial capacity to repay any portion of the Related Party Amounts.
15. As at the date of the First Report, the Receiver continues the Receiver's Review and will provide the Court with a further update in a subsequent report.

RECEIVER'S SISP

16. The Receiver, in consultation with BDC, BDC's legal counsel, and the Receiver's legal counsel have developed the proposed SISP, taking into consideration the nature of the underlying assets of the KCCL and industry knowledge it has gained as part of these receivership proceedings.
17. In anticipation of the proposed SISP being approved by the Court, the Receiver has prepared an overview of the SISP (the "**Teaser**"), a copy of which is enclosed as **Appendix E**.
18. In addition, the Receiver has commenced the preparation of the sale and information package (the "**Tender Package**") and began to accumulate information to populate the virtual data room ("**VDR**"), both of which are designed to provide additional information regarding the opportunity to purchase the assets of KCCL.
19. The draft Tender Package, attached hereto as **Appendix F**, includes the following:

- (i) sale process outlines inclusive of due diligence and bid deadline dates; and
- (ii) standard form of offer on which bidders must submit their bid for the assets.

20. In advance of the SISP being approved, the Receiver has developed a list of interested parties to approach with this opportunity (the “**Interested Parties**”). If the Court grants the Sale Process Order, the Receiver will provide the Interested Parties with a copy of the Teaser and non-disclosure agreement (“**NDA**”) and invite them to participate in the SISP.

21. An overview of the significant steps and timelines of the proposed SISP is summarized in the table below:

Summary SISP Timeline		
Phase / Event	Indicative Date	Description of activities
Sale Process Order	Day 1	The Court grants the Sale Process Order approving the SISP.
Teaser Release	Day 2	Within one business day after the Sale Process Order being granted, the Receiver will send the Teaser and NDA to the Interested Parties and any other party that contacts the Receiver to express interest in the SISP. Parties who identify themselves to the Receiver as a result of the publication notice will be provided with copies of the NDA for execution.
Publication Notice	Day 5	Within four business days after the Sale Process Order is granted, the Receiver will provide notice of the SISP by publishing a notice in certain newspapers and online mediums, including: • The Chronicle Herald – provincial edition; • Insolvency Insider; and • All Atlantic.
Due diligence period	Day 6 to Day 60	Upon execution of the NDA, SISP participants will be provided with access to the VDR, which will contain the

Summary SISP Timeline		
Phase / Event	Indicative Date	Description of activities
		Tender Package, and be provided with an opportunity to visit KCCL. The due diligence period will be 45 days.
Bid Deadline	Day 60	To occur at 5:00PM Atlantic Standard Time on a business day about 60 days after the commencement of the SISP. Prospective bidders must deliver their legally binding offers (the " Final Bids ").
Evaluation and selection of the successful bid	Day 60 to Day 65	Terms of all Final Bids will be clarified. The Receiver will review the Final Bids and determine whether any should be brought before the Court for approval (the " Successful Bid "). The Receiver will negotiate the terms of the Successful Bid. The Successful Bid will be subject to approval of the Court.
Closing of any successful bid	On or before day 105	Closing to occur unless another date is mutually agreed upon by the Receiver and the Successful Bidder or ordered by the Court.

22. The SISP sets out a 60-day process for marketing the assets to prospective buyers and an additional 45-day period to seek Court approval and close the transaction. Given the nature of the assets, the Receiver believes that this timeline is sufficient to allow prospective buyers adequate time to complete the necessary due diligence to put forward offers. In addition, the proposed SISP contains some flexibility to allow the Receiver, in consultation with stakeholders, to extend the process should that be required.
23. The Receiver is of the view that the proposed SISP exposes the assets to the market for a reasonable time, is transparent, and designed to maximize realizations.

24. Accordingly, the Receiver recommends that the Court grants the Sale Process Order in substantially the form submitted.

INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

25. The Interim SRD reflecting the administration of the receivership for the period July 3 to September 21, 2026, attached hereto as **Appendix D**.

26. The Proposed Receiver provides the following commentary with respect to the SRD:

- (i) the estate collected approximately \$80,670 in respect of tenant rents (excluding HST where applicable);
- (ii) the estate collected approximately \$11,293 in respect of HST on tenant rents;
- (iii) the estate has paid \$34,350 in professional fees allocated as \$30,895 to the Receiver and \$3,455 to the Receiver's legal counsel;
- (iv) the estate has advanced \$10,000 to the property manager;
- (v) the estate has paid approximately \$8,800 in other operating costs, including repairs and maintenance, utilities and change of locks; and
- (vi) the estate has paid \$5,270 in insurance premiums.

27. As at the date of this First Report, the Receiver is holding approximately \$23,000 in trust. The Receiver estimates that the funds currently held will be required to fund the ongoing administration of the receivership and the preservation of the Property pending completion of the SISP.

28. The Receiver has participated in discussions with representatives from the Town of Truro ("**Truro**") and understands that property taxes owing to Truro as at the date of this First Report is approximately \$325,000 (the "**Property Tax Liability**"), accruing interest at a rate of 1.25% per month. The Property Tax Liability forms a priority charge on the Property ahead of BDC's collateral.

29. The Receiver considers the prompt payment of the Property Tax Liability be in the best interests of the estate as doing so will halt the ongoing accrual of interest and preserve value for the stakeholders.

30. Pursuant to the Receivership Order, the Receiver may borrow up to \$50,000 in aggregate without further Court approval (the "**Borrowing Facility**"). As at the date of this First Report, the Receiver has not drawn on the Borrowing Facility.
31. The CFF does not forecast the Receiver accessing the Borrowing Facility in the short-term; however, the CFF does not contemplate the payment of the Property Tax Liability, nor does it provide any allowance for any material capital expenditures that may be required to preserve the value of the Property.
32. Accordingly, the Receiver seeks approval to increase the Borrowing Facility from \$50,000 to \$500,000 which will provide the Receiver with sufficient flexibility to:
- (i) satisfy the Property Tax Liability;
 - (ii) address any unforeseen costs required to maintain, preserve, and protect the Property during the SISP; and
 - (iii) continue administering the receivership estate pending completion of the SISP and realization of the Property.
33. The Receiver has discussed the sources and uses of the increase in the Borrowing Facility with BDC and understands that BDC supports the proposed increase to the Borrowing Facility and has agreed to advance funds to the Receiver pursuant to Receiver's Certificates, as required.
34. In the Receiver's view, the proposed increase is reasonable and necessary having regard to the magnitude of the outstanding Property Tax Liability, the ongoing accrual of interest thereon, and the need to preserve and maximize value in the estate while the SISP is ongoing. Accordingly, the Receiver recommends that the Court approve the requested increase in the Borrowing Facility from \$50,000 to \$500,000.

FEES AND DISBURSEMENTS OF THE RECEIVER AND LEGAL COUNSEL

35. The Receiver and its legal counsel, BWB, have maintained detailed records of their professional time and costs incurred since the granting of the Receivership Order.

36. The total fees of the Receiver during the period from July 3 to August 31, 2026, are \$41,503, together with expenses and disbursements in the sum of \$615 and HST in the amount of \$5,897, totaling \$48,015. The aforementioned has been particularly described in the Foran Affidavit.

37. The total fees of BWB LLP, in its capacity as counsel to the Receiver, during the period from July 3 to August 31, 2026, are \$4,636, together with disbursements and HST in the amount of \$689 totaling \$5,325. The aforementioned has been particularly described in the Trider Affidavit.

38. Based on the information set out above and elsewhere in this First Report, the Receiver respectfully submits that its fees and disbursements, including the fees and disbursements of BWB, are reasonable in the circumstances and were validly incurred in accordance with the provisions of the Receivership Order.

CONCLUSION

39. This First Report has been prepared to provide this Court information regarding the Receiver's activities since the granting of the Receivership Order and in support of the requested relief.

40. Based on the foregoing, the Receiver requests the Court grants the requested relief in substantially the form as filed with the Court.

All of which is respectively submitted on September 24, 2026.

DELOITTE RESTRUCTURING INC.

Acting solely in its capacity as
Court Appointed Receiver and manager of Kooshie Cushions of Canada Limited
and not in its personal capacity

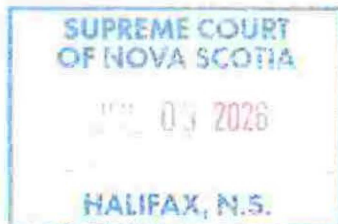
Per:



James Foran, CPA, CA, CIRP, LIT
Senior Vice President

APPENDIX A – RECEIVERSHIP ORDER

Form 78.05
2026



554688

Hfx No.

Supreme Court of Nova Scotia
In Bankruptcy and Insolvency

IN THE MATTER OF: The Receivership of Kooshie Cushions of Canada Limited

Between:

Business Development Bank of Canada

Applicant

and

Kooshie Cushions of Canada Limited

Respondent

Receivership Order

Before the Honourable Justice **John A. Keith** in chambers

The Applicant, Business Development Bank of Canada, the secured creditor, started this proceeding for an order, under both subsection 243(1) of the *Bankruptcy and Insolvency Act* (the "BIA") and the equitable jurisdiction of this Court as partially codified by s. 43(9) of the *Judicature Act*, to appoint Deloitte Restructuring Inc. as receiver (in such capacities, the "Receiver") without security of the real property located at 339 Willow Street, Truro, Nova Scotia, more particular described as parcel identification number 20239059 of the Respondent acquired for, or used in relation to a business carried on by the Respondent.

The Receiver satisfies the requirement for appointment without security in Rule 73.07(a).

On motion of the Applicant the following is ordered:



Service

1. The time for service of the notice of application and the supporting materials is hereby abridged and validated so that the application is properly returnable today and further service thereof is hereby dispensed with.

Appointment

2. Pursuant to the equitable jurisdiction, subsection 43(9) of the Judicature Act, Rule 73 – Receiver, and subsection 243(1) of the BIA, the Receiver is hereby appointed receiver manager, without security, of 339 Willow Street, Truro, Nova Scotia, more particular described as parcel identification number 20239059 acquired for, or used in relation to a business carried on by the Respondent, including all proceeds thereof (the "**Property**").

Receiver's Powers

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without limiting the generality of the foregoing, the Receiver is hereby empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - a. to take possession and control of the Property and any proceeds or receipts arising from the Property but, while the Receiver is in possession of any of the Property, the Receiver must preserve and protect it;
 - b. to change locks and security codes, relocate the Property to safeguard it, engage independent security personnel, take physical inventories, and place insurance coverage;
 - c. to manage, operate, and carry on the business of the Respondent, including the powers to enter into any agreements, incur and pay any obligations in the ordinary course of business, cease to carry on all or any part of the business or cease to perform any contracts of the Respondent.

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 Respondent, or any part or parts thereof;

f. to receive and collect all monies and accounts now owed or hereafter owing to the Respondent and to exercise all remedies of the Respondent in collecting such monies, including, without limitation, to enforce any security held by the Respondent;

g. to settle, extend, or compromise any indebtedness owing to the Respondent;

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 Respondent, for any purpose pursuant to this Order;

i. to undertake environmental or workers' health and safety assessments of the Property and operations of the Respondent;

j. to initiate, prosecute, and continue the prosecution of any proceedings and to defend proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings, which authority extends to appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

k. to make payment of any and all costs, expenses, and other amounts that the Receiver determines, in its sole discretion, are necessary or advisable to preserve, protect, or maintain the Property, including, without limitation taxes, municipal taxes, insurance premiums, repair and maintenance costs, costs or charges related to security, management

fees, and any costs and disbursements incurred by any manager appointed by the Receiver;

l. 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;

m. 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 \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$100,000.00; and

ii. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under section 60 of the Personal Property Security Act shall not be required.

n. to sell the right, title, interest, property, and demand of the Respondent in and to the Property at the time the Respondent granted a security interest or at any time since, free of all claims including the claims of subsequent encumbrancers bound as named respondents, bound as parties joined as unnamed respondents, or bound under Rule 35.12;

o. 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 receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

p. to register a copy of this Order and any other orders in respect of the Property against title to any of the Property;

q. to apply for any permits, licenses, 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 Respondent;

r. to enter into agreements with any trustee in bankruptcy appointed in respect of the Respondent including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Respondent;

s. to exercise any shareholder, partnership, joint venture, or other rights which the Respondent may have; and

t. to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps it shall be authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Respondent, and without interference from any other Person.

Duty to Provide Access and Co-Operation to the Receiver

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

5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records, and information of any kind related to the business or affairs of the Respondent, 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, subject to their right to seek a variation of this Order, provide to the Receiver or permit the Receiver to make, retain, and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software, and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.
6. 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, subject to their right to seek a variation of this Order, 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, making copies of computer disks, or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase, or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

No Proceedings Against the Receiver

7. 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 Respondent or the Property

8. No Proceeding against or in respect of the Respondent 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 Respondent or the Property are hereby stayed and suspended pending further order of this Court.

No Exercise of Rights or Remedies

9. All rights and remedies of any individual, firm, corporation, governmental body or agency or any other entities against the Respondent, 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 Respondent to carry on any business which the Respondent is not lawfully entitled to carry on, (ii) exempt the Receiver or the Respondent from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien and the related filing of an action to preserve the right of a lien holder, provided that the Applicant shall not be required to file a defence to same as the further prosecution of any such claim is stayed except with the written consent of the Applicant or the Receiver, or leave of this Court.

Personal Property Lessors

10. All rights and remedies of any Person pursuant to any arrangement or agreement to which any of the Respondent is a party for the lease or other rental of personal property of any nature or kind are hereby restrained except with consent of the Receiver in writing or leave

of this Court. The Receiver is authorized to return any Property which is subject to a lease from a third party to such Person on such terms and conditions as the Receiver, acting reasonably, considers appropriate and upon the Receiver being satisfied as to the registered interest of such Person in the applicable Property. The return of any item by the Receiver to a Person is without prejudice to the rights or claims of any other Person to the property returned or an interest therein.

No Interference with the Receiver

11. Subject to paragraph 16 of this Order related to the Respondent's employees, 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 Respondent, without written consent of the Receiver or leave of this Court.

Continuation of Services

12. All Persons having oral or written agreements with the Respondent or statutory or regulatory mandates for the supply of goods 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 Respondent 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 the Receiver shall be entitled to the continued use of the Respondent's 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 Respondent 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.
13. The Receiver, in its sole discretion, may, but shall not be obligated to, establish accounts or payment on delivery arrangements with suppliers in its name on behalf of the Respondent for the supply of goods 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 Respondent, or any of them, if the Receiver determines that the opening of such accounts is appropriate.

14. No creditor of the Respondent shall be under any obligation as a result this Order to advance or re-advance any monies or otherwise extend any credit to the Respondent.

Receiver to Hold Funds

15. 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

16. All employees of the Respondent shall remain the employees of the Respondent until such time as the Receiver, on the Respondent's behalf, may terminate the employment of such employees or they resign in accordance with their employment contract. The Receiver shall not be liable as a result of this Order for any employee-related liabilities, including any successor employer liabilities as provided for in subsection 14.06(1.2) of the BIA, wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, 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*, such amounts as may be determined by a court or tribunal of competent jurisdiction.
17. Pursuant to paragraph 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver may disclose personal information of identifiable individuals

to prospective purchasers or bidders for the Property and to their advisors, but 11 Adopted on June 26, 2015 only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale") as permitted at law. 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. A prospective purchaser or bidder requesting the disclosure of personal information shall execute such documents to confirm the agreement of such Person to maintain the confidentiality of such information on terms acceptable to the Receiver. 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 Respondent, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

Limitation on Environmental Liabilities

18. Nothing herein contained shall require or obligate the Receiver to occupy or to take control, care, charge, occupation, possession, or management (separately or collectively, "Possession") of any of the Property that might, or any part thereof, which may 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 legislation, statute, regulation or, rule of law or equity respecting the protection, conservation, enhancement, remediation, or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, *Canadian Environmental Protection Act, 1999* or the *Nova Scotia Environment Act* (collectively, 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.

Limitation on Liability

19. **Deloitte Restructuring Inc.** and, without limitation, a director, officer, or employee of the Receiver, shall incur no liability or obligation as a result of its appointment as the Receiver or the carrying out the provisions of this Order, or in the case of any party acting as a director, officer, or employee of the Receiver so long as acting in such capacity, save and except for any negligence, breach of contract, or actionable misconduct on the part of such party, or in respect of the Receiver's obligations under subsections 81.4(5) and 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

20. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge to a maximum of \$100,000.00 (the "Administrative 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 the Administrative 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.
21. The Receiver and its legal counsel shall pass its accounts from time to time before a judge of this Court or a referee appointed by a judge.
22. 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, expenses and disbursements, including legal fees and disbursements, incurred at the normal 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.

Receiver's Indemnity Charge

23. The Receiver shall be entitled to and is hereby granted a charge (the "Receiver's Indemnity Charge") upon all of the Property as security for all of the obligations incurred by the Receiver including obligations arising from or incident to the performance of its duties and functions under this Order including the management, operation, and carrying on of all or part of the business of a Respondent, under the *Bankruptcy and Insolvency Act*, or otherwise, saving only liability arising from negligence or actionable misconduct of the Receiver.
24. The Receiver's Indemnity Charge shall form a second 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 and subordinate in priority to the Administrative Charge.

Allocation of Costs

25. The Receiver shall file with the Court for its approval a report setting out the costs, fees, expenses, and liabilities of the Receiver giving rise to the Administrative Charge, the Receiver's Indemnity Charge, and the Receiver's Borrowings Charge, as defined below, and, unless the Court orders otherwise, all such costs, fees, expenses, and liabilities shall be paid in the following manner:
 - a. Firstly, applying the costs incurred in the receivership proceedings specifically attributable to an individual asset or group of assets against the realizations from such asset or group of assets;
 - b. Secondly, applying the costs pro rata against all of the assets based on the net realization from such asset or group of assets; and
 - c. Thirdly, applying non-specific costs incurred in the receivership proceedings pro rata against the assets based on the net realization from such asset or group of assets.

Funding of the Receivership

26. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$50,000.00, or such greater amount as this Court may by further order authorize, at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of making payments, including interim payments, required or permitted to be made by this Order, including, without limitation, payments of amounts secured by the Administrative Charge and the Receiver's Indemnity Charge. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Indemnity Charge, the Administrative Charge and the charges as set out in subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
27. 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 on seven days' notice to the Receiver and the Applicant. T
28. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.
29. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a pari passu basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

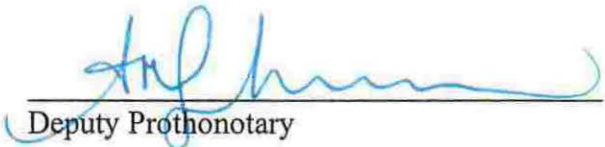
General

30. The Receiver may from time to time make a motion for advice and directions in the discharge of its powers and duties hereunder.
31. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Respondent.
32. The aid and recognition of any court, tribunal, or regulatory or administrative body having jurisdiction outside Nova Scotia is hereby requested 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, and regulatory or administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
33. The Receiver is hereby authorized and empowered to apply to any court, tribunal, or regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
34. 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 substantial indemnity basis to be paid by the Receiver from the Respondent's estate with such priority and at such time as this Court may determine.
35. Any interested party may make a motion to vary or amend this Order upon such notice required by the *Civil Procedure Rules* or on such notice as this Court may order.

36. Any Person affected by this Order which did not receive notice in advance of the hearing may make a motion to vary or amend this Order within five days of such Person being served with a copy of this Order.
37. In addition to the reports to be filed by the Receiver under legislation, the Receiver shall file a report of its activities with the Court when the Receiver determines that a report should be made, when the Court orders the filing of a report on the motion of an interested party or on the Court's own motion, and at the conclusion of the receivership.
38. The Receiver shall not be discharged without notice to such secured creditors and other parties as the Court directs.

Issued June, __, 2026

July 3
(H. J.)


Deputy Prothonotary

ALEXIS SCHURMAN
Deputy Prothonotary

Schedule "A"
Receiver Certificate

Certificate No. _____

Amount \$ _____

This is to certify Deloitte Restructuring Inc. receiver (the "Receiver") of the assets, undertakings, (the "Debtor") acquired for, or used in relation to, a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by order of the Supreme Court of Nova Scotia (the "Court") dated the ____ day of ____, 2026 (the "Order") made in an action having court file number _____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____, which the Receiver is authorized to borrow under and pursuant to the Order.

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

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 (as defined in the Order), 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.

All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.

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.

The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court. 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 ____ June 2026.

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

Per: _____
Name:
Title:

APPENDIX B – AFFIDAVIT OF JAMES FORAN

Supreme Court of Nova Scotia
In Bankruptcy and Insolvency

IN THE MATTER OF: The Receivership of Kooshie Cushions of Canada Limited

Between:

Business Development Bank of Canada

Applicant

and

Kooshie Cushions of Canada Limited

Respondent

AFFIDAVIT OF JAMES FORAN

I, James Foran, make oath and say as follows:

1. I am a Senior Vice President with Deloitte Restructuring Inc. ("**Deloitte**"), the Court Appointed Receiver in the within matter and as such, I have personal knowledge of the evidence sworn to in this affidavit except where otherwise stated to be based on information or belief.
2. I had primary carriage of this proceeding at Deloitte.
3. Attached hereto and marked as **Exhibit "A"** is a true copy of the detailed invoice issued by Deloitte for fees and disbursements (collectively, the "**Invoices**") in this matter covering the period of July 3 to August 31, 2026 (the "**Period**")
4. As detailed in the Invoice for the Period, Deloitte's invoiced fees amount to \$41,502.50 and Deloitte incurred and invoiced disbursements in the amount of \$615.54, plus Harmonized Sales Tax (HST) on fees and disbursements in the amount of \$5,896.53 for a total of \$48,014.57.
5. The Invoices are a fair and accurate description of the services provided and the amounts charged by Deloitte.
6. The fees set out in the Invoice are calculated on the basis of the hours spent by Deloitte personnel, multiplied by the applicable standard hourly rates charged by Deloitte. The total time comprised in the Invoice is 80.30 hours at an average hourly rate of approximately \$517. To the best of my knowledge and belief, the rates charged by Deloitte throughout these proceedings are comparable to the rates charged by other insolvency firms in the Atlantic Provinces for the provisions of similar services.
7. Attached hereto and marked as **Exhibit "B"** is a schedule summarizing the billing rates, total hours and total fees charges for each professional that has completed work on this file during the Period.
8. I have reviewed the account of Deloitte and do verily believe that:
 - (a) Deloitte's professional fees and disbursements have been properly incurred and are fair and reasonable in the circumstances;

- (b) Deloitte's fees in this matter are consistent to those charged by insolvency firms with the capacity to handle a file of comparable size and complexity;
- (c) the work completed by Deloitte was delegated to the appropriate professionals in Deloitte with the appropriate seniority and appropriate hourly rates;
- (d) the Invoices were provided to the Applicant when rendered and have been approved by the Applicant, and
- (e) the services were performed by Deloitte in a prudent and economical manner.

9. I make this affidavit in support of a motion by the Receiver, for, among other things, the approval of the fees and disbursements of Deloitte.

SWORN TO before me at Halifax, Nova Scotia
On September 24, 2026.

Commissioner of Oaths

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)
)



James Foran

This is Exhibit "A" referred to in the Affidavit of James Foran sworn before me on the 24th day of September , 2026.

Signature

Kooshie Cushions of Canada Limited
Summary of invoices of the Receiver
For the period July 3 to August 31, 2026
Prepared on September 23, 2026

Invoice #	Period	Hours	Net Fees	Average Rate	Administrative fee	Disbursements	HST	Total
8007911998	July 3 to July 31, 2026	39.50	21,082.50	533.73			2,951.55	24,034.05
8007987272	August 1 to August 31, 2026	40.80	20,420.00	500.49		615.54	2,944.98	23,980.52
Total		80.30	41,502.50	516.84	-	615.54	5,896.53	48,014.57



Invoice 8007911998

Deloitte Restructuring Inc.
11741 Lower Water Street, Suite 800
Halifax NS B3J 0J2

Deloitte Restructuring Inc.
Acting in its capacity as Receiver of
Kooshie Cushions of Canada Limited
Suite 800, 1741 Lower Water Street
Halifax NS B3J 0J2
Canada

Tel: 514-393-7115
Fax: 514-393-7140
www.deloitte.ca

Date: September 01, 2026
Client No.: 1134128
WBS#: BUS00858
Engagement Partner: James Foran

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

For professional services rendered

Fees

For work performed with respect to the Court Receivership of Kooshie Cushions of Canada Limited.

Please see attached appendix for details.

HST applicable	21,082.50
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Sales Tax

HST at 14.00 %	<u>2,951.55</u>
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Total Amount Due (CAD)	<u>24,034.05</u>
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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.



Appendix

Professional services rendered with respect to the Court Receivership Kooshie Cushions of Canada Limited. including, but not limited to the following: • Prepare for and attend Court hearing; • Possessionary matters at real property in Truro, NS; • Review of bank statements and identify intercompany transactions; • Discussions with property management company; • Discussions with tenants; and • Correspondence with BDC.	
Our Fee (CAD)	21,082.50



Summary of Fees

For the period from July 3, 2026 to July 31, 2026

Professional	Position	Hours	Hourly Rate	Fees
James Foran	Senior Vice President	18.9	625.00	11,812.50
William Reid	Senior Vice President	20.6	450.00	9,270.00
Total:		39.5		21,082.50

Date	Name	Hours	Descriptions
2026-07-03	Reid, William	4.2	Commute to Truro (client commercial building), supervision of locksmith during lock swap, return commute
2026-07-03	Foran, James	2.7	Prepare for and attend Court hearing, discussions with legal counsel afterwards
2026-07-06	Foran, James	2.6	Preliminary processional matters including confirming insurance coverage and discuss same with agent, discuss tenancy matters with Liam Reid and craft notice to tenants, review of Court decision, emails to/from BDC,
2026-07-06	Reid, William	3.8	Commute to and from 339 Willow, supervision of locksmith, review and distribution Notice to Tenant, calls with pending property manager and cleaning staff of property
2026-07-07	Reid, William	2.4	Commute to/from 339 Willow, correspondence with cleaning staff of 339 Willow, time spent with staff on-site, time spent having additional keys cut for cleaning staff, correspondence with banking partners of KCCL
2026-07-07	Foran, James	2.9	Correspondence to secured creditors, create agenda for meeting and provide to debtor counsel, call with real estate appraiser, call with Kevin Bryden, office discussions with engagement team, emails
2026-07-08	Foran, James	0.6	Provide correspondence to Hub International re: Court Order, review of information provided by Kevin Bryden
2026-07-09	Foran, James	2.3	Review of financial information provided by Kevin Bryden, makes notes ahead of stakeholder call, correspondence to NS Power and CRA, prepare for and attend stakeholder call
2026-07-09	Reid, William	2.4	Call with KCCL and legal counsel, review of KCCL tax and bank information, preparation of bank notice and CRA notice, calls with property staff
2026-07-10	Reid, William	1.4	Correspondence with MS, preparation of bank/CRA letter, correspondence with CIBC, review of bank statements, drafting of rental summary
2026-07-10	Foran, James	0.6	Email correspondence with Nova Scotia Power re: account set up, review of correspondence to CRA and discuss same with Liam Reid, emails to legal counsel
2026-07-13	Foran, James	2.3	Correspondence to Richard Bureau, review of bank details and identify related party withdrawals, call with Kevin Bryden re: financial position and outstanding work to complete, call with Mark Shelley and Richard Bureau re: withdrawals, call with Town of T
2026-07-13	Reid, William	1.4	Review of company bank statements and incoming/outgoing transactions, distribution of tenant email correspondence, email correspondence with tenants regarding entrance and payments.
2026-07-14	Reid, William	1.3	Review of s245 and Transmittal Notice, communications with tenants, review of AP listing, retrieval of creditor personal information for Notice distribution
2026-07-15	Reid, William	0.6	Correspondence with tenants, correspondence with Town of Truro regarding accounts, preparation of mail notice



2026-07-15	Foran, James	0.7	Finalize amended creditor notice, discuss with engagement team, provide correspondence to KCCL legal counsel
2026-07-17	Reid, William	0.4	Rerouting of mail
2026-07-20	Reid, William	0.3	Coordination with PMco regarding property management
2026-07-21	Reid, William	0.8	Meeting with PMco regarding property management, calls with tenants, site visit to inspect HVAC
2026-07-22	Reid, William	0.4	Coordination with tenants regarding HVAC issue, site visit, coordination with HVAC service company
2026-07-22	Foran, James	0.9	Call with Richard Bureau, discuss property management and issues with Liam Reid, summary email to BDC re: general mandate update
2026-07-23	Foran, James	0.6	Call with legal counsel to debtor, review rent roll against received cheques, discussion with Liam Reid
2026-07-24	Foran, James	1.1	Review and comments on property management agreement, share with legal counsel, calls and emails with insurance company
2026-07-27	Foran, James	1.6	Call with Hub International re: insurance matters relating to KCCL, email to Mark Shelley and Richard Bureau re: auto policy cancellation, review of legal counsel comments on property management agreement.
2026-07-28	Reid, William	0.9	Supervision of HVAC Repair, coordination with tenants of 339.
2026-07-30	Reid, William	0.3	Retrieval of mail, correspondence with tenants
Total		39.5	



Invoice 8007987272

Deloitte Restructuring Inc.
11741 Lower Water Street, Suite 800
Halifax NS B3J 0J2

Deloitte Restructuring Inc.
Acting in its capacity as Receiver of
Kooshie Cushions of Canada Limited
Suite 800, 1741 Lower Water Street
Halifax NS B3J 0J2
Canada

Tel: (902) 422-8541
Fax: (902) 423-5820
www.deloitte.ca

Date: September 23, 2026
Client No.: 1134128
WBS#: BUS00858
Engagement Partner: James Foran

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

For professional services rendered

Fees

For work performed with respect to the Court Receivership of Kooshie Cushions of Canada Limited.

Please see attached appendix for details.

HST applicable	20,420.00
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Expense

Out of pocket expenses.

HST applicable	615.54
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Sales Tax

HST at 14.00 %	<u>2,944.98</u>
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Total Amount Due (CAD)	<u>23,980.52</u>
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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.



Appendix

Professional services rendered with respect to the Court Receivership of Kooshie Cushions of Canada Limited. including, but not limited to the following:	
• Activities pertaining to the engagement of PMco as property manager; • Correspondence with tenants; • Prepare and share a cash flow forecast with BDC; • Discussions with Mark Shelley; • Prepare lease extension; • Discussions with legal counsel; and • Discussions with BDC.	
Our Fee (CAD)	20,420.00



Summary of Fees

For the period from August 1, 2026 to August 31, 2026

Professional	Position	Hours	Hourly Rate	Fees
James Foran	Senior Vice President	11.3	625.0	7,062.50
Naomi McGregor	Director	1.5	575.0	862.50
William Reid	Manager	27.4	450.0	12,330.00
Charlie Comeau	Analyst	0.6	275.0	165.00
Total:		40.8		20,420.00

Expense Type	Expense Amount
Mail redirection	202.28
Mileage	359.89
Supplies	53.37
Total	615.54

Date	Name	Hours	Descriptions
2026-08-04	Comeau, Charlie	0.6	SISP Discussion, Internal discussions
2026-08-04	Reid, William	0.9	Correspondence with K. Bryden, call with M. Shelley, call with BDC
2026-08-04	Foran, James	1.7	Emails to/from debtor and legal counsel, discussions with engagement team, prepare for and attend conference call, email to legal counsel re: relief to seek, discuss SISP with engagement team
2026-08-05	Reid, William	0.3	Site visit to 339 Willow
2026-08-05	Foran, James	0.6	Discussions with engagement team, review of appraisal received
2026-08-06	Reid, William	0.2	Correspondence with tenants regarding rent payments
2026-08-06	Foran, James	0.6	Emails to/from legal counsel re: Court date, discuss filing materials with engagement team
2026-08-07	Foran, James	1.3	Meeting with Mark Shelley in Truro, emails
2026-08-11	Reid, William	0.7	Correspondence with PMco, preparation of KCCL Teaser
2026-08-11	McGregor, Naomi	0.4	Review insurance payment and property administration correspondence.
2026-08-12	Reid, William	1.4	Call with PMco regarding property management, correspondence with tenants, coordination of plumbing repair and site visit
2026-08-12	Foran, James	0.7	Prepare for and attend conference call with engagement team regarding Second Report and SISP
2026-08-13	Reid, William	1.3	Correspondence with tenants, retrieval of leases, correspondence with counsel regarding lease extension, site visit to view basement and access, correspondence with PMco
2026-08-14	Reid, William	1.6	Correspondence with PMco, meeting with PMco for key drop off and discussion regarding property management, preparation of tenant notice, correspondence with tenants
2026-08-14	McGregor, Naomi	0.7	Review and revise notice to tenants; review insurance, banking and property administration matters.



2026-08-17	Reid, William	2.7	Preparation of SRD and review of bank statements, cheque deposits, correspondence with PMco, preparation of tenant notice, correspondence with Nova Scotia Power, organization of invoices for payment, review of lease agreement from counsel
2026-08-17	Foran, James	0.6	Discussion with Liam Reid re: status of leases, discuss financial position of estate, email from BDC
2026-08-18	Reid, William	2.6	Correspondence with PMco, call with J. Foran, finalization of notice to tenants, correspondence with Nova Scotia Power, K. Bryden, and cleaning staff, collection of invoices for building services, review of appraisal, preparation of valuation analysis for 339 Willow
2026-08-18	Foran, James	0.4	Review letter from property manager to tenants, discussion with Liam Reid
2026-08-19	Reid, William	2.8	Review of leases, correspondence with PMco, correspondence with tenants regarding lease assignment agreements, correspondence with counsel, review of former appraisal, preparation of valuation analysis for 339 Willow
2026-08-21	Reid, William	2.3	Preparation of SRD, correspondence with PMco, correspondence with cleaner, collection of invoices, correspondence with appraiser
2026-08-21	Foran, James	1.4	Emails to/from ARA re: appraisal services, mandate update email to BDC including SRD
2026-08-24	Foran, James	0.7	Review of and discuss net operating costs with Liam Reid
2026-08-24	Reid, William	1.9	Correspondence with counsel, review of accounting software for KCCL, correspondence with appraiser, collection of files from accounting software, collection of invoices for payment for 339 Willow
2026-08-25	Reid, William	3.6	Call with J. Foran to discuss cash flow forecast, review of company accounting software for sales/expenses, preparation of 13W cash flow forecast
2026-08-25	Foran, James	0.7	Respond to email re: status of property taxes and increased borrowings, discuss cash flow forecast with Liam Reid
2026-08-26	Reid, William	1.8	Preparation of cash flow forecast for BDC, correspondence with cleaning staff and garbage removal regarding invoices, internal correspondence regarding tenant lease extension
2026-08-26	McGregor, Naomi	0.4	QAR CCF, internal discussions regarding the same.
2026-08-26	Foran, James	1.3	Review of cash flow forecasts and comments to Liam Reid, request Naomi McGregor to QA, review of proposed leased extension
2026-08-27	Reid, William	1.4	Preparation of tenant lease extension agreement, correspondence with K. Bryden regarding invoice, finalization of cash flow forecast for BDC
2026-08-27	Foran, James	0.9	Finalize cash flow forecast with engagement team and provide to BDC
2026-08-28	Reid, William	1.1	Correspondence with cleaning staff, preparation of teaser
2026-08-31	Foran, James	0.4	Messages to/from Mark Shelley, discuss file with Liam Reid, discuss Court Report and SISP with engagement team
2026-08-31	Reid, William	0.8	Finalization of tenant lease extension, correspondence with PMco
Total		40.8	

This is Exhibit "B" referred to in the Affidavit of James Foran sworn before me on the 24th day of September, 2026.

Signature

Kooshie Cushions of Canada Limited
Summary by individual of the Receiver
For the period July 3 to August 31, 2026
Prepared on September 23, 2026

Individual	Title	Hours	Rate	Fees	Disbursements	HST	Total
Foran, James	Senior Vice President	30.2	625.00	18,875.00	-	2,642.50	21,517.50
McGregor, Naomi	Director	1.5	575.00	862.50	-	120.75	983.25
Reid, William	Manager	48.0	450.00	21,600.00	-	3,024.00	24,624.00
Comeau, Charlie	Consultant	0.6	275.00	165.00	-	23.10	188.10
Total professional fees		80.3	516.84	41,502.50	-	5,810.35	47,312.85
Other disbursements					615.54	86.18	701.72
Total					615.54	5,896.53	48,014.57

APPENDIX C – AFFIDAVIT OF DILLON TRIDER

Supreme Court of Nova Scotia
In Bankruptcy and Insolvency

IN THE MATTER OF: The Receivership of Kooshie Cushions of Canada Limited

Between:

Business Development Bank of Canada

Applicant

and

Kooshie Cushions of Canada Limited

Respondent

Affidavit of Dillon Trider

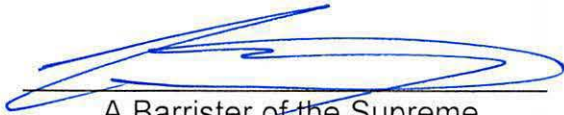
I, Dillon Trider, of Halifax, Nova Scotia, make oath and say:

1. I am counsel for the court-appointed receiver and manager, Deloitte Restructuring Inc., in this proceeding.
2. I have personal knowledge of the evidence sworn to in this affidavit except where otherwise stated to be based on information and belief.
3. I state, in this my affidavit, the source of any information that is not based on my own personal knowledge, and I state my belief of the source.
4. For legal services rendered to Deloitte in connection with this proceeding from May 4, 2026 to August 31, 2026, Burchell Wickwire Bryson LLP issued the following invoices amounting to \$5,324.94:

Invoice Date	Invoice No.	Invoice Total
August 17, 2026	177355	\$3,938.70
September 24, 2026	178236	\$1,386.24

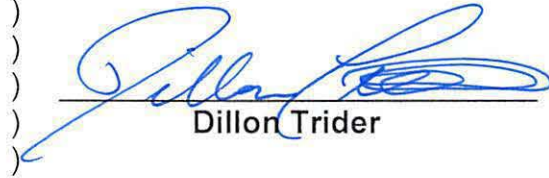
5. Copies of these invoices are attached as **Exhibit "A"**.

SWORN TO at Halifax, in the Province of
Nova Scotia, this 24th day of September,
2026, before me:

A blue ink signature of Aaron Connolly, consisting of a large, stylized 'A' followed by a horizontal line.

A Barrister of the Supreme
Court of Nova Scotia

AARON CONNOLLY
A Barrister of the Supreme
Court of Nova Scotia

A blue ink signature of Dillon Trider, featuring a large, stylized 'D' followed by a horizontal line.

Dillon Trider

This is Exhibit "A" referred to in the affidavit of
Dillon Trider
sworn before me this 24th day of September, 2026.



A Barrister of the Supreme Court of Nova Scotia

AARON CONNOLLY
A Barrister of the Supreme
Court of Nova Scotia

BURCHELL WICKWIRE BRYSON ^{LLP}
lawyers | avocats

Barristers & Solicitors

t. 902.423.6361
f. 902.420.9326
www.bwbllp.ca

INVOICE SUMMARY

Deloitte Restructuring Inc.
800 - 1741 Lower Water Street
Halifax, NS B3J 0J2

August 17, 2026
Invoice #:177355

HST #: 12143 1035 RT0001

RE: Kooshie Cushions of Canada Limited Receivership
25023-1099277

TOTAL PROFESSIONAL SERVICES	\$	3,455.00
TOTAL NON-TAXABLE DISBURSEMENTS	\$	0.00
TOTAL TAXABLE DISBURSEMENTS	\$	0.00
TOTAL HST	\$	483.70
 TOTAL DUE AND OWING	 \$	 <u>3,938.70</u>

BURCHELL WICKWIRE BRYSON ^{LLP}
lawyers | avocats

August 17, 2026
Invoice #: 177355

Barristers & Solicitors

t. 902.423.6361
f. 902.420.9326
www.bwbllp.ca

Deloitte Restructuring Inc.
800 - 1741 Lower Water Street
Halifax, NS B3J 0J2

RE: Kooshie Cushions of Canada Limited Receivership
25023-1099277

PROFESSIONAL SERVICES:

LEGAL FEES:

04 May 26	DPT	Call with J. Foran re Application for Court Appointment.	0.20hrs.	380.00/hr	76.00
06 May 26	DPT	Emails from J. Santimaw and J. Foran.	0.10hrs.	380.00/hr	38.00
16 Jun 26	DPT	Receive and review court documents from J. Santimaw re Application for Court Appointment.	1.20hrs.	380.00/hr	456.00
03 Jul 26	DPT	Prepare for and attend Application for Court Appointment; conference with J. Foran re next steps and key considerations in the immediate future.	3.70hrs.	380.00/hr	1,406.00
06 Jul 26	DPT	Brief call with J. Foran; correspondence with Court re decision; emails between counsel.	0.30hrs.	380.00/hr	114.00
07 Jul 26	DPT	Multiple emails between R. Bureau and J. Foran.	0.30hrs.	380.00/hr	114.00
09 Jul 26	DPT	Attend information call with debtor and debtor counsel.	0.60hrs.	380.00/hr	228.00
13 Jul 26	DPT	Review documentation and email from J. Foran to R. Bureau re withdrawals from CIBC account by M. Shelley; email from J. Foran to Town of Truro.	0.30hrs.	380.00/hr	114.00
14 Jul 26	DPT	Call with J. Foran; email to R. Bureau re payment of funds into trust; emails from J. Foran to potential purchaser and R. Bureau.	0.30hrs.	380.00/hr	114.00
15 Jul 26	DPT	Receive and review letter from J. Foran re outstanding loan demands.	0.20hrs.	380.00/hr	76.00
16 Jul 26	DPT	Email from J. Foran; letter from R. Bureau requesting further documentation and refusing to pay into trust.	0.10hrs.	380.00/hr	38.00
22 Jul 26	DPT	Review of update from J. Foran.	0.30hrs.	380.00/hr	114.00

24 Jul 26	DPT	Review and analyze property management contract and provide comments re areas of concern and edits.	1.10hrs.	380.00/hr	418.00
27 Jul 26	DPT	Email from J. Foran re insurance policy.	0.10hrs.	380.00/hr	38.00
28 Jul 26	DPT	Email from M. Caissie.	0.10hrs.	380.00/hr	38.00
29 Jul 26	DPT	Email from J. Santimaw.	0.10hrs.	380.00/hr	38.00

TOTAL LEGAL FEES	<u>\$3,420.00</u>
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OTHER CHARGES:

File Opening/Administration Fee	35.00
TOTAL OTHER CHARGES	<u>\$35.00</u>

TOTAL PROFESSIONAL SERVICES	\$3,455.00
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TOTAL HST	<u>\$483.70</u>
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INVOICE TOTAL	\$3,938.70
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TOTAL DUE AND OWING	<u>\$3,938.70</u>
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DETAILS OF CURRENT PRIOR BALANCE

E&OE

TERMS: DUE UPON RECEIPT
INTEREST AT THE RATE OF 3/4 % PER MONTH (9 % PER YEAR) THEREAFTER.
Our H.S.T. Registration No: 12143 1035 RT0001

ELECTRONIC PAYMENT OPTIONS

Bill Payment Services

Billor Name: Burchell Wickwire Bryson LLP
Account No. Last 7 Digits of File Number 025023-1099277

Interac E-Transfer

Email to: accountsreceivable@bwblp.ca
Note: Please send answer to secret question in a separate email

Wire Transfer or Electronic Funds Transfer

BMO Bank of Montreal
Halifax Main Office
1695 Grafton Street
Halifax, Nova Scotia, Canada B3J 0E7

Account Holder: BURCHELL WICKWIRE BRYSON LLP
Bank/Institution #: 001
Branch/Transit #: 00093
Routing #/BMO Swift Code: BOFMCAM2
Account #: 1071-882

Other payment options may be available. To find out more, please email accountsreceivable@bwblp.ca or call 902-423-6361 and ask for Accounts Receivable Department.

BURCHELL WICKWIRE BRYSON ^{LLP}
lawyers | avocats

Barristers & Solicitors

t. 902.423.6361
f. 902.420.9326
www.bwbllp.ca

INVOICE SUMMARY

Deloitte Restructuring Inc.
800 - 1741 Lower Water Street
Halifax, NS B3J 0J2

September 24, 2026
Invoice #:178236

HST #: 12143 1035 RT0001

RE: Kooshie Cushions of Canada Limited Receivership
25023-1099277

TOTAL PROFESSIONAL SERVICES	\$	1,216.00
TOTAL NON-TAXABLE DISBURSEMENTS	\$	0.00
TOTAL TAXABLE DISBURSEMENTS	\$	0.00
TOTAL HST	\$	170.24
 TOTAL DUE AND OWING	 \$	 <u>1,386.24</u>

BURCHELL WICKWIRE BRYSON ^{LLP}
lawyers | avocats

September 24, 2026
Invoice #: 178236

Barristers & Solicitors

t. 902.423.6361
f. 902.420.9326
www.bwbllp.ca

Deloitte Restructuring Inc.
800 - 1741 Lower Water Street
Halifax, NS B3J 0J2

RE: Kooshie Cushions of Canada Limited Receivership
25023-1099277

PROFESSIONAL SERVICES:

LEGAL FEES:

04 Aug 26	DPT	Call with J. Foran and J. Santimaw; letter to Court seeking motion.	0.60hrs.	380.00/hr	228.00
06 Aug 26	DPT	Correspondence with Court and client re dates for motion.	0.30hrs.	380.00/hr	114.00
13 Aug 26	DPT	Emails with L. Reid re extension of lease.	0.20hrs.	380.00/hr	76.00
17 Aug 26	DPT	Review lease agreement; draft and revise Lease Extension Agreement; email to L. Reid.	1.20hrs.	380.00/hr	456.00
21 Aug 26	DPT	Emails from J. Foran; review and analysis of update from J. Foran; email from and to L. Reid re non-assignment of lease; review final creditor notice package.	0.90hrs.	380.00/hr	342.00

TOTAL PROFESSIONAL SERVICES \$1,216.00

TOTAL HST \$170.24

INVOICE TOTAL \$1,386.24

TOTAL DUE AND OWING \$1,386.24

DETAILS OF CURRENT PRIOR BALANCE

E&OE

TERMS: DUE UPON RECEIPT
INTEREST AT THE RATE OF 3/4 % PER MONTH (9 % PER YEAR) THEREAFTER.
Our H.S.T. Registration No: 12143 1035 RT0001

ELECTRONIC PAYMENT OPTIONS

Bill Payment Services

Biller Name: Burchell Wickwire Bryson LLP
Account No. Last 7 Digits of File Number 025023-1099277

Interac E-Transfer

Email to: accountsreceivable@bwblp.ca
Note: Please send answer to secret question in a separate email

Wire Transfer or Electronic Funds Transfer

BMO Bank of Montreal
Halifax Main Office
1695 Grafton Street
Halifax, Nova Scotia, Canada B3J 0E7

Account Holder: BURCHELL WICKWIRE BRYSON LLP
Bank/Institution #: 001
Branch/Transit #: 00093
Routing #/BMO Swift Code: BOFMCAM2
Account #: 1071-882

Other payment options may be available. To find out more, please email accountsreceivable@bwblp.ca or call 902-423-6361 and ask for Accounts Receivable Department.

**APPENDIX D – INTERIM STATEMENT OF RECEIPTS AND
DISBURSEMENTS**

District of: Nova Scotia
Division No: 01 - Halifax
Court No: 51-126653
Estate No: 51-126653

**In the matter of the receivership of
Kooshie Cushions of Canada Limited
of the Town of Truro, in the Province of Nova Scotia**

**Form 12
Interim Statement of Receipts and Disbursement
for the period from July 9 to September 21, 2026**

RECEIPTS

Collection of rent	80,670.44	
Collection of HST	11,293.20	
Interest income	53.20	92,016.84
TOTAL RECEIPTS		<u>92,016.84</u>

DISBURSEMENTS

Receiver's fees and disbursements	30,895.00	
Advances to property manager	10,000.00	
HST paid	6,609.04	
Insurance	5,269.98	
Property management fees	4,112.90	
Legal fees and disbursements	3,455.00	
Repairs and maintenance	4,858.22	
Locksmith charges	2,173.27	
Utilities	1,795.07	
Filing fees paid to the official receiver	86.23	
Interest and bank charges	15.00	69,269.71
TOTAL DISBURSEMENTS		<u>69,269.71</u>

AMOUNT RETAINED IN TRUST ACCOUNT BY THE RECEIVER

22,747.13

DELOITTE RESTRUCTURING INC.

Acting solely in its capacity as
Receiver and Manager of Kooshie Cushions of Canada Limited
and not in its personal capacity

Per:



James Foran
Senior Vice President

APPENDIX E – TEASER

Summary

- Deloitte Restructuring Inc., in its capacity as Court-Appointed Receiver (the “**Receiver**”) of Kooshie Cushions of Canada Limited (“**KCCL**”), is soliciting expressions of interest for the acquisition of commercial real estate asset located in Truro, Nova Scotia (the “**Investment Property**”).
- Pursuant to an order issued by the Nova Scotia Court order issued on [DATE], 2026, the Receiver has been authorized to carry out a Sale and Investment Solicitation Process (the “**SISP**”) for KCCL’s Investment Property.
- This document (the “**Teaser**”) has been distributed to parties identified as potentially having an interest in acquiring the Investment Property as described below.

Property Highlights

MUNICIPAL ADDRESS	339 Willow Street, Truro, NS
LEGAL DESCRIPTION	PID 20239059
PROPERTY TYPE	Multi-tenant Retail, Office and Warehouse
LAND AREA	2.07 Acres
BUILDING AREA	31,550 sq. ft.
ZONING	C4 Commercial



Building Features

- Approximately 26,750 SF of main-floor commercial space
- Approximately 4,800 SF of second-floor office space
- On-site surface parking and municipal servicing
- Sprinklered building with passenger elevator
- Metal roof, heat pumps and electric baseboard heating
- 400-amp electrical service
- Access to major transportation routes and the Truro Business Park



Proposed Transaction and Timeline

- Upon execution of a non-disclosure agreement ("**NDA**"), interested parties will be provided a copy of the tender package and further information regarding the Property.
- Interested parties will also be provided with an opportunity to visit/inspect the Property during the SISP.
- Any transaction will be subject to approval by the Supreme Court of Nova Scotia in Bankruptcy and Insolvency (the "**Court**") and the Receiver will make an application to the Court for approval of the sale upon completion of the SISP.

The bid deadline for the delivery of offers shall close at 5:00 p.m. ADT on [DATE], 2026.

Recipients of this document interested in participating in the SISP must provide a fully executed NDA to the Receiver before further information will be made available. Inquiries regarding the SISP should be directed only to the following:

Liam Reid

Direct: +1 (902) 449 8158

Email: wireid@deloitte.ca

Naomi McGregor

Direct: + 1 (403) 503 1423

Email: naomcgregor@deloitte.ca

DISCLAIMER

The preparation of this Teaser is based on information provided by the management of KCCL and is furnished to potential acquirers on the basis that none of Deloitte Restructuring Inc. (the "Receiver"), KCCL or their respective officers, partners, employees, agents, representatives or advisers, make any representation or warranty as to the accuracy or completeness of the material contained herein.

By receiving this Teaser, the recipient (the "Recipient") acknowledges and agrees that no representation or warranty is made (or will necessarily be made in any sale agreement) as to the accuracy, reliability or completeness of any information contained or referred to in this Teaser or provided either orally or in writing to the Recipient in the course of its evaluation, by the Receiver or any person who may be involved in the preparation of this Teaser or the Sales and Investment Solicitation Process generally.

To the extent permitted by law, no responsibility for any statement, opinion, information or matter (whether express or implied) arising out of or contained in, or derived from, or for errors in, or omissions from (arising out of negligence or otherwise) this Teaser or any written or oral communications transmitted to the Recipient in the course of its evaluation of the Assets, is accepted by the Receiver.

The Recipient acknowledges that nothing in this Teaser (or elsewhere) creates any personal liability on the part of the Receiver or its employees or agents.

While all reasonable efforts have been made to ensure the information contained in this Teaser is accurate and correct at the effective date, no responsibility for any errors in, or omissions from, this Teaser, whether arising out of negligence or otherwise, is accepted by the Receiver.

Any person contemplating a purchase of the Assets should make their own decision as to the sufficiency and relevance for their purposes of the information contained in this Teaser and their own independent investigation of the Assets, after taking all appropriate advice from qualified professional persons. By receiving this Teaser, the Recipient acknowledges and agrees that it will rely entirely upon its own due diligence and professional advice in considering a purchase of the Assets.

APPENDIX F – TENDER PACKAGE



Sale and Information Package

Kooshie Cushions of Canada Limited



Deloitte Restructuring Inc.

Acting solely in its capacity as
Court Appointed Receiver and Manager of Kooshie Cushions of Canada Limited
and not in its personal capacity

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Invitation for Offers

On July 3, 2026, the Supreme Court of Nova Scotia in Bankruptcy and Insolvency (the "**Court**") granted an order (the "**Receivership Order**") appointing Deloitte Restructuring Inc. ("**Deloitte**") as the receiver and manager (the "**Receiver**"), without security, of 339 Willow Street, Truro, Nova Scotia, more particularly described as parcel identification number 20239059, acquired for, or used in relation to a business carried on by Kooshie Cushions of Canada Limited ("**KCCL**", the "**Debtor**", or the "**Company**"), including all proceeds thereof (the "**Property**").

On [DATE], the Court granted a further order (the "**Sale Process Order**") approving the sale and investment solicitation process (the "**SISP**") proposed by the Receiver to realize upon the real property of KCCL described as 339 Willow Street, Truro, Nova Scotia (PID: 20239059) Real Property (the "**Real Property**").

Sealed offers for the purchase of the Real Property (as outlined in Appendices A, B and C contained herein) will be received by Deloitte, in its capacity as Receiver, until [DATE].

This sale and information package (the "**Sale and Information Package**") is not intended for general circulation or publication, nor is it to be reproduced or used for any purpose other than that outlined herein. The Receiver does not assume responsibility or liability for losses occasioned to any parties as a result of the circulation, publication, reproduction, or use of this Sale and Information Package.

As further set out in the non-disclosure agreement (the "**NDA**"), under no circumstances shall any potential purchasers contact any KCCL employees or former employees either directly or indirectly: (i) to answer any questions regarding the possible acquisition of the Real Property; or (ii) to request additional information. All inquiries must be made directly to the Receiver.

The information provided herein was obtained from the books and records of KCCL and information compiled since Deloitte's appointment as Receiver. The information is provided for the sole use of prospective purchasers in considering their interest in acquiring the Real Property discussed herein and does not purport to contain all the information that a prospective purchaser may require. Prospective purchasers should conduct their own investigations and due diligence on the Real Property and the information contained in this Sale and Information Package.

The Receiver specifically notes that it has not independently verified or audited any of the information contained herein. The Receiver provides no representation or warranty, whether express or implied, as to the accuracy or completeness of the information contained in this Sale and Information Package and shall have no liability for any representations expressed or implied herein, or for any omissions from this Sale and Information Package or for any other written or oral communication transmitted to prospective purchasers in the course of their evaluation of the Real Property.

The Real Property is being offered for sale on an "as is, where is" basis. The Receiver makes no representations, expressed or implied, as to the suitability for use, description, condition, size, quantity, or value regarding

the Real Property. Any purchaser will be asked, as a condition of sale, to sign an acknowledgement that they have inspected and satisfied themselves to the condition of the Real Property.

The terms and conditions of sale are detailed later in this Sale and Information Package, along with the following key dates for the process:

Event	Timing
Real Property viewings	By appointment only during the following period: [DATE]
Offer deadline	[DATE] (the “ Offer Deadline ”) Legally binding offers to purchase (as outlined in Appendix B) must be delivered to the Receiver prior to the Offer Deadline.
Closing date	On or before ten (10) business days after the granting of a Sale Approval and Vesting Order by the Court or such other time as may be agreed by the Purchaser and the Receiver.

Potential bidders are advised that the Receiver shall not be required to accept the highest or any offer. Offers shall be subject to the terms and conditions of sale which shall be deemed to form part of the offer. Such terms are contained within Appendix A to this Sale and Information Package.

To arrange to view the Real Property, please contact Liam Reid by phone at (902) 449-8158 or by email at wireid@deloitte.ca.

DATED at Halifax, Nova Scotia this _____ day of September 2026.

DELOITTE RESTRUCTURING INC.

Acting solely in its capacity as
Court Appointed Receiver and Manager of Kooshie Cushions of Canada Limited
and not in its personal capacity

Appendix A – Terms and Conditions of Sale

Deloitte, in its capacity as Receiver of KCCL and not in its personal capacity, is offering for sale herein its interest, if any, in the Real Property owned by KCCL on the following terms and conditions (the “**Terms and Conditions of Sale**”):

Offers

1. The Real Property is being offered for sale on an “as is, where is” without recourse basis and with no representations or warranties from the Receiver or any other party as to title, encumbrances, description, fitness for use, condition (environmental or otherwise), defect (patent or latent), collectability, merchantability, quantity, quality, value or the validity, invalidity, or enforceability of any patent, copyright or trademark right, or any other matter or thing whatsoever, either stated or implied.
2. All offers made for the Real Property (each, an “**Offer**”) must be submitted by completing the form of Offer to Purchase attached hereto (**Appendix B**). Offers shall be delivered to the Receiver electronically via email to Liam Reid at wireid@deloitte.ca.
3. The Offers must be received by **[DATE]** (the “**Offer Deadline**”). Offers that do not strictly comply with these Terms and Conditions of Sale may, at the absolute discretion of the Receiver, be rejected for that reason alone in the Receiver’s sole discretion.
4. All Offers must be accompanied by a bank draft or certified cheque, in each case drawn on a Canadian chartered bank or credit union, payable to “Deloitte Restructuring Inc., in Trust”, in an amount equal to fifteen percent (15%) of the offered purchase price for the Real Property (the “**Deposit**”). Deposits can also be submitted via wire transfer to an account to be specified by the Receiver. Please contact the Receiver ahead of the Offer Deadline if you require wire instructions.
5. The Real Property are more particularly described in **Appendix C**.
6. Each party making an offer (each an “**Offeror**”) must rely on its own judgment, inspection, and investigation of the Real Property. Each Offeror acknowledges and agrees that it has had a full opportunity to conduct, and has conducted, such tests, examinations, inspections, and investigations as it deems necessary or advisable to fully acquaint itself with the Real Property, their fitness for particular purpose, location, existence, condition, quality, quantity, merchantability, suitability for intended purpose and with any other attributes that the Offeror considers relevant.
7. Viewing of the Real Property will be by appointment only. Appointments can be made by contacting Liam Reid by phone at (902) 449-8158 or by email at wireid@deloitte.ca.
8. The submission of any Offer to the Receiver shall constitute an acknowledgement and an acceptance by the Offeror of the terms of the Offer to Purchase, and the Terms and Conditions of Sale.
9. Offerors will have until the expiration of the Offer Deadline to conduct due diligence.
10. Each Offeror acknowledges that it has had the opportunity to consult with, and has consulted with, its own independent legal counsel prior to making any Offer.
11. Any Offer accepted by the Receiver will be subject to approval by the Court. The form of order approving the sale shall be in a format jointly acceptable to the Receiver and the Purchaser, acting reasonably.

Sale Process

12. The Receiver reserves the right to amend or terminate this sale process, or to withdraw or amend the contents of the Real Property, at any time, at its sole discretion. With respect to any withdrawal or amendment, the sole obligation of the Receiver to the Offeror shall be to inform the Offeror of the withdrawal or amendment. With respect to the termination of the sale process, the sole obligation of the Receiver to the Offeror shall be to return any Deposit it has received without interest or deduction (other than bank charges/wire fees).

Acceptance of Offers

13. The Receiver, in its sole discretion, shall be entitled to accept one or more Offers prior to the Offer Deadline.
14. Each Offeror acknowledges that the Receiver is not obligated to accept any Offer, and the highest Offer shall not necessarily be accepted. The Receiver reserves the right to reject any or all Offers without explanation in its sole and unfettered discretion.
15. After receipt of the Offers, the Receiver may, in its sole discretion, negotiate with any Offeror to seek clarification and negotiate further with any Offeror in respect of any Offer. The Receiver shall not be obliged to negotiate with any Offeror or give any Offeror the opportunity to resubmit an Offer, whether or not the Receiver negotiates with other Offeror(s).
16. Upon submission of an Offer to the Receiver, no Offeror shall be entitled to retract, withdraw, vary or amend the Offer prior to acceptance or rejection thereof by the Receiver, without the prior written consent of the Receiver.
17. Deposits accompanying Offers that are not accepted by the Receiver shall be returned without interest thereon by wire transfer, prepaid registered mail or courier to the unsuccessful Offeror at the address set forth in the Offer, as soon as reasonably possible after the Offer Deadline.
18. Upon the acceptance of an Offer from an Offeror (the "**Purchaser**") in writing by the Receiver:
 - a. the Receiver will apply to the Court for a sale approval and vesting order (the "**Sale Approval and Vesting Order**"), in a form acceptable to the Receiver and Purchaser which will, amongst other things and if granted, vest title to the Real Property in the Purchaser free and clear of any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, 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 excepting utility caveats;
 - b. the closing date shall be established as the earlier of ten (10) business days after the granting of a Sale Approval and Vesting Order by the Court, or such other date as agreed to by the Receiver and the Purchaser (the "**Closing Date**"); and
 - c. the Deposit made by the Purchaser shall be non-refundable, except as set out herein.
19. If the sale contemplated is completed, the Purchaser's Deposit will be applied, without interest, against the purchase price.
20. If an Offer is accepted by the Receiver, but the sale of the purchased Real Property is not completed as a result of any act or omission on the part of the Offeror, the Offeror's deposit shall be forfeited to the Receiver as a genuine pre-estimate of liquidated damages and not as a penalty. Furthermore, the Receiver shall be entitled to pursue all of its rights and remedies against the Purchaser.
21. The Real Property shall remain at the risk of the Receiver until the closing of the transaction contemplated hereby.

The Real Property after closing shall be at the risk of the Purchaser. Until the closing, the Receiver shall hold all insurance policies or proceeds thereof in trust for the parties as their interests may appear and, in the event of substantial damage to the Real Property, the Purchaser may either have the net proceeds of the insurance and complete the transaction or may cancel the transaction and have all monies theretofore paid returned without interest, cost or compensation of any kind whatsoever. Where any damage is not substantial, the Purchaser shall be obliged to complete the transaction and be entitled to the net proceeds of insurance referenced to such damage.

22. The Offeror shall cause to be paid and delivered to the Receiver on the Closing Date the offered purchase price plus any applicable harmonized sales tax and any other applicable taxes, net of the Deposit already paid to the Receiver. These amounts shall be paid to the Receiver on the Closing Date by certified cheque, bank draft or wire, in each case drawn on a Canadian chartered bank or credit union. After payment the Purchaser shall take delivery and possession of the purchased Real Property on an "as is, where is" basis on the Closing Date, without recourse to the Receiver or its respective employees, partners, directors, officers, servants and agents.
23. Without limitation, the Real Property shall be as they exist on the Closing Date with no adjustments to be allowed to the Purchaser for changes in condition, qualities or quantities from the date of viewing to the Closing Date. The Purchaser acknowledges and agrees that the Receiver shall not be required to inspect the Real Property or any part thereof and the Purchaser shall be deemed at its own expense to have relied entirely on its own inspections and investigations.
24. The Purchaser acknowledges and agrees that no right, duty, or liability, express or implied pursuant to the *Sale of Goods Act* (Nova Scotia) or similar legislation in other jurisdictions, shall apply hereto and all of the same are hereby expressly waived by the Purchaser.
25. The Purchaser agrees that all the insurance maintained by the Receiver in respect of the Real Property shall be cancelled on the Closing Date and that the Purchaser shall be responsible for placing its own insurance from and after closing.
26. The Purchaser shall indemnify the Receiver and hold the Receiver harmless against and from all claims, actions, losses, costs, damages and expenses which the Receiver may sustain, incur or be or become liable for by reason of or arising from any operations of the Purchaser in relation to the Real Property or any breach of the Purchaser's obligations under these Terms and Conditions of Sale.
27. At the Closing Date, the Purchaser shall be entitled to such deeds or assignments as may be considered necessary by the Receiver to convey the Real Property to the Purchaser provided that the Purchaser shall remain liable notwithstanding any assignment thereof by the Purchaser. Any such deeds or assignments shall contain only a release of the Receiver's interest in the Real Property and shall not contain any covenant other than a covenant that the Receiver has not done any act to encumber the Real Property. The Receiver shall not be required to produce any abstract of title, title deeds or documents thereof or any evidence as to title, other than those in its possession.
28. If Court approval of any sale transaction in a form satisfactory to the Receiver is not obtained, the contemplated purchase shall be deemed terminated and the Deposit accompanying the Offer shall be returned to the Purchaser without interest as soon as reasonably practicable in the manner set out above.
29. The Offeror and the Receiver mutually agree to do all such further acts and execute all such further documents and instruments as may reasonably be necessary or convenient to give full effect to the sale transaction.

General

30. Deloitte is acting solely in its capacity as Receiver of KCCL, and not in its personal capacity, and Deloitte (and its partners, employees, servants and agents) shall have no liability whatsoever in any way related to the Sale and Information Package, the Offer to Purchase, the Terms and Conditions of Sale, or in any way related to the Real Property (as these terms are defined herein), whether in contract, in tort, under statute or otherwise.
31. All stipulations as to time are strictly of the essence.

32. The Sale and Information Package, the Offer to Purchase, and the Terms and Conditions of Sale, shall be governed by and construed in accordance with the laws of Canada and the laws of the Province of Nova Scotia, as such may be applicable, and the Offeror hereby irrevocably attorns to the jurisdiction of the Supreme Court of Nova Scotia.

DATED at Halifax, Nova Scotia this ____ day of September 2026.

DELOITTE RESTRUCTURING INC.

Acting solely in its capacity as
Court Appointed Receiver and Manager of Kooshie Cushions of
Canada Limited and not in its personal capacity.

Appendix B – Offer to Purchase

Deloitte Restructuring Inc. Court Appointed Receiver and Manager of Kooshie Cushions of Canada Limited

OFFER TO PURCHASE

**TO: DELOITTE RESTRUCTURING INC.
COURT APPOINTED RECEIVER AND MANAGER OF KOOSHIE CUSHIONS OF CANADA LIMITED**
1741 Lower Water Street, Suite 800
Halifax, Nova Scotia, B3J 0J2
Attention: Liam Reid

1. Name of Offeror: _____
2. Address of Offeror: _____
3. Telephone and fax: _____
4. E-mail address: _____

The undersigned acknowledges having received and reviewed the Terms and Conditions of Sale ("**Terms and Conditions**") pertaining to the sale of the Real Property, that the Offeror has inspected and satisfied themselves as to the condition of the Real Property, and that this Offer is submitted pursuant to the said Terms and Conditions and the undersigned agrees to be bound thereby as if the same were set out herein as part of this Offer.

Description	Offer in Canadian dollars (excluding any applicable taxes)
339 Willow Street, Turo, NS (PID 20239059)	\$
Deposit enclosed (15%) (Note 1)	\$

Note 1: All deposits must be made by certified cheque, bank draft or wire payable to "Deloitte Restructuring Inc., in Trust".

DATED at the City of _____ in the Province/State of _____
this _____ day of _____, 2026.

Signature of Offeror: _____

Appendix C – Asset Overview

339 Willow Street, Turo NS

The real property offered for sale consists of the lands and improvements described as 339 Willow Street, Truro, NS (PID: 20239059):

Description	
Parcel identification number	20239059
Zoning	C4 – General Commercial
Site area	2.07 acres
Building area	31,550 ft ²
Main floor area	26,750 ft ²
Second floor area	4,800 ft ²
Foundation	Slab and full basement under westerly section
Structure	Wood
Roof	Engineered trussed and new metal roof
Interior walls	Gyproc taped and painted
Ceilings	Gyproc taped and painted
Interior floors	Vinyl tiles in retail, laminate in office
Windows	Vinyl
Doors	Aluminum framed glass door on front and steel, overhead door
Electrical	400amp
HVAC	Electric and industrial heat pump
Sprinkler	Yes
Elevator	Yes





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