

IN THE COURT OF KING'S BENCH OF NEW BRUNSWICK
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL DISTRICT OF SAINT JOHN

IN THE MATTER OF THE RECEIVERSHIP OF:

M & F LEBLANC OIL LTD.

**PURSUANT TO Section 33 of The *Judicature Act*, R.S.N.B
1973, Ch. J-2, Rule 41, Rules of Court, New Brunswick
and Section 243 of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3**

BETWEEN:

THE TORONTO DOMINION BANK

APPLICANT

- and -

M & F LEBLANC OIL LTD.

RESPONDENT

**FIRST REPORT OF THE PROPOSED COURT APPOINTED RECEIVER AND MANAGER
DELOITTE RESTRUCTURING INC.**

DATED APRIL 14, 2026

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INTRODUCTION

1. An application has been scheduled to be heard before the Court of King's of New Brunswick in Bankruptcy and Insolvency (the "**Court**") in this matter on April 17, 2026, at 1:30 pm. The Applicant, the Toronto Dominion Bank ("**TD**"), is seeking an order (the "**Receivership Order**") appointing Deloitte Restructuring Inc. ("**Deloitte**") as receiver and manager (the "**Receiver**"), pursuant to section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the "**BIA**") without security, of the assets, collateral and undertakings (the "**Property**") of M & F LeBlanc Oil Ltd. ("**M&F**" or the "**Company**").
2. M&F is a private company incorporated under the laws of New Brunswick ("**NB**") on April 13, 2000, and is wholly owned by Martin LeBlanc ("**Leblanc**"). M&F is a local fuel distributor headquartered in Richibucto, New Brunswick, with a secondary location in Miramichi, New Brunswick. M&F operates from a location owned by a related party to Leblanc.
3. Deloitte was initially retained by TD on February 19, 2026, to act as its financial advisor with respect to advances provided to M&F (the "**Consulting Engagement**"). Further information regarding the activities of Deloitte under the Consulting Engagement are contained herein.
4. On January 28, 2026, TD issued demands for repayment and notices of intention to enforce security pursuant to section 244(1) of the BIA and section 59 of the Personal Property Security Act, SNB 1993, c P-7.1 (the "**Demands**"). Deloitte understands M&F acknowledged the Demands through an email dated February 6, 2026, 2026, from their legal counsel, Bell McGrath Theriault.
5. On March 31, 2026 (the "**Appointment Date**"), Deloitte was privately appointed as the receiver and manager (the "**Private Receiver**") of M&F pursuant to security held by TD (the "**Private Receivership**"). A copy of the Private Receivership appointment letter is enclosed as **Appendix A**. Further information regarding the activities of the Private Receiver since the Appointment Date are contained herein.
6. Deloitte is a licensed insolvency trustee within the meaning of section 2 of the BIA and has consented to act as Receiver in these proceedings if the Court grants the Receivership Order. A copy of our consent letter is enclosed as **Appendix B**.

7. Deloitte has engaged Cox & Palmer to act as its independent legal counsel and in the event the Court grants the Receivership Order, Cox & Palmer will provide the Receiver with an independent security opinion regarding the validity and enforceability of the TD security, a copy of which will be provided to the Court at a later date.

PURPOSE

8. Deloitte has prepared this report (the "**First Report**") as proposed Court Appointed Receiver (the "**Proposed Receiver**") to provide information to the Court with respect to:
 - (i) the Proposed Receiver's activities in the Private Receivership; and
 - (ii) Deloitte's consent to act as Receiver, should the Court grant the Receivership Order.

TERMS OF REFERENCE AND DISCLAIMER

9. In preparing this First Report, the Proposed Receiver has relied upon unaudited financial information prepared by the Company's management, the Company's books and records, Discussions with the Company's management, and information provided by TD (the "**Information**"). The Proposed 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 Proposed Receiver expresses no opinion or other form of assurance in respect of the Information. The Proposed Receiver may refine or alter its observations as further information is obtained or brought to its attention after the date of this First Report.
10. Deloitte has prepared this First Report in its capacity as Proposed 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.
11. The business and affairs of M&F and the events leading up to the Consulting Agreement and Private Receivership are contained within the Affidavit of Jeff Davies dated April 10, 2026 (the "**Davies Affidavit**"). Accordingly, these details have not been repeated in this First Report, and the Proposed Receiver recommends that the First Report be read in conjunction with the Davies Affidavit.

12. Capitalized terms not otherwise defined herein are as defined in the application materials, including the Davies Affidavit.

13. All dollar amounts in this First Report are in Canadian dollars, unless otherwise indicated.

ACTIVITIES UNDER THE CONSULTING AGREEMENT

14. Deloitte was originally contacted by Jeff Davies ("**Davies**") on or about January 6, 2026, to clear conflicts in connection with the M&F mandate. On or about January 7, 2026, Deloitte advised TD it had completed its internal conflict check procedures and was free to act.

15. On or about January 16, 2026, Deloitte participated in a conference call with representatives of TD and McInnes Cooper to understand TD's concerns with respect to M&F (the "**January 16 Call**"). During the January 16 Call, TD advised that it had significant concerns regarding M&F's business model, particularly its cash conversion cycle and the overall quality of its accounts receivable, which constituted the largest component of TD's collateral.

16. Following the January 16 Call, Deloitte had further discussions with TD and McInnes Cooper regarding the strategy for the M&F mandate; however, Deloitte was advised that Leblanc was unwilling to execute the Deloitte engagement letter and that he had advised TD that he had engaged an external advisor (the "**Broker**") to source capital to pay out TD.

17. On or about January 28, 2026, based on M&F not providing TD with a credible refinancing plan, the lack of co-operation from M&F in connection with the Deloitte engagement, and the continued erosion of its security position, TD issued the Demands.

18. On February 9, 2026, following advice from Davies that Leblanc was willing to meet with Deloitte, an email was sent to Leblanc to arrange a meeting, which was scheduled to take place in Moncton, NB at Leblanc's request (the "**Initial Meeting**"). On February 11, 2026, Deloitte provided Leblanc with a copy of its engagement letter and outlined an agenda for the Initial Meeting, which focused on Deloitte obtaining background information on M&F, gaining an understanding of M&F's current financial position (including priority payables), and reviewing M&F's refinancing activities. In advance of the Initial Meeting, Deloitte requested that M&F to provide up to date working capital information; however, none was provided.

19. Deloitte's main learnings from the Initial Meeting were as follows:

- (i) approximately two years prior, a competitor from whom M&F had previously procured fuel entered the market served by M&F and reduced M&F's payment terms from 45 days to 7 days, significantly reduced M&F's purchase discount, and offered extended payment terms to M&F's customers in an attempt to attract them. These changes created liquidity pressures for M&F, including instances of excesses over the approved borrowing base on the TD operating line, and negatively impacted its profitability;
- (ii) while M&F maintained procurement relationships with several fuel suppliers, the applicable payment terms ranged from 10 to 20 days, which was materially shorter than M&F's collection metrics; and
- (iii) as it related to refinancing, M&F declined to pursue one refinancing opportunity due to the extensive financial reporting requirements; however, M&F advised it had secured a term sheet in the amount of \$8,500,000 that required no further due diligence and contained no conditions precedent whatsoever (the "**Term Sheet**").

20. On or about February 18, 2026, Davies provided Deloitte with a copy of the Term Sheet, which Deloitte noted contained language stating that its provisions were indicative and non-binding, appeared to be subject to further due diligence, and had not been executed by the counterparty. Deloitte subsequently participated in several calls with TD and the Broker and was ultimately advised that the proposed transaction would not proceed due to concerns regarding the credit quality of M&F's accounts receivable.

21. On or about February 20, 2026, based on the Initial Meeting and with the concurrence of TD, Deloitte provided M&F with an amended engagement letter (the "**Amended Deloitte EL**") which limited the scope of services to (a) an evaluation of the Company's significant assets and liabilities and assessment of the current security position of TD, (b) review and assessment of the Company's borrowing base capacity on a monthly basis, and (c) upon the specific written request of the Lender and as agreed to by the parties, any other matters which appear to TD to be relevant to an assessment of TD's security position and future course of action. M&F provided Deloitte with an executed copy of the Amended Deloitte EL on the same day.

22. On or about February 23, 2026, Deloitte provided M&F with a workbook requesting it provide supporting documentation to substantiate 23 customer accounts that totalled just in excess of \$10,000,000 (the "**February 23 Request**"). Deloitte was advised by Leblanc that it would take approximately one-week to gather the information and provide it to Deloitte.
23. On or about March 11, 2026, Deloitte corresponded with Leblanc seeking an update on the February 23 Request along with a further request for information to assess TD's collateral position (the "**March 11 Request**"). On or about March 18, 2026, Deloitte participated in a telephone discussion with Leblanc where the March 11 Request was discussed in detail and Deloitte followed up with Leblanc via email in an attempt to reduce efforts for M&F.
24. On or about March 20, 2026, Deloitte participated in a call with TD and the Broker regarding a new counterparty who may provide M&F with capital to repay the TD indebtedness (the "**March 20 Call**"). During the March 20 Call, neither the Broker nor the counterparty were able to respond to basic questions posed by TD or Deloitte.
25. As at the date of this First Report, the Receiver can advise the Court that M&F has not provided Deloitte with any information included in the February 23 Request and only received approximately half of the information in the March 11 Request.
26. Based on Deloitte's involvement during the Consulting Engagement, it became apparent that a refinancing of M&F, while likely the best outcome for all stakeholders, would be extremely challenging to achieve and would require a timeframe in excess of M&F's available liquidity. Deloitte arrived at this conclusion in part due to the following factors:
- (i) M&F's challenges in complying with the payment terms required by fuel suppliers, which recently resulted in M&F switching fuel suppliers at a time when it owes the previous supplier in excess of \$900,000;
 - (ii) multiple instances in which M&F exceeded the maximum borrowing limit under the TD operating facility, require TD to return payments;
 - (iii) M&F's extremely unfavourable cash conversion cycle; and

- (iv) concerns regarding the concentration and aging of trade accounts receivables, issues which were addressed by the Broker.

27. In addition, any further forbearance by TD would have continued to impair its collateral as a result of the ongoing growth in priority payables, including \$277,390.68 in outstanding HST remittances as of March 29, 2026. Deloitte also understands that a total of \$368,828.30 in unremitted Provincial Fuel Tax are owing to the Province of New Brunswick as of February 28, 2026. As a result of Leblanc's limited cooperation, Deloitte has not been able to confirm the accuracy of the amounts of the priority payables.

ACTIVITIES UNDER THE PRIVATE RECEIVERSHIP

28. On the Appointment Date, Deloitte travelled to Richibucto, NB and met with Leblanc at approximately 7:50 a.m. (the "**March 30 Meeting**"). During the March 30 Meeting, Deloitte advised Leblanc it had been appointed as Private Receiver pursuant to security held by TD, provided him with a copy of the Appointment Letter, and asked Leblanc if he would co-operate with our appointment, including allowing us to meet with employees of M&F and access M&F's books and records.

29. During the March 30 Meeting, Leblanc requested additional time to consult with legal counsel, to which Deloitte consented and left the premises. At approximately 9:30 a.m., Deloitte spoke with Leblanc, who advised that he was still attempting to engage legal counsel and would provide an update later in the day. At approximately 10:40 a.m., Deloitte again spoke with Leblanc to seek an update regarding the engagement of legal counsel and his position with respect to co-operating with the Receiver.

30. At approximately 2:00 p.m. on March 30, 2026, Leblanc attended Deloitte's office in Moncton, NB to provide an update regarding M&F's engagement of legal counsel, Michel Poirier ("**Poirier**"), and to request that TD provide M&F with two weeks to complete a refinancing. At approximately 5:45 p.m. on March 30, 2026, the Private Receiver spoke with Leblanc and advised that TD was not prepared to halt the Private Receivership, that the Private Receiver had statutory duties it was required to complete, and again requested Leblanc's co-operation in the performance of those

duties. Leblanc advised the Private Receiver that he was meeting again with Poirier the following morning and that he expected to receive a commitment letter by no later than April 2, 2026, with funding to follow within two weeks to fully repay the TD indebtedness.

31. At approximately 11:40 a.m. on April 1, 2026, the Private Receiver called Leblanc who advised his meeting with Poirier was postponed to the afternoon. Subsequent to this discussion, the Private Receiver received a copy of email correspondence from Poirier to Cox & Palmer outlining M&F's request for an emergency injunction from the Court.

32. On April 9, 2026, following commentary from the Court at the case management conference held on April 8, 2026 (the "**Case Management Conference**"), the Private Receiver emailed Leblanc seeking the co-operation of M&F in connection with the Private Receivership, including with respect to employee matters, access to books and records, the collection of customer cheques in the possession of M&F, and the status of fuel deliveries (the "**April 9 Email**"). At Leblanc's request, the Private Receiver travelled to Moncton, NB to meet with Leblanc to discuss the status of the Private Receivership, M&F's refinancing activities, and M&F's willingness to co-operate with the Private Receiver (the "**April 9 Meeting**"). Following the April 9 Meeting, the Private Receiver provided an update to TD and held a call with the broker recently engaged by M&F.

33. On April 10, 2026, the Private Receiver emailed Leblanc and advised that it had spoken with the broker and TD subsequent to the April 9 Meeting, that it intended to commence contacting customers forthwith, and again inquired as to M&F's willingness to co-operate with the Private Receiver as highlighted in the April 9 Email. As at the date of this First Report, the Private Receiver has not received a response from Leblanc.

34. Due to the lack of co-operation from M&F, in addition to interactions with Leblanc as described above, Deloitte's activities under the Private Receivership mandate have been limited to:

- (i) engaging a third-party to provide security services over the assets of M&F;
- (ii) participating in discussions with and corresponding with M&F's insurance broker;

- (iii) notifying commercial customers of the Private Receivership, as further discussed herein (the **“Customer Calls”**);
- (iv) participating in discussions with M&F’s current fuel supplier;
- (v) requesting the M&F bank accounts maintained with TD be changed to deposit only, cancelling credit cards maintained with TD and opening a Receiver’s trust account with TD;
- (vi) participating in discussions with TD and their legal counsel, McInnes Cooper;
- (vii) participating in discussions with Cox & Palmer;
- (viii) attending the Case Management Conference;
- (ix) participating in discussions with Leblanc and advisors engaged by M&F;
- (x) creating and maintaining a case management website at www.insolvencies.deloitte.ca/M&F-Leblanc-Oil where periodic updates regarding the administration of the estate will be posted;
and
- (xi) preparing this First Report.

35. The Proposed Receiver recommends the Court grant the Receivership Order for the following reasons:

- (i) M&F has been attempting to refinance the TD indebtedness for a period of several months; however, due to concerns regarding the aging of accounts receivable and its underlying business model, M&F has been unable to successfully complete a refinancing;
- (ii) the lack of co-operation provided by M&F to Deloitte, both under the Consulting Agreement and Private Receivership, has and continues to put TD’s collateral at risk; and
- (iii) during the Customer Calls, the Private Receiver was advised by four customers, whose accounts collectively reflect outstanding balances in excess of \$825,000, that all amounts owing to M&F had been paid in full. In two instances, the customers further advised that they had not purchased fuel from M&F since 2021 or 2022, notwithstanding that M&F’s books and records continue to reflect aged receivables in respect of those customers. While

this information is preliminary in nature, and the Private Receiver has not yet had an opportunity to verify or reconcile the amounts outstanding, these discrepancies are of concern to TD and the Private Receiver.

36. Accordingly, the Proposed Receiver recommends the Receivership Order be granted in substantially the form submitted.

CONCLUSION

37. This First Report has been prepared to provide the Court with information regarding Deloitte's activities to date under the Consulting Engagement, the Private Receivership, its consent to act as Receiver, and TD's request for the Receivership Order.

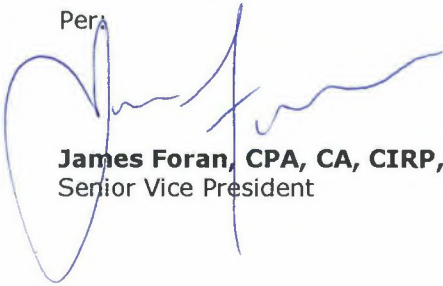
38. Based on the foregoing, the Proposed Receiver requests the Court grants the requested relief as filed with the Court.

All of which is respectfully submitted at Halifax, Nova Scotia this 14th day of April 2026.

DELOITTE RESTRUCTURING INC.

Acting solely in its capacity as
Proposed Court Appointed Receiver and Manager of M&F Leblanc Oil Ltd.
and not in its personal capacity

Per:



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

APPENDIX A – Private Receivership Appointment Letter

March 30, 2026

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

Attention: James Foran

Dear Sirs:

Re: M&F Leblanc Oil Ltd.

M&F Leblanc Oil Ltd. (the "**Company**") is currently indebted to The Toronto-Dominion Bank (the "**Secured Creditor**") in the aggregate amount of \$8,140,992.86, which indebtedness is secured by the following (collectively the "**Security**"):

TD Commercial Banking

- 1) Letter of Agreement dated April 20, 2023 as amended by Amending Agreements dated June 13, 2023 and December 18, 2024.
- 2) General Security Agreement dated June 22, 2023, for which a financing statement was registered in the New Brunswick Personal Property Security Registry pursuant to the Personal Property Security Act, SNB 1993, c P-7.1 (the "**PPSA**"), on June 26, 2023, as No. 38602801 with expiry date June 26, 2030;
- 3) Collateral Mortgage in the principal amount of \$680,000.00, dated June 22, 2023, registered in the New Brunswick Land Titles System on June 23, 2023, as No. 43983783, against the property known as 9241 Main Street, Richibucto, NB (PID 25138892) (the "**Property**");
- 4) Assignment of Rents dated June 22, 2023, registered in the New Brunswick Land Titles System on June 23, 2023, as Number 43989269 against the Property;
- 5) Unlimited personal guarantee of Martin Francois LeBlanc, dated June 22, 2023;
- 6) Postponement and Assignment of Creditors Claim and Postponement of Security of Martin LeBlanc (sole shareholder), dated November 27, 2024;

TD Equipment Financing

- 1) Loan Agreement 23011730 dated May 26, 2023;
- 2) Security Agreement for Specified Assets (#23011730), dated May 26, 2023, for which a financing statement was registered in the PPSA on May 16, 2023, as No. 38413134, and amended on September 12, 2025, as No. 42285046 with expiry date May 16, 2029;
- 3) Loan Agreement 24045240 dated December 13, 2024; and
- 4) Security Agreement for Specified Assets (#24045240), dated December 13, 2024, for which a financing statement was registered in the PPSA on December 16, 2024, as No. 40996654, amended on December 19, 2024, as No. 410168633 and amended on December 30, 2024, as No. 41044934 with expiry date December 16, 2030.

Events of default have occurred and the Security (being in full force and effect) has now become enforceable.

The Secured Creditor hereby appoints Deloitte Restructuring Inc. ("**Deloitte**") as Receiver and Manager (the "**Receiver**") with each and every power and authority specified in that regard by the Security including, without limitation, the power to take all steps to sell or otherwise dispose of the assets secured.

For greater certainty, all monies received by Deloitte after providing for all costs, charges and expenses of or incidental to the exercise of its powers, including legal fees, shall be applied in and towards the satisfaction of any and all obligations, debts and liabilities of the Company to the Secured Creditor in such manner as the Secured Creditor in its sole discretion may direct.

The Secured Creditor agrees and undertakes to guarantee payment of Deloitte's reasonable fees, expenses, costs and disbursements (including, without limitation, reasonable legal fees on a scale as between a solicitor and his own client provided that the Secured Creditor's prior written consent to retain such legal counsel is first obtained) which Deloitte may incur in acting herein.

The rights and powers conferred hereby are in supplement to and not in substitution for any rights that the Secured Creditor may have from time to time.

DATED at Montreal, QC this 30 day of March, 2026.

THE TORONTO-DOMINION BANK

Per: 

Manager Commercial Credit, Financial Restructuring Group
TD Bank Financial Group

ACCEPTANCE OF APPOINTMENT

Deloitte Restructuring Inc. hereby accepts the foregoing appointment as Receiver and Manager as defined above for Toronto Dominion Bank and agrees to act as such Receiver and Manager in accordance with the terms hereof.

DATED at Halifax, NS this 31st day of March 2026.

DELOITTE RESTRUCTURING INC.

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

APPENDIX B – Consent to Act Letter

Court File No:

IN THE COURT OF KING'S BENCH OF NEW BRUNSWICK

IN BANKRUPTCY AND INSOLVENCY

JUDICIAL DISTRICT OF SAINT JOHN

IN THE MATTER OF THE RECEIVERSHIP OF M & F LEBLANC OIL LTD.

PURSUANT TO Section 33 of The *Judicature Act*, R.S.N.B 1973, Ch. J-2, Rule 41, Rules of Court, New Brunswick and Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3

Between:

THE TORONTO DOMINION BANK

Applicant

and

M&F LEBLANC OIL LTD.

Respondents

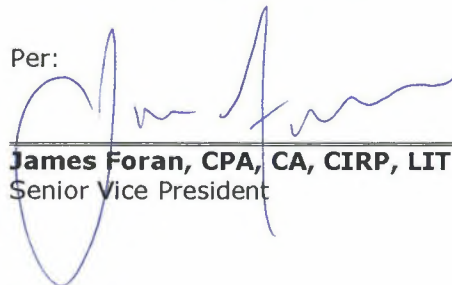
CONSENT OF RECEIVER

TAKE NOTICE THAT the undersigned Deloitte Restructuring Inc., a body corporate under the laws of Canada, maintaining an office in the city of Halifax, in the County of Halifax, in the Province of Nova Scotia, a duly qualified and Licensed Insolvency Trustee, hereby consents to act as court appointed receiver of the assets and undertaking of the Respondent, **M&F Leblanc Oil Ltd.**, a corporation lately carrying on business in the Province of New Brunswick.

DATED at Halifax, Nova Scotia this 14 day of April, 2026.

DELOITTE RESTRUCTURING INC.

Per:



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