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

BETWEEN:

#### **ROYAL BANK OF CANADA**

**Applicant** 

- and -

#### **DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED**

Respondents

#### **MOTION RECORD**

June 9, 2020

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## INDEX

#### **INDEX**

Tab	Document	Page No.
1	Notice of Motion, dated June 9, 2020	1
	Schedule "A" – Zoom Conference Details	12
	Schedule "B" - Approval and Vesting Order	13
	Schedule "C" - Ancillary Order (Discharge and Distribution)	34
2	Second Report of the Receiver, dated June 9, 2020	57
	Appendix "A" – Appointment Order and Endorsement of Justice Hainey dated February 12, 2020	82
	Appendix "B" – First Report of the Receiver dated March 19, 2020, without appendices	101
	Appendix "C" – Approval and Vesting Order dated March 25, 2020	136
	Appendix "D" - Omnibus Order dated March 25, 2020	144
	Appendix "E" - Ancillary Order dated March 25, 2020	162
	Appendix "F" – Endorsement of Justice Hainey dated March 25, 2020	167
	Appendix "G" – Certificate of Appointment of Baigel Corp. dated May 8, 2020	171
	Appendix "H" – Finch Bill of Sale dated April 20, 2020 re New/Demo Vehicles	173
	Appendix "I" – Finch Bill of Sale dated April 24, 2020 re Used Vehicles	180
	Appendix "J" - Lease Buyout Bill of Sale dated May 6, 2020	189
	Appendix "K" - Equipment Bill of Sale dated April 22, 2020	195
	Appendix "L" – Payment Satisfaction Document re 2010197 Ontario Ltd.	202
	Appendix "M" – Bills of Sale dated April 8, 2020 re 2010197 Ontario Ltd.	206
	Appendix "N" – 2010197 Asset Purchase Agreement dated April 28, 2020 – Redacted	217
	Appendix "O" – Statement of Receipts and Disbursements for the period March 16, 2020 to June 4, 2020 and cumulative period February 12, 2020 to June 4, 2020	241

Appendix "P" - Affidavit of Stefano Damiani of Deloitte	243
Restructuring Inc. sworn June 9, 2020	
Appendix "Q" – Affidavit of Thomas Masterson sworn June 8, 2020	297

## Tab 1

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

BETWEEN:

#### **ROYAL BANK OF CANADA**

Applicant

- and -

#### **DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED**

Respondents

#### NOTICE OF MOTION (returnable June 15, 2020)

Deloitte Restructuring Inc. ("Deloitte"), in its capacity as court-appointed receiver (the "Receiver"), appointed pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) dated February 12, 2020 (the "Appointment Order") of the Property (as defined in the Appointment Order) of Dean Myers Chevrolet Limited ("DMCL") and 1125278 Ontario Limited ("112 Ontario") (collectively the "Debtor") will make a Motion to a Judge presiding over the Commercial List on June 15, 2020, at 10:00 a.m. or as soon after that time as the motion can be heard by judicial teleconference via Zoom at Toronto, Ontario. Please refer to the conference details attached as Schedule "A" hereto in order to attend the motion and advise if you intend to join the motion by emailing Lindsay Provost at <a href="mailto:lprovost@harrisonpensa.com">lprovost@harrisonpensa.com</a>.

#### **PROPOSED METHOD OF HEARING**: The Motion is to be heard:

[]	in writing under subrule 37.12.1(1) because it is on consent;
[]	in writing as an opposed motion under subrule 37.12.1(4);
[X]	orally.

#### THE MOTION IS FOR:

Orders substantially in the forms attached hereto as **Schedule "B"** (Approval and Vesting Order), **Schedule "C"** (Ancillary Order), including without limitation, an Order for, *inter alia*, the following:

- 1. An Approval and Vesting Order, substantially in the form attached hereto at Schedule "B", inter alia, approving the transaction (the "Transaction") contemplated by the Asset Purchase Agreement as between 2010197 Ontario Ltd. (the "Purchaser") and the Receiver dated April 28, 2020 and appended to the Second Report (as defined below) as Confidential Appendix "A" (the "Sale Agreement") for the sale of certain assets of the Debtor, DMCL (the "Purchased Assets"), and vesting all of the right, title and interest in and to the Purchased Assets absolutely in the Purchaser free and clear of and from any security, charge or other restriction other than Permitted Encumbrances (as defined in the Approval and Vesting Order).
- 2. An Ancillary Order (Ancillary Order), substantially in the form attached hereto at Schedule "C", inter alia:
  - a. That the time for service, filing and confirmation of the Notice of Motion and the Motion Record be abridged so that this motion is properly returnable today and hereby dispenses with further service and confirmation hereof;
  - Approving the Receiver's First Report to the Court dated March 19, 2020 (the "First Report") and the Confidential Report to the First Report dated March 19, 2020 (the "Confidential First Report") and the activities and conduct of the Receiver as detailed therein;
  - c. Approving the Receiver's Second Report to the Court dated June 9, 2020 (the "Second Report"), and the activities and conduct of the Receiver as detailed therein;
  - d. Sealing the Confidential First Report, and the Confidential Appendices to the Second Report, until the completion of the sale of the Purchased Assets, or until a further order of this Court;

- e. That the Statements of Receipts and Disbursements, as detailed and defined in the First Report and the Second Report, be approved;
- f. That the Receiver's Fees, the Counsel Fees, and the Final Fees (all as defined and detailed in the Second Report), and payment of same, be approved;
- g. An Order that, after payment of the Receiver's Fees, Counsel Fees and Final Fees herein approved, and following the completion of the Transaction, the Receiver is hereby authorized to make the Proposed Distribution (as defined in the Second Report) to Royal Bank of Canada;
- h. Discharging the Receiver as Receiver of the Property (as defined in the Appointment Order) of DMCL, on completion of the Transaction, and the issuance of the Receiver's discharge certificate attesting to the completion of the Receiver's administration as concerns DMCL, and releasing the Receiver from liability for its actions while acting in such capacity, save and except for the Receiver's gross negligence or willful misconduct:
- i. Discharging the Receiver as Receiver of the Property (as defined in the Appointment Order) of 112, immediately upon issuance of the Order sought herein (or such other date as 112 and Royal Bank of Canada may agree in writing), and releasing the Receiver from liability for its actions while acting in such capacity, save and except for the Receiver's gross negligence or willful misconduct; and,
- Such further and other relief as counsel may request and this Honourable Court may permit.

#### THE GROUNDS FOR THE MOTION ARE:

#### Introduction, Appointment, Prior Reports and Orders

 On Application by the Debtor's senior secured lender RBC, Deloitte was appointed Receiver of the Property of the Debtor pursuant to the Appointment Order.

- 2. DMCL is now a bankrupt as of May 7, 2020, having made an assignment in bankruptcy, with Baigel Corp named as trustee, and is an Ontario corporation, which operated as an automotive dealership and service centre located at 3180 Dufferin Street, Toronto (the "Premises"). DMCL was an authorized reseller of new Chevrolet, Buick and GMC branded vehicles pursuant to a dealership agreement (the "Dealership Agreement") with General Motors of Canada Limited ("GM"). In addition, DMCL also sold used vehicles and participated in consignment sales of vehicles located at the Premises and through an online platform.
- 3. 112 Ontario is an Ontario corporation and primarily operated as a vehicle leasing company, which also operated out of the Premises.
- 4. The Receiver has previously reported to the Court by way of the First Report and the Confidential First Report.
- 5. On March 25, 2020, the Court granted the followings Orders:
  - a. An Approval and Vesting Order (the "Approval and Vesting Order"), approving the sale Transaction of 49 new 2020 model year cars to GM (the "GM Transaction");
  - An Ancillary Order, that included a sealing order for the Confidential Supplement to the First Report, an increase in the borrowing limit under the Appointment Order and a distribution to RBC;
  - c. An Omnibus Order, that prospectively authorized the Receiver to accept offers for unsold vehicles, parts inventory, fixed assets and equipment of the Debtor, provided that the sale price for same is acceptable to the Receiver and authorizing the Receiver to execute a Bill of Sale and approving such transactions, provided that the Receiver files Receiver's Certificates (the "Omnibus Order").

#### Background

6. Richard Chamberlin ("**Richard**") is a director and the President of DMCL. Richard's spouse Penny Chamberlin ("**Penny**") is also a director and officer

- of DMCL. Telma Dantas ("**Dantas**") is an officer and was employed as a financial controller of DMCL as at the date of the Appointment Order.
- 7. Gordon Dean Myers ("Gordon") had operated a GM dealership at the Premises for decades before ultimately selling the business to DMCL, which is controlled by Richard, who is Gordon's son-in-law.
- 8. The Premises was owned by DMCL Leasing Limited (the "Former Landlord"), a company controlled by Gordon. The Former Landlord entered into lease agreements (the "Premises Lease") with DMCL for continued use of the Premises. The Premises Lease was amended to contemplate an early termination effective June 30, 2020 to facilitate a sale of the Premises to a division of RioCan (the "New Landlord") pursuant to a sale transaction, which closed on March 5, 2020.
- 9. 112 Ontario operated as a vehicle leasing business under the "Dealerwerx Leasing" trading name. A corporate search report indicates that the directors and officers of 112 Ontario are Richard (Director and Chief Executive Officer), Penny (Director and President), and Dantas (Officer).
- 10. DMCL had 44 employees as at the date of the Appointment Order, of which 42 were full-time and two (2) were part-time. 112 Ontario did not have any employees and was administered by DMCL's management and employees.

#### Receiver's Marketing of Assets, Sales Completed, Activities and Distributions

- 11. The Receiver continued the marketing of assets as was detailed in the First Report, and took the following additional steps to market the Debtor's assets as detailed in the Second Report, in consultation with certain employees of DMCL retained by the Receiver to assist with its activities:
  - a. Issuance of a marketing package, which included a detailed list of remaining new and demo vehicles and related inventory, to sixty-one (61)
     GM dealers;
  - Issuance of a similar package regarding used vehicle inventory of DMCL to select other parties;

- c. Consultations with GM regarding strategies to market the inventory of DMCL following COVID-19 related shutdowns;
- d. Obtained proposals from four (4) auctioneers and liquidators with respect to remaining DMCL inventory, and informal proposals from scrap vehicle resellers.
- 12. No GM dealers, auctioneers, or secondary market parties expressed any interest in purchasing the parts inventory, primarily due to the large volume of aged parts and market uncertainty.
- 13. Pursuant to the Omnibus Order, the Receiver completed four (4) sales transactions, and did file Receiver's Certificates for same with the Court:
  - a. By way of Bill of Sale dated April 20, 2020, the Receiver sold certain vehicles to Finch Chevrolet Cadillac Buick GMC:
  - b. By way of Bill of Sale dated April 24, 2020, the Receiver sold certain vehicles to Finch Chevrolet Cadillac Buick GMC;
  - c. By way of Bill of Sale dated May 6, 2020, the Receiver sold certain equipment to a consumer; and
  - d. By way of Bill of Sale dated April 22, 2020, the Receiver sold certain equipment to Anthony Ventura.
- 14. In addition to the activities detailed at section 22 of the First Report and above, the Receiver has undertaken the activities as detailed at section 24 of the Second Report, which include, *inter alia*:
  - a. The Receiver did close the GM Transaction on April 3, 2020, and a Receiver's Certificate was filed with the Court.
  - b. Termination of the Dealership Agreement with GM:
  - c. All actions in relation to the Debt Purchase Transaction, as defined and described in detail below:

- d. Correspondence with former DMCL employees regarding WEPPA claims, and with the Canada Revenue Agency with respect to audits and the status of the Debtors accounts, including HST and Employee Source Deductions;
- e. Coordination and communication with Former and New Landlords regarding the Receiver's occupation of the Premises;
- f. Communications and dealings with other secured creditors of DMCL;
- g. Management and collection of accounts receivable and payable of the Debtors:
- h. Coordination and communication with Baigel Corp. regarding the bankruptcy of DMCL;
- i. All other activities of the Receiver as detailed in the Second Report.
- 15. The Receiver made distributions to RBC totaling the sum of \$3,678,238. The Receiver will make one final distribution of any remaining cash on hand to RBC, following its administration of the estate, as such Cash is not a Purchased Asset under the Sale Agreement with 2010197 Ontario Ltd.

#### The Sale Agreement with 2010197 Ontario Ltd.

- 16. RBC and 2010197 Ontario Ltd. (the "Purchaser") entered into a transaction that saw the Purchaser purchase the Debtor's indebtedness to RBC and the security granted by each Debtor to RBC (the "Debt Purchase Transaction").
- 17. Concurrent with the completion of the Debt Purchase Transaction, the Receiver entered into the Sale Agreement with the Purchaser.
- 18. The Sale Agreement with the Purchaser included the following terms:
  - a. As detailed in the First Report, the Receiver's opinion that the estimated recovery from the assets and undertakings of DMCL and 112 Ontario will not be sufficient to retire the estimated amount of the RBC Indebtedness and potential priority claims with the result that there will be no recovery

- available to the unsecured creditors of the receivership estates of DMCL and 112 Ontario:
- The Purchased Assets would include, *inter alia*, personal property (parts, equipment, office furniture), accounts receivable, intercompany loans, intellectual property and goodwill, and certain remaining vehicle inventory of DMCL;
- c. The terms of the Sale Agreement also require the discharge of 112 Ontario and the obtaining of the Approval and Vesting Order, as sought in the herein motion.
- 19. The conditions of the Sale Agreement have largely been fulfilled, as detailed in the Second Report, and subject to the approval of this Honourable Court.
- 20. The Receiver believes that the transaction contemplated by the Sale Agreement with the Purchaser represents the most commercially reasonable value for these assets in the circumstances.

#### The Receivers Discharge over 112 Ontario

- 21. As detailed in the Second Report, it was a term of the Sale Agreement that the Receiver obtain an order discharging it as receiver of 112 Ontario, to be effective two (2) days following the issuance of the Approval and Vesting Order, if granted by this Honourable Court.
- 22. The Receiver has completed its administration of the estate of 112 Ontario, with the exception of certain incidental activities as outlined in the Second Report, and it is the position of the Receiver that 112 Ontario should be discharged as set out in the Ancillary Order.
- 23. The closing of the Sale Agreement is contingent on, *inter alia*, the discharge of 112 Ontario as set out in the Ancillary Order.
- 24. The Receiver's discharge is required to allow 112 Ontario to continue to operate, and it is the opinion of the Receiver that no further actions are required in relation to the estate of 112 Ontario.

#### **Distribution/Priority Claims**

- 25. The Receiver is aware of the following potential priority claims:
  - a. \$93,277 in respect of BIA Section 81.4 of the BIA as calculated by the Receiver as part of its WEPPA submission to Service Canada; and
  - b. Canada Revenue Agency ("CRA") did file Proofs of Claim with the Receiver on June 2, 2020 for DMCL claiming as follows:
    - For HST: a trust claim totaling \$243,429.21, with a total debt of \$244,721.48. The amount of HST owed by DMCL for the period leading up the Appointment Order, is now an unsecured claim as a result of DMCL's bankruptcy;
    - ii. For Employee deductions at source: a trust claim totalling \$19,816.35 with a total debt of \$25,646.37. The trust sum of \$19,816.35 will be paid by the Receiver;
  - c. The Receiver has confirmed that the sum of \$6,500 was owing by for 112 Ontario in respect of unpaid HST for the pre-receivership period. This sum will be paid by the Receiver to CRA.
- 26. The Receiver will continue to communicate with CRA to determine the exact quantum of deemed trust claims, if any, payable to CRA in relation to HST and Employee Source deductions.
- 27. Any remaining cash on hand will be distributed to RBC.

#### Sealing Order

28. Until such time as the transaction contemplated by the GM Sale Agreement is completed and funds are received by the Receiver, the Receiver is of the view that the information and documentation contained in the Confidential Report should be sealed in order to avoid the negative impact that the dissemination of the confidential information contained therein would have if the recommended sale of the Purchased Assets failed to close for any

reason. Publication of the purchase price would undermine the fairness of any future sales efforts.

#### Fees

- 29. The Appointment Order requires the Receiver and its legal counsel to pass its accounts from time to time.
- 30. The Receiver has properly incurred fees and disbursements as detailed in the Second Report.
- 31. The fees incurred by the Receiver for services provided by its legal counsel, Harrison Pensa LLP are also detailed in the Second Report.
- 32. The Receiver seeks the approval of the Receiver's Fees and the Counsel Fees and payment of same, including the Final Fees, as defined and described in the Second Report.

#### Receiver's Discharge

- 33. Following the completion of the Transaction and the Proposed Distribution, the Receiver will have completed the administration of the estate of the Debtors and as such requests its discharge, subject to any incidental duties as may be required to complete the administration of the receivership.
- 34. Section 243 of the BIA.
- 35. Sections 101, 137(2) and 141 of the Courts of Justice Act.
- 36. Rules 2, 3, 37.14, 59.06 and 38 of the *Rules of Civil Procedure*.
- 37. The grounds as detailed in the First Report and the Confidential Report.
- 38. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- 1. The Appointment Order;
- 2. The First Report of the Receiver dated March 19, 2020;
- 3. Confidential Supplement to the First Report dated March 19, 2020;
- 4. The Second Report of the Receiver and Confidential Supplement, both dated June 9, 2020; and,
- 5. Such materials as counsel may advise and this Honourable Court may permit.

June 9, 2020

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Solicitors for the Receiver, Deloitte Restructuring Inc.

To: Service List

#### **SCHEDULE "A"**

#### Join Zoom Meeting

https://us02web.zoom.us/j/85017333721?pwd=SWNjNWVLVFpVd2VabGtCUmVWMW42UT09

Meeting ID: 850 1733 3721 Password: 7q?VmPEfg3

#### One tap mobile

+17789072071,,85017333721#,,1#,868163# Canada +14388097799,,85017333721#,,1#,868163# Canada

#### Dial by your location

- +1 778 907 2071 Canada
- +1 438 809 7799 Canada
- +1 587 328 1099 Canada
- +1 647 374 4685 Canada
- +1 647 558 0588 Canada

Meeting ID: 850 1733 3721

Password: 868163

#### **SCHEDULE "B"**

Court File No. CV-20-00636095-00CL

#### **ONTARIO**

#### SUPERIOR COURT OF JUSTICE

#### **COMMERCIAL LIST**

THE HONOURABLE	)	MONDAY, THE 15 <sup>th</sup>
JUSTICE HAINEY	)	DAY OF JUNE, 2020

BETWEEN:

#### **ROYAL BANK OF CANADA**

**Applicant** 

- and –

#### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondents

#### APPROVAL AND VESTING ORDER

THIS MOTION, made by Deloitte Restructuring Inc. in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of Dean Myers Chevrolet Limited ("DMCL") and 1125278 Ontario Limited (collectively, the "Debtors") for an order approving the sale transaction (the "Transaction") contemplated by an Asset Purchase Agreement (the "Sale Agreement") between the Receiver and 2010197 Ontario Ltd. (the "Purchaser") dated April 28, 2020, and vesting in the Purchaser all of DMCL's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets"), was heard this day at 330 University Avenue, Toronto, Ontario by judicial videoconference via Zoom.

ON READING the Notice of Motion dated June 9, 2020, the First Report of the Receiver dated March 19, 2020, the Confidential Report to the First Report dated March 19, 2020, and the

Second Report of the Receiver dated June 9, 2020, 2020, and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Lindsay Provost sworn June 9, 2020 filed:

- 1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
- 2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "Receiver's Certificate"), all of DMCL's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Hainey dated February 12, 2020; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security* Act (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule "B" hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule "C") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
- 3. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the

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

- 4. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.
- 5. THIS COURT ORDERS that, notwithstanding:
  - (a) the pendency of these proceedings;
  - (b) any applications for a bankruptcy order now or hereafter issued pursuant to the Bankruptcy and Insolvency Act (Canada) in respect of DMCL and any bankruptcy order issued pursuant to any such applications; and
  - (c) any assignment in bankruptcy made in respect of DMCL;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of DMCL and shall not be void or voidable by creditors of DMCL, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

- 4 -

6. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Justice, Ontario Superior Court of Justice (Commercial List)

#### Schedule A – Form of Receiver's Certificate

Court File No. CV-20-00636095-00CL

#### **ONTARIO**

#### SUPERIOR COURT OF JUSTICE

#### **COMMERCIAL LIST**

BETWEEN:

#### **ROYAL BANK OF CANADA**

**Applicant** 

- and –

#### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondents

#### RECEIVER'S CERTIFICATE

#### RECITALS

- A. Pursuant to an Order of the Honourable Hainey of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated February 20, 2020, Deloitte Restructuring Inc. was appointed as the receiver (the "Receiver") of the undertaking, property and assets of Dean Myers Chevrolet Limited ("DMCL") and 1125278 Ontario Limited (collectively, the "Debtors").
- B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of April 28, 2020 (the "Sale Agreement") between the Receiver and 2010197 Ontario Ltd. (the "Purchaser") and provided for the vesting in the Purchaser of DMCL's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Articles 3 and 4 of the Sale Agreement have been

satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

#### THE RECEIVER CERTIFIES the following:

- 1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
- 2. The conditions to Closing as set out in Articles 3 and 4 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
- 3. The Transaction has been completed to the satisfaction of the Receiver.
- 4. This Certificate was delivered by the Receiver at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

DELOITTE RESTRUCTURING INC., in its capacity as Court-appointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited, and not in its personal or corporate capacity

Per:			
	Name:		
	Title:		

#### Schedule B – Claims to be deleted and expunged from title to Purchased Assets

## Schedule C – Permitted Encumbrances related to the Purchased Assets (unaffected by the Vesting Order)

ROYAL BANK OF CANADA	-and- DE	DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO
		LIMITED
Applicant	Re	pondents

## SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) ONTARIO

## PROCEEDING COMMENCED AT TORONTO

# APPROVAL AND VESTING ORDER

## HARRISON PENSA LLP

Barristers & Solicitors

450 Talbot St., London, Ontario N6A 5J6

Tel: 519-679-9660

Fax: 519-667-3362

## Timothy C. Hogan (LSO No. 36553S) Tel: 519-661-6743

Email: thogan@harrisonpensa.com

Lawyers for Deloitte Restructuring Inc., in its capacity as Courtappointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited

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Court File No. CV-20-00636095-00CL

#### **ONTARIO**

#### SUPERIOR COURT OF JUSTICE

#### **COMMERCIAL LIST**

THE HONOURABLE ——	)	WEEKDAYMONDAY, THE # 15 <sup>th</sup>	Formatted: Superscript
JUSTICE —— <u>HAINEY</u>	)	DAY OF MONTHJUNE, 20YR 2020	

BETWEEN:

#### ROYAL BANK OF CANADA PLAINTIFF

**Plaintiff** Applicant

- and -

#### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED DEFENDANT

**Defendant**Respondents

#### APPROVAL AND VESTING ORDER

THIS MOTION, made by [RECEIVER'S NAME] Deloitte Restructuring Inc. in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] of Dean Myers Chevrolet Limited ("DMCL") and 1125278 Ontario Limited (collectively, the "Debtors") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale Asset Purchase Agreement (the "Sale Agreement") between the Receiver and [NAME OF PURCHASER] 2010197 Ontario Ltd. (the "Purchaser") dated [DATE] April 28, 2020 and appended to the Report of the Receiver dated [DATE] (the "Report"), and vesting in the Purchaser the Debtorall of DMCL's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets"), was heard this day at 330 University Avenue, Toronto, Ontario by judicial videoconference via Zoom.

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ON READING the Report Notice of Motion dated June 9, 2020, the First Report of the Receiver dated March 19, 2020, and the Confidential Report to the First Report dated March 19, 2020, and the Second Report of the Receiver dated June 9, 2020[DATE[-], 2020, and the Second Report of the Receiver dated [-], 2020 and on hearing the submissions of counsel for the Receiver [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of Lindsay Provost[NAME] sworn June 9, 2020[DATE] filed :

- 1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
- 2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "Receiver's Certificate"), all of DMCLthe Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement [and listed on Schedule B hereto] shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured,

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<sup>&</sup>lt;sup>4</sup> This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.

<sup>&</sup>lt;sup>2</sup> In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.

<sup>&</sup>lt;sup>3</sup> In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.

<sup>&</sup>lt;sup>4</sup>To allow this Order to be free standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.

unsecured or otherwise (collectively, the "Claims"<sup>5</sup>) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice [NAME]Hainey dated [DATE]February 12, 2020; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule —"B" hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule —"C") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the [Registry Division of [LOCATION] of a Transfer/Deed of Land in the form prescribed by the Land Registration Reform Act duly executed by the Receiver][Land Titles Division of [LOCATION] of an Application for Vesting Order in the form prescribed by the Land Titles Act and/or the Land Registration Reform Act]<sup>6</sup>, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

4-3. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds<sup>7</sup> from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the

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<sup>&</sup>lt;sup>5</sup> The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.

<sup>&</sup>lt;sup>6</sup> Elect the language appropriate to the land registry system (Registry vs. Land Titles).

<sup>&</sup>lt;sup>7</sup> The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".

same priority as they had with respect to the Purchased Assets immediately prior to the sale<sup>8</sup>, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5.4. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

6. THIS COURT ORDERS that, pursuant to clause 7(3)(e) of the Canada Personal Information Protection and Electronic Documents Act, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "•" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

#### 7.5. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the Bankruptcy and Insolvency Act (Canada) in respect of <u>DMCLthe Debtor</u> and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of <u>DMCL</u>the <u>Debtor</u>;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of <u>DMCLthe Debtor</u> and shall not be void or voidable by creditors of <u>DMCLthe Debtor</u>, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other

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This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.

	_	
_	7	-

reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

9.6. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Justice, Ontario Superior Court of Justice •

(Commercial List)

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Revised: January 21, 2014

#### Schedule A – Form of Receiver's Certificate

Court File No. CV-20-00636095-00CL

**ONTARIO** 

**SUPERIOR COURT OF JUSTICE** 

**COMMERCIAL LIST** 

THE HONOURABLE 

WEEKDAY, THE #

JUSTICE HAINEY DAY OF MONTH, 20YR

BETWEEN:

**ROYAL BANK OF CANADA** 

**Applicant** 

<u>- and –</u>

DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

RespondentsCourt File No.

**ONTARIO** 

**SUPERIOR COURT OF JUSTICE** 

**COMMERCIAL LIST** 

BETWEEN:

**PLAINTIFF** 

Plaintiff

<del>and</del>

**DEFENDANT** 

**Defendant** 

#### RECEIVER'S CERTIFICATE

#### **RECITALS**

- A. Pursuant to an Order of the Honourable [NAME OF JUDGE]Hainey of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated February 20, 2020[DATE OF ORDER], [NAME OF RECEIVER], Deloitte Restructuring Inc. was appointed as the receiver (the "Receiver") of the undertaking, property and assets of Dean Myers Chevrolet Limited ("DMCL") and 1125278 Ontario Limited [DEBTOR] (collectively, the "Debtors").
- B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE OF AGREEMENT] April 28, 2020 (the "Sale Agreement") between the Receiver [Debtor] and [NAME OF PURCHASER] and 2010197 Ontario Ltd. (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor's Debtors' DMCL's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section Articles 43 and 4 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

#### THE RECEIVER CERTIFIES the following:

- 1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
- 2. The conditions to Closing as set out in section Articles 3 and 4 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
- 3. The Transaction has been completed to the satisfaction of the Receiver.
- 4. This Certificate was delivered by the Receiver at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

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DELOITTE RESTRUCTURING INC., in its capacity as Court-appointed Receiver of Dean Myers Chevrolet Limited and 1125278
Ontario Limited, and not in its personal or corporate capacity[NAME OF RECEIVER], in its capacity as Receiver of the undertaking, property and assets of [DEBTOR], and not in its personal capacity

Per:			
	Name:		
	Title:		

I	Revised: January 21, 2014	
1	Schedule B – Purchased Assets	
	Schedule B - I dremsed Assets	
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Schedule  $\[ \underline{C} \, \underline{B} \, - \, \text{Claims to be deleted and expunged from title to } \[ \underline{Real \, Property \underline{Purchased \, Assets}} \]$ 

 $\begin{array}{c} \textbf{Schedule} \ \underline{\textbf{P-}\underline{\textbf{C}}} - \textbf{Permitted Encumbrances}_{\underline{\textbf{S}}} \underline{\textbf{Easements and Restrictive Covenants}} \\ \textbf{related to the } \underline{\textbf{Real Property}}\underline{\textbf{Purchased Assets}} \\ \end{array}$ 

(unaffected by the Vesting Order)

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Revised: January 21, 2014  Court File No. CV-20-00636095-00CL  DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO  Respondents	SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)  PROCEEDING COMMENCED AT TORONTO	APPROVAL AND VESTING ORDER	HARRISON PENSA LLP Barristers & Solicitors 450 Talbot St., London, Ontario N6A 5J6 Tel: 519-679-9660 Fax: 519-667-3362	Timothy C. Hogan (LSO No. 36553S) Tel: 519-661-6743 Email: thogan @harrisonpensa.com	Lawyers for Deloitte Restructuring Inc., in its capacity as Courtappointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited	
ROYAL BANK OF CANADA  Applicant  Res						

#### SCHEDULE "C"

Court File No. CV-20-00636095-00CL

#### ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

THE HONOURABLE	)	MONDAY, THE $15^{TH}$
JUSTICE HAINEY	)	DAY OF JUNE, 2020

BETWEEN:

#### **ROYAL BANK OF CANADA**

**Applicant** 

- and -

#### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondents

#### **ANCILLARY ORDER**

#### (DISCHARGE AND DISTRIBUTION)

THIS MOTION, made by Deloitte Restructuring Inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Dean Myers Chevrolet Limited ("**DMCL**") and 1125278 Ontario Limited (collectively, the "**Debtors**"), for an order:

- 1. That the time for service, filing and confirmation of the Notice of Motion and the Motion Record be abridged so that this motion is properly returnable today and dispensing with further service and confirmation hereof;
- Approving the Receiver's First Report to the Court dated March 19, 2020 (the "First Report") and the Confidential Supplement to the First Report dated March 19, 2020 (the "Confidential Supplement") and the activities and conduct of the Receiver as detailed therein;

- 3. Approving the Receiver's Second Report to the Court dated June 9, 2020, 2020 (the "Second Report"), and the activities and conduct of the Receiver as detailed therein;
- 4. Sealing the Confidential Supplement, and the Confidential Appendices to the Second Report, until the completion of the sale of the Purchased Assets (as defined in the Second Report), or until a further order of this Court;
- 5. That the Statement of Receipts and Disbursements, as detailed and defined in the First Report and the Second Report, be approved;
- 6. That the Receiver's Fees, the Counsel Fees, and the Final Fees (all as defined and detailed in the Second Report), and payment of same, be approved;
- 7. An Order that, after payment of the Receiver's Fees, Counsel Fees and Final Fees herein approved, and following the completion of the Transaction, the Receiver is hereby authorized to make the Proposed Distribution (as defined in the Second Report) to Royal Bank of Canada;
- 8. Discharging the Receiver as Receiver of the Property (as defined in the Appointment Order) of DMCL, on completion of the Transaction (as defined in the Second Report), and the issuance of the Receiver's discharge certificate attesting to the completion of the Receiver's administration as concerns DMCL, releasing the Receiver from liability for its actions while acting in such capacity, save and except for the Receiver's gross negligence or willful misconduct, and barring all claims against Deloitte in connection with the within estate upon its discharge as Receiver;
- 9. Discharging the Receiver as Receiver of the Property (as defined in the Appointment Order) of 1125278 Ontario Limited, immediately upon issuance of the Order sought herein (or such other date as 1125278 Ontario Limited and the Receiver may agree in writing), releasing the Receiver from liability for its actions while acting in such capacity, save and except for the Receiver's gross negligence or willful misconduct, and barring all claims against Deloitte in connection with the within estate upon its discharge as Receiver.

was heard this day at 330 University Avenue, Toronto, Ontario by judicial videoconference via Zoom.

ON READING the Notice of Motion dated June 9, 2020, the First Report, the Confidential Supplement, the Second Report, the affidavits of the Receiver and its counsel as to fees (the "Fee Affidavits"), and on hearing the submissions of counsel for the Receiver, no one else appearing although properly served as evidenced by the Affidavit of Lindsay Provost sworn June 9, 2020, filed;

- 1. THIS COURT ORDERS that the time for service, filing and confirmation of the Notice of Motion and the Motion Record be and is abridged so that this motion is properly returnable today and hereby dispenses with further service and confirmation hereof;
- 2. THIS COURT ORDERS that the First Report and the Confidential Supplement, and the activities and conduct of the Receiver as detailed therein, be and are approved.
- 3. THIS COURT ORDERS that the Second Report, and the activities and conduct of the Receiver as detailed therein, be and are approved.
- 4. THIS COURT ORDERS that the Confidential Supplement, and the Confidential Appendices to the Second Report, be sealed until the completion of the sale of the Purchased Assets, or until a further order of this Court.
- 5. THIS COURT ORDERS that the Statement of Receipts and Disbursements be and is approved.
- 6. THIS COURT ORDERS that Receiver's Fees, the Counsel Fees, and the Final Fees, as set out in the Second Report and the Fee Affidavits, be and are approved.
- 7. THIS COURT ORDERS that, after payment of the Receiver's Fees, Counsel Fees and Final Fees herein approved, and following the completion of the Transaction, the Receiver be and is authorized to make the Proposed Distribution as detailed in the Second Report.
- 8. THIS COURT ORDERS that on completion of the Transaction (as defined in the Second Report), and the issuance of the Receiver's discharge certificate attesting to the

completion of the Receiver's administration as concerns DMCL, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, DMCL, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Deloitte Restructuring Inc. in its capacity as Receiver.

- 9. THIS COURT ORDERS that the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, 1125278 Ontario Limited, immediately upon issuance of the Order sought herein (or such other date as 1125278 Ontario Limited and the Receiver may agree in writing), provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Deloitte Restructuring Inc. in its capacity as Receiver.
- 10. THIS COURT ORDERS AND DECLARES that Deloitte Restructuring Inc. is hereby released and discharged from any and all liability that Deloitte Restructuring Inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Deloitte Restructuring Inc. while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, Deloitte Restructuring Inc. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, and any such claims as against Deloitte in connection with the within estate upon its discharge as Receiver are barred, save and except for any gross negligence or wilful misconduct on the Receiver's part.

### ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

#### BETWEEN:

#### **ROYAL BANK OF CANADA**

**Applicant** 

- and –

#### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondent

#### RECEIVER'S DISCHARGE CERTIFICATE

#### **RECITALS**

- By Order of the Ontario Superior Court of Justice (the "Court") dated February 12, 2020 (the "Appointment Order"), Deloitte Restructuring Inc. ("Deloitte") was appointed as the receiver (the "Receiver") of all of the assets, undertakings and properties of Dean Myers Chevrolet Limited ("DMCL") and 1125278 Ontario Limited ("1125278", and collectively with DMCL, the "Debtors") acquired for, or used in relation to the business carried on by the Debtors (the "Property").
- 2. Pursuant to the Order of the Court dated June 15, 2020 (the "**Discharge Order**"), Deloitte was discharged as Receiver effective upon the filing by the Receiver with the Court of a certificate confirming that all matters to be attended to in connection with the receivership have been completed to the satisfaction of the Receiver.

#### THE RECEIVER CERTIFIES the following:

A.	All matters to be attended to in connection with the receivership of DMCL has been
	completed to the satisfaction of the Receiver.
B.	The Receiver has made the payments outlined in paragraphs 6 and 7 of the Discharge
	Order.
C.	This Certificate was filed by the Receiver with the Court on the day of
	20
	<b>DELOITTE RESTRUCTURING INC.</b> solely in its capacity as the Court-appointed receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited, without personal or corporate liability
	Per:Name:
	Title:

ROYAL BANK OF CANADA	-and-	DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO
		LIMITED
Applicant	-	Respondents

## SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) ONTARIO

## PROCEEDING COMMENCED AT TORONTO

# RECEIVER'S DISCHARGE CERTIFICATE

# HARRISON PENSA LLP

Barristers & Solicitors

450 Talbot St., London, Ontario N6A 5J6

Tel: 519-679-9660

Fax: 519-667-3362

# **Timothy C. Hogan (LSO No. 36553S)**Tel: 519-661-6743

Email: thogan@harrisonpensa.com

Lawyers for Deloitte Restructuring Inc., in its capacity as Courtappointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited

OID A WAYEDS CHEVIDAL THATTAN COMPANY OF THE AND THE A	DEAN MIERS CHEVROLEI LIMITED AND 11232/8 ON IANU	Respondents	ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)	PROCEEDING COMMENCED AT TORONTO	ANCILLARY ORDER (DISCHARGE AND DISTRIBUTION)	HARRISON PENSA LLP         Barristers & Solicitors         450 Talbot St., London, Ontario N6A 5J6         Tel: 519-679-9660         Fax: 519-667-3362	Timothy C. Hogan (LSO No. 36553S) Tel: 519-661-6743 Email: thogan@harrisonpensa.com	Lawyers for Deloitte Restructuring Inc., in its capacity as Courtappointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited	
-and-		2							
POVAT BANK OF CANADA		Applicant							

Revised: May 11, 2010

Court File No. <u>CV-20-00636095-00CL</u> —

#### ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

THE HONOURABLE	)	MONDAY, THE $15^{TH}$
JUSTICE —— <u>HAINEY</u>	)	DAY OF JUNE, 2020

BETWEEN:

#### **ROYAL BANK OF CANADA**

**Applicant** 

<u>- and –</u>

#### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondents PLAINTIFF

**Plaintiff** 

<del>-and -</del>

#### **DEFENDANT**

**Defendant** 

#### **DISCHARGE ANCILLARY ORDER**

(DISCHARGE AND DISTRIBUTION)

THIS MOTION, made by [RECEIVER'S NAME]—Deloitte Restructuring Inc. in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of Dean Myers Chevrolet Limited ("DMCL") and 1125278 Ontario Limited[DEBTOR] [F. (collectively, the "Debtors"), for an order:

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- That the time for service, filing and confirmation of the Notice of Motion and the Motion Record be abridged so that this motion is properly returnable today and dispensing with further service and confirmation hereof;
- Approving the Receiver's First Report to the Court dated March 19, 2020 (the "First Report") and the Confidential Supplement to the First Report dated March 19, 2020 (the "Confidential Supplement") and the activities and conduct of the Receiver as detailed therein;

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3. Approving the Receiver's Second Report to the Court dated June 9, 2020[-], 2020 (the "Second Report"), and the activities and conduct of the Receiver as detailed therein;

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- 4. Sealing the Confidential Supplement, and the Confidential Appendices to the Second Report, until the completion of the sale of the Purchased Assets (as defined in the Second Report), or until a further order of this Court;
- That the Statement of Receipts and Disbursements, as detailed and defined in the First Report and the Second Report, be approved;
- 6. That the Receiver's Fees, the Counsel Fees, and the Final Fees (all as defined and detailed in the Second Report), and payment of same, be approved;
- 7. An Order that, after payment of the Receiver's Fees, Counsel Fees and Final Fees herein approved, and following the completion of the Transaction, the Receiver is hereby authorized to make the Proposed Distribution (as defined in the Second Report) to Royal Bank of Canada;
- 8. Discharging the Receiver as Receiver of the Property (as defined in the Appointment Order) of DMCL, on completion of the Transaction (as defined in the Second Report), and the issuance of the Receiver's discharge certificate attesting to the completion of the Receiver's administration as concerns DMCL, releasing the Receiver from liability for its actions while acting in such capacity, save and except for the Receiver's gross negligence or willful misconduct, and barring all claims against Deloitte in connection with the within estate upon its discharge as Receiver;

9. Discharging the Receiver as Receiver of the Property (as defined in the Appointments-Order) of 1125278 Ontario Limited, immediately upon issuance of the Order sought herein (or such other date as 1125278 Ontario Limited and the Receiver may agree in writing), releasing the Receiver from liability for its actions while acting in such capacity, save and except for the Receiver's gross negligence or willful misconduct, and barring all claims against Deloitte in connection with the within estate upon its discharge as Receiver.

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was heard this day at 330 University Avenue, Toronto, Ontario by judicial videoconference via-Zoom. Formatted: ORGen L1.G1

ON READING the ReportNotice of Motion dated June 9, 2020[-], the First Report, the Confidential Supplement, the Second Report, the affidavits of the Receiver and its counsel as to fees (the "Fee Affidavits"), and on hearing the submissions of counsel for the Receiver, no one else appearing although properly served as evidenced by the Affidavit of Lindsay Provost[NAME] sworn June 9, 2020[DATE], filed<sup>+</sup>;

- THIS COURT ORDERS that the time for service, filing and confirmation of the Notice
  of Motion and the Motion Record be and is abridged so that this motion is properly
  returnable today and hereby dispenses with further service and confirmation hereof;
- THIS COURT ORDERS that the First Report and the Confidential Supplement, and the activities and conduct of the Receiver as detailed therein, be and are approved.
- 1.— -THIS COURT ORDERS that the Second Report, and the activities and conduct of the Receiver as detailed therein, be and are approved.

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<sup>&</sup>lt;sup>1</sup> This model order assumes that the time for service does not need to be abridged.

- 4. THIS COURT ORDERS that the Confidential Supplement, and the Confidential Appendices to the Second Report, be sealed until the completion of the sale of the Purchased Assets, or until a further order of this Court.
- THIS COURT ORDERS that the Statement of Receipts and Disbursements be and is\*
   approved.

2. THIS COURT ORDERS that the fees and disbursements of the Receiver and its counselReceiver's Fees, the Counsel Fees, and the Final Fees, as set out in the Second Report and the Fee Affidavits, are herebybe and are approved.

6.

3. THIS COURT ORDERS that, after payment of the Receiver's Fees, Counsel Fees and Final Fees herein approved, and following the completion of the Transaction, the Receiver be and is authorized to make the Proposed Distribution as detailed in the Second Report after payment of the fees and disbursements herein approved, the Receiver shall pay the monies remaining in its hands to [NAME OF PARTY]<sup>2</sup>.

7.

4. THIS COURT ORDERS that on completion of the Transaction (as defined in the Second Report), and the issuance of the Receiver's discharge certificate attesting to the completion of the Receiver's administration as concerns DMCLupon payment of the amounts set out in paragraph 3 hereof [and upon the Receiver filing a certificate certifying that it has completed the other activities described in the Report], the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, DMCL, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the

Receiver shall continue to have the benefit of the provisions of all Orders made in this

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<sup>&</sup>lt;sup>2</sup> This model order assumes that the material filed supports a distribution to a specific secured creditor or other party.

proceeding, including all approvals, protections and stays of proceedings in favour of [RECEIVER'S NAME] Deloitte Restructuring Inc. in its capacity as Receiver.

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9. THIS COURT ORDERS that the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, 1125278 Ontario Limited, immediately upon issuance of the Order sought herein (or such other date as 1125278 Ontario Limited and the Receiver may agree in writing), provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Deloitte Restructuring Inc. in its capacity as Receiver.

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THIS COURT ORDERS AND DECLARES that [RECEIVER'S NAME] Deloitte

Restructuring Inc. is hereby released and discharged from any and all liability that

Deloitte Restructuring Inc. [RECEIVER'S NAME] now has or may hereafter have by

reason of, or in any way arising out of, the acts or omissions of Deloitte Restructuring

Inc. [RECEIVER'S NAME] while acting in its capacity as Receiver herein, save and

except for any gross negligence or wilful misconduct on the Receiver's part. Without

limiting the generality of the foregoing, Deloitte Restructuring Inc. [RECEIVER'S NAME] is hereby forever released and discharged from any and all liability relating to

matters that were raised, or which could have been raised, in the within receivership

proceedings, and any such claims as against Deloitte in connection with the within

estate upon its discharge as Receiver are barred, save and except for any gross

negligence or wilful misconduct on the Receiver's part. 13

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<sup>&</sup>lt;sup>3</sup>-The model order subcommittee was divided as to whether a general release might be appropriate. On the one hand, the Receiver has presumably reported its activities to the Court, and presumably the reported activities have been approved in prior Orders. Moreover, the Order that appointed the Receiver likely has protections in favour of the Receiver. These factors tend to indicate that a general release of the Receiver is not necessary. On the other hand, the Receiver has acted only in a representative capacity, as the Court's officer, so the Court may find that it is appropriate to insulate the Receiver from all liability, by way of a general release. Some members of the subcommittee felt that, absent a general release, Receivers might hold back funds and/or wish to conduct a claims bar process, which

Justice, Ontario Superior Court of Jus	<u>stice</u>
(Commercial List)	

Court File No. CV-20-00636095-00CL

### ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

BETWEEN:

#### ROYAL BANK OF CANADA

Applicant

- and -

#### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondent

#### RECEIVER'S DISCHARGE CERTIFICATE

#### **RECITALS**

 By Order of the Ontario Superior Court of Justice (the "Court") dated February 12, 2020 (the "Appointment Order"), Deloitte Restructuring Inc. ("Deloitte") was appointed as the receiver (the "Receiver") of all of the assets, undertakings and properties of Dean Myers Chevrolet Limited ("DMCL") and 1125278 Ontario Limited ("1125278", and collectively with DMCL, the "Debtors") acquired for, or used in relation to the business carried on by the Debtors (the "Property").

2.	Pursuant to the Order of the Court dated June 15, 2020 (the "Discharge Order"), Deloitte						
	was discharged as Receiver effective upon the filing by the Receiver with the Court of a						
	certificate confirming that all matters to be attended to in connection with the receivership						
	have been completed to the satisfaction of the Receiver.						
TF	IE RECEIVER CERTIFIES the following:						
	A. All matters to be attended to in connection with the receivership of DMCL has been						
	completed to the satisfaction of the Receiver.						
	B. The Receiver has made the payments outlined in paragraphs 6 and 7 of the Discharge Order.						
	C. This Certificate was filed by the Receiver with the Court on the day of20						
	DELOITTE RESTRUCTURING INC. solely in its capacity as the Court-appointed receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited, without personal or corporate liability						
	Per: Name:						
	Title:						

Court File No. CV-20-00636095-00CL

### ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

**BETWEEN:** 

#### **ROYAL BANK OF CANADA**

**Applicant** 

<del>-and</del>

#### **DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED**

Respondent

#### **RECEIVER'S DISCHARGE CERTIFICATE**

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	was discharged as Receiver effective upon the filing by the Receiver	ver with the Court of a				
	certificate confirming that all matters to be attended to in connection	n with the receivership				
	have been completed to the satisfaction of the Receiver.					
Ŧŧ	THE RECEIVER CERTIFIES the following:					
	A. All matters to be attended to in connection with the receivership	of 1125278 have been				
	completed to the satisfaction of the Receiver.					
B. This Certificate was filed by the Receiver with the Court on the da						
	<del>20</del>					
	<del>DELOITTE RESTRUCTU</del>	RING INC.				
	solely in its capacity as					
	receiver of Dean Myers Ch					
1125278 Ontario Limited, without persor corporate liability						
	Per:					
	——Name:					

# Revised: May 11, 2010

Court File No. CV 20 00636095 00CL—	OF CANADA  DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO  LIMITED	-Respondents	SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)	PROCEEDING COMMENCED AT TORONTO	RECEIVER'S DISCHARGE CERTIFICATE	HARRISON PENSA LLP Barristers & Solicitors 450 Talbot St., London, Ontario N6A 516 Tel:-519 677 9660 Fax: 519 667 3362	Timothy C. Hogan (LSO No. 36553S) Tel: 519 661 6743 Email: thogan@harrisonpensa.com	Lawyers for Deloitte Restructuring Inc., in its capacity as Courtappointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited
	ROYAL BANK OF CANADA	Applicant						

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Applicant		Respondents	lents
		ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)	
		PROCEEDING COMMENCED AT TORONTO	

# RECEIVER'S DISCHARGE CERTIFICATE

# HARRISON PENSA LLP Barristers & Solicitors 450 Talbot St., London, Ontario N6A 516 Tel: 519-679-9660 Fax: 519-667-3362

Timothy C. Hogan (LSO No. 36553S) Tel: 519-661-6743 Email: thogan@harrisonpensa.com

Lawyers for Deloitte Restructuring Inc., in its capacity as Courtappointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited

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Applicant	Re	Respondents
		ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)
		PROCEEDING COMMENCED AT TORONTO
		ANCILLARY ORDER (DISCHARGE AND DISTRIBUTION)
		HARRISON PENSA LLP Barristers & Solicitors 450 Talbot St., London, Ontario N6A 5J6 Tel: 519-679-9660 Fax: 519-667-3362
		Timothy C. Hogan (LSO No. 36553S) Tel: 519-661-6743 Email: thogan@harrisonpensa.com
		Lawyers for Deloitte Restructuring Inc., in its capacity as Courtappointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited

DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED		Court File No. CV-20-00636095-00CL	ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST	PROCEEDING COMMENCED AT TORONTO	NOTICE OF MOTION	HARRISON PENSA LLP Barristers & Solicitors 450 Talbot Street London, Ontario NGA 5J6	Timothy C. Hogan (LSO #36553S) Robert Danter (LSO #69806O)	Tel : (519) 679-9660 Fax: (519) 667-3362	Solicitors for the Receiver, Deloitte Restructuring Inc.
DEAN MYERS CH	Respondents								
-and-									

ROYAL BANK OF CANADA

Applicant

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

**BETWEEN:** 

#### **ROYAL BANK OF CANADA**

Applicant

- and -

#### **DEAN MYERS CHEVROLET and 1125278 ONTARIO LIMITED**

Respondents

SECOND REPORT OF DELOITTE RESTRUCTURING INC. IN ITS CAPACITY AS RECEIVER DATED JUNE 9, 2020

#### **TABLE OF CONTENTS**

INTRODUCTION	4 -
TERMS OF REFERENCE	7 -
RECEIVER'S ACTIVITIES	8 -
MARKETING AND SALE OF THE REMAINING INVENTORY AND PURSUANT TO THE OMNIBUS ORDER	
THE 2010197 TRANSACTION	14 -
UPDATE ON WEPPA ADMINISTRATION	17 -
UPDATE ON TAX MATTERS	18 -
UPDATE ON CUSTOMER DEPOSITS AND OMVIC COMMUNICATIONS	S 19 -
INTERIM DISTRIBUTIONS TO RBC	20 -
STATEMENT OF RECEIPTS AND DISBURSEMENTS	20 -
PROFESSIONAL FEES	21 -
BOOKS AND RECORDS	21 -
REMAINING ACTIVITIES AND DISCHARGE OF THE RECEIVER	22 -
RECEIVER'S RECOMMENDATIONS	23 -

#### **APPENDICES**

APPENDIX	DESCRIPTION
A	Appointment Order dated February 12, 2020 and Endorsement of Justice Hainey dated February 12, 2020
В	First Report of the Receiver dated March 19, 2020 (without appendices)
С	Approval and Vesting Order dated March 25, 2020
D	Omnibus Order dated March 25, 2020
E	Ancillary Order dated March 25, 2020
F	Endorsement of Justice Hainey dated March 25, 2020
G	Certificate of Appointment of Baigel Corp. dated May 8, 2020
Н	Finch Bill of Sale dated April 20, 2020 re New/Demo Vehicles
I	Finch Bill of Sale dated April 24, 2020 re Used Vehicles
J	Lease Buyout Bill of Sale dated May 6, 2020
K	Equipment Bill of Sale dated April 22, 2020
L	Payment Satisfaction Document re 2010197 Ontario Ltd.
M	Bills of Sale dated April 8, 2020 re 2010197 Ontario Ltd.
N	2010197 Asset Purchase Agreement dated April 28, 2020 – Redacted
О	Statement of Receipts and Disbursements for the cumulative period February 12, 2020 to June 4, 2020
P	Affidavit of Stefano Damiani of Deloitte Restructuring Inc. sworn June 9, 2020
Q	Affidavit of Thomas Masterson of Harrison Pensa LLP sworn June 8, 2020

#### CONFIDENTIAL APPENDICES TO THE CONFIDENTIAL SUPPLMENT

CONFIDENTIAL APPENDIX	DESCRIPTION
A	2010197 Asset Purchase Agreement – Unredacted Version

#### **INTRODUCTION**

- 1. An application was made on February 11, 2020 by Royal Bank of Canada ("RBC") for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, appointing Deloitte Restructuring Inc. ("Deloitte") as receiver (the "Receiver") without security, of all the assets, undertakings and properties of each of Dean Myers Chevrolet Limited ("DMCL" or the "Company") and 1125278 Ontario Limited ("1125278" or the "Guarantor", and collectively with DMCL, the "Debtors") acquired for, or used in relation to a business carried on by any of the Debtors (the "Property").
- As described more particularly in this report, RBC was the senior secured lender of the Debtors
  and certain related parties pursuant to credit facilities granted by RBC (the "RBC Indebtedness").
- 3. By Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated February 12, 2020 (the "Appointment Order") and the endorsement of Justice Hainey (the "February 12 Endorsement"), Deloitte was appointed as the Receiver of the Property of the Debtors. Copies of the Appointment Order and the February 12 Endorsement are attached hereto as Appendix "A".
- 4. DMCL is an Ontario corporation which operated as an automotive dealership and service centre located at 3180 Dufferin Street, Toronto (the "Premises") since 1991. DMCL was an authorized reseller of new Chevrolet, Buick and GMC branded vehicles pursuant to a dealership agreement (the "Dealership Agreement") with General Motors of Canada Limited ("GM"). In addition, DMCL also sold used vehicles and participated in consignment sales of vehicles located at the Premises and through an online platform.
- 5. The principals of DMCL were Richard Chamberlin ("Richard"), who is a director and the President of DMCL, and Penny Chamberlin ("Penny"), who is also a director and officer of DMCL. Telma Dantas ("Dantas") is an officer and was employed as a financial controller of DMCL as at the date of the Appointment Order. Prior to 1991, Gordon Dean Myers ("Gordon") had operated a GM dealership at the Premises for decades before ultimately selling the business to DMCL. Richard and Penny (collectively, the "Chamberlins") are married, and Gordon is Penny's father. As further detailed below, DMCL is now a bankrupt.
- 6. 1125278 is an Ontario corporation and primarily operated as a vehicle leasing company which also operated out of the Premises. There were 13 active lease customers as at the date of the Appointment Order.

- 7. DMCL had 44 employees as at the date of the Appointment Order. 1125278 did not have any employees and was administered by DMCL's management and employees.
- 8. The Premises were owned by Dean Myers Leasing Limited (the "Former Landlord"), a company controlled by Gordon. The Former Landlord entered into lease agreements (collectively. the "Premises Lease") with DMCL which contemplated an early termination effective June 30, 2020 to facilitate a sale of the Premises to a division of RioCan pursuant to a sale transaction which closed on March 5, 2020. As described later in this report, this sale of the Premises did close and the Receiver vacated the Premises on May 12, 2020 (the "Vacating Date").
- 9. As described in more detail in paragraph 21 of the First Report, 2010197 Ontario Ltd. ("2010197") is a related party entity which primarily operated under the "Dealerwerx" banner involved in the online marketing of used and consignment vehicles. Richard is a Director of 2010197, and Richard, Penny and Dantas are officers of 2010197.
- 10. On March 19, 2020, the Receiver issued its first report to the Court (the "First Report") for the purpose of, among other things, updating the Court on the Receiver's activities in respect of the Property, and seeking Orders (i) approving the sale transaction (the "GM Transaction") to be effected through an asset purchase agreement dated and executed on March 17, 2020 (the "GM APA") between the Receiver and GM with respect to certain new vehicle inventory, (ii) temporarily sealing the Receiver's confidential supplement to the First Report (the "Confidential First Report), (iii) prospectively authorizing and approving the Receiver to execute sale agreements for the remaining assets of the Debtors, primarily consisting of vehicles, parts inventory, and fixed assets, and to vest title free and clear in respect of such assets, (iv) approving a distribution of available surplus proceeds to RBC and authorizing additional distributions to RBC in such amounts as the Receiver deems appropriate in partial repayment of the RBC indebtedness, and (v) approving an increase in the Receiver's borrowing limit. A copy of the First Report (without appendices) is attached hereto as Appendix "B".
- 11. On March 25, 2020, the Court issued three orders in these proceedings. The first order (the "GM Approval and Vesting Order") approved the GM APA and vested in GM all of the Debtors' and Receiver's right, title and interest in respect of 49 new vehicles upon closing of the GM Transaction. As described later in this report, the GM Transaction closed on April 1, 2020. Attached hereto as Appendix "C" is a copy of the GM Approval and Vesting Order.
- 12. The second order issued was an Omnibus Order (the "Omnibus Order"), that prospectively authorized and approved the Receiver to accept offers and execute sale agreements for the remaining assets of the Debtors, primarily consisting of vehicles, parts inventory, and fixed assets,

- and to vest title free and clear in respect of such assets. The Omnibus Order also included template forms of Bill of Sale in respect of such transactions. Attached hereto as **Appendix "D"** is a copy of the Omnibus Order.
- 13. The third order issued was an Ancillary Order (the "Ancillary Order") which (i) authorized the Receiver to make a distribution payment to RBC as detailed in the First Report, and such further distributions to RBC at the discretion of the Receiver up to the amount owed to RBC by the Debtor, including all interest and costs, (ii) sealed the Confidential First Report until the completion of the GM APA or until further Order of the Court, and (iii) increased the Receiver's borrowing limit in paragraph 22 of the Appointment Order from \$125,000 to \$750,000. Attached hereto as **Appendix** "E" is a copy of the Ancillary Order.
- 14. A copy of the Endorsement of Justice Hainey dated March 25, 2020 (the "March 25 Endorsement") is attached hereto as Appendix "F".
- 15. At the March 25, 2020 hearing, held by teleconference, the Debtors' principals sought and obtained a 15-day deferment (the "Temporary Sale Deferment") to the closing of any sale transactions under the Omnibus Order, to facilitate a potential refinancing of the RBC Indebtedness, contingent on proceeds from the sale of the Premises which could accrue to Penny.
- 16. On April 7, 2020, a Court videoconference hearing in the matter between the Chamberlins and Gordon resulted in an extension to the Temporary Sale Deferment until the matter could be heard on April 16, 2020. The relief sought by the Chamberlins was not granted on April 16, 2020 and the Temporary Sale Deferment was terminated at that time.
- 17. On May 8, 2020, DMCL was voluntarily assigned into bankruptcy and Baigel Corp. ("Baigel" or the "DMCL Bankruptcy Trustee") was named as trustee of the bankrupt estate of DMCL. A copy of Baigel's Certificate of Appointment is attached hereto as Appendix "G".
- 18. The Appointment Order, together with Court documents, subsequent Orders, and the reports of the Receiver with respect to this matter are available on the Receiver's website at www.insolvencies.deloitte.ca/en-ca/DeanMyersChevroletLimited.
- 19. The purpose of this second report of the Receiver (the "**Report**") is to:
  - (a) provide the Court with additional information and findings in respect of the Debtors and the Property;
  - (b) provide the Court with an evidentiary basis to make Orders:

- approving the activities of the Receiver, including steps taken in dealing with the Property, as described in this Report, the Confidential Supplement and in the First Report;
- approving the sale transaction (the "2010197 Transaction") to be effected through an asset purchase agreement dated and executed on April 28, 2020 (the "2010197 APA") between the Receiver and 2010197, together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, for the sale of certain of the Property as described in the 2010197 APA (the "Purchased Assets"), and vesting the Company's right, title and interest in the Purchased Assets in 2010197 and authorizing and directing the Receiver to carry out the terms of the 2010197 APA:
- (iii) temporarily sealing the confidential supplemental to this Report (the "Confidential Supplement"), together with the confidential appendices thereto, filed with this Court from the public record until the closing of the 2010197 Transaction or further order of the Court;
- (iv) approving the Receiver's Statement of Receipts and Disbursements for the cumulative period February 12, 2020 to June 4, 2020;
- (v) approving the professional fees and disbursements of the Receiver and its independent legal counsel, Harrison Pensa LLP ("Harrison Pensa"), in the amounts set out this Report and authorizing the Receiver to pay all such fees and disbursements.
- (vi) discharging the Receiver, subject to the Receiver completing its administration of the estate herein and distributing the remaining funds held by the Receiver in the manner more particularly described herein, as will be evidenced by the Receiver filing a Certificate with the Court with respect to DMCL; and
- (vii) barring all claims against the Receiver by any person upon the Receiver's discharge.

#### **TERMS OF REFERENCE**

20. In preparing this Report, the Receiver has been provided with, and has relied upon, unaudited, draft and/or internal financial information, the Debtors' books and records, and discussions with

management of the Debtors ("Management") (collectively, the "Information"). Except as described in this Report:

- (a) the Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards ("CAS") pursuant to the Chartered Professional Accountants Canada Handbook, and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and
- (b) the Receiver has prepared this Report in its capacity as a Court-appointed Receiver to support the Court's approval of the Receiver's activities and other relief being sought. Parties using the Report other than for the purposes outlined herein are cautioned that it may not be appropriate for their purposes.
- Unless otherwise stated, all dollar amounts contained in the Report are expressed in Canadian dollars.
- 22. Unless otherwise provided, all other capitalized terms not otherwise defined in this Report are as defined in the Appointment Order or the First Report.

#### **RECEIVER'S ACTIVITIES**

- 23. Since the First Report, the Receiver has undertaken, with the assistance of DMCL employees where necessary, the following activities:
  - (a) closed the GM Transaction pursuant to the GM APA as evidenced by the filing of a Receiver's Certificate dated April 3, 2020 with the Court, and facilitating the release of vehicles and ownership documentation to GM.
  - (b) executed the GM dealer termination notice on April 14, 2020 in accordance with the GM APA;
  - (c) continued marketing of the remaining new, demo and used vehicle inventory, parts, and fixed assets to prospective purchasers, facilitated site inspections and responded to inquiries, which culminated in four (4) Bills of Sale as described later in this Report;

- (d) issued two (2) Bills of Sale with 2010197 with respect to six (6) used vehicles and execution of a payment satisfaction agreement for seven (7) used cars purchased prior to the date of the Appointment Order as described later in this Report;
- (e) attended a site meeting and teleconference calls with Richard with respect to the 2010197 APA;
- (f) responded to inquiries from the former DMCL employees and matters with respect to the Wage Earner Protection Program Act ("WEPPA");
- (g) arranged for ongoing payroll with respect to four DMCL employees who were temporarily retained by the Receiver to assist with the receivership administration and realization of assets, and subsequently issued final payroll and termination letters;
- (h) corresponded with Canada Revenue Agency ("CRA") with respect to audits and the status of accounts with CRA;
- (i) continued retention of a third-party security services provider for 24-hour coverage and security cameras at the Premises;
- (j) undertook transition planning and on-site meetings with representatives of RioCan with respect to vacating the Premises, and provided notice to oversee the dismantling and removal of fixed assets under the 2010197 APA;
- (k) obtained an executed release agreement dated May 19, 2020 from the Former Landlord confirming, among other things, receipt of all occupancy amounts owing up to the Vacating Date;
- (l) corresponded with the Ontario Motor Vehicle Industry Council ("OMVIC") and its internal legal counsel with respect to deposit creditors and other matters as described in greater detail later in this Report;
- (m) coordinated customer inquiries with GM and a third-party tire storage provider in respect of more than 150 DMCL customers who made seasonal tire storage arrangements with DMCL, and reconciled additional customer sets of tires located at the Premises for transfer by GM to customers;
- (n) reviewed details with respect to vehicles owned by third-parties, coordinated release and removal from the Premises;

- (o) further to paragraph 41(a) of the First Report, the Receiver subsequently arranged for the release of specific key equipment owned and registered by CWB National Leasing Inc. which located at the Premises;
- (p) further to paragraph 41(b) of the First Report, the Receiver, Pattison Sign Group and RioCan entered into a Release and Indemnity Agreement with respect to the specific signage to be removed from the Premises;
- (q) attended to numerous stakeholder inquiries from vendors, customers and former employees;
- (r) continued collection efforts with respect to DMCL's third-party accounts receivable;
- (s) undertook additional review and inquiries with DMCL financial management with respect to amounts due from related parties, and issuance of additional demand letters;
- (t) undertook additional review of financial information with DMCL financial management;
- (u) corresponded with Baigel with respect to the bankruptcy of DMCL and facilitated the transfer of physical records and electronic server to the DMCL Bankruptcy Trustee;
- (v) arranged for continued deposits of monthly lease payments from 1125278 leasing customers; and
- (w) addressed various additional matters as they arose from time to time.

#### MARKETING AND SALE OF THE REMAINING INVENTORY AND TRANSACTIONS PURSUANT TO THE OMNIBUS ORDER

#### Marketing of the Remaining Assets

- 24. As set out in paragraph 111 of the First Report, on February 28, 2020, the Receiver issued a detailed listing of all new vehicle inventory to GM dealers in Ontario and select GM dealers in Quebec.
- 25. On March 23, 2020, the Receiver issued a further marketing package to 61 GM Dealers, which included:
  - (a) an updated list of remaining model year 2020, 2019, 2018 and 2017 new and demo vehicles from which the vehicles repurchased by GM had been removed;
  - (b) copies of purchase invoices in respect of the remaining new vehicle inventory;
  - (c) listings of parts and accessory inventory;

- (d) copies of the Receiver's template forms of Bill of Sale with respect to the purchase of vehicles and other assets; and
- (e) information in respect of site inspections.
- 26. A similar package excluding the new vehicle inventory was issued by the Receiver to select parties in addition to GM dealers.
- 27. The Receiver consulted with the retained DMCL manager in preparing inventory lists, assessing offers received, and responding to technical inquiries from prospective purchasers.
- 28. DMCL's parts inventory was also primarily marketed to GM dealers due to the nature of those products.
- 29. In accordance with further restrictive Provincial COVID-19 guidelines announced on April 3, 2020 and effective April 4, 2020, automotive dealerships in Ontario, including GM dealerships, were ordered to temporarily close their physical and vehicle showroom operations, with the exception of vehicle repair and parts supply operations. This resulted in a significant reduction in industry sale activity in the months of March and April 2020, and corresponding higher inventory levels among many prospective purchasers. Accordingly, the Receiver further consulted with GM with respect to realization strategies for the vehicle and parts inventory, regional inventory levels and potential GM dealers who may be seeking such assets.
- 30. The Receiver also obtained proposals from four auctioneers and liquidators in respect of the remaining vehicle and parts inventory. Two of the auctioneers attended at the Premises to inspect the assets available for sale. The proposals contemplated different sale timelines, reflecting the unknown timeframe for Provincial restrictions for conducting live auctions which resulted in the temporary suspension of certain auction operations which had not been classified as an essential service.
- 31. Paragraph 70 of the First Report set out a table of up to 148 used vehicle inventory, many of which were significantly aged, including 80 vehicles aged 2010 and older. The Receiver consulted with DMCL management which had internally classified 41 used vehicles as "scrap" and approximately 28 were classified by DMCL "as-is".
- 32. The Receiver obtained informal proposals from two scrap vehicle resellers which were primarily based on vehicle weight and size. One vehicle scrap dealer attended at the Premises on two occasions to inspect the assets, and identified between 61 to 70 cars as scrap, with an offer of between \$200 to \$400 per car.
- 33. The Receiver also facilitate site inspections by secondary equipment and parts resellers.

34. None of the GM dealers, auctioneers, or secondary market parties expressed any interest in purchasing the parts inventory, primarily due to the large volume of aged parts and market uncertainty.

#### Finch Bill of Sale – Remaining New and Demo Vehicle Inventory

- 35. On April 20, 2020, the Receiver accepted an *en bloc* offer from Finch Chevrolet Cadillac Buick GMC Ltd. ("**Finch**") for the remaining 39 new and demo vehicles in the amount of \$1,362,550 plus HST (the "**Finch New Vehicle Offer**"). The model years of the 39 purchased vehicles were as follows: 1 (2017), 10 (2018), 25 (2019), and 3 (2020). Of the 39 vehicles, 15 were demonstrator vehicles with varying amounts of mileage, use, and wear and tear.
- 36. The Receiver determined the Finch New Vehicle Offer to be commercially reasonable and advantageous to the receivership estate for the following reasons:
  - (a) The purchase price, which was primarily based on invoice cost less GM incentive rebates previously applied against those vehicles and assessed condition adjustments, was reasonable in the circumstances after taking into consideration the guidelines set out in paragraph 1 of the Omnibus Order;
  - (b) The Receiver had obtained confirmation from GM on the application of existing GM incentive rebates in favour of Finch to mitigate any corresponding purchase price reductions;
  - (c) The en bloc transaction minimized the amount of professional time required to liquidate the remaining new and demo inventory leading to enhanced realizations; and
  - (d) Finch had the ability to close the transaction and remove the vehicles in a timely manner.
- 37. A copy of the Bill of Sale in respect of the Finch New Vehicle Offer is attached as **Appendix "H"**.

#### Finch Bill of Sale – Used Vehicle Inventory

- 38. On April 24, 2020, the Receiver accepted an *en bloc* offer from Finch for 138 used vehicles in the amount of \$750,000 plus HST (the "Finch Used Vehicle Offer"), and executed a Bill of Sale with Finch (the "Finch Used Bill of Sale") with respect to its *en bloc* offer.
- 39. The Receiver determined the Finch Used Vehicle Offer to be commercially reasonable and advantageous to the receivership estate for the following reasons:

- (a) The purchase price was reasonable in the circumstances after taking into consideration the guidelines set out in Paragraph 1 of the Omnibus Order;
- (b) The transaction addressed substantially all of the remaining used vehicles, including the "scrap" vehicles, which reduced the level of administration and uncertainty to the receivership estate as compared to an auction scenario;
- (c) Finch would remove the vehicles by April 30, 2020, which mitigated any additional occupancy/storage costs and transportation costs that the Receiver might otherwise have to incur; and
- (d) Finch agreed to the immediate remittance of purchase proceeds without delay.
- 40. A copy of the Bill of Sale in respect of the Finch Used Vehicle Offer is attached as **Appendix "I"**.
- 41. The Receiver subsequently executed vehicle plating letters to facilitate the transfer of ownership registrations to Finch in respect of numerous used vehicles, as necessary.

#### Lease Customer Buyback

42. The Receiver facilitated the contractual lease buyback of a 1125278 customer whose lease had expired. The Receiver executed a Bill of Sale dated May 6, 2020, a copy of which is attach hereto as **Appendix "J"**, collected purchase proceeds of \$18,380, and executed a vehicle plating letter to facilitate the transfer of ownership.

#### Sale of Certain Equipment

43. The Receiver obtained two bids with respect to certain of the shop equipment at the Premises, and ultimately accepted an offer from Anthony Ventura which culminated in a Bill of Sale dated April 22, 2020 (the "Ventura Bill of Sale"). That transaction closed on April 27, 2020 and the Receiver collected purchase proceeds of \$4,350 plus HST with respect to three units of equipment. A copy of the Ventura Bill of Sale is attached hereto as **Appendix "K"**.

#### 2010197 Purchase and Payment Satisfaction re Used Vehicles

44. Paragraph 118 of the First Report made reference to a demand letter issued by the Receiver to 2010197 with respect to the pre-receivership sale of seven (7) used vehicles. The Receiver collected payment of \$104,122 and subsequently issued an executed satisfaction document to

- 2010197 (the "Payment Satisfaction Document") on April 30, 2020. A copy of the Payment Satisfaction Document is attached hereto as Appendix "L".
- 45. Paragraphs 119 and 120 of the First Report discussed an offer from Richard for six (6) used vehicles which were in the possession of the Chamberlain family as at the date of the Appointment Order. In April 2020, the Receiver and 2010197 agreed to terms for the sale of those six vehicles as follows:
  - (a) four (4) used vehicles owned by DMCL for the aggregate purchase price of \$180,870 plus HST;
  - (b) two (2) used vehicles owned by 1125278 for the aggregate purchase price of \$75,729 plus HST;
- 46. Copies of the two Bills of Sale (the "2010197 Vehicle Bills of Sale") for the six vehicles are attached hereto as Appendix "M". As the purchase price under the 2010197 Vehicle Bills of Sale were in aggregate less than the \$500,000 limit set out in Section 3(k)(ii) of the Appointment Order, Court approval was not required for this transaction, and were not subject to the template forms of bill of sale which were set out in the Omnibus Order.

#### THE 2010197 TRANSACTION

#### Events Leading to the 2010197 Transaction for Remaining Assets

47. During the Temporary Sale Deferment established in the March 25 Endorsement, as extended, the Receiver sought clarification from Richard and other stakeholders with respect to a potential transaction framework for the purchase by the Chamberlins of all of the remaining assets of the Debtors, other than the vehicles sold under the GM APA. The Receiver learned that the funding of such a solution advanced by the Chamberlins was contingent on the immediate release of funds held by the Former Landlord in respect of sale of the Premises. As set out earlier in this Report, the Chamberlins and the Former Landlord did not agree to terms by the April 16, 2020 Court hearing, and the Court did not grant the relief sought by the Chamberlins. Accordingly, the Receiver moved to market and sell the remaining assets, which culminated in the sale of substantially all remaining vehicle inventory of DMCL as discussed above.

- 48. Discussions and negotiations among the stakeholders continued to advance following the April 16, 2020 Court hearing. The Receiver also met with and facilitated site access to Chamberlin to inspect the remaining assets.
- 49. On April 28, 2020, the Chamberlins and 2010197 entered into an assignment of debt and security agreement with RBC. Also on April 28, 2020, the Receiver and 2010197 executed the 2010197 APA which included, among other things, a credit bid with respect to remaining assets of DMCL.
- 50. The 2010197 APA also contemplates the discharge of Deloitte as Receiver of 1125278, which will result in 1125278 continuing to administer the remaining vehicle leases and continue operations, and the corresponding stay of proceedings under the Appointment Order will be lifted.
- 51. Since the execution of the 2010197 APA, the Receiver has collected cash advances due pursuant to the 2010197 APA, and provided access to Richard and 2010197's representatives to dismantle and remove the Purchased Assets located at the Premises.
- 52. A redacted copy the 2010197 APA is attached hereto as **Appendix "N"**, and the unredacted copy is attached as **Confidential Appendix "A"** to the Confidential Supplement. The Confidential Supplement includes the Purchase Price under the 2010197 APA. In the event that the 2010197 Transaction is not approved by this Court, or if the 2010197 Transaction is approved by the Court but does not close, the disclosure of the Purchase Price under the 2010197 APA would negatively impact any future sale process for the assets subject to the 2010197 APA. For that reason, the Receiver is seeking an Order of this Honourable Court to seal the Confidential Supplement, which includes an unredacted version of the 2010197 APA, until the Receiver's Certificate pursuant to an approval and vesting Order has been filed with this Honourable Court.

#### Terms of the 2010197 APA

53. A summary of the non-commercially sensitive key terms of the 2010197 APA is provided below.

Summary of the 2010197 APA			
Purchaser	• 2010197 Ontario Ltd.		
Transaction Type	<ul> <li>Sale of assets</li> <li>Approval and Vesting Order and Discharge Order</li> </ul>		

APA Date	• April 28, 2020	
Purchase Price	Confidential     Credit bid	
Deposits and Advances Received	<ul> <li>No deposit with respect to the Credit Bid, other than for HST as described below</li> <li>2010197 has advanced the three (3) amounts to the Receiver pursuant to the terms of the 2010197 APA:         <ul> <li>Confidential – An amount for HST equal to 13% of the purchase price for the Purchase Assets of DMCL</li> <li>\$6,500 with respect to the estimated unpaid pre-receivership HST owed by 1125278 which has since been remitted by the Receiver to CRA</li> <li>\$75,000 as an advance for occupancy costs beyond April 30, 2020, subject to accounting and refund provisions as agreed to by the parties</li> </ul> </li> </ul>	
<b>Outside Closing Date</b>	Two calendar days after the date on which the Approval and Vesting Order in respect of the 2010197 Transaction and the Discharge Order of 1125278 is granted	
Purchased Assets of DMCL	<ul> <li>Parts inventory, equipment, office furniture and other personal property located at the Premises</li> <li>Accounts receivable, intercompany loans and choses in action</li> <li>Intellectual property and goodwill</li> <li>Remaining vehicle inventory comprised of a 2018 Chevrolet Corvette located in Florida, and residual assets situated at the Premises</li> </ul>	
Delivery	2010197 removed from the Premises the physical Purchased Assets pursuant to the 2010197 APA prior to the Vacating Date	
Additional Terms	Contemplates the discharge of Deloitte as Receiver of the Property of 1125278, which will continue operations, and results in the lifting of the stay of proceedings under the Appointment Order	
Conditions to Closing	<ul> <li>Approval and Vesting Order issued by the Court</li> <li>Discharge Order with respect to 1125278, DMCL and the Receiver</li> <li>Evidence of an assignment and subsequent cancellation of the RBC Indebtedness</li> <li>Evidence of the filing of a voluntary assignment of DMCL into bankruptcy at the cost of 2010197</li> <li>Filing of the Receiver's Certificate in the form substantially similar to the Approval and Vesting Order, together with other requisite closing documentation, as necessary</li> </ul>	

- Execution of a release and indemnity as required by the Receiver
- Payment of advances as contemplated in the 2010197 APA

#### The Receiver's Observations with Respect to the 2010197 Transaction

- 54. The Receiver makes the following observations with respect to the 2010197 Transaction for consideration by the Court:
  - (a) 2010197 has dismantled and removed the physical Purchased Assets from the Premises at its own expense, which mitigated significant security and occupancy costs, which is commercially advantageous to the receivership estate and reduces administration costs;
  - (b) the Receiver did not receive any other reasonable offers for the Purchased Assets, which were generally aged, and would require up-front investment to dismantle, remove, catalogue and subsequently store such assets for potential future realization;
  - (c) funds due under the 2010197 APA have been advanced to the Receiver;
  - (d) the Receiver is not aware of any other party that objects to the conclusion of the 2010197 Transaction;
  - (e) the Receiver believes the 2010197 Transaction represents commercially reasonable value; and
  - (f) the 2010197 APA represents an advantageous offer and maximizes recoveries for all stakeholders.

#### UPDATE ON WEPPA ADMINISTRATION

- Paragraphs 46 to 48 of the First Report set out that the former DMCL employees did not receive payroll for the period February 2 to 12, 2020, and that the Receiver expedited the performance of WEPPA obligations and mailing of WEPPA packages to eligible employees. The Receiver calculated that \$268,101 was payable to the former employees under WEPPA, of which approximately \$93,277 may be subject to a limited super priority pursuant to Sections 81.3 and 81.4 of the BIA.
- 56. The Receiver has continued to communicate with Service Canada and respond to employee inquiries. The Receiver will evaluate Service Canada's final statement of account and assessed priority payable amount upon receipt and will make arrangements to promptly remit payment in due course.

#### **UPDATE ON TAX MATTERS**

#### Payroll Taxes

- 57. As set out in paragraphs 42 to 45 of the First Report, DMCL had administered payroll using a third-party payroll service provider which remitted source deductions up to February 1, 2020, and the Receiver arranged for the issuance of final T4's to DMCL employees for the 2019 tax year and the 2020 stub-period to the date of the Appointment Order. The Receiver had made requests to CRA with respect to the performance of a payroll audit.
- 58. By email dated June 2, 2020, copies of CRA's proofs of claim with respect to the pre-receivership payroll tax (the "CRA Payroll Claim") and HST (the "CRA HST Claim") accounts of DMCL were delivered to the Receiver's legal counsel.
- 59. The CRA Payroll Claim set out a total claim of \$25,646 with respect to the pre-receivership period, of which CRA calculated \$19,816 to be a deemed trust claim. The Receiver has contacted the CRA Officer who prepared the CRA Payroll Claim for additional information and to further request a payroll audit. The Receiver will continue to communicate with CRA in this regard.
- 60. The Receiver also established a separate DMCL branch payroll account in respect of the four DMCL employees which were temporarily retained for the receivership. The Receiver has remitted post-receivership payroll source deductions directly to CRA. The Receiver will be issuing final T4's to those employees and has made requests to CRA for an audit of the receivership period payroll tax account.

#### Harmonised Sales Tax

61. The CRA HST Claim set out unpaid HST amounts totaling \$243,429 owing by DMCL with respect to the pre-receivership period. The Receiver has reviewed the CRA HST Claim and informed CRA by telephone that DMCL was voluntarily assigned into bankruptcy with Baigel Corp as trustee on May 8, 2020, and that the amounts pursuant to the pre-receivership HST which remain unpaid represent an unsecured claim of the receivership estate. The Receiver's counsel has provided CRA's counsel with a copy of the Certificate of Appointment with respect to the DMCL bankruptcy.

- 62. As set out earlier in this Report, the 2010197 APA contemplates the discharge and continued operations of 1125278. Moreover, 2010197 has delivered \$6,500 with respect to the estimated unpaid pre-receivership HST owing by 1125278 which the Receiver has since remitted to CRA.
- 63. The Receiver has established receivership branch HST accounts for DMCL and 1125278, and has filed HST returns for the post-receivership period to date. The Receiver will complete HST reporting and remittance of HST payable with respect to the post-receivership HST accounts.

#### UPDATE ON CUSTOMER DEPOSITS AND OMVIC COMMUNICATIONS

- As set out in paragraphs 84 to 90 of the First Report, the Receiver conducted a detailed reconciliation of customer deposits in respect of future vehicle purchases, consulted with OMVIC, GM and Richard in this regard, and arranged for the issuance of letters by Harrison Pensa to all 58 affected customers. DMCL financial management calculated a total balance of \$194,212, with 56 customers having made deposits under \$5,000, and two large amounts of \$25,000 (the "Corvette Deposit") and \$78,000. In addition, GM had advised the Receiver that it was dealing directly with substantially all of the affected customers.
- 65. As set out in paragraphs 55 and 58 of the First Report, DMCL also held a trust account pursuant to the *Motor Vehicle Dealer Act* (Ontario) (the "MVDA Trust Account") which was held at RBC, and the full balance of \$38,285 held in the MVDA Trust Account was delivered to the Receiver without any deduction.
- 66. OMVIC has since advised the Receiver that two of the 58 affected customers have submitted claims under the OMVIC Compensation Fund, both of which were in respect of the two large amounts disclosed above. OMVIC accepted the claim with respect to the Corvette Deposit and provided evidence of payment of \$25,000 to the affected customer. The Receiver traced the Corvette Deposit to the MVDA Trust Account and subsequently remitted \$25,000 to OMVIC.
- 67. OMVIC rejected the other claim it received, but did not disclose reasons to the Receiver due to confidentiality. Moreover, DMCL financial management confirmed that amount was not deposited in the MVDA Trust Account.
- 68. OMVIC advised the Receiver that GM had offered solutions to the other 56 affected customers who do did not submit a claim under the OMVIC Compensation Fund.

69. DMCL financial management was unable to reconcile the balance of \$13,285 to specific customers.

OMVIC has advised the Receiver that it is not seeking a direction of the residual funds in the MVDA Trust Account. Accordingly, it is the Receiver's view that these funds represent property of the receivership estate.

#### INTERIM DISTRIBUTIONS TO RBC

- 70. As described in paragraphs 38 to 41 of the First Report, the Receiver obtained an independent legal opinion confirming the validity and enforceability of the security granted by the Debtors in favour of RBC, subject to the standard assumptions and qualifications.
- 71. Section 6 of the Ancillary Order authorized the Receiver to make a distribution payment to RBC as detailed in the First Report, and such further distributions to RBC at the discretion of the Receiver up to the amount owed to RBC by the Debtor, including all interest and costs.
- 72. After accounting for the distributions to RBC described above, RBC is expected to suffer a shortfall on its secured advances to the Debtors. As such, no funds will be available for distribution to other secured and unsecured creditors of the Debtors.
- 73. The Receiver has made three interim distributions to RBC totaling \$3,678,238 as at the date of this Report. In accordance with the 2010197 APA, the Receiver will issue further distributions to RBC following the settlement of estate liabilities and professional costs prior to its completion of its receivership administration.

#### STATEMENT OF RECEIPTS AND DISBURSEMENTS

- 74. Attached as **Appendix "O"** is a Statement of Receipts and Disbursements for the interim period March 17, 2020 to June 4, 2020 and the cumulative period February 12, 2020 to March 16, 2020. As at June 4, 2020, the closing cash balance was approximately \$1,340,809. The Receiver will settle remaining estate liabilities and issue a final distribution prior to filing its Receiver's Discharge Certificate (defined below).
- 75. Due to the closing of additional sale transactions and the receipt of proceeds as set out in this Report, the Receiver did not need to borrow any funds to support the receivership administration as provided for by paragraph 22 of the Appointment Order and paragraph 5 of the Ancillary Order, respectively.

#### **PROFESSIONAL FEES**

- 76. The Receiver, and its legal counsel, Harrison Pensa, have maintained detailed records of their professional time and costs since the issuance of the Appointment Order. Pursuant to paragraphs 19 and 20 of the Appointment Order, the Receiver and its legal counsel were directed to pass their accounts from time to time before this Honourable Court and were granted a Receiver's Charge over the Property.
- 77. The fees of the Receiver during the period February 8, 2020 to June 9, 2020 amount to \$542,474.00, and together with other expenses and disbursements of \$26,099.69, and HST in the amount of \$73,914.58, total \$642,488.27. The time spent by the Receiver is more particularly described in the Affidavit of Stefano Damiani of Deloitte, sworn June 9, 2020 (the "Damiani Affidavit") in support hereof and is attached hereto as Appendix "P".
- 78. The legal fees incurred by Harrison Pensa during the period February 10, 2020 to June 2, 2020 amount to \$99,472.50, and together with disbursements of \$4,049.14 and HST of \$13,393.09, total \$116,914.73. The time spent by Harrison Pensa personnel is more particularly described in the Affidavit of Thomas Masterson of Harrison Pensa, sworn June 8, 2020 (the "HP Affidavit") in support hereof and attached hereto as Appendix "Q".
- 79. The Receiver estimates fees of the Receiver and its counsel to the conclusion of the Receivership to be in the amounts of \$20,000 and \$15,000 plus HST, respectively.
- 80. The Receiver is of the view that the fees and disbursements set out in the Damiani Affidavit and HP Affidavit (collectively, the "Fee Affidavits") are reasonable in the circumstances and should be approved by the Court.

#### **BOOKS AND RECORDS**

- 81. Pursuant to a Direction and Release executed by the DMCL Bankruptcy Trustee, 2010197, Richard, and 1125278, the Receiver released physical possession of the Debtors' computer server (the "Server") and physical books and records ("Documents") located at the Premises to the DMCL Bankruptcy Trustee. Accordingly, the Receiver is no longer in possession of the books and records of the Debtors, except for a limited number of documentation primarily with respect to the 1125278 lease portfolio which will be released to 2010197 in due course.
- 82. The Receiver maintains its own records relating to the administration of the receivership proceeding and will retain such records in accordance with statutory requirements.

#### REMAINING ACTIVITIES AND DISCHARGE OF THE RECEIVER

- 83. The tasks to be undertaken by the Receiver prior to the conclusion of these proceedings as are as follows:
  - (a) Complete remaining HST tax reporting and correspondence with CRA, and closing of the receivership period tax accounts following the audits by CRA to be coordinated with the Receiver;
  - (b) Issue Records of Employment and final T4's with respect to employees retained by the Receiver, and facilitation of CRA payroll trust audit;
  - (c) Issuance of further distributions to RBC of residual funds;
  - (d) Settlement of estate liabilities and professional fees in the discretion of the Receiver;
  - (e) Preparation and filing the Receiver's statutory interim and final reports to the Superintendent of Bankruptcy pursuant to subsections 246(2) and 246(3) of the BIA;
  - (f) Release of documentation with respect to 1125278 lease portfolio to 2010197 following the issuance of a discharge Order;
  - (g) Review of residual Service Canada correspondence with respect to WEPPA upon receipt, obtain a final statement for payment of priority payables pursuant to BIA section 81.4, and respond to ongoing queries from former employees of DMCL;
  - (h) Stakeholder communications, as required; and
  - (i) Final reconciliation of the Receiver's bank accounts once all distributions and expenses have cleared and subsequent closure of the receivership trust accounts.
- 84. Other than the issues addressed in this Report, the Receiver has completed its administration of the estate in accordance with the terms of the Appointment Order and the various other orders rendered by the Court in the course of these proceedings. Accordingly, the Receiver recommends that it be discharged and that effective upon its discharge all claims against the Receiver and its agents be forever barred. The Receiver proposes that the discharge with respect to 1125278 be effective upon the issuance of a discharge Order, and that the discharge with respect to DMCL be effective upon the filing with the Court of a Discharge Certificate in the form appended to the form of Order being sought by the Receiver.

#### RECEIVER'S RECOMMENDATIONS

- 85. For the reasons set out above, the Receiver recommends that the Court make Orders:
  - (a) approving the activities of the Receiver, including steps taken in dealing with the Property, as described in this Report, the Confidential Supplement and in the First Report;
  - (b) approving the 2010197 Transaction to be effected through the 2010197 APA between the Receiver and 2010197, together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, for the sale of certain of the Purchased Assets, and vesting the Company's right, title and interest in the Purchased Assets in 2010197 and authorizing and directing the Receiver to carry out the terms of the 2010197 APA;
  - (c) temporarily sealing the Confidential Supplement, together with the confidential appendices thereto, filed with this Court from the public record until the closing of the 2010197 Transaction or further order of the Court;
  - (d) approving the Receiver's Statement of Receipts and Disbursements for the cumulative period February 12, 2020 to June 4, 2020;
  - (e) approving the professional fees and disbursements of the Receiver and its independent legal counsel, Harrison Pensa, in the amounts set out this Report and authorizing the Receiver to pay all such fees and disbursements.
  - (f) discharging the Receiver, subject to the Receiver completing its administration of the estate herein and distributing the remaining funds held by the Receiver in the manner more particularly described herein, as will be evidenced by the Receiver filing a Certificate with the Court with respect to DMCL; and
  - (g) barring all claims against the Receiver by any person upon the Receiver's discharge.

All of which is respectfully submitted at Toronto, Ontario this 9<sup>th</sup> day of June, 2020.

#### DELOITTE RESTRUCTURING INC.,

solely in its capacity as the Court-appointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited, and without personal or corporate liability

Per:

Paul M. Casey, CPA, CA, FCIRP, LIT

Senior Vice-President

Stefano Damiani, CPA, CA, CIRP, LIT

Vice-President

#### **APPENDIX A**

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

THE HONOURABLE $mR$ .	)	WEDNESDAY, THE 12TH
	)	
JUSTICE HAINEY	)	DAY OF FEBRUARY, 2020



#### **ROYAL BANK OF CANADA**

Applicant

- and -

#### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED

#### ORDER

(appointing Receiver)

THIS APPLICATION made by Royal Bank of Canada ("RBC") for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") to, amongst other things, appoint Deloitte Restructuring Inc. ("Deloitte") as receiver (in such capacity, the "Receiver") without security, of all the assets, undertakings and properties of each of Dean Myers Chevrolet Limited (the "Borrower") and 1125278 Ontario Limited (the "Guarantor", and together with the Borrower, the "Debtors") acquired for, or used in relation to

a business carried on by any of the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Wojciech Karwala sworn February 7, 2020 and the exhibits thereto, and on hearing the submissions of counsel for RBC and such other counsel as were present and listed on the counsel slip, no one appearing for any other person on the service list although duly served as appears from the affidavit of service of Damian Lu sworn February 11, 2020, and on reading the consent of Deloitte to act as the Receiver,

#### **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the notice of application and the application record is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

#### **APPOINTMENT**

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Deloitte is hereby appointed Receiver, without security, of all the assets, undertakings and properties of each of the Debtors acquired for, or used in relation to a business carried on by any of the Debtors, including all proceeds thereof (the "**Property**").

#### **RECEIVER'S POWERS**

- 3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
  - (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the

relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtors, or any one of them, including the powers to enter into any agreements, incur 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 any of the Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors, or any one of them, or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to any of the Debtors and to exercise all remedies of the Debtors, or any one of them, in collecting such monies, including, without limitation, to enforce any security held by any of the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to any of the Debtors;
- (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 any of the Debtors, for any purpose pursuant to this Order;

- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to any of the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - without approval of this Court in respect of any repurchase of vehicles by General Motors of Canada Company or any of its affiliates, without any per transaction or aggregate limit;
  - (ii) subject to subsection (i) above, without the approval of this Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
  - (iii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or such other equivalent statute in other jurisdictions as may be applicable, shall not be required;

2//

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of any of the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of any of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by any of the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which any of the Debtors may have; and
- (r) 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 exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

#### DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

- 4. THIS COURT ORDERS that (i) each of the Debtors, (ii) all of each of the Debtors' current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on any of the Debtors' instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, freight forwarders, brokers, other third-party logistics providers, warehouses, third party warehouses or other entities of any nature 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. THIS COURT ORDERS that 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 any of the Debtors (including, without limitation, related to the premises located at 3180 Dufferin Street in Toronto, Ontario (the "Premises"), including, without limitation, any sale agreement that may exist in respect of the Premises), and any computer programs, computer tapes, computer disks or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 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. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the

information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

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

#### NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### NO PROCEEDINGS AGAINST ANY OF THE DEBTORS OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of any of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of any of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

#### NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against each of the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or any of the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or any of the Debtors 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.

#### NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by any of the Debtors, without written consent of the Receiver or leave of this Court.

#### **CONTINUATION OF SERVICES**

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with any of the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including, without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to any of the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of each of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

#### RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

#### **EMPLOYEES**

14. THIS COURT ORDERS that all employees of Debtors shall remain the employees of Debtors until such time as the Receiver, on Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

#### PIPEDA AND CASL

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada Personal Information Protection and Electronic Documents Act, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all

material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

16. **THIS COURT ORDERS** that any and all interested stakeholders in this proceeding and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in this proceeding, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to such other interested stakeholders in this proceeding and their counsel and advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

#### LIMITATION ON ENVIRONMENTAL LIABILITIES

17. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the Canadian Environmental Protection Act, the Ontario Environmental Protection Act, the Ontario Water Resources Act, or the Ontario Occupational Health and Safety Act and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

#### LIMITATION ON THE RECEIVER'S LIABILITY

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

#### RECEIVER'S ACCOUNTS

- 19. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
- 20. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.
- 21. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### FUNDING OF THE RECEIVERSHIP

- 22. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered 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 \$125,000 (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 funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. 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 Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
- 23. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
- 24. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as <u>Schedule "A"</u> hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.
- 25. **THIS COURT ORDERS** that 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.

#### **SERVICE AND NOTICE**

26. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <a href="http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-">http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-</a>

commercial/) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* (the "**Rules**") this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol and shall be accessible from the following URL: <a href="www.insolvencies.deloitte.ca/en-ca/DeanMyersChevroletLimited">www.insolvencies.deloitte.ca/en-ca/DeanMyersChevroletLimited</a>.

27. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

#### **GENERAL**

- 28. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
- 29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of either of the Debtors.
- 30. THIS COURT HEREBY REQUESTS the aid and recognition of any Person, court, tribunal, regulatory or administrative body located or having jurisdiction in Canada or in the United States, as applicable, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All Persons, courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

- 31. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
- 32. **THIS COURT ORDERS** that RBC shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of RBC's security or, if not so provided by RBC's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.
- 33. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

SUPERIOR COURT OF JUSTICE ENTERED

EB 1 2 2020

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COUR SUPÉRIEURE DE JUSTICE

#### **SCHEDULE "A"**

#### RECEIVER CERTIFICATE

CERTIFICATE NO
AMOUNT \$
1. THIS IS TO CERTIFY that Deloitte Restructuring Inc., the receiver (the "Receiver") of
all the assets, undertakings and properties that Dean Myers Chevrolet Limited (the "Borrower")
and 1125278 Ontario Limited (the "Guarantor", and together with the Borrower, the "Debtors")
acquired for, or used in relation to a business carried on by any of the Debtors, including all
proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court
of Justice (Commercial List) (the "Court") dated the 12th day of February 2020 (the "Order")
made in an application having Court file number CV-20-00636095-00CL, has received as such
Receiver from the holder of this certificate (the "Lender") the principal sum of
\$, being part of the total principal sum of \$ which the
Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with
interest thereon calculated and compounded [daily][monthly not in advance on the day
of each month] after the date hereof at a notional rate per annum equal to the rate of per
cent above the prime commercial lending rate of Bank of from time to time.
x
3. Such principal sum with interest thereon is, by the terms of the Order, together with the
principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the
Order or to any further order of the Court, a charge upon the whole of the Property, in priority to
the security interests of any other person, but subject to the priority of the charges set out in the
Order and in the Bankruptcy and Insolvency Act, and the right of the Receiver to indemnify itself
out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at
the main office of the Lender at Toronto, Ontario.

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

5.

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

- 6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
- 7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the day of	, 20
	<b>Deloitte Restructuring Inc.</b> , solely in its capacity as Receiver of the Property, and not in its personal capacity
	Per:
	Name:
	Title:

# ROYAL BANK OF CANADA

Applicant

DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondents

- and -

Court File No. CV-20-00636095-00CL

## SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) ONTARIO

Proceedings commenced at Toronto

## (appointing Receiver) ORDER

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Lawyers for Royal Bank of Canada

### COUNSEL SLIP

COURT FILE NO	<u> </u>	6095-00CL	DATE FOR	pery 12, 2026
TITLE OF PROCEEDING	Royal Bunk	of Canada v	· Oean Myers	NO ON LIST 6 OQ:30am Chevrolet Limited
COUNSEL FOR: PLAINTIFF(S) APPLICANT(S) PETITIONER(S)	Sanj Mitor Sareny Ne Man Ly Cartleting s M. Vive	mess.)-for Royall volent) for DullAtte	-Bank of Canada	
COUNSEL FOR: DEFENDANT(S) RESPONDENT(S)			Felix	F 519-441-6743  PHONE & FAX NOS  early 12, 202
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### **APPENDIX B**

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

**BETWEEN:** 

### **ROYAL BANK OF CANADA**

Plaintiff

- and –

### **DEAN MYERS CHEVROLET and 1125278 ONTARIO LIMITED**

Defendants

FIRST REPORT OF DELOITTE RESTRUCTURING INC. IN ITS CAPACITY AS RECEIVER DATED MARCH 19, 2020

### **TABLE OF CONTENTS**

INTRODUCTION	4 -
TERMS OF REFERENCE	6 -
BACKGROUND	6 -
RECEIVER'S ACTIVITIES	9 -
FINANCIAL POSITION AND RECENT OPERATING RESULTS	11 -
CREDITORS	14 -
CASH ON HAND	17 -
ACCOUNTS RECEIVABLES	18 -
LOANS AND ADDITIONAL AMOUNTS OWING FROM RELATED PARTIES	18 -
INVENTORY	19 -
FIXED ASSETS	21 -
SETTLEMENT WITH THE FORMER LANDLORD	21 -
CUSTOMER MATTERS	23 -
THE PROPOSED GM TRANSACTION	25 -
THE RECEIVER'S MARKETING OF THE REMAINING VEHICLES AND INVENTORY	
STATEMENT OF RECEIPTS AND DISBURSEMENTS	30 -
PROPOSED DISTRIBUTION FOR REPAYMENT OF RBC INDEBTEDNESS SUBSEQUENT DISCTRIBUTIONS	
RECEIVER'S RECOMMENDATIONS	32 -

### **APPENDICES**

APPENDIX	DESCRIPTION
A	Appointment Order dated February 12, 2020 and Endorsement of Justice Hainey dated February 12, 2020
В	Accepted Asset Purchase Agreement – Redacted Version
С	Statement of Receipts and Disbursements for the period February 12, 2020 to March 16, 2020

### **CONFIDENTIAL APPENDICES**

CONFIDENTIAL APPENDIX	DESCRIPTION
A	Confidential Supplement to the Report of the Receiver
В	Accepted Asset Purchase Agreement – Unredacted Version

### INTRODUCTION

- 1. An application was made on February 11, 2020 by Royal Bank of Canada ("RBC") for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, appointing Deloitte Restructuring Inc. ("Deloitte") as receiver (the "Receiver") without security, of all the assets, undertakings and properties of each of Dean Myers Chevrolet Limited ("DMCL" or the "Borrower") and 1125278 Ontario Limited ("1125278" or the "Guarantor", and collectively with DMCL, the "Debtors") acquired for, or used in relation to a business carried on by any of the Debtors (the "Property").
- 2. As described more particularly in this report, RBC is the senior secured lender of the Debtors and certain related parties pursuant to credit facilities granted by RBC (the "RBC Indebtedness").
- 3. By Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated February 12, 2020 (the "Appointment Order") and the endorsement of Justice Hainey (the "February 12 Endorsement"), Deloitte was appointed as the Receiver of the Property. Copies of the Appointment Order and the February 12 Endorsement are attached hereto as Appendix "A".
- 4. DMCL is an Ontario corporation which operated as an automotive dealership and service centre located at 3180 Dufferin Street, Toronto (the "Premises"). DMCL was an authorized reseller of new Chevrolet, Buick and GMC branded vehicles pursuant to a dealership agreement (the "Dealership Agreement") with General Motors of Canada Limited ("GM"). In addition, DMCL also sold used vehicles and participated in consignment sales of vehicles located at the Premises and through an online platform.
- 5. 1125278 is an Ontario corporation and primarily operated as a vehicle leasing company which also operated out of the Premises.
- 6. Copies of the Appointment Order, together with Court documents and all reports with respect to this matter are available on the Receiver's website at www.insolvencies.deloitte.ca/en-ca/DeanMyersChevroletLimited.
- 7. The Appointment Order, among other things, authorized the Receiver to market any or all of the Property, including 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 sole discretion may deem appropriate.
- 8. Further, section 3(k)(i) of the Appointment Order authorized the Receiver to sell, convey, transfer, lease or assign the Property or parts of the Property out of the ordinary course of business, without

the approval of this Court in respect of any repurchase of vehicles or parts inventory by General Motors of Canada Company or any of its affiliates, without any per transaction aggregate limit. Section 3(k)(ii) of the Appointment Order also permitted, without the approval of this Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000.

- 9. The purpose of this first report of the Receiver (the "**Report**") is to:
  - (a) provide the Court with additional information in respect of the Debtors and the Property;
  - (b) provide the Court with an evidentiary basis to make Orders:
    - (i) approving the activities of the Receiver, including steps taken in dealing with the Property, as described in this Report;
    - (ii) approving the sale transaction (the "GM Transaction") to be effected through an asset purchase agreement dated and executed on March 17, 2020 (the "GM APA") between the Receiver and GM, together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, for the sale of certain of the Property as described in the GM APA and the schedules thereto (the "GM Repurchased Vehicles"), and vesting the Company's right, title and interest in the GM Repurchased Vehicles in GM and authorizing and directing the Receiver to carry out the terms of the GM APA;
    - (iii) temporarily sealing the confidential supplemental to this Report (the "Confidential Supplement"), together with the confidential appendices thereto, filed with this Court from the public record until the closing of the GM Transaction or further order of the Court;
    - (iv) prospectively authorizing and approving the Receiver to execute sale agreements for the remaining assets of the Debtors, primarily consisting of vehicles, parts inventory, and fixed assets, and to vest title free and clear in respect of such assets;
    - (v) approving a distribution of available surplus proceeds to RBC, the Debtors' senior secured lender, as described herein, and authorizing the Receiver to make additional distributions to RBC in such amounts as the Receiver deems appropriate in partial repayment of the RBC indebtedness;
    - (vi) approving an increase in the Receiver's borrowing limit from \$125,000 to \$750,000; and

(vii) approving the Receiver's Statement of Receipts and Disbursements for the period February 12, 2020 to March 16, 2020.

### **TERMS OF REFERENCE**

- 10. In preparing this Report, the Receiver has been provided with, and has relied upon, unaudited, draft and/or internal financial information, the Debtors' books and records, and discussions with management of the Debtors ("Management") (collectively, the "Information"). Except as described in this Report:
  - (a) the Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards ("CAS") pursuant to the Chartered Professional Accountants Canada Handbook, and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and
  - (b) the Receiver has prepared this Report in its capacity as a Court-appointed Receiver to support the Court's approval of the Receiver's activities and other relief being sought. Parties using the Report other than for the purposes outlined herein are cautioned that it may not be appropriate for their purposes.
- 11. Unless otherwise stated, all dollar amounts contained in the Report are expressed in Canadian dollars.
- 12. Unless otherwise provided, all other capitalized terms not otherwise defined in this Report are as defined in the Appointment Order or the GM APA.

### **BACKGROUND**

### **Overview**

13. Incorporated in Ontario in 1991, Dean Myers Chevrolet Oldsmobile (1991) Limited subsequently changed its corporate name to DMCL in 2005 and amalgamated with Somerset Chevrolet Limited in 2008. Richard Chamberlin ("Richard") is a director and the President of DMCL. Richard's spouse Penny Chamberlin ("Penny") is also a director and officer of DMCL. Telma Dantas

- ("Dantas") is an officer and was employed as a financial controller of DMCL as at the date of the Appointment Order.
- 14. Prior to 1991, Gordon Dean Myers ("Gordon") had operated a GM dealership at the Premises for decades before ultimately selling the business to DMCL, which is controlled by Richard who is Gordon's son-in-law.
- 15. The Premises is owned by Dean Myers Leasing Limited (the "Former Landlord"), a company controlled by Gordon. The Former Landlord entered into lease agreements (the "Premises Lease") with DMCL for continued use of the Premises. As described later in this report, the Premises Lease was amended to contemplate an early termination effective June 30, 2020 to facilitate a sale of the Premises to a division of RioCan (the "New Landlord") pursuant to a sale transaction which closed on March 5, 2020.
- 16. The Premises consists of one large building hosting a vehicle showroom and offices, a vehicle service centre and garage, parts storage room, surrounded by a front lot and a large gated rear lot where most of the vehicle inventory is parked, and a second standalone structure which is used primarily vehicle storage.
- 17. DMCL also rented a nearby ground level parking lot (the "Overflow Lot") located at 3501 Dufferin Street, Toronto pursuant to a real property lease (the "Overflow Lot Lease") with a third-party landlord. The Receiver understands that the Overflow Lot was not actively used by DMCL for the period leading up to the date of the Appointment Order due to sufficient parking space at the Premises. The Receiver has since consented to the termination of the Overflow Lot Lease following a request from the respective landlord.
- 18. Incorporated in 1995, 1125278 operated as a vehicle leasing business under the "Dealerwerx Leasing" trading name. A corporate search report indicates that the directors and officers of 1125278 are Richard (Director and Chief Executive Officer), Penny (Director and President), and Dantas (Officer).
- 19. DMCL had 44 employees as at the date of the Appointment Order, of which 42 were full-time and two (2) were part-time. DMCL's employees included Chamberlin family members, of which the Receiver understands had varying levels of involvement in the business. The Receiver understands that as a result of liquidity issues, DMCL had laid off 9 service, technical and sales employees in the months leading up to the Appointment Order.
- 20. 1125278 did not have any employees and was administered by DMCL management and employees.

### Select Related Parties

- 21. Certain related parties which are not subject to the Appointment Order and will be described later in this Report include:
  - (a) 2010197 Ontario Ltd. ("2010197"), which was incorporated in Ontario in 2002 and primarily operated under the "Dealerwerx" banner involved in the online marketing of used and consignment vehicles. Richard is a Director of 2010197, and Richard, Penny and Dantas are officers of 2010197. Richard advised the Receiver that 2010197 had operated from the Premises and also operates from premises located at 291 Pretty River Parkway, Collingwood. Richard further advises that 2010197 commenced purchasing vehicles from DMCL in 2019 as it was seeking to apply for and obtain an independent automotive dealership license. As described later in this Report, a preliminary review of the books and records of DMCL indicated that approximately \$79,000 was owing from 2010197 as at the date of the Appointment Order. Moreover, 2010197 was in possession of certain vehicles of DMCL and 1125278 at the date of the Appointment Order, which it has offered to purchase from the Receiver;
  - (b) Somerset Automotive Sales Network Inc. ("Somerset Automotive"), which according to its website is a reseller and online marketing platform for pre-owned vehicles, motorcycles, boats and recreational vehicles, and operates from premises located at 13500 Intrepid Lane, Fort Myers, Florida. The Receiver understands from Richard and DMCL financial management that Somerset Automotive is owned and managed by the Chamberlin family, and that Somerset Automotive sourced and purchased used vehicles from DMCL for export to customers in Florida. As described later in this Report, a preliminary review of DMCL's books and records indicated that at least \$699,000 was owing from Somerset Automotive as at the date of the Appointment Order, and the Receiver is investigating an additional \$1.0 million which appears to be owing from Somerset Automotive;
  - (c) According to DMCL financial management, Somerset Real Estate Holdings LLC owns the real property where the Somerset Automotive dealership is situated. DMCL financial management also advised that DMCL and Somerset Real Estate Holdings Fort Myers LLC ("Somerset Fort Myers") are related to Somerset Real Estate Holdings LLC, but does not have additional information in that regard. According to DMCL's books and records, Somerset Fort Myers owes approximately \$64,000 to DMCL; and

(d) 1056883 Ontario Inc. ("1056883"), which, according to DMCL financial management is a related party holding company that redirected advances from DMCL totaling approximately \$1.4 million for purchases of property in Florida and start up costs for the Somerset Automotive business.

### **RECEIVER'S ACTIVITIES**

- 22. The Receiver has undertaken the following activities in accordance with the terms of the Appointment Order:
  - (a) attended at the Premises and met with the employees and Management on-site to advise them of the receivership and that pursuant to paragraph 14 of the Appointment Order, their employment by DMCL had been terminated. The Receiver also made arrangements to deliver termination letters to other employees who were not onsite;
  - (b) temporarily retained four former employees of DMCL to, among other things, provide assistance with banking and accounts receivable, preparation of final payroll calculations to the date of the Appointment Order for the purpose of administering amounts due to employees under the *Wage Earner Protection Program Act* ("WEPPA"), updating the books of the Debtors, addressing various customer inquiries, managing communications with GM, compiling data for the collection of receivables and filing of rebate claims, and developing a realization strategy for vehicles and parts inventory;
  - (c) coordinating the delivery of records of employment and T4 slips, and expediting the issuance of WEPPA letter packages to the former employees of DMCL;
  - (d) informed Canada Revenue Agency ("CRA") of the receivership, established new payroll and HST accounts for the post-receivership period, and made repeated requests for audits of the pre-receivership accounts of the Debtors;
  - (e) arranged for the changing of the locks at the buildings at the Premises;
  - (f) retained a third-party security services provider for 24-hour coverage and additional security cameras in the front of Premises and in the rear-yard;
  - (g) arranged for the continued occupation of the Premises as described in more detail later in this Report, and communicated with the Former Landlord and New Landlord;

- (h) made arrangements for the continuation of utilities and retained a third-party property management services company to facilitate snow removal at the Premises;
- (i) provided notice of the Receiver's appointment to the existing insurance broker in order to confirm ongoing coverage until those policies expired in March 2020. The existing insurer was unable to provide renewal coverage, and consequently, the Receiver obtained replacement insurance coverage through an alternate insurance broker;
- (j) arranged for the relocation of all new vehicles inventory and substantially all used vehicle inventory to the secured and locked rear yard at the Premises;
- (k) conducted an inventory count and mileage review in respect of vehicles located at the Premises;
- (l) coordinated the return to the Receiver of demonstrator or "demo" vehicles in the possession of former employees, and one third-party vendor;
- (m) communicated with Richard in respect of the purchase of certain used vehicles in the possession of a Chamberlin family member, and one vehicle located in Florida;
- (n) commenced a formal marketing of New Inventory (defined below) to GM dealers and negotiations with GM in respect of applicable repurchases, as described in later in this Report;
- (o) arranged for the electronic backing up of computer hard drives and the accounting system to ensure the preservation of the Debtors' data;
- (p) compiled invoice data and issued demand letters with respect to the DMCL's accounts receivable:
- (q) retained Harrison Pensa LLP ("Harrison Pensa") as its independent legal counsel;
- (r) conducted a detailed reconciliation of customer deposits in respect of future vehicle purchases, consulted with Richard, the Ontario Motor Vehicle Industry Council ("OMVIC"), and GM in this regard, and arranged for the issuance of letters by Harrison Pensa to all 58 affected customers as described in greater detail later in this Report;
- (s) made arrangements for access by GM technicians to attend at the Premises to prepare customer repair vehicles for delivery to alternate GM dealership service centres;
- (t) notified DMCL's consignment customers of the receivership, and arranged for the release to owners of the consignment vehicles located at the Premises;

- (u) coordinated inquiries with GM and a third-party tire storage provider in respect of DMCL customers who made seasonal tire storage arrangements with DMCL;
- (v) worked cooperatively with GM in addressing additional customer and stakeholder inquiries;
- (w) met with Richard to, among other things, review the available books and records, and discuss all outstanding accounts receivable and related party transactions, customer deposits, inventory, consignment vehicles, the Dealership Agreement, all known bank accounts, and the Out of Trust Funds (defined below);
- (x) issued demand letters to related parties for payment of outstanding receivables, and made inquiries to Richard in this regard;
- (y) took steps with DMCL financial management to complete documentation to recover funds in respect of certain GM rebates and other transactions;
- (z) compiled invoice data and accounts receivable, and issued demand letters to DMCL customers;
- (aa) arranged for continued deposits of monthly lease payments from 1125278 leasing customers;
- (bb) issued receivership notification letters to certain financial institutions;
- (cc) opened new bank trust accounts in the name of the Receiver;
- (dd) issued its statutory Notice and Statement of Receiver pursuant to subsections 245(1) and 246(2) of the BIA for each of DMCL and 1125278;
- (ee) arranged for the redirection of mail to the Receiver's offices; and
- (ff) addressed various additional matters as they arose from time to time.

### FINANCIAL POSITION AND RECENT OPERATING RESULTS

### Historical Financial Position and Operating Results – DMCL

23. The table below sets out the summary (unaudited) balance sheets for DMCL as at the dates noted:

Dean Myers Chevrolet Limited	12/31/2019	12/31/2018	12/31/2017
Summary Balance Sheet	(Unaudited)	(Unaudited)	(Unaudited)
	(Interim)	(External Compilation)	(External Compilation)
Cash	690,056	1,317,681	2,795,091
Accounts receivable	2,248,477	1,090,428	1,565,554
Income taxes recoverable	-	50,077	-
Inventories	8,466,452	11,675,888	12,207,255
Prepaid expenses and sundry assets	91,818	91,791	91,183
Property, plant and equipment	680,875	736,149	760,794
Due from related companies	1,275,413	3,482,117	3,073,791
Loan receivable	137,663	241,553	-
Total assets	13,590,754	18,685,684	20,493,668
Total liabilities	10,804,183	15,575,332	17,548,400
Shareholders Equity	2,786,571	3,110,352	2,945,268
Total liabilities and shareholders equity	13,590,754	18,685,684	20,493,668

24. The following table sets out a summary of the Income Statements (unaudited) for DMCL for the periods noted:

Dean Myers Chevrolet Limited	12/31/2019	12/31/2018	12/31/2017
Summary Income Statement	(Unaudited)	(Unaudited)	(Unaudited)
	(Interim)	(External Compilation)	(External Compilation)
Sales			
New and demo vehicle sales	17,695,526	27,936,907	29,707,752
Used vehicle sales	5,388,449	7,388,149	6,182,563
Service labour	1,843,232	2,124,037	2,270,872
Parts and accessories sales	1,797,680	3,818,476	4,333,865
Body shop labour	29,065	246,515	450,235
Net consignment revenue	829,953	6,337	27,574
Finance income	704,445	267,410	81,223
Total sales	28,288,349	41,787,831	43,054,084
Cost of sales	24,835,872	35,413,545	36,446,014
Gross profit	3,452,477	6,374,286	6,608,070
Expenses	3,776,279	6,493,921	6,510,130
Net income (loss) before provisions	(323,802)	(119,635)	97,940
Income tax and foreign exchange gain (loss)	-	284,719	(163,889)
Net income (loss) for the year	(323,802)	165,084	(65,949)

- 25. As set out above, there was a significant contraction in the sale of new vehicles in 2019. DMCL financial management advised that there was a general reduction in sales activity and volume of customers, compounded by a general strike at GM's manufacturing plants.
- 26. There was also a significant decline in used vehicle sales in 2019, partly due to reduced export sales to Somerset Automotive (2019 \$643,000; 2018 \$1.8 million). This decline was partly offset by growth in consignment revenue through "Dealerwerx" arrangements.

- 27. DMCL advised that the significant decline in parts sales in 2019 was due to DMCL reducing auto body repairs due to personnel issues and local competition. Also, parts sales to wholesalers also declined following the turnover of parts managers.
- 28. DMCL advised that "Finance Income" included any sales made through DMCL's financing office, which included, among other things, extended warranty, insurance, and aftermarket products.

### Historical Financial Position and Operating Results – 1125278

29. The table below sets out the summary (unaudited) balance sheets for 1125278 as at the dates noted:

1125278 Ontario Limited	12/31/2019	12/31/2018	12/31/2017
Summary Balance Sheet	(Unaudited)	(Unaudited)	(Unaudited)
	(Interim)	(External Compilation)	(External Compilation)
Cash	153,100	185,111	-
Accounts receivable	-	18,739	123,998
Net investment in vehicle leases	352,625	733,257	1,389,100
Due from related companies	224,711	64,000	94,217
Total assets	730,437	1,001,107	1,607,315
Total liabilities	353,565	698,250	1,418,585
Shareholders Equity	376,872	302,857	188,730
Total liabilities and shareholders equity	730,437	1,001,107	1,607,315

30. The following table sets out a summary of the Income Statements (unaudited) for 1125278 for the periods noted:

1125278 Ontario Limited	12/31/2019	12/31/2018	12/31/2017
<b>Summary Income Statement</b>	(Unaudited)	(Unaudited)	(Unaudited)
	(Interim)	(External Compilation)	(External Compilation)
Leasing sales	168,176	318,159	357,916
Gain on disposal of capital assets	53,274	66,774	11,993
Other	2,306	2,688	87
Total sales and other income	223,756	387,621	369,996
Expenses	149,740	273,494	300,994
Net income (loss)	74,016	114,127	69,002

31. 1125278 management advised that it was more selective with customer risk profile in 2019 and, consequently, elected to enter into fewer new leases in 2019. 1125278 management also advised that several leases expired in 2019.

### **CREDITORS**

### Secured Creditors

- 32. RBC is the first registered secured creditor of DMCL and 1125278 with borrowings by way of certain credit facilities as set out in the Affidavit of Wojciech Karwala sworn on February 7, 2020 in support of RBC's Application for the appointment of the Receiver. As at January 27, 2020, DMCL was indebted to RBC in the amount of \$9,224,188 before accrued interest and costs. The RBC Indebtedness was guaranteed by 1125278 and also by 1056883, which company is not subject to these receivership proceedings.
- 33. In addition to being the Guarantor, 1125278 was also directly indebted to RBC by way of lease account floor plan facility totaling \$300,359 as at January 31, 2020.
- 34. The credit facilities constituting the RBC Indebtedness also included two floor plan facilities:
  - (a) a new floor plan facility (the "New Floor Plan Facility") for the purpose of financing the purchase of new floor plan vehicles, dealer trades and demo vehicles, of a make and model acceptable to RBC, which are to be sold and held for sale by DMCL to and for third-party customers; and
  - (b) a used floor plan facility (the "Used Floor Plan Facility", and together with the New Floor Plan Facility, the "Floor Plan Facilities") for the purpose of financing the purchase of used floor plan vehicles of a make and model acceptable to RBC, which are to be sold and held for sale by DMCL to and for third-party customers.
- 35. As set out in RBC's Application Record dated February 11, 2020, DMCL was required to repay the outstanding principal amount owing to RBC in respect of each advance under the Floor Plan Facilities upon the earliest of:
  - (a) 48 hours of the date of sale or other disposition of the related vehicle;
  - (b) the date of receipt of proceeds of any recoveries under insurance policies of a vehicle;
  - (c) five (5) business days of the transfer of the vehicle title or delivery of the vehicle; and
  - (d) receipt of demand for payment by RBC.
- 36. RBC had conducted vehicle audits in January and February 2020 which identified that DMCL was selling or otherwise disposing of vehicles and receiving corresponding payments, but was not repaying related advances under the Floor Plan Facilities to RBC (the "Out of Trust Funds"),

which totaled approximately \$2,720,000 as February 3, 2020. That amount increased to \$3,260,000 pursuant to an additional audit conducted by RBC on February 12, 2020 (the "February 12 Out of Trust Funds").

37. The Receiver has commenced a review of the listing of 61 new and 4 used vehicles which comprise the February 12 Out of Trust Funds balance, and made inquiries to DMCL financial management in this regard. DMCL financial management has advised that operating costs were not reduced to reflect a decline in sales in December 2019 and January 2020, and funds otherwise payable to the Floor Plan Facilities were consumed for ongoing operations. The Receiver is investigating transaction and other details with DMCL financial management in respect of the February 12 Out of Trust Funds.

### Independent Legal Opinion on Security Interests

- 38. Harrison Pensa, in its capacity as independent legal counsel to the Receiver, conducted a review of the security pledged by DMCL and 1125278 in favour of RBC (the "RBC Security"). Harrison Pensa's conclusions with respect to the security are contained in a report delivered to the Receiver on March 17, 2020 (the "Security Review").
- 39. The Security Review is limited to the laws of the Province of Ontario ("Ontario Law") and the federal laws of Canada applicable therein.
- 40. Subject to standard assumptions and qualifications set forth in the Security Review, the Security Review concludes that, among other things:
  - (a) the RBC Security creates, under Ontario Law, a valid security interest in favour of RBC in the property described in the RBC Security (which includes all of the property, assets and undertakings, and interest in the property of DMCL and 1125278) and subject to such security interest to which the *Personal Property Security Act* (Ontario) (the "PPSA") applies; and
  - (b) the security interests created by the RBC Security in the personal property described in the RBC Security to which the PPSA applies have been perfected by registration under the provisions of the PPSA.
- 41. Other than registrations by RBC, the only other registrations under the PPSA are registrations relating to specific assets by:

- (a) CWB National Leasing Inc. ("CWB") in respect of specific key cutting equipment. The Receiver's counsel has reviewed this security and confirmed it valid in favour of CWB, and the Receiver has since contacted CWB to arrange for the pick-up of that equipment;
- (b) Pattison Sign Group ("Pattison") in respect of certain signage affixed to the Premises.

  The Receiver's counsel has reviewed the Pattison agreement, has confirmed it enforceable, and has communicated with the New Landlord and its counsel in connection with Pattison's request for the dismantling and removal of that signage; and
- (c) In addition to its general registrations, RBC did cause to be registered VIN specific registrations against all New Inventory and Used Inventory.

### **Employee Source Deductions**

- 42. DMCL had administered payroll using WinLedge, a third-party payroll service provider.
- 43. Based on the Receiver's review of DMCL's financial records, DMCL had remitted source deductions up to February 1, 2020.
- 44. The Receiver retained DMCL's former payroll accountant to complete final T4 for employees and the filing of T4 summaries for the 2019 tax year and the 2020 stub-period to the date of the Appointment Order. The Receiver has made numerous requests to CRA to perform a payroll audit which has yet to be scheduled. Based on information available to the Receiver at this time and subject to a CRA payroll examination, the Receiver is not aware of any potential deemed trust amounts in respect of unremitted source deductions.
- 45. The Receiver has established a separate DMCL branch payroll account in respect of employees temporarily retained for the receivership. The Receiver has been remitting post-receivership payroll source deductions directly to CRA.

### WEPPA and BIA Section 81.4 Priority Claims

- 46. DMCL last remitted payroll on February 6, 2020 in respect of the payroll period-ended February 1, 2020. Accordingly, employees did not receive payroll for the period February 2 to 12, 2020.
- 47. As set out earlier in this Report, the Receiver had expedited the performance of WEPPA obligations and mailing of WEPPA packages to eligible employees. The Receiver has since communicated with Service Canada and responded to employee inquiries.

48. The Receiver's submission to Service Canada set out a total amount of \$268,101 payable to the former employees of DMCL under WEPPA, of which approximately \$93,277 may be subject to a limited super priority pursuant to Section 81.4 of the BIA.

### Harmonised Sales Tax ("HST")

- 49. DMCL and 1125278 had last filed and paid HST for the reporting period-ended December 31, 2019.
- 50. The Receiver has retained DMCL's former Controller to update the books of account and to file DMCL and 1125278's HST returns for the month of January 2020 and the February 2020 stubperiod return to the date of the Appointment Order. Those returns covering the reporting period of January 1, 2020 to February 12, 2020 set out total HST owing in the amounts of \$26,295 for DMCL and \$5,522 for 1125278, but have yet to be assessed by CRA.
- 51. The Receiver has made numerous requests to CRA to perform an audit of the HST accounts of DMCL and 1125278's in order to assess the amount of pre-receivership HST liabilities. CRA has yet to confirm or schedule HST audits as at the date of this Report.
- 52. The Receiver has established receivership branch HST accounts for DMCL and 1125278, and will be filing HST returns for the post-receivership periods as they become due.

### Accounts Payable

53. As at January 31, 2020, the Debtors' records reported approximately \$276,000 of total accounts payable.

### **CASH ON HAND**

- 54. The Debtors held bank accounts and operating lines of credit with RBC, and two bank accounts with Toronto-Dominion Bank ("TD") with respect to DMCL's credit card terminals.
- 55. DMCL also held a trust account pursuant to the *Motor Vehicle Dealer Act* (Ontario) (the "**MVDA Trust Account**") which was held at RBC.

- 56. There were \$275,491 and US \$19,727 in the DMCL bank accounts held at TD. The Receiver has transferred those amounts to its receivership trust account, and made arrangements with TD for the transfer of residual deposits.
- 57. Debtor funds held in the RBC bank accounts as at the date of the Appointment Order were cash swept by RBC. The Receiver requested all DMCL and 1125278 bank accounts at RBC be frozen and designated as deposit-only to allow for continued deposits and collections during the Receivership administration. RBC has since delivered a total sum of \$220,505 to the Receiver's trust account in respect of post-receivership collections.
- 58. RBC has delivered to the Receiver the full balance of \$38,285 held in the MVDA Trust Account without any deduction.

### **ACCOUNTS RECEIVABLES**

### **Overview**

- 59. The Receiver examined the accounts receivable ("A/R") of DMCL and made inquiries with DMCL financial management, particularly with respect to aged amounts and also in connection with related party receivables.
- 60. The Receiver has issued A/R demand letters to third party customers and continues to follow up on outstanding payments.
- 61. The Receiver also issued A/R demand letters to entities related to Richard, including 2010197 (approximately \$79,000), Somerset Automotive (approximately \$699,000), Somerset Fort Myers (approximately \$65,000), and advised that transactions with these entities remained subject to future review by the Receiver.

### LOANS AND ADDITIONAL AMOUNTS OWING FROM RELATED PARTIES

62. The books and records of DMCL set out additional amounts owing from related parties, including but not limited to, 1056883, Somerset Equestrian, and a principal of DMCL. The Receiver has conducted a preliminary review of those amounts and continues to seek additional details from DMCL financial management and Richard. The Receiver intends to issue formal demand letters to those parties.

### **INVENTORY**

### **Overview**

- 63. The Receiver, with assistance of RBC's Automotive Group and former DMCL staff, performed the following:
  - (a) an inventory count at the Premises to identify new vehicles ("New Inventory") and used vehicles ("Used Inventory", and collectively with New Inventory, the "Car Inventory") owned by DMCL, and vehicles owned by third parties;
  - (b) compiled mileage data in respect of the Car Inventory;
  - (c) inventoried and secured vehicle keys for the Car Inventory, and obtained replacements for missing keys in respect of certain Used Inventory;
  - (d) reviewed and secured ownership documentation for the Car Inventory; and
  - (e) identified vehicle manuals and limited production option accessories ("LPO Accessories") for New Inventory.
- 64. There are 89 New Inventory and 148 Used Inventory vehicles which the Receiver intends to liquidate, with book values of approximately \$4,280,000 and \$2,030,000, respectively, as at February 12, 2020 before adjustments and applicable taxes.

### New Inventory

65. The New Inventory consists of new and "demo" Chevrolet, GMC, Buick vehicles for the following model years:

Model Year	Number of Vehicles
2020	52
2019	25
2018	11
2017	1
Total	89

66. As described later in this Report, the Receiver has entered into a sale agreement with GM with respect to 49 model year 2020 vehicles, which represents substantially all "non-demo" model 2020

new vehicles. Moreover, the Receiver has issued a detailed listing of all New Inventory to 61 GM dealers to date. The Receiver intends to realize on the remaining model year 2020, 2019, 2018 and 2017 new and demo vehicles by way of sales to GM dealers.

### Refund of Undelivered New Vehicles

- 67. The Receiver undertook a reconciliation of the New Inventory and confirmed that four (4) vehicles totaling \$270,302 had been charged against the Floorplan prior to the date of the Appointment Order but were never delivered to DMCL.
- 68. GM confirmed that DMCL had placed orders for those vehicles and subsequently confirmed that those vehicles were not located at the Premises. GM has since refunded those vehicles to the Floorplan.

### **Used Inventory**

- 69. The Receiver has worked with former DMCL staff to prepare a Used Inventory listing in order to prepare those vehicles for marketing and sale.
- 70. The Used Inventory consists of 148 GM and non-GM branded pre-owned vehicles as summarized in the table below:

Model Year	Number of Used Vehicles
2019	1
2018	7
2017	11
2016	13
2015	12
2014	10
2013	3
2012	8
2011	3
2010 and older	80
Total	148

- 71. Of the 148 vehicles, 146 are owned by DMCL and 2 are owned by 1125278. As described later in this Report, Richard has offered to purchase six (6) of the 148 used vehicles from the Receiver.
- 72. The Receiver has reviewed third-party values using Canadian Black Book in respect of Used Inventory. Certain vehicles, such as rare luxury vehicles, required supplemental sources of valuation. Older model year vehicles, including certain vehicles which may be assessed as scrap value, were not found in Canadian Black Book and were assigned an alternate value based on discussions with former DMCL staff.
- 73. The Receiver intends to market the Used Inventory to the same population of GM dealers as well as dealers in the immediate vicinity and other interested parties who have contacted the Receiver to date. In the event that the Receiver is unable to enter find a suitable buyer or buyers for the Used Inventory in a timely manner, the Receiver will be seeking to liquidate the Used Inventory at auction.

### Parts Inventory

- 74. The books and records of DMCL set out a net book value for parts inventory totaling approximately \$759,000.
- 75. The Receiver continues to work with GM and former DMCL staff on an appropriate realization strategy for the parts inventory.

### **FIXED ASSETS**

- 76. The fixed assets of the business primarily consist of aged service equipment, computer equipment, and office furniture with an aggregate net book value of approximately \$672,000 at the date of the Appointment Order.
- 77. The Receiver has obtained inquiries from interested parties in respect of these assets, and will make commercially reasonable efforts to realize on those assets prior to vacating the Premises.

### SETTLEMENT WITH THE FORMER LANDLORD

78. As set out earlier in this Report, the Former Landlord completed the sale transaction of the Premises (the "**Premises Sale Transaction**") to the New Landlord on March 5, 2020. The Receiver understands from the Former Landlord that the parties had previously attempted to consummate a

- sale of the Premises in 2012, and that the principals of DMCL and the Former Landlord were engaged in litigation for a number of years.
- 79. Further to paragraph 15 above, to facilitate the Premises Sale Transaction, the Former Landlord had negotiated the early termination of the Premises Lease by June 30, 2020 pursuant to certain agreements with DMCL. Consequently, the Former Landlord agreed to pay DMCL an early termination fee of \$1,579,075 (the "Lease Termination Fee") from the closing proceeds of the Premises Sale Transaction, subject to DMCL's ongoing compliance with the obligations under the Premises Lease, including payment of rent, insurance, utilities, and property taxes.
- 80. DMCL subsequently requested a partial advance of \$1,000,000 in respect of the Lease Termination Fee to address certain liquidity issues of DMCL. The Former Landlord agreed to that request and remitted \$1,000,000 to DMCL on October 15, 2019. The books of DMCL appear that a further entry reducing A/R owing from Somerset Automotive by \$1,000,000, effectively understating the total balance payable by Somerset Automotive. The Receiver has made inquiries to DMCL financial management in respect of the timing and flow of such funds, and is assessing additional actions with respect to potentially an additional \$1.0 million owing from Somerset Automotive to the receivership estate.
- 81. Accordingly, the balance of the Lease Termination Fee outstanding at the date of the Appointment Order totals \$579,075 before adjustments for unpaid rent, property taxes and utilities for the duration of the lease term ending June 30, 2020.
- 82. The Receiver has confirmed with the Former Landlord and New Landlord that payments under the Premises Lease are to be administered and paid through the Former Landlord after the closing of the Premises Sale Transaction and to June 30, 2020.
- 83. The Receiver examined the Former Landlord's calculation of unpaid amounts under the Premises Lease, and negotiated the earlier release of funds with the Former Landlord and a limited period of upfront setoffs unpaid rent and property taxes to the date of the Appointment Order plus rent and property taxes for March and April, 2020. On March 18, 2020, the Former Landlord delivered approximately \$444,000 to the Receiver's trust account in satisfaction of the Lease Termination Fee.

### **CUSTOMER MATTERS**

### **Customer Deposits**

- 84. The Receiver worked with DMCL financial management to reconcile DMCL's listing of customer deposits which had not been properly reconciled in several years, and identified 58 customers with deposits totaling \$194,212 (the "Customer Deposits"). The Customer Deposits were primarily in connection with the purchase of future new vehicles, and there were two significant deposits: (i) \$78,000 for a GMC Yukon, and (ii) \$25,000 in respect of a future Corvette purchase.
- 85. DMCL did not fully and satisfactorily segregate the Customer Deposits in a separate trust account.
- 86. Following a careful analysis and reconciliation of the Customer Deposits, the Receiver and its counsel deemed the Customer Deposits to represent unsecured claims of the receivership estate.
- 87. The Receiver communicated with OMVIC in respect of the Customer Deposits, and has provided OMVIC with a list of affected customers.
- 88. The Receiver also apprised and held independent consultations with Richard, and GM in respect of the Customer Deposits.
- 89. The Receiver's counsel had prepared a letter to affected customers advising them of their status as unsecured creditors and also set out provisions of the MVDA and included a link to the OMVIC Compensation Fund (each a "Customer Deposit Letter"). A draft of a Customer Deposit Letter was shared with GM in advance for GM comment prior to issuance to affected customers. Consequently, the Receiver's counsel amended 57 of the Customer Deposit Letters to include GM contact information as instructed by GM. The Receiver understands that GM is dealing directly with these 57 customers.
- 90. As set out earlier in this report, the Receiver is in possession of available funds held in the MVDA Trust Account of \$38,285 as at the date of the Appointment Order. The Receiver will undertake a review of this account and report further to the Court in due course.

### **Consignment Customers**

91. The records of DMCL set out 21 parties which had entered into consignment agreements with DMCL as agent for Dealerwerx in connection with the sale of their vehicles. Six (6) consignment

- vehicles (the "Onsite Consignment Vehicles") were located at the Premises and were in the possession of DMCL.
- 92. The Receiver notified 21 parties of the termination of their consignment agreements with DMCL, and made arrangements for the release of the Onsite Consignment Vehicles to their respective owners.

### GM Customer and GM Owned Vehicles

- 93. As at the date of the Appointment Order, there were eight (8) GM fleet customer vehicles (the "GM Fleet Vehicles") originally intended for pick-up at DMCL and four (4) vehicles owned by GM (the "GM Owned Vehicles") which were located at the Premises.
- 94. The Receiver's legal counsel examined the ownership documentation and VINs of the GM Fleet Vehicles and the GM Owned Vehicles and confirmed those assets did not constitute receivership property. GM has since removed the GM Fleet Vehicles and is making arrangements to deliver the GM Owned Vehicles to other GM dealerships.

### **Additional Customer Matters**

- 95. DMCL had historically offered seasonal tire storage to its customers for a fee. DMCL outsourced storage to an off-site storage provider, which was a creditor of DMCL as at the date of the Appointment Order, and has been in correspondence with the Receiver in this regard. GM has requested a list of affected customers and is seeking potential solutions for the benefit of those customers. The Receiver understands that certain tires located at the dealership may also belong to DMCL customers, and will be reviewing practicable options in this regard
- 96. A third-party car rental service provider (the "Car Rental Company") had an account with DMCL to provide DMCL customers with rental vehicles during periods that their vehicles were being serviced by DMCL. According to the Car Rental Company, customers are ultimately responsible for payment in the event of default by DMCL. The Car Rental Company has advised that it will consider enforcement actions against the affected customers if DMCL's account has not been settled. The Receiver has notified the Car Rental Company that any claim it may have against DMCL is unsecured and that the Receiver anticipates there will be a substantial shortfall to RBC resulting in no funds being available to satisfy unsecured claims.

- 97. Following a review of the books and records of DMCL, there are certain customers with outstanding liens for amounts which were paid to DMCL and not delivered to the respective financing company. The Receiver continues to investigate this matter and will be writing to affected parties.
- 98. The Receiver has facilitated the release of a new vehicle purchased by a third-party prior to the Receivership.

### THE PROPOSED GM TRANSACTION

### Events Leading to the GM Transaction for Eligible Model 2020 New Inventory

- 99. The Receiver has maintain ongoing and open communications with representatives of GM management since the outset of the receivership to address numerous customer issues, vehicle reconciliations, and realization strategies for DMCL's New Inventory and parts inventory.
- 100. Due to the depreciating nature of vehicles and the inherent significant security and occupancy costs, time was of the essence. The Receiver took steps to immediately compile New Inventory listings with a view to negotiating a repurchase by GM of new vehicles and parts inventory pursuant to the terms of the Dealership Agreement.
- 101. The Receiver and GM entered into protracted negotiations with respect to a repurchase arrangement. During these negotiations, GM informed the Receiver that GM had conducted a review of DMCL's account with GM and had identified that DMCL was not compliant with a GM sponsored location-based program which involved the advancement of monies from GM to DMCL in prior years. Consequently, GM advised that it was entitled to a significant refund from DMCL, including applicable penalties, which exceeded the value of eligible vehicles for repurchase, and GM suspended any further processing of rebates payable to DMCL. In addition, the terms of the Dealership Agreement contemplated a significant delay in the timing of payments by GM in two tranches by a magnitude of months, and was subject to additional inspections which introduced uncertainty to any possible sale transaction.
- 102. GM subsequently advised that it was amenable to the repurchase of model 2020 New Inventory only, and subject to strict criteria such as minimal mileage, LPO Accessories, keys, owners manuals and no damage. Moreover, GM agreed to the timely remittance of purchase proceeds without delay.

- 103. With respect to parts inventory and remaining New Inventory which are not subject to the APA, GM has offered suggestions and cooperation to facilitate the marketing and realization of those assets to fellow GM dealers.
- 104. The Receiver has since facilitated two site attendances by GM to inspect the New Inventory, mileage, condition, LPO Accessories and other pertinent criteria for a repurchase.
- 105. The Receiver and GM also negotiated a mutually acceptable list of 49 eligible model 2020 vehicles and terms of an agreement, including full invoice value plus applicable taxes.
- 106. The parties mutually agreed to exclude one (1) eligible model year 2020 vehicle from the GM APA due to HST difference which could be maximized by way of a sale to GM dealer. Two (2) model 2020 demos were also excluded from the GM APA since they exceeded the permitted mileage criteria to be eligible for a repurchase by GM. These three (3) vehicles will be marketed with the remaining New Inventory.
- 107. A redacted copy the GM APA is attached hereto as **Appendix "B"**, and the unredacted copy is attached as **Confidential Appendix "B"** to the Confidential Supplement. The Confidential Supplement includes the Purchase Price under the GM APA. In the event that the GM Transaction is not approved by this Court, or if the GM Transaction is approved but the does not close, the disclosure of the Purchase Price under the GM APA would negatively impact any future sale process for the assets subject to the GM APA. As a result, the Receiver hereby requests that the Court seal the Confidential Supplement and that it remain under seal until the closing of the Transaction or further Order of the Court.

### Terms of the GM APA

108. A summary of the non-commercially sensitive key terms of the GM APA is provided below.

Summary of the Asset Purchase Agreement		
Purchaser	General Motors of Canada Company	
Transaction Type	<ul> <li>Sale of assets</li> <li>Form of Approval and Vesting Order appended to the GM APA</li> </ul>	

APA Date	• March 17, 2020
Purchase Price	Confidential
Purchase Price Adjustments and Funding	Adjustments for any specific vehicle not deemed eligible following a final pre-closing inspection
	Due to complex GM system restrictions, GM is unable to process a repurchase by way of payment directly to the Receiver. GM will process a transfer of funds to the existing RBC floor plan account. The Receiver is seeking Court approval for a distribution to RBC of these monies.
	The GM system payment will be enhanced by rebates totaling \$24,443 which will need to be returned by the Receiver to GM following closing.
Deposit Received	• None
<b>Outside Closing Date</b>	• May 15, 2020
Purchased Assets	49 model 2020 new vehicles as detailed in Schedule "A" to the GM APA, together with applicable accessories and vehicle documentation
Delivery	GM or an authorized GM new car dealer will take possession of the purchased vehicles within 5 days after the closing date, at the cost and expense of GM
Additional Terms	Termination of the Dealership Agreement following the completion of the transaction pursuant to the GM APA (the "GM Transaction")
	GM will continue to provide reasonable access to the necessary GM systems to the Receiver to permit the Receiver to administer the estate after termination until the receivership is discharged or the Receiver provides notice that access is no longer needed
Conditions to Closing	Approval and Vesting Order issued by the Court
	GM's funding of the purchase price
	Filing of the Receiver's Certificate in the form substantially similar to the Approval and Vesting Order

### The Receiver's Observations

- 109. The Receiver makes the following observations with respect to the Transaction for consideration by the Court:
  - (a) the Receiver has conducted a detailed reconciliation and commercially reasonable assessment of the New Inventory;

- (b) the Receiver considered the benefits of an *en bloc* offer for substantially all of the model 2020 year vehicles at full GM dealer invoice value;
- (c) GM's undertaking to remove the vehicles at its own expense is commercially advantageous to the receivership estate and reduces administration;
- (d) significant security and occupancy costs can be mitigated by the timely realization of a commercially reasonable transaction which can be completed without delay;
- (e) the Receiver has appropriately consulted with and sought input from the stakeholders in connection with the Transaction, including RBC and Richard;
- (f) no party is objecting to the conclusion of the Transaction;
- (g) GM represents a purchaser with a strong financial covenant with the ability to promptly deliver the purchase proceeds and execute the expedited removal of the purchased assets from the Premises; and
- (h) the Receiver believes the Transaction represents commercially reasonable value; and
- (i) the GM APA represents an advantageous offer and maximizes recoveries for all stakeholders.

### THE RECEIVER'S MARKETING OF THE REMAINING VEHICLES AND PARTS INVENTORY

### Marketing of to GM Dealers and Select Additional Parties

- 110. The Receiver consulted with DMCL staff, and representatives of GM and RBC's automotive group in respect of a strategic list of prospective GM dealers.
- 111. On February 28, 2020, the Receiver issued a detailed listing of all New Inventory to GM dealers in Ontario and select GM dealers in Quebec.
- 112. The Receiver will be updating fellow GM dealers to provide the following:
  - (a) an updated list of remaining model year 2020, 2019, 2018 and 2017 new and demo vehicles which removes vehicles repurchased by GM;
  - (b) copies of purchase invoices in respect of the remaining New Inventory;
  - (c) a copy of the Receiver's form of Bill of Sale and accompanying schedule; and

- (d) information in respect of site inspections.
- 113. The Receiver intends to market the Used Inventory and certain fixed assets to the same population of GM dealers plus dealers in the immediate vicinity and other interested parties who have contacted the Receiver to date.
- 114. Parts inventory will also be primarily marketed to GM dealers due to the nature of those products.

### **Proposed Disposition Plan**

- 115. The Receiver is seeking an Order approving a proposed disposition plan in order to efficiently administer the remaining vehicles, parts and other assets of the receivership estate, which includes:
  - (a) prospectively authorizing the Receiver to accept an offer or offers to purchase, either by private sale or auction, any or all of the unsold vehicles, parts inventory, fixed assets and equipment of the Debtor ("Unsold Units") provided that the sale price for each Unsold Unit to which such offer(s) relates is acceptable to the Receiver having regard to the value for such Unsold Unit(s) and prior sales of similar units and with consideration to the current market conditions and all other terms of the offer(s) are, in the Receiver's sole opinion, in the best interest of the stakeholders of the Debtors;
  - (b) prospectively authorizing the execution of an agreement of purchase and sale or bill of sale in respect of each Unsold Unit by the Receiver, as vendor, and the purchase of each Unsold Unit (each purchaser hereinafter referred to as the "Purchaser") substantially in the form provided by the Receiver, together with any amendments or modifications thereto deemed necessary by the Receiver (each agreement hereinafter referred to as an "Unsold Unit Sale Agreement");
  - (c) prospectively approving the sale transactions (each such transaction a "**Transaction**" and together, the "**Transactions**") in respect of the Unsold Units; and
  - (d) providing that, upon delivery by the Receiver to the Purchaser of the Receiver's form of Receiver's Certificate substantially (the "Receiver's Certificate"), all of the Debtors' right, title and interest in and to the Unsold Unit(s) described in each applicable Unsold Unit Sale Agreement (the "Purchased Assets") will vest in and to the applicable Purchaser, free and clear of any and all claims and encumbrances;
- 116. The Receiver is of the view that the nature and value of the remaining assets, including the potential for numerous individual transactions, can be administered in a standardized manner and without

requiring additional Court attendances. The Receiver is also seeking to expedite, to the extent possible in the circumstances, the sale of remaining assets to minimize significant overhead and occupancy costs with respect to the Premises.

117. In the event that the Receiver is unable to enter find a suitable buyer or buyers for the remaining inventory in a timely manner, the Receiver will be seeking to market the vehicles to the general public and consider a liquidation by way of auction.

### 2010197 Purchase and Settlement Offer re Used Vehicles

- 118. As set out earlier in this Report, the Receiver has issued a demand letter to 2010197 in respect of seven (7) vehicles which 2010197 had purchased from DMCL for approximately \$79,000.
- 119. Richard also submitted an offer for the Receiver's consideration in respect of six (6) used vehicles which were in the possession of the Chamberlin family as at the date of the Appointment Order.
- 120. The Receiver has since examined DMCL's books of accounts to assess the commercial reasonableness of those transactions and offer amounts, and has provided Richard with its findings. The Receiver and Richard have agreed to revised amounts and are seeking to agree on a form of bill of sale as at the date of this Report.
- 121. In addition, the Receiver has communicated with Richard in respect of a potential sale to Richard of a New Inventory model 2018 vehicle which the Receiver understands is located at Richard's residential property in Florida.

### STATEMENT OF RECEIPTS AND DISBURSEMENTS

122. Attached as **Appendix "C"** is a cumulative Statement of Receipts and Disbursements for the period February 12, 2020 to March 16, 2020, together. As at March 16, 2020, the closing cash balance was approximately \$531,867, which includes \$38,285 in respect of DMCL's MVDA Trust Account.

### PROPOSED DISTRIBUTION FOR REPAYMENT OF RBC INDEBTEDNESS AND SUBSEQUENT DISCTRIBUTIONS

123. As set out earlier in this Report, the Receiver has obtained an independent legal opinion confirming the validity and enforceability of RBC's security.

- 124. It is the Receiver's opinion that the estimated recovery from the assets and undertakings of DMCL and 1125278 will not be sufficient to retire the estimated amount of the RBC Indebtedness and potential priority claims with the result that there will be no recovery available to the unsecured creditors of the receivership estates of DMCL and 1125278.
- 125. The Receiver is aware of the following potential priority claims:
  - (a) \$93,277 in respect of BIA Section 81.4 of the BIA as calculated by the Receiver as part of its WEPPA submission to Service Canada;
  - (b) \$26,295 for DMCL and \$5,522 for 1125278 in respect of unpaid HST for the prereceivership period. The Receiver is not aware of any unremitted employee source deductions. The Receiver has made requests to CRA for audits of the Debtors' HST and payroll tax accounts, but such audits have yet to be scheduled.
- 126. At this time, the Receiver is seeking Court approval of an initial distribution of available funds plus anticipated funds from the closing of the GM Transaction.
- 127. In order to minimize the costs associated with obtaining approval by the Court of further distributions of available funds to RBC, the Receiver is also seeking Court approval for future distributions from available funds to RBC as they become available in the Receiver's opinion up to the full amount of the RBC Indebtedness without further order of this Court.
- 128. As set out earlier in this Report, GM system restrictions prevent the direct payment of any repurchase directly to the Receiver, and can only flow through the existing floor plan account. The Receiver has been advised by RBC that the floor plan account system has similar limitations and cannot redirect the funds out of the floor plan account. However, RBC has advised the Receiver that it will support the increase of the Receiver's borrowings to allow the Receiver to fulfil receivership obligations and potential priority claims which may have priority to RBC. Section 22 of the Appointment Order authorizes the Receiver to borrow up to \$125,000. RBC has confirmed that it supports the increase of this limit to \$750,000 and will fund this amount as necessary to settle known priority payables, plus accrued and future receivership liabilities, payroll and contract labour costs, occupancy costs, security costs and other protective disbursements, taxes, and professional fees, and contingencies in the circumstances.

### RECEIVER'S RECOMMENDATIONS

- 129. For the reasons set out above, the Receiver recommends that the Court make an Order:
  - (a) approving the activities of the Receiver, including steps taken in dealing with the Property, as described in this Report;
  - (b) approving the GM Transaction to be effected through the GM APA, together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, for the sale of the GM Repurchased Vehicles, and vesting the Company's right, title and interest in the GM Repurchased Vehicles in GM and authorizing and directing the Receiver to carry out the terms of the GM APA;
  - (c) temporarily sealing the Confidential Supplement, together with the confidential appendices thereto, filed with this Court from the public record until the closing of the GM Transaction or further order of the Court;
  - (d) prospectively authorizing and approving the Receiver to execute sale agreements for the remaining assets of the Debtors, primarily consisting of vehicles, parts inventory, and fixed assets, and to vest title free and clear in respect of such assets;
  - (e) approving a distribution of available surplus proceeds to RBC, the Debtors' senior secured lender, as described herein, and authorizing the Receiver to make additional distributions to RBC in such amounts as the Receiver deems appropriate in partial repayment of the RBC indebtedness;
  - (f) approving an increase in the Receiver's borrowing limit from \$125,000 to \$750,000; and
  - (g) approving the Receiver's Statement of Receipts and Disbursements for the period February 12, 2020 to March 16, 2020.

All of which is respectfully submitted at Toronto, Ontario this 19th day of March, 2020.

### DELOITTE RESTRUCTURING INC.,

solely in its capacity as the Court-appointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited, and without personal or corporate liability

Per:

Paul M. Casey, CPA, CA, FCIRP, LIT Senior Vice-President

Stefano Damiani, CPA. CA. CIRP. LIT

Vice-President

DEAN MYERS CHEVROLET LIMITED and 1
-and-
ROYAL BANK OF CANADA

Applicant

# DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

# SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)

## PROCEEDING COMMENCED AT TORONTO

# RESTRUCTURING INC.

FIRST REPORT OF THE RECEIVER, DELOITTE

### HARRISON PENSA LLP

Barristers & Solicitors

450 Talbot St., London, Ontario N6A 5J6

Tel: 519-679-9660

Fax: 519-667-3362

# Timothy C. Hogan (LSO No. 36553S)

Tel: 519-661-6743

Email: thogan@harrisonpensa.com

Lawyers for Deloitte Restructuring Inc., in its capacity as Courtappointed Receiver of Dean Myers Chevrolet Limited and

1125278 Ontario Limited

# APPENDIX C

Court File No. CV-20-00636095-00CL

# ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

THE HONOURABLE 🝃	)	WEDNESDAY, THE 25TH
JUSTICE -HAINEY	)	DAY OF MARCH, 2020

OURTON BETWEEN:

#### **ROYAL BANK OF CANADA**

Applicant

- and -

#### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondents

#### APPROVAL AND VESTING ORDER

THIS MOTION, made by Deloitte Restructuring Inc. in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of Dean Myers Chevrolet Limited ("DMC") and 1125278 Ontario Limited (collectively the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and General Motors of Canada Company (the "Purchaser") dated March 17, 2020 and appended to the Confidential Report of the Receiver dated March 18, 2020 (the "Confidential Report"), and vesting in the Purchaser DMC's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated March 19, 2020, the Confidential Report to the First Report dated March 19, 2020 and on hearing the submissions of counsel for the Receiver and such other counsel that were present, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service of Lindsay Provost sworn March 20, 2020 and March 23, 2020, filed:

- 1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
- THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's 2. certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of DMC's right, title and interest in and to the Purchased Assets described in Schedule A to the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: encumbrances or charges created by the Order of the Honourable Justice Hainey dated February 12, 2020; (ii) all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act (Ontario) or any other personal property registry system (collectively the "PPSA"); (all of which are collectively referred to as the "Encumbrances") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets and the Receiver or the

Royal Bank of Canada is authorized to register discharges under the PPSA with respect to same.

- 3. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
- 4. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.
- THIS COURT ORDERS that, notwithstanding:
  - (a) the pendency of these proceedings;
  - (b) any applications for a bankruptcy order now or hereafter issued pursuant to the Bankruptcy and Insolvency Act (Canada) in respect of DMC and any bankruptcy order issued pursuant to any such applications; and
  - (c) any assignment in bankruptcy made in respect of DMC;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of DMC and shall not be void or voidable by creditors of DMC, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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

ENTERED AT / INSCRIT A TORONTO ON / BOOK NO:

LE / DANS LE REGISTRE NO:

MAR 2 7 2020

PER/PAR:

#### Schedule A Form of Receiver's Certificate

Court File No. CV-636095-CL

#### **ONTARIO**

#### SUPERIOR COURT OF JUSTICE

#### **COMMERCIAL LIST**

BETWEEN:

#### **ROYAL BANK OF CANADA**

Applicant

- and -

#### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondents

#### RECEIVER'S CERTIFICATE

#### **RECITALS**

- A. Pursuant to an Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (the "Court") dated February 12, 2020, Deloitte Restructuring Inc. was appointed as the receiver (the "Receiver") of the undertaking, property and assets of Dean Myers Chevrolet Limited and 1125278 Ontario Limited (collectively the "Debtor").
- B. Pursuant to an Order of the Court dated March 25, 2020, the Court approved the agreement of purchase and sale made as of March 17, 2020 (the "Sale Agreement") between the Receiver, Dean Myers Chevrolet Limited and General Motors of Canada Company (the "Purchaser") and provided for the vesting in the Purchaser of Dean Myers Chevrolet Limited's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the

Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

#### THE RECEIVER CERTIFIES the following:

- 1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
- 2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
- 3. The Transaction has been completed to the satisfaction of the Receiver.

4.	This Certificate	was delivered	by the	Receiver	at	[TIME] on
[DATE	<b>1</b> .					

DELOITTE RESTRUCTURING INC., in its capacity as Receiver of the undertaking, property and assets of DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED, and not in its personal capacity

er:		
CI.	Name:	AND REAL PROPERTY OF THE PARTY
	Title:	

DEAN MYERS CHEVROLET LIMITED et al	Respondents	Court File No. CV-636095 CL	ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST	PROCEEDING COMMENCED AT TORONTO	APPROVAL AND VESTING ORDER	HARRISON PENSA LLP Barristers & Solicitors 450 Talbot St. London, ON N6A 4K3	Timothy C. Hogan (LSO #36553S)	Tel: (519) 679-9660 Fax: (519) 667-3362	Lawyers for the Receiver, Deloitte Restructuring Inc.
	ď								
-and-									
ROYAL BANK OF CANADA	Applicant								

### APPENDIX D

# ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

THE HONOURABLE

WEDNESDAY, THE TH

JUSTICE

DAY OF MARCH, 2020

BETWEEN:

**ROYAL BANK OF CANADA** 

Applicant

- and -

#### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondents

#### **OMNIBUS ORDER**

THIS MOTION, made by Deloitte Restructuring Inc. in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of Dean Myers Chevrolet Limited and 1125278 Ontario Limited (collectively the "Debtor") pursuant to the Order of The Honourable Justice Hainey dated February 12, 2020 (the "Appointment Order") for an order:

- a) Prospectively authorizing the Receiver to accept an offer or offers to purchase, either by private sale or auction, of any or all of the unsold vehicles, parts inventory, fixed assets and equipment of the Debtor ("Unsold Units") provided that the sale price for each Unsold Unit to which such offer(s) relates is acceptable to the Receiver having regard to the value for such Unsold Unit(s) and prior sales of similar units and with consideration to the current market conditions and all other terms of the offer(s) are, in the Receiver's sole opinion, in the best interest of the stakeholders of the Debtor;
- b) Prospectively authorizing the execution of an agreement of purchase and sale or bill of sale in respect of each Unsold Unit by the Receiver, as vendor, and the purchase

of each Unsold Unit (each purchaser hereinafter referred to as the "Purchaser") substantially in the form as attached at Schedule "A1" and "A2" to this Order, together with any amendments or modifications thereto deemed necessary by the Receiver (each agreement hereinafter referred to as an "Bill of Sale");

- c) Prospectively approving the sale transactions (each such transaction a "Transaction" and together, the "Transactions") in respect of the Unsold Units; and,
- d) Providing that, upon delivery by the Receiver to the Purchaser of a Receiver's Certificate substantially in the form attached as Schedule "B" to this Order (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Unsold Unit(s) described in each applicable Bill of Sale (the "Purchased Assets") will vest in and to the applicable Purchaser, free and clear of any and all Claims and Encumbrances in paragraph 3 of this Order.

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated March 19, 2020 and the Confidential Supplement of the Receiver dated March 19, 2020 and on hearing the submissions of counsel for the Receiver and any other counsel in attendance, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service of Lindsay Provost sworn March 20, 2020 and March 23, 2020, filed:

- 1. THIS COURT ORDERS that the Receiver is hereby prospectively authorized to accept an offer or offers to purchase, either by private sale or auction, of any or all of the Unsold Units provided that the sale price for each Unsold Unit to which such offer(s) relates is acceptable to the Receiver having regard to the value for such Unsold Unit(s) and prior sales of similar units with consideration given to the current market conditions and all other terms of the offer(s) are, in the Receiver's sole opinion, in the best interest of the stakeholders of the Debtor.
- 2. THIS COURT ORDERS AND DECLARES that each Transaction is hereby prospectively approved, and the execution of each applicable Bill of Sale by the Receiver is hereby authorized and approved, with any amendments or modifications thereto deemed necessary by the Receiver. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of any Transaction and for the conveyance of the Purchased Assets to each applicable Purchaser.

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- THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's 3. certificate to the Purchaser substantially in the form attached as Schedule "B" hereto, all of the Debtor's right, title and interest in and to the Purchased Assets described in the applicable Bill of Sale and listed on Exhibit A of the applicable Receiver's Certificate in respect of such Unsold Unit Sale shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Hainey dated February 12, 2020; (ii) all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act (Ontario) or any other personal property registry system, (all of which are collectively referred to as the "Encumbrances") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
- 4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
- 5. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof, and in any event no later than thirty (30) days after the date of the Transaction detailed in each applicable Bill of Sale.
- 6. THIS COURT ORDERS that, notwithstanding:
  - (a) the pendency of these proceedings;
  - (b) any applications for a bankruptcy order now or hereafter issued pursuant to the Bankruptcy and Insolvency Act (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy* and *Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

ENTERED AT / INSCRIT A TORONTO ON / BOOK NO:

Hainly

LE / DANS LE REGISTRE NO:

MAR 2 7 2020

PER / PAR: /

#### SCHEDULE A1

#### **BILL OF SALE**

urchaser:	
escription of Purchased Asset: (attach schedule A if	required)
Purchase Price:	

WHEREAS pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) file no. CV-20-00636095-00CL dated February 12, 2020 (the "Appointing Order"), Deloitte Restructuring Inc., was appointed as Receiver over the Property (as defined in the Appointing Order) of Dean Myers Chevrolet Limited ("DMC") and 1125278 Ontario Limited (in such capacity the "Receiver");

AND WHEREAS the Purchaser wishes to purchase and the Receiver wishes to sell certain parts as detailed above, (the "Purchased Assets"), in accordance with the terms outlined below;

NOW THEREFORE, in consideration of the sum described above (the "Purchase Price"), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Receiver, hereby sells, conveys, transfers, assigns and sets over unto the Purchaser, all of DMC's right, title and interest, if any, in and to the Purchased Vehicle on an absolutely "as is where is basis", and to the following terms:

#### 1.0 Purchase Price

a. The Purchaser will pay the Purchase Price to DELOITTE RESTRUCTURING INC. by way of electronic wire transfer to the Receiver's trust account or a bank draft drawn upon a Schedule 1 chartered bank and in addition to the Purchase Price, the Purchaser will pay all applicable federal and provincial taxes applicable in connection

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with the purchase and sale of the Purchased Vehicle(s) including, without limitation, Harmonized Sales Tax ("HST").

#### 2.0 Possession of Purchased Parts

- a. The Purchaser will remove and transport the Purchased Assets from 3180 Dufferin Street, Toronto, Ontario (the "Premises") at its own expense. The Purchaser will be responsible for all damages to the Premises that is caused by the Purchaser during the removal of such Purchased Assets (if applicable).
- b. The Purchaser will take possession of the Purchased Assets where situated within five (5) days of execution of this Bill of Sale and the clearing of the payment of the Purchase Price. The Purchaser acknowledges that the Receiver has no obligation to deliver physical possession of the Purchased Assets to the Purchaser.
- c. It shall be the Purchaser's sole responsibility to obtain any consents to the transfer and any further documents or assurances which are necessary or desirable in the circumstances to carry out the sale of the Purchased Assets to the Purchaser.

#### 3.0 As Is Where Is

a. The Purchaser acknowledges that the Receiver is selling the Purchased Assets on an "as is, where is" basis as they exist on the date of this Agreement without recourse to the Receiver. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Receiver does not guarantee title to the Purchased Assets and that the Purchaser has conducted such inspections of the condition of title to the Purchased Assets as it deemed appropriate and has satisfied itself with regard to these matters. The Purchaser further acknowledges that no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, conditions, quantity or quality, assignability or in respect of any other matter or thing whatsoever concerning the Purchased Assets. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the Sale of Goods Act (Ontario) or similar legislation do not apply to this transaction and have been waived by the Purchaser and the list of Purchased Assets hereto has been provided for reference purposes only and shall not affect the interpretation of this Agreement. The Receiver has made no representations,

warranties, statements or promises (save and except as expressly stated herein) and has not agreed to any conditions with respect to the Purchased Assets, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, all of which are expressly excluded.

b. The Receiver hereby represents and warrants to the Purchaser that the Receiver has done no act to encumber the Purchased Vehicle or any part thereof and has the authority to sell, assign and transfer to the Purchaser DMC's right, title and interest, if any, in and to the Purchased Assets.

#### 4.0 General

- a. Upon payment of the Purchase Price and the execution and release of this Bill of Sale, the Purchaser will hold the Purchased Assets for its use and benefit without any manner of hindrance, interruption, molestation, claim or demand whatsoever of, from or by DMC or the Receiver, its successors and assigns.
- b. The Receiver represents and warrants that it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
- c. The Receiver shall, at all times and from time to time, at the request and sole expense of the Purchaser, execute all such additional documents as the Purchaser may reasonably require to sell, convey and transfer the Purchased Assets to the Purchaser according to the true intent and meaning of this Bill of Sale.
- d. The representations and warranties described above shall survive closing.
- e. The Bill of Sale may be executed by the parties herein in separate counterparts (which counterparts may be delivered by facsimile transmission, or as a PDF document attached to an email) each of which once executed and delivered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument, which shall be sufficiently evidenced by any such counterparts.
- f. This Bill of Sale shall enure to the benefit of and be binding upon the respective successors and assigns of the Receiver and the Purchaser.
- g. The Purchaser acknowledges and agrees that Deloitte Restructuring Inc., in executing the Bill of Sale, is acting solely in its capacity as court-appointed Receiver

pursuant to the Appointing Order and has no personal or corporate liability under this Bill of Sale.

IN WITNESS W above.	<b>HEREOF</b> the pa	urties have	e executed this Bill of Sale on the date first written
Dated at	, Ontario this	day of	, 2020
			DELOITTE RESTRUCTURING INC.  Solely in its capacity as court-appointed Receiver of the Property of Dean Myers Chevrolet Limited, and not in its personal or corporate capacity
			Per:Name:
			(I have authority to bind the Corporation)  [PURCHASER]
Witness:		1	Per: Name: Title:
			(I have authority to hind the Corporation)

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#### SCHEDULE "A-2"

VIN: 10 <sup>III</sup>	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
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ADDRESS			***************************************					_	ADDRESS							
CITY / PROV / PC								=	CITY / PROV	/ PC						
TEL#			FAX#_			4040		_	TEL#				F/	AX #		
STOCK#	YEAR	MAKE			MODEL				COLDUR	TRIM LEVEL				IESEL / HYBRID		PRICE
SERIAL OR V.S.N. #								1			DIST	ANCE TR	AVELLED	☐ KMS		
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Salesperson's Registration	#				S	alespersor	alesperson's Registration # LICENCING							G	\$	
Salesperson's Name		<u> </u>			š	alesperso	n's Name	0	- <del> </del>					TOTA	\L	\$
Signature					Š	lgnature								terms of the cor and understand	selle ntrac i and	REEMENT: ir acknowledge having read the it, including those on the reverse lagree that the written terms on he entire agreement.

HST Registration #

HST Registration#

#### SCHEDULE A to WHOLESALE BILL OF SALE

WHEREAS pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) file no. CV-20-00636095-00CL dated February 12, 2020 (the "Appointing Order"), Deloitte Restructuring Inc., was appointed as Receiver over the Property (as defined in the Appointing Order) of Dean Myers Chevrolet Limited ("DMC") and 1125278 Ontario Limited (in such capacity the "Receiver");

AND WHEREAS the Purchaser wishes to purchase and the Receiver wishes to sell the Vehicle(s) as detailed on the Wholesale Bill of Sale, (the "Purchased Vehicle(s)"), in accordance with the terms outlined below;

**NOW THEREFORE,** in consideration of the sum described on the Wholesale Bill of Sale (the "**Purchase Price**"), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Receiver, hereby sells, conveys, transfers, assigns and sets over unto the Purchaser, all of DMC's right, title and interest, if any, in and to the Purchased Vehicle on an absolutely "as is where is basis", and to the following terms:

#### 1.0 Purchase Price

a. The Purchaser will pay the Purchase Price to DELOITTE RESTRUCTURING INC. by way of electronic wire transfer to the Receiver's trust account or a bank draft drawn upon a Schedule 1 chartered bank and in addition to the Purchase Price, the Purchaser will pay all applicable federal and provincial taxes applicable in connection with the purchase and sale of the Purchased Vehicle(s) including, without limitation, Harmonized Sales Tax ("HST").

#### 2.0 Possession of Purchased Vehicles

- a. The Purchaser will remove and transport the Purchased Vehicle from 3180 Dufferin Street, Toronto, Ontario (the "Premises") at its own expense. The Purchaser will be responsible for all damages to the Premises that is caused by the Purchaser during the removal of such Purchased Vehicle(s) (if applicable).
- b. The Purchaser will take possession of the Purchased Vehicle where situated on the within five (5) days of execution of this Bill of Sale and the clearing of the payment of

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- the Purchase Price. The Purchaser acknowledges that the Receiver has no obligation to deliver physical possession of the Purchased Vehicle to the Purchaser.
- c. It shall be the Purchaser's sole responsibility to register the vehicles and obtain any consents to the transfer and any further documents or assurances which are necessary or desirable in the circumstances to carry out the sale of the Purchased Vehicle to the Purchaser.

#### 3.0 As Is Where Is

- a. The Purchaser acknowledges that the Receiver is selling the Purchased Vehicle on an "as is, where is" basis as they exist on the date of this Agreement without recourse to the Receiver. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Receiver does not guarantee title to the Purchased Vehicle and that the Purchaser has conducted such inspections of the condition of title to the Purchased Vehicle as it deemed appropriate and has satisfied itself with regard to these matters. The Purchaser further acknowledges that no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, conditions, quantity or quality, assignability or in respect of any other matter or thing whatsoever concerning the Purchased Vehicle. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the Sale of Goods Act (Ontario) or similar legislation do not apply to this transaction and have been waived by the Purchaser and the list of Purchased Vehicles hereto has been provided for reference purposes only and shall not affect the interpretation of this Agreement. The Receiver has made no representations, warranties, statements or promises (save and except as expressly stated herein) and has not agreed to any conditions with respect to the Purchased Vehicles, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, all of which are expressly excluded.
- b. The Receiver hereby represents and warrants to the Purchaser that the Receiver has done no act to encumber the Purchased Vehicle or any part thereof and has the authority to sell, assign and transfer to the Purchaser DMC's right, title and interest, if any, in and to the Purchased Vehicle.

#### 4.0 General

- a. Upon payment of the Purchase Price and the execution and release of this Wholesale Bill of Sale, the Purchaser will hold the Purchased Vehicle for its use and benefit without any manner of hindrance, interruption, molestation, claim or demand whatsoever of, from or by DMC or the Receiver, its successors and assigns.
- b. The Receiver represents and warrants that it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
- c. The Receiver shall, at all times and from time to time, at the request and sole expense of the Purchaser, execute all such additional documents as the Purchaser may reasonably require to sell, convey and transfer the Purchased Vehicle to the Purchaser according to the true intent and meaning of this Bill of Sale.
- d. The representations and warranties described above shall survive closing.
- e. The Bill of Sale may be executed by the parties herein in separate counterparts (which counterparts may be delivered by facsimile transmission, or as a PDF document attached to an email) each of which once executed and delivered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument, which shall be sufficiently evidenced by any such counterparts.
- f. This Wholesale Bill of Sale shall enure to the benefit of and be binding upon the respective successors and assigns of the Receiver and the Purchaser.
- g. The Purchaser acknowledges and agrees that Deloitte Restructuring Inc., in executing the Wholesale Bill of Sale, is acting solely in its capacity as courtappointed Receiver pursuant to the Appointing Order and has no personal or corporate liability under this Wholesale Bill of Sale.
- h. The Purchaser acknowledges and agrees that the Receiver is unable to make the required disclosure statements as required by section 30 of the Motor Vehicles Dealer Act 2002, S.O. 2002, c. 30, Sched. B and releases the Receiver from any damages or claims resulting from such non-disclosure.

HEREOF the par	ties have	executed this Wholesale Bill of Sale on the date first
, Ontario this	day of	, 2020
		DELOITTE RESTRUCTURING INC.
		Solely in its capacity as court-appointed Receiver of the Property of Dean Myers Chevrolet Limited, and not in its personal or corporate capacity
		Per:
		Name:
		Title:
		(I have authority to bind the Corporation)
		[PURCHASER]
		Per:
		Name:
		Title:
		(I have authority to bind the Corporation)
	, Ontario this	, Ontario this day of

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#### Schedule B - Form of Receiver's Certificate

Court File No. CV-636095-CL

#### ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

BETWEEN:

#### ROYAL BANK OF CANADA

Applicant

- and -

#### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondents

#### RECEIVER'S CERTIFICATE

#### RECITALS

- A. Pursuant to an Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice Commercial List (the "Court") dated February 12, 2020, Deloitte Restructuring Inc. was appointed as the receiver (the "Receiver") of the undertaking, property and assets of Dean Myers Chevrolet Limited and 1125278 Ontario Limited (collectively the "Debtor").
- B. Pursuant to an Order of the Court dated March 25, 2020, the Court pre-approved the sale of certain assets (the "Purchased Assets") subject to a Bill of Sale between [Purchaser] (the "Purchaser") and the Receiver dated [date] (the "Bill of Sale") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to closing, if any, as set out in the Bill of Sale have been satisfied or waived by the Receiver and the Purchaser; and (iii) the transaction subject to the Bill of Sale has been completed to the satisfaction of the Receiver.

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C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

#### THE RECEIVER CERTIFIES the following:

- 1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the closing date pursuant to the Bill of Sale;
- 2. The conditions to closing, if any, as set out in the Bill of Sale have been satisfied or waived by the Receiver and the Purchaser; and
- 3. The transaction contemplated by the Bill of Sale has been completed to the satisfaction of the Receiver.
- 4. This Certificate was delivered by the Receiver at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

Deloitte Restructuring Inc., in its capacity as Receiver of the undertaking, property and assets of Dean Myers Chevrolet Limited and 1125278 Ontario Limited, and not in its personal capacity

Per:		
	Name:	
	Title <sup>.</sup>	

Respondents

Court File No. CV-636095 CL

# ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

# OMNIBUS ORDER

HARRISON PENSA LLP Barristers & Solicitors 450 Talbot St. London, ON N6A 4K3

# Timothy C. Hogan (LSO #36553S)

(519) 679-9660 (519) 667-3362 Tel: Fax:

Lawyers for the Receiver, Deloitte Restructuring Inc.

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# APPENDIX E

Court File No. CV-20-00636095-00CL

#### **ONTARIO** SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

THE HONOURABLE

WEDNESDAY, THE -THY

JUSTICE

DAY OF MARCH, 2020

HAINEY



#### ROYAL BANK OF CANADA

Applicant

- and -

#### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondents

#### ANCILLARY ORDER

THIS MOTION, made by Deloitte Restructuring Inc. in its capacity as the Courtappointed receiver (the "Receiver") of the undertaking, property and assets of Dean Myers Chevrolet Limited and 1125278 Ontario Limited (collectively the "Debtor") pursuant to the order of The Honourable Justice Hainey dated February 12, 2020 (the "Appointment Order") for an order:

- a) An Order that the time for service, filing and confirmation of the Notice of Motion and the Motion Record be abridged so that this motion is properly returnable today and hereby dispenses with further service and confirmation hereof;
- b) An Order approving the Receiver's First Report to the Court dated March 19, 2020 (the "First Report") and the Confidential Supplement to the First Report dated March 19,

- 2020 (the "Confidential Supplement") and the activities and conduct of the Receiver as detailed therein;
- c) An Order sealing the Confidential Supplement until the completion of the Agreement of Purchase and Sale between General Motors of Canada Company and the Receiver dated March 17, 2020 (the "APS"), or until further Order of this Court;
- d) An Order that the Statement of Receipts and Disbursements as detailed in the First Report (the "Statement of Receipts and Disbursements") be approved;
- e) An Order approving an increase in the Receiver's borrowing limit in paragraph 22 of the Appointment Order from \$125,000 to \$750,000;
- f) An Order that the Receiver be authorized to make a distribution payment to the applicant, Royal Bank of Canada ("RBC"), as detailed in the First Report, and such further distributions to RBC at the discretion of the Receiver up to the amount owed to RBC by the Debtor, including all interest and costs; and,
- g) Such further and other relief as counsel may request and this honourable court may permit.

was heard this day at the Court House, 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion and all Schedules thereto, the First Report and the Confidential Supplement to the First Report, the Affidavit of Service of Lindsay Provost sworn March 20, 2020 and on hearing submissions from all counsel in attendance,

 THIS COURT ORDERS that the time for service, filing and confirmation of the Notice of Motion and the Motion Record is hereby abridged and that this motion is properly returnable today.

- THIS COURT ORDERS that the First Report and the Confidential Supplement and the activities and conduct of the Receiver as detailed therein be and is hereby approved.
- 3. THIS COURT ORDERS that the Confidential Supplement be and is hereby sealed until the completion of the APS or until further Order of this Court;

- 4. THIS COURT ORDERS that the Statement of Receipts and Disbursements be and is. hereby approved.
- 5. THIS COURT ORDERS that the Receiver's borrowing limit in paragraph 22 of the Appointment Order be increased from \$125,000 to \$750,000.
- 6. THIS COURT ORDERS that the Receiver be authorized to make a distribution payment to the applicant, RBC, as detailed in the First Report, and such further distributions to RBC at the discretion of the Receiver up to the amount owed to RBC by the Debtor, including all interest and costs.

ENTERED AT / INSCRIT À TORONTO ON / BOOK NO: LE / DANS LE REGISTRE NO:

MAR 2 7 2020

### **APPENDIX F**

# CV-20-00636095-CL Mariel 25, 2020

Re RBC V. BEAN MYERS

This Holio's was heard by teleconference in accordance with The Changes & The Commercial List Operations in light of The Could-19 cours and The Chief Justice's Notice & The Professions dated Horeh 15, 2020.

2) The Hotion relking on approval and nesking order with respect to The Y.M. sole transaction in not apposed. I am solisfield mot apposed. I am solisfield that it should be growted on The terms of the attached approval and verting andles.

3) The Motion seeking The Omnibus Order is not opposed

promoled me fecemer does not close any of the sales contemplated by The odded for a peniod of 15 days from Today. I am solupled That The Omnibus Order should be granted on the Tresmi of The attacked on The condition Mot me leceurer shall not close any sales purmant & The order within 15 days from today subject & further desertion from the Court (4) The Motion seeking The anulody Order is granted, in port, on the Terms of the ottocked Haras 2 and 4 of The orded are deferred & be dealf with by the with

future. This is mitheest prejudice & The Receiver's pright & obtain The nellest gought in paras 2 and 4 at a lakes dake.

5) æll of These Orders and effective today whe Then on not They one formally entered.

Hæine .

## **APPENDIX G**



## **Industry Canada**

# Office of the Superintendent of Bankruptcy Canada

### Industrie Canada

## Bureau du surintendant des faillites Canada

District of: Ontario
Division No.: 09 - Toronto
Court No.: 31-2644010
Estate No.: 31-2644010

In the Matter of the Bankruptcy of:

Dean Myers Chevrolet Limited

Debtor

BAIGEL CORP.

Licensed Insolvency Trustee

**Ordinary Administration** 

Date and time of bankruptcy: May 08, 2020, 10:20 Security: \$0.00

Date of trustee appointment: May 08, 2020

Meeting of creditors: May 27, 2020, 11:00

Meeting to be held via video conference

Zoom ID: 791 6778 2242 Password: 027933. Ontario

Canada,

Chair: Trustee

### CERTIFICATE OF APPOINTMENT - Section 49 of the Act; Rule 85

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify that:

- the aforenamed debtor filed an assignment under section 49 of the Bankruptcy and Insolvency Act;
- the aforenamed trustee was duly appointed trustee of the estate of the debtor.

### The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy;
   and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the
  aforementioned time and place or at any other time and place that may be later requested by the official
  receiver.

Date: May 08, 2020, 12:48

E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902



# **APPENDIX H**

N: 10 <sup>™</sup> 2005 2006 2007 2008 DIGIT 5 6 7 8	2009 2010 2011 2012 2013 9 A B C D	2014         2015         2016         2017         2018         2019         2020           E         F         G         H         J         K         L
CDA WHOLESA	LE BILL OF SALE	DATE: April 20/20
MVDA REG#	PURCH	ASER MVDA REG#
DEAN MYERS CHEVE	PROINTER LECTIVER, NAME TOURING INC.	That Charlout Cally
DEWITTE RESTACT	veine INC. ADDRESS	640 Wordsbrd Rd N
// PROV / PC	CITY / PROV /	re Lordan Ordario
#FAX#	TEL# 91	9652 del FAX# 95-657967
SEE SCHEDUL	MODEL COLOUR	TRIM LEVEL GAS / DIESEL / HYBRID PRICE
ERIAL OR V.I.N. #		DISTANCE TRAVELLED KMS SMLES
LING DEALER'S INFORMATION	PURCHASING DEALER'S INFORMATION	HST \$ 177 13180
sperson's Registration #	Salesperson's Registration #	LICENCING \$
sperson's Name	Salesperson's Name	TOTAL \$1539,681.55
ature	Signature	TERMS OF THIS AGREEMENT: The buyer and seller acknowledge having read the terms of the contract, including those on the reverse
2 9 8 7 15 21 RT 000 Registration #	2 ASTROGISTIATION 468	and understand and agree that the written terms on this contract form the entire agreement.
DEWITTE RESTANC	TURING INC.	
SOLELY IN LTG		
SOLELY IN ITS C	APACITY AC	

DEWITTE RESTAUCTURING INC.,

SOLELY IN ITS CAPACITY AS

COUNT- APPOINTED RECEIVED OF

DEAN MYERS CHEVROLET LIMITED,

AND NOT IN ITS PERSONAL

ONLY COMPONETE CAPACITY

PER:

STEFAND DAMIANI, VILE-PRESIDEM.

<sup>36</sup> 173 59

### SCHEDULE A to WHOLESALE BILL OF SALE

WHEREAS pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) file no. CV-20-00636095-00CL dated February 12, 2020 (the "Appointing Order"), Deloitte Restructuring Inc., was appointed as Receiver over the Property (as defined in the Appointing Order) of Dean Myers Chevrolet Limited ("DMC") and 1125278 Ontario Limited (in such capacity the "Receiver");

**AND WHEREAS** the Purchaser wishes to purchase and the Receiver wishes to sell the Vehicle(s) as detailed on the Wholesale Bill of Sale, (the "Purchased Vehicle(s)"), in accordance with the terms outlined below;

**NOW THEREFORE**, in consideration of the sum described on the Wholesale Bill of Sale (the "**Purchase Price**"), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Receiver, hereby sells, conveys, transfers, assigns and sets over unto the Purchaser, all of DMC's right, title and interest, if any, in and to the Purchased Vehicle on an absolutely "as is where is basis", and to the following terms:

### 1.0 Purchase Price

- a. The Purchaser will pay the Purchase Price to DELOITTE RESTRUCTURING INC. by way of electronic wire transfer to the Receiver's trust account or a bank draft drawn upon a Schedule 1 chartered bank and in addition to the Purchase Price, the Purchaser will pay all applicable federal and provincial taxes applicable in connection with the purchase and sale of the Purchased Vehicle(s) including, without limitation, Harmonized Sales Tax ("HST").
- b. The Purchaser acknowledges that the Receiver has no obligation to make payment to the Purchaser in relation to any General Motors of Canada Company incentive programs related to the Purchased Vehicle(s) or provide any abatement in the Purchase Price with respect to same.

### 2.0 Possession of Purchased Vehicles

a. The Purchaser will remove and transport the Purchased Vehicle from 3180 Dufferin Street, Toronto, Ontario (the "Premises") at its own expense. The

- Purchaser will be responsible for all damages to the Premises that is caused by the Purchaser during the removal of such Purchased Vehicle(s) (if applicable).
- b. The Purchaser will take possession of the Purchased Vehicle where situated the within five (5) days of execution of this Bill of Sale and the clearing of the payment of the Purchase Price. The Purchaser acknowledges that the Receiver has no obligation to deliver physical possession of the Purchased Vehicle to the Purchaser.
- c. It shall be the Purchaser's sole responsibility to register the vehicles and obtain any consents to the transfer and any further documents or assurances which are necessary or desirable in the circumstances to carry out the sale of the Purchased Vehicle to the Purchaser.

### 3.0 As Is Where Is

a. The Purchaser acknowledges that the Receiver is selling the Purchased Vehicle on an "as is, where is" basis as they exist on the date of this Agreement without recourse to the Receiver. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Receiver does not guarantee title to the Purchased Vehicle and that the Purchaser has conducted such inspections of the condition of title to the Purchased Vehicle as it deemed appropriate and has satisfied itself with regard to these matters. The Purchaser further acknowledges that no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose. merchantability, conditions, quantity or quality, assignability or in respect of any other matter or thing whatsoever concerning the Purchased Vehicle. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the Sale of Goods Act (Ontario) or similar legislation do not apply to this transaction and have been waived by the Purchaser and the list of Purchased Vehicles hereto has been provided for reference purposes only and shall not affect the interpretation of this Agreement. The Receiver has made no representations, warranties, statements or promises (save and except as expressly stated herein) and has not agreed to any conditions with respect to the Purchased Vehicles, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, all of which are expressly excluded.

b. The Receiver hereby represents and warrants to the Purchaser that the Receiver has done no act to encumber the Purchased Vehicle or any part thereof and has the authority to sell, assign and transfer to the Purchaser DMC's right, title and interest, if any, in and to the Purchased Vehicle.

### 4.0 General

- a. Upon payment of the Purchase Price and the execution and release of this Wholesale Bill of Sale, the Purchaser will hold the Purchased Vehicle for its use and benefit without any manner of hindrance, interruption, molestation, claim or demand whatsoever of, from or by DMC or the Receiver, its successors and assigns.
- b. The Receiver represents and warrants that it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
- c. The Receiver shall, at all times and from time to time, at the request and sole expense of the Purchaser, execute all such additional documents as the Purchaser may reasonably require to sell, convey and transfer the Purchased Vehicle to the Purchaser according to the true intent and meaning of this Bill of Sale.
- d. The representations and warranties described above shall survive closing.
- e. The Bill of Sale may be executed by the parties herein in separate counterparts (which counterparts may be delivered by facsimile transmission, or as a PDF document attached to an email) each of which once executed and delivered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument, which shall be sufficiently evidenced by any such counterparts.
- f. This Wholesale Bill of Sale shall enure to the benefit of and be binding upon the respective successors and assigns of the Receiver and the Purchaser.
- g. The Purchaser acknowledges and agrees that Deloitte Restructuring Inc., in executing the Wholesale Bill of Sale, is acting solely in its capacity as courtappointed Receiver pursuant to the Appointing Order and has no personal or corporate liability under this Wholesale Bill of Sale.

h. The Purchaser acknowledges and agrees that the Receiver is unable to make the required disclosure statements as required by section 30 of the Motor Vehicles Dealer Act 2002, S.O. 2002, c. 30, Sched. B and releases the Receiver from any damages or claims resulting from such non-disclosure.

IN WITNESS WHEREOF the parties have executed this Wholesale Bill of Sale on the date first written above.

Dated at Tolomb, Ontario this 20 day of April

### DELOITTE RESTRUCTURING INC.

Solely in its capacity as court-appointed Receiver of the Property of Dean Myers Chevrolet Limited, and not in its personal or corporate capacity

Per: Name: STEFANO DAMIANI Title: Vice-Presiden

(I have authority to bind the Corporation)

Purchaser:

Witness:

(I have authority to bind the Corporation)

	Year	Make	Model	VIN	Value (\$)	HST (\$)	Total with HST (\$)	Odometer (km)
1		Chevrolet	Camaro 1LS Coupe	1G1FB1RX6K0121279	21,000.00	2.730.00	23,730.00	34
2		Chevrolet	Camaro 2SS Convertible	1G1FH3D75J0161210	35,000.00	4,550.00	39,550.00	292
3		Chevrolet	Bolt LT	1G1FY6S01K4112071	32,500.00	4,225.00	36,725.00	104
4		Chevrolet	Bolt LT	1G1FY6S01K4112121	32,500.00	4,225.00	36,725.00	4
5		Chevrolet	Bolt Premier	1G1FZ6S00K4136097	35,500.00	4,615.00	40,115.00	66
6		Chevrolet	Bolt Premier	1G1FZ6S07K4107048	35,500.00	4,615.00	40,115.00	208
7		Chevrolet	Bolt Premier	1G1FZ6S08K4136266	35,500.00	4,615.00	40,115.00	260
8		Chevrolet	Corvette GS Coupe	1G1Y12D7XK5103234	67,000.00	8,710.00	75,710.00	10
9		Chevrolet	Corvette Z06	1G1YT2D69J5601148	69,000.00	8,970.00	77,970.00	16,060
10		Chevrolet	Corvette GS	1G1YZ2D74H5104249	64,000.00	8,320.00	72,320.00	1,770
11	2018	GMC	Acadia Denali	1GKKNXLS0JZ101511	34,000.00	4,420.00	38,420.00	19.020
12		GMC	Acadia Denali	1GKKNXLS3JZ129089	34,000.00	4,420.00	38,420.00	19,685
13		GMC	Yukon Denali 4WD	1GKS2CKJ2JR122970	55,000.00	7,150.00	62,150.00	20,332
14	2019	Chevrolet	Traverse LT FWD	1GNERGKWXKJ236178	31,500.00	4,095.00	35,595.00	300
15	2019	Chevrolet	Tahoe Premier 4WD	1GNSKCKJ1KR114329	59,000.00	7,670.00	66,670.00	19,375
16	2020	GMC	Sierra 1500 Elevation	1GTU9CED4LZ146793	55,000.00	7,150.00	62,150.00	596
17	2018	Chevrolet	Equinox LT 2.0T AWD	2GNAXTEX8J6218503	20,000.00	2,600.00	22,600.00	19,526
18	2019	Chevrolet	Equinox LT	2GNAXVEX6K6297117	24,000.00	3,120.00	27,120.00	956
19	2018	Chevrolet	Cruze Premier Hatch	3G1BF6SM6JS610157	15,000.00	1,950.00	16,950.00	11,793
20	2020	GMC	Terrain SLE AWD	3GKALTEV3LL132568	32,500.00	4,225.00	36,725.00	12,285
21	2019	GMC	Terrain SLE AWD	3GKALTEV8KL348978	24,000.00	3,120.00	27,120.00	19,737
22	2019	GMC	Terrain SLE AWD	3GKALTEXXKL347350	24,000.00	3,120.00	27,120.00	18,893
23	2020	GMC	Terrain SLT AWD	3GKALVEX1LL124160	36,500.00	4,745.00	41,245.00	2,464
24	2019	Chevrolet	Trax LS	3GNCJKSB0KL237895	19,100.00	2,483.00	21,583.00	336
25	2019	Chevrolet	Trax LS AWD	3GNCJNSB0KL396885	20,100.00	2,613.00	22,713.00	8
26	2019	Chevrolet	Trax LS AWD	3GNCJNSB9KL362055	20,100.00	2,613.00	22,713.00	7
27	2019	Chevrolet	Blazer	3GNKBARA5KS599887	24,000.00	3,120.00	27,120.00	139
28	2019	Chevrolet	Blazer	3GNKBCRS2KS689132	29,750.00	3,867.50	33,617.50	15
29	2019	Chevrolet	Blazer	3GNKBCRS3KS638223	29,750.00	3,867.50	33,617.50	25
30	2019	Chevrolet	Blazer	3GNKBCRS8KS695274	29,750.00	3,867.50	33,617.50	12
31	2019	Chevrolet	Blazer	3GNKBGRS9KS700862	29,750.00	3,867.50	33,617.50	11
32	2019	Chevrolet	Blazer	3GNKBHRS1KS626942	32,750.00	4,257.50	37,007.50	12
33	2019	Chevrolet	Blazer	3GNKBJRSXKS640278	40,750.00	5,297.50	46,047.50	15,774
34	2019	Chevrolet	Blazer	3GNKBKRS4KS640279	40,750.00	5,297.50	46,047.50	5,405
35	2018	GMC	Sierra	3GTU2MEC3JG511253	33,000.00	4,290.00	37,290.00	151
36	2018	GMC	Sierra SLT 1500 4WD Crew	3GTU2NEJ5JG458687	39,000.00	5,070.00	44,070.00	18,915
37	2018	GMC	Sierra Denali 1500 4WD CR	3GTU2PEC2JG460720	41,000.00	5,330.00	46,330.00	32
38	2019	Buick	Enclave Essence FWD	5GAERBKW4KJ116082	40,000.00	5,200.00	45,200.00	69
39	2019	Buick	Enclave Premium AWD	5GAEVBKW2KJ131594	44,000.00	5,720.00	49,720.00	20,266

Total		\$ 1,385,550.00	\$ 180,121.50	\$ 1,565,671.50
Less:	Transportation	\$ (8,000.00)	\$ (1,040.00)	\$ (9,040.00)
	Condition Adjustment	\$ (15,000.00)	\$ (1,950.00)	\$ (16,950.00)
Offer		\$ 1,362,550.00	\$ 177,131.50	\$ 1,539,681.50

# **APPENDIX I**

A CONTRACTOR OF THE PROPERTY O	009 2010 2011 : 9 A B	2012 2013 20 C D E	COMMITTED TO A STATE OF THE STA	2017 2 H	018 2019 2020 J K L
UCDA WHOLESALI	E BILL OF	SALE	DATE:	April 2	4,2020
SELLER MYDAREG#	768	PURCHASE	MVDA REG#	5201	447
NAME 84 275 COURT - AFFORMATION OF	leceiver	NAME TIPCH			Buler GMC
DORESS			WONDERLAND		
TTY / PROV / PC	$\phi(x_1,x_2,y_1,\dots,y_n)$ . Then, declared any resonant squares on	CITY / PROV / PC	Lonson, ON	, N.6.	H 3 E 5
EL# FAX#		TEL#	non-consistence and consistence of the construction of the constru	X #	
SEE SCHEDULE B	MODEL	COLOUR TRIM	LEVEL GAS / DI	ESEL / HYBRID	PRICE \$ 750,000
SERIAL OR V.I.N. #		ethic <mark>dhi</mark> alan da ini an dhia dhia dhia dha na malay a an haga a ba'aa a maay maa dhiba na baalan aay maa dh	DISTANCE TRAVELLED	∏ KWS	,
ELLING DEALER'S INFORMATION	DURANARINA ATAUTA			MILES	
ilesperson's Registration #	PURCHASING DEALER  479577  Sales person's Registratio	•		HST	\$ 97,500
esperson's Name	Salesperson's Name	1		TOTAL	\$ 847,500
1 2 9 3 7 1521 E T 0002  Registration #	Signature  8 4 2 4 6 8 1  HST Registration #	67 PT0001	T te ai	erms of the contract nd understand and :	IEEMENT: acknowledge having read the including those on the reverse agree that the written terms on a entire agreement.
DELOITTE RESTRUCTUREDO	ul live ,				
COURT- APPOINTED RECEIVE					
DEAN MYEN'S CHEVRO	wo Limites				
AND NOT IN ITS	Personer ory				
Conposer Capperty	7				
Per:					
(SIGNATURE)	had til mille film om til menne skriget fram en til men en skriget skriget skriget. Me				

NAME: SZERFAND DAMMAN

### SCHEDULE A to WHOLESALE BILL OF SALE

WHEREAS pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) file no. CV-20-00636095-00CL dated February 12, 2020 (the "Appointing Order"), Deloitte Restructuring Inc., was appointed as Receiver over the Property (as defined in the Appointing Order) of Dean Myers Chevrolet Limited ("DMC") and 1125278 Ontario Limited (in such capacity the "Receiver");

**AND WHEREAS** the Purchaser wishes to purchase and the Receiver wishes to sell the Vehicle(s) as detailed on the Wholesale Bill of Sale, (the "Purchased Vehicle(s)"), in accordance with the terms outlined below:

NOW THEREFORE, in consideration of the sum described on the Wholesale Bill of Sale (the "Purchase Price"), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Receiver, hereby sells, conveys, transfers, assigns and sets over unto the Purchaser, all of DMC's right, title and interest, if any, in and to the Purchased Vehicle on an absolutely "as is where is basis", and to the following terms:

### 1.0 Purchase Price

- a. The Purchaser will pay the Purchase Price to DELOITTE RESTRUCTURING INC. by way of electronic wire transfer to the Receiver's trust account or a bank draft drawn upon a Schedule 1 chartered bank and in addition to the Purchase Price, the Purchaser will pay all applicable federal and provincial taxes applicable in connection with the purchase and sale of the Purchased Vehicle(s) including, without limitation, Harmonized Sales Tax ("HST").
- b. The Purchaser acknowledges that the Receiver has no obligation to make payment to the Purchaser in relation to any General Motors of Canada Company incentive programs related to the Purchased Vehicle(s) or provide any abatement in the Purchase Price with respect to same.

### 2.0 Possession of Purchased Vehicles

a. The Purchaser will remove and transport the Purchased Vehicle from 3180
 Dufferin Street, Toronto, Ontario (the "Premises") at its own expense. The

- Purchaser will be responsible for all damages to the Premises that is caused by the Purchaser during the removal of such Purchased Vehicle(s) (if applicable).
- b. The Purchaser will take possession of the Purchased Vehicle where situated the within five (5) days of execution of this Bill of Sale and the clearing of the payment of the Purchase Price. The Purchaser acknowledges that the Receiver has no obligation to deliver physical possession of the Purchased Vehicle to the Purchaser.
- c. It shall be the Purchaser's sole responsibility to register the vehicles and obtain any consents to the transfer and any further documents or assurances which are necessary or desirable in the circumstances to carry out the sale of the Purchased Vehicle to the Purchaser.

### 3.0 As Is Where Is

a. The Purchaser acknowledges that the Receiver is selling the Purchased Vehicle on an "as is, where is" basis as they exist on the date of this Agreement without recourse to the Receiver. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Receiver does not guarantee title to the Purchased Vehicle and that the Purchaser has conducted such inspections of the condition of title to the Purchased Vehicle as it deemed appropriate and has satisfied itself with regard to these matters. The Purchaser further acknowledges that no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, conditions, quantity or quality, assignability or in respect of any other matter or thing whatsoever concerning the Purchased Vehicle. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the Sale of Goods Act (Ontario) or similar legislation do not apply to this transaction and have been waived by the Purchaser and the list of Purchased Vehicles hereto has been provided for reference purposes only and shall not affect the interpretation of this Agreement. The Receiver has made no representations, warranties, statements or promises (save and except as expressly stated herein) and has not agreed to any conditions with respect to the Purchased Vehicles, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, all of which are expressly excluded.

b. The Receiver hereby represents and warrants to the Purchaser that the Receiver has done no act to encumber the Purchased Vehicle or any part thereof and has the authority to sell, assign and transfer to the Purchaser DMC's right, title and interest, if any, in and to the Purchased Vehicle.

### 4.0 General

- a. Upon payment of the Purchase Price and the execution and release of this Wholesale Bill of Sale, the Purchaser will hold the Purchased Vehicle for its use and benefit without any manner of hindrance, interruption, molestation, claim or demand whatsoever of, from or by DMC or the Receiver, its successors and assigns.
- b. The Receiver represents and warrants that it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
- c. The Receiver shall, at all times and from time to time, at the request and sole expense of the Purchaser, execute all such additional documents as the Purchaser may reasonably require to sell, convey and transfer the Purchased Vehicle to the Purchaser according to the true intent and meaning of this Bill of Sale.
- d. The representations and warranties described above shall survive closing.
- e. The Bill of Sale may be executed by the parties herein in separate counterparts (which counterparts may be delivered by facsimile transmission, or as a PDF document attached to an email) each of which once executed and delivered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument, which shall be sufficiently evidenced by any such counterparts.
- f. This Wholesale Bill of Sale shall enure to the benefit of and be binding upon the respective successors and assigns of the Receiver and the Purchaser.
- g. The Purchaser acknowledges and agrees that Deloitte Restructuring Inc., in executing the Wholesale Bill of Sale, is acting solely in its capacity as courtappointed Receiver pursuant to the Appointing Order and has no personal or corporate liability under this Wholesale Bill of Sale.

h. The Purchaser acknowledges and agrees that the Receiver is unable to make the required disclosure statements as required by section 30 of the Motor Vehicles Dealer Act 2002, S.O. 2002, c. 30, Sched. B and releases the Receiver from any damages or claims resulting from such non-disclosure.

IN WITNESS WHEREOF the parties have executed this Wholesale Bill of Sale on the date first written above.

Dated at Landan , Ontario this day of April , 2020

Witnest

### DELOITTE RESTRUCTURING INC.

Solely in its capacity as court-appointed Receiver of the Property of Dean Myers Chevrolet Limited, and not in its personal or corporate capacity

Per:

Name:

Title:

STEFANO VICE- PROSIDENT

(I have authority to bind the Corporation)

Purchaser: Finen CHEVROLET CHOINE BUIL GAL

Name:

(I have authority to bind the Corporation)

	Year	Make	Model	VIN	Odometer (km)
1	2018	RAM	1500 RAM EcoDiesel	1C6RR7PM1JS256658	22,396
2	2019	Ford	Mustang GT	1FA6P8CF2K5103226	8,229
3	2004	Ford	E-450 Super Duty CUBE	1FDXE45P84HA88991	151,813
ļ	2008	Ford	Explorer Sport Trac Limited	1FMEU23828UB23435	210,585
)	2010	Ford	Ranger	1FTLR4FEXAPA26322	153,250
3	2005	Chevrolet	Cobalt Base Sedan LS	1G1AJ52F457508804	152,952
	2008	Chevrolet	Cobalt LT Sedan	1G1AL55F087124755	166,524
	2008	Chevrolet	Cobalt Lt	1G1AL55FX87102410	79,956
	2016	Chevrolet	Cruze Lt	1G1BD5SM0G7270804	110,647
)	2018	Chevrolet	Cruze Lt	1G1BE5SM7J7194518	22,448
1	2018	Chevrolet	Camaro 1LS 1LE Pkg	1G1FA1RS6J0191791	11,092
2	2014	Chevrolet	Sonic Ls	1G1JA6SH0E4125015	67,125
}	2002	Chevrolet	Malibu	1G1ND52J02M679821	102,993
1	2002	Chevrolet	Malibu LS 4 DR Sedan	1G1NE52J82M591256	164,865
)	2003	Chevrolet	Malibu Ls	1G1NE52JX3M666332	117,026
ì	2015	Chevrolet	Cruze Lt	1G1PC5SB2F7163954	46,547
	2015	Chevrolet	Cruze Lt	1G1PC5SB5F7275275	56,798
	2014	Chevrolet	Cruze Lt	1G1PC5SB9E7261930	60,527
	2012	Chevrolet	Cruze Ls	1G1PC5SH9C7200739	161,404
	2012	Chevrolet	Cruze LS	1G1PC5SHXC7128319	169,977
	2015	Chevrolet	Cruze Lt	1G1PE5SB3F7252524	64,082
	2016	Chevrolet	Cruze Lt	1G1PE5SB5G7194594	89,502
	2016	Chevrolet	Cruze Lt	1G1PF5SB4G7163012	100,376
	2011	hevrolet	Cruze LT	1G1PG5S9687265432	86,659
	2012	Chevrolet	Cruze Lt	1G1PG5SC5C7304640	87,037
	2015	Chevrolet	Corvette Conv	1G1YJ3D79F5119677	25,478
	2017 (	hevrolet	Corvette GS	1G1YV2D77H5103981	23,820
	2010	hevrolet	Malibu Ls	1G1ZB5E05A4143018	183,211
	2005 F	ontiac	Pursuit	1G2AJ52F557614643	250,127
	2007 P	ontiac .	G5 Pursuit SE Coupe	1G2AL15F477184329	229,753
	2004 P	ontiac	Sunfire SE 4 DR Sedan	1G2JB52F847347588	223,686
	2008 P	ontiac	G6 SE Sedan	1G2ZG57N784123160	82,557
	2003 B	uick	Lesabre	1G4HP52K83U189886	185,180
ľ	2015 B	uick	Verano	1G4PP5SK4F4201015	56,980
ľ	2016 B	uick	Verano	1G4PP5SK6G4125444	118,509
	2014 B	uick	Verano CX	1G4PP5SK7E4153010	164,860
	2002 S	aturn	Saturn LS 4 Door Sedan	1G8JS54F42Y587411	211,860
	2003 C	hevrolet	Chev Small EXT Pickup 4X2	1GCCS19X138176722	173,447
T		hevrolet	Silverado REG CAB	1GCEK14V62Z272756	62,387
r		hevrolet	Colorado	1GCHTBEAXJ1157280	49,818
-		hevrolet	Colorado Crew Z71 Duramax	1GCPTDE14H1202411	<u> </u>
-		hevrolet	Silverado 1500 4WD Dbl	1GCVKREC7JZ239968	59,286 23,349
	1999 C	***************************************	Deville Limo	1GEEH90Y4XU550367	
F	2007 G		Envoy 4WD (4-Door)	1GKDT13S172192074	49,696 254,236
	2002 G		GMC Envoy 4 Door 4WD	1GKDT13S622475739	
	2007 G		Acadia SLE	1GKER13787J168360	262,178
	2008 G		Acadia AWD	1GKEV23708J203265	223,409
-	2008 G		Yukon XL 1/2 TON - 4WD	1GKFK16398R170834	213,120 308,500

49	2014 GMC	Acadia SLE AWD	1GKKRNED9EJ137337	134,75
50	2016 GMC	Yukon Denali	1GKS2CKJ6GR480310	58.14
51	2010 GMC	Yukon Denali Hybrid 2WD	1GKUCGEJOAR160366	102,22
52	2005 Chevrole		1GNDU03L65D293292	176,87
53	2006 Chevrole		1GNDU23L36D103798	249,00
54	2006 Chevrole	t Uplander REG 2WD	1GNDU33L06D206196	229,91
55	2015 Chevrole	t K1500 Suburban Ltz	1GNSKKKC1FR733210	138,97
56	2016 GMC	Sierra K1500	1GTN2LEC5GZ214671	127,94
57	2016 GMC	Sierra DBL CAB SLE	1GTV2MEC6GZ210005	98,583
58	2005 Cadillac	Srx	1GYEE63A150236771	181,61
59	2015 Cadillac	Escalade 4WD	1GY54PKJ4FR593890	94,389
60	2006 Lincoln	LS SPORT	1LNHM87A36Y621016	144,681
61	2002 Nissan	Altima SE	1N4BL11E42C159272	137,284
62	2005 Chrysler	300 Touring	2C3AA53G95H102685	254,761
63	2007 Pontiac	Torrent	2CKDL63F176036771	285,896
64	2006 Pontiac	Torrent	2CKDL63F366069804	
65	2006 Pontiac	Torrent FWD	2CKDL63F866104725	145,824 212,217
66	2009 Chevrolet	Equinox Ls	2CNDL13F296211909	
67	2005 Chevrolet		2CNDL23F056191174	195,189
68	2007 Chevrolet		2CNDL23F176241065	242,426
69	2008 Chevrolet		2CNDL33F186349631	334,333
70	2008 Chevrolet		2CNDL33F886046314	182,345
71	2008 Chevrolet		2CNDL33FX86051675	284,785
72	2008 Chevrolet	Equinox LT AWD	2CNDL43F686322544	187,001
73	2006 Chevrolet	Equinox LT AWD	2CNDL73F866070116	182,318
74	2011 Chevrolet	Equinox LT FWD	2CNFLDE52B6240721	258,693
75	1994 Ford	Tow Truck	2FDLF47K8RCA10187	152,400
76	2006 Chevrolet	Impala Ls	2G1WB58NX69350776	198,850
77	2003 Chevrolet	Impala 4 DR Sedan	2G1WF52E539180772	206,269
78	2003 Chevrolet	Impala	2G1WF52EX39339043	114,485
79	2000 Chevrolet	Impala	2G1WF52K8Y9173411	49,485
80	2001 Chevrolet	impala	2G1WF55E419166712	134,911
81	2005 Buick	Century Custom 4 DR Sedan	2G4WS52J051128110	249,483
82 -	1993 GMC	CAB AND CHASSIS	2GDJG31K2P4514023	146,802
83	2017 GMC	Terrain DENALI AWD	2GKFLVE36H6193747	241,000
84	2014 GMC	Terrain SLT AWD	2GKFLYE36E6146330	41,639
85	2015 Chevrolet	equinox	2GNALBEK1F6166228	51,352
86	2013 Chevrolet	Equinox LT Awd	2GNFLEEK7D6200774	34,364
87	2015 Chevrolet	Equinox LTZ AWD	2GNFLHE3XF6248492	108,620
88	2010 Toyota	MATRIX	2T1KU4EE0AC404531	169,394
89 -	2014 Dodge	Journey SE	3G4PDCAB7ET167583	192,987
90	2017 Chevrolet	Cruze	3G1BE6SM5HS533472	112,467
91	2003 Pontiac	Sunfire SI/sIx	3G2JB52F03S172544	71,154
92	2005 Pontiac	Sunfire SE 4 DR Sedan	3G2JB52FX5S188933	255,594
93	2009 Pontiac	G3 Wave Sedan SE	3G2TX55E19L122395	217,460
94	2003 Buick	Rendezvous FWD	3G5DA03E03S520712	164,949
95	2006 Chevrolet	Silverado 1500	3GCEC14X86G149884	241,546
96	2010 Chevrolet	Silverado K1500 LT	3GCRKSE34AG131624	25,850
97	2013 Chevrolet	Trax LS FWD	3GNCJKSB7DL191226	236,472
-	2013 Chevrolet		Lagis CIVADI DETAITS	122,764



, , ,		Subtotal (\$)	HST (\$)	Total with HST (\$)
140	1989 GMC	C6000 C6D042	1GDG6D1B6KV505773	299,068 N/A
139	2005 Volvo	S60 2.5T	YV1RS592852473816	185,125
138	2010 Volkswagen	GOLF GTI 2.0T 6 SPD	WMWRC33482TC33124 WVWEV7AJ0AW235763	211,860
137	2002 Mini	Cooper	WMEAJ00F96J287817	78,880
136	2005   Mercedes-Berl2	Fortwo Passion	WDBSK75F83F037659	114,367
135	2003 Mercedes-Benz		WBXPA93416WD29543	246,523
134	2006 BMW	X3 3.01	WAUSFBFR2BA059344	88,051
133	2011 Audi	AS 2dr Man 2.0 Prem	SCBCR63W05C029903	84,364
132	2005 Bentley	Continental GT	SALWR2EF0EA312127	118,532
131	2014 Land Rover	Range Rover Sport	KMHHM65D08U289418	108,870
130	2018 Hyundai	Sonata Hybrid Limited Tiburon GS	KMHE34L18GA028623	77,545
129	2016 Hyundai		KMHDM45D52U418912	178,208
128	2002 Hyundai	Elantra Gt GLS	KMHD35LH2FU247945	112,449
127	2015 Hyundai	Elantra Gt GLS	KM8JT3AC6CU478311	91,173
126	2012 Hyundai	Tucson GL	KL8CF6SA6GC564144	41,043
125	2012 Chevrolet	Spark 2lt	KL77P2EM9CK569016	115,833
123	2012 Chevrolet	Orlando LT	KL1TG65607B763215	173,189
123	2007 Chevrolet	Aveo LT 5 Door	KL1TG55687B063310	280,379
122	2007 Chevrolet	Aveo Lt	KL1TD69676B592271	263,284
121	2006 Chevrolet	Aveo/ls	JN8AZ08T06W423275	154,201
120	2006 Nissan	Murano SL	JN8AS58T28W018099	189,322
119	2008 Nissan	Rogue SL	JM18L1SF0A1152945	251,827
118	2010 Mazda	Mazda 3	JM1BK32F871629046	131,048
117	2007 Mazda	3   Sport	JHMEJ6635WS811523	195,547
116	1998 Honda	Civic LX	5Y2SL62813Z421053	189,551
115		Vibe	5NMSG73E39H311200	153,940
114	2009 Hyundai	Cr-V Touring Santa Fe GL	5J6RM4H96GL804926	30,356
113		Enclave CX AWD	5GAKVAED7CJ343139	83,051
112		Enclave LEATHER FWD	5GAKRBKD1GJ314188	74,377
111		NV200 SV NAVIGATION	3N6CM0KN4EK697034	156,539
109 110		CITY EXPRESS	3N63M0YN8HK692608	34,325
108		City Express VAN LS	3N63M0YN6HK704805	26,246
107		CITY EXPRESS	3N63M0YN3FK694036	114,490
106		City Express	3N63M0YN2HK693334	36,939
105		MKZ AWD	3LNHL2GC0CR819290	191,48
		Sierra CREW SLT	3GTU2VEC9EG557293	199,51
103		Sierra CREW SLE	3GTU2UECXFG369202	92,09
102		Sierra	3GTU2PEC9HG135167	11,87
10		Sierra CREW DENALI 4WD	3GTU2PEC3HG301456	83,47
100		Sierra CREW SLT	3GTU2NECXJG133163	58,94
400	2010/0145	Avalanche 4WD LTZ	3GNTKGE72CG121299	134,83



# **APPENDIX J**

VII-10* 2005 2006 2007 0611 5 6 7	2008 2009	2010 A	2011 B	2012 C	2013 D	2014 E	2015 F	2016 G	2017 H	2018 J	2019 K	2020 L
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DEFORME RESTRUCTURE INC.,
SCHOOL APPLICATE PERSONAL

LILS 2. 78 ONTARIO LIMITED,
AND NAT IN IT'S PERSONAL

ONLY COLPERATE CAPACITY

FOR DOMES STEFAND DAMIANI

TITLE VICE- Presiper.

A.G.

### SCHEDULE A to WHOLESALE BILL OF SALE

WHEREAS pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) file no. CV-20-00636095-00CL dated February 12, 2020 (the "Appointing Order"). Deloitte Restructuring Inc., was appointed as Receiver over the Property (as defined in the Appointing Order) of Dean Myers Chevrolet Limited ("DMC") and 1125278 Ontario Limited (in such capacity the "Receiver");

AND WHEREAS the Purchaser wishes to purchase and the Receiver wishes to sell the Vehicle(s) as detailed on the Wholesale Bill of Sale, (the "Purchased Vehicle(s)"), in accordance with the terms outlined below:

NOW THEREFORE, in consideration of the sum described on the Wholesale Bill of Sale (the "Purchase Price"), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Receiver, hereby sells, conveys, transfers, assigns and sets over unto the Purchaser, all of DMC's right, title and interest, if any, in and to the Purchased Vehicle on an absolutely "as is where is basis", and to the following terms:

### 1.0 Purchase Price

- a. The Purchaser will pay the Purchase Price to DELOITTE RESTRUCTURING INC. by way of electronic wire transfer to the Receiver's trust account or a bank draft drawn upon a Schedule 1 chartered bank and in addition to the Purchase Price, the Purchaser will pay all applicable federal and provincial taxes applicable in connection with the purchase and sale of the Purchased Vehicle(s) including, without limitation, Harmonized Sales Tax ("HST").
- b. The Purchaser acknowledges that the Receiver has no obligation to make payment to the Purchaser in relation to any General Motors of Canada Company incentive programs related to the Purchased Vehicle(s) or provide any abatement in the Purchase Price with respect to same.

#### 2.0 Possession of Purchased Vehicles

a. The Purchaser will remove and transport the Purchased Vehicle from 3180
 Dufferin Street, Toronto, Ontario (the "Premises") at its own expense. The

Purchaser will be responsible for all damages to the Premises that is caused by the Purchaser during the removal of such Purchased Vehicle(s) (if applicable)

- b. The Purchaser will take possession of the Purchased Vehicle where situated the within five (5) days of execution of this Bill of Sale and the clearing of the payment of the Purchase Price. The Purchaser acknowledges that the Receiver has no obligation to deliver physical possession of the Purchased Vehicle to the Purchaser.
- c. It shall be the Purchaser's sole responsibility to register the vehicles and obtain any consents to the transfer and any further documents or assurances which are necessary or desirable in the circumstances to carry out the sale of the Purchased Vehicle to the Purchaser.

### 3.0 As Is Where Is

 The Purchaser acknowledges that the Receiver is selling the Purchased Vehicle on an "as is, where is" basis as they exist on the date of this Agreement without recourse to the Receiver. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Receiver does not quarantee title to the Purchased Vehicle and that the Purchaser has conducted such inspections of the condition of title to the Purchased Vehicle as it deemed appropriate and has satisfied itself with regard to these matters. The Purchaser further acknowledges that no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, conditions, quantity or quality, assignability or in respect of any other matter or thing whatsoever concerning the Purchased Vehicle. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the Sale of Goods Act (Ontario) or similar legislation do not apply to this transaction and have been waived by the Purchaser and the list of Purchased Vehicles hereto has been provided for reference purposes only and shall not affect the interpretation of this Agreement. The Receiver has made no representations, warranties, statements or promises (save and except as expressly stated herein) and has not agreed to any conditions with respect to the Purchased Vehicles, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, all of which are expressly excluded.



b. The Receiver hereby represents and warrants to the Purchaser that the Receiver has done no act to encumber the Purchased Vehicle or any part thereof and has the authority to sell, assign and transfer to the Purchaser DMC's right, title and interest, if any, in and to the Purchased Vehicle.

### 4.0 General

- a. Upon payment of the Purchase Price and the execution and release of this Wholesale Bill of Sale, the Purchaser will hold the Purchased Vehicle for its use and benefit without any manner of hindrance, interruption, molestation, claim or demand whatsoever of, from or by DMC or the Receiver, its successors and assigns.
- b The Receiver represents and warrants that it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
- c. The Receiver shall, at all times and from time to time, at the request and sole expense of the Purchaser, execute all such additional documents as the Purchaser may reasonably require to sell, convey and transfer the Purchased Vehicle to the Purchaser according to the true intent and meaning of this Bill of Sale.
- d. The representations and warranties described above shall survive closing.
- e. The Bill of Sale may be executed by the parties herein in separate counterparts (which counterparts may be delivered by facsimile transmission, or as a PDF document attached to an email) each of which once executed and delivered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument, which shall be sufficiently evidenced by any such counterparts.
- f. This Wholesale Bill of Sale shall enure to the benefit of and be binding upon the respective successors and assigns of the Receiver and the Purchaser.
- g. The Purchaser acknowledges and agrees that Deloitte Restructuring Inc., in executing the Wholesale Bill of Sale, is acting solely in its capacity as courtappointed Receiver pursuant to the Appointing Order and has no personal or corporate liability under this Wholesale Bill of Sale.

A. F.

h. The Purchaser acknowledges and agrees that the Receiver is unable to make the required disclosure statements as required by section 30 of the Motor Vehicles Dealer Act 2002, S.O. 2002, c. 30, Sched. B and releases the Receiver from any damages or claims resulting from such non-disclosure.

**IN WITNESS WHEREOF** the parties have executed this Wholesale Bill of Sale on the date first written above.

Dated at Toronto, Ontario this 6 day of May , 2020

Witness:

### DELOITTE RESTRUCTURING INC.

Solely in its capacity as court-appointed Receiver of the Property of Dean Myers Chevrolet Limited, and not in its personal or corporate capacity

Per:

Name:

Title:

Stepano Damiani Vice-President

(I have authority to bind the Corporation)

Purchaser:

Per:

Name Title:

i itito.

(I have authority to bind the Corporation)

A.G.

# APPENDIX K

### SCHEDULE A1

### BILL OF SALE

Purchaser: Anthony Ventura

Description of Purchased Asset: (attach schedule A if required)

- Orange Hydraulic fress

- Hunter DSP9200 wheel Balancer

- GE-52200 Lift Cart

Purchase Price: 84.350°c + 457 50.

WHEREAS pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) file no. CV-20-00636095-00CL dated February 12, 2020 (the "Appointing Order"), Deloitte Restructuring Inc., was appointed as Receiver over the Property (as defined in the Appointing Order) of Dean Myers Chevrolet Limited ("DMC") and 1125278 Ontario Limited (in such capacity the "Receiver");

AND WHEREAS the Purchaser wishes to purchase and the Receiver wishes to sell certain parts as detailed above, (the "Purchased Assets"), in accordance with the terms outlined below;

NOW THEREFORE, in consideration of the sum described above (the "Purchase Price"), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Receiver, hereby sells, conveys, transfers, assigns and sets over unto the Purchaser, all of DMC's right, title and interest, if any, in and to the Purchased Vehicle on an absolutely "as is where is basis", and to the following terms:

### 1.0 Purchase Price

a. The Purchaser will pay the Purchase Price to DELOITTE RESTRUCTURING INC. by way of electronic wire transfer to the Receiver's trust account or a bank draft drawn upon a Schedule 1 chartered bank and in addition to the Purchase Price, the Purchaser will pay all applicable federal and provincial taxes applicable in connection with the purchase and sale of the Purchased Vehicle(s) including, without limitation, Harmonized Sales Tax ("HST").

### 2.0 Possession of Purchased Parts

- a. The Purchaser will remove and transport the Purchased Assets from 3180 Dufferin Street, Toronto, Ontario (the "Premises") at its own expense. The Purchaser will be responsible for all damages to the Premises that is caused by the Purchaser during the removal of such Purchased Assets (if applicable).
- b. The Purchaser will take possession of the Purchased Assets where situated within five (5) days of execution of this Bill of Sale and the clearing of the payment of the Purchase Price. The Purchaser acknowledges that the Receiver has no obligation to deliver physical possession of the Purchased Assets to the Purchaser.
- c. It shall be the Purchaser's sole responsibility to obtain any consents to the transfer and any further documents or assurances which are necessary or desirable in the circumstances to carry out the sale of the Purchased Assets to the Purchaser.

### 3.0 As Is Where Is

a. The Purchaser acknowledges that the Receiver is selling the Purchased Assets on an "as is, where is" basis as they exist on the date of this Agreement without recourse to the Receiver. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Receiver does not guarantee title to the Purchased Assets and that the Purchaser has conducted such inspections of the condition of title to the Purchased Assets as it deemed appropriate and has satisfied itself with regard to these matters. The Purchaser further acknowledges that no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, conditions, quantity or quality, assignability or in respect of any other matter or thing whatsoever concerning the Purchased Assets. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) or similar legislation do not apply to this transaction and have been waived by the Purchaser and the list of Purchased Assets hereto has been provided for reference purposes only and shall not affect the interpretation of this Agreement. The Receiver has made no representations, warranties, statements or promises (save and except as expressly stated herein) and has not agreed to any conditions with respect to the Purchased Assets, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, all of which are expressly excluded.

b. The Receiver hereby represents and warrants to the Purchaser that the Receiver has done no act to encumber the Purchased Vehicle or any part thereof and has the authority to sell, assign and transfer to the Purchaser DMC's right, title and interest, if any, in and to the Purchased Assets.

### 4.0 General

- a. Upon payment of the Purchase Price and the execution and release of this Bill of Sale, the Purchaser will hold the Purchased Assets for its use and benefit without any manner of hindrance, interruption, molestation, claim or demand whatsoever of, from or by DMC or the Receiver, its successors and assigns.
- b. The Receiver represents and warrants that it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
- c. The Receiver shall, at all times and from time to time, at the request and sole expense of the Purchaser, execute all such additional documents as the Purchaser may reasonably require to sell, convey and transfer the Purchased

Assets to the Purchaser according to the true intent and meaning of this Bill of Sale.

- d. The representations and warranties described above shall survive closing.
- e. The Bill of Sale may be executed by the parties herein in separate counterparts (which counterparts may be delivered by facsimile transmission, or as a PDF document attached to an email) each of which once executed and delivered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument, which shall be sufficiently evidenced by any such counterparts.
- f. This Bill of Sale shall enure to the benefit of and be binding upon the respective successors and assigns of the Receiver and the Purchaser.
- g. The Purchaser acknowledges and agrees that Deloitte Restructuring Inc., in executing the Bill of Sale, is acting solely in its capacity as court-appointed Receiver pursuant to the Appointing Order and has no personal or corporate liability under this Bill of Sale.

IN WITNESS WHEREOF the parties have executed this Bill of Sale on the date first written above.

Dated at Week, Ontario this 27day of April, 2020

### DELOITTE RESTRUCTURING INC.

Solely in its capacity as court-appointed Receiver of the Property of Dean Myers Chevrolet Limited, and not in its personal or corporate capacity Per:\_

Name: Stephan Daman

Title:

VICE - PRESIDEN

(I have authority to bind the Corporation)

[PURCHASER]

Witness

Jon Sirasso

Per-

Name: Anthony Venter

Title: Ventura Aut

(I have authority to bind the Corporation)

SCHEDULE "A" - DESCRIPTION OF PURCHASED ASSETS

(\$ Amounts in Canadian Currency)

Description	Serial Number	Offer price	HST (13% of offer price)	Offer price + HST
DSP9200-DD Wheel Balancer - Hunter	LWC628	\$ 00.008	\$ 104.00 \$	
GE-52200 Lift Cart (POWERTRAIN LIFT - EV)	D812AS10221	3,200.00	\$ 416.00 \$	3,616.00
Orange Press	N/A	\$ 350.00	\$ 45.50 \$	
Total		\$ 4,350.00 \$		4

# APPENDIX L

ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)

BETWEEN:

**ROYAL BANK OF CANADA** 

- and -

DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Applicant

Respondents

SATISFACTION PIECE (2010197 ONTARIO LTD.)

2020 (the "Appointment Order") Deloitte Restructuring Inc. was appointed as the Receiver of all the assets, undertakings and WHEREAS pursuant to the order of the Honourable Justice Hainey of the Ontario Superior Court of Justice made February 12, properties of Dean Myers Chevrolet Limited ("DMC") and 1125278 Ontario Limited (in such capacity the "Receiver"). AND WHERAS the Receiver has determined that were certain amounts are owing by 2010197 Ontario Ltd. to DMC pursuant to the following Wholesale Bill of Sales for the sale of the following Vehicles (collectively the "Account Receivable"):

Date	Seller	Purchaser	Vehicle
November 18, 2019	DMC	2010197 Ontario Ltd.	2015 Cadillac ATS 2.0T RWD VIN 1G6AA5RX4F0122449
November 18, 2019	DMC	2010197 Ontario Ltd.	2014 Dodge Grand Caravan Crew
	)		VIN 2C4RDG5ER106405
November 18, 2040		004007 Circtan	2010 GMC Terrain Slt
10, 2019	2	ZOTOTB/ OINGING EIG.	VIN 2CTFLJEY1A6227586
0,000		0,000	2008 Chevrolet Avalanche LTZ 4wd
NOVELIDE 10, 2019	2	ZOTOTS/ Officiallo Eta.	VIN 3GNFK12378G140210
01000 01 vodes		00407	2015 Cadillac SRX V6
100 Z C C C C C C C C C C C C C C C C C C	5	ZOTOTS/ OHIGHD FIG.	VIN 3GYFNEE32FS594128
0,000	(	0040407	2015 Cadillac SRX V6
NOVELIDE 10, 2019			VIN 3GYFNGE32FS536483
00000	CMC	2010107 CO10101	2014 Dodge Journey SE
0, 20, 20, 20, 20, 20, 20, 20, 20, 20, 2	2	ZOTOTS/ Officially Eld.	VIN 3C4PDCAB7ET167583

AND WHEREAS 2010197 Ontario Ltd. has paid to the Receiver the sum of \$104,122.87 in cleared and readily available monies on account of the Account Receivable, and that the Receiver has received such monies by way of two payments: \$79,487.00 and \$24,635.87; THE RECEIVER hereby confirms that, in satisfaction of the payment made by 2010 97 Ontario Ltd. in the amount of \$104,122.87, the Account Receivable is hereby satisfied and the Receiver releases any interest it or DMC had in the Vehicles listed herein. This Satisfaction Piece related only to the Account Receivable and is not a release in relation to any other matter.

DELOITTE RESTRUCTURING INC. solely in its capacity as court appointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited and not in any personal or corporate capacity

Per: Stephy () Amidal Juce Pure 10007 (I have authority to bind the corporation)

# **APPENDIX M**

April PU 52

THIS BILL OF SALE made as of this 8th day of Maxxetx 2020.

BETWEEN:

### DELOITTE RESTRUCTURING INC.

Solely in its capacity as court-appointed Receiver of the Property of Dean Myers Chevrolet Limited and 1125278 Ontario Limited, and not in its personal or corporate capacity

(the "Vendor")

And

KINNYBUKAHO KURKHOKA

2010197 Ontario Itd

(the "Purchaser")

**WHEREAS** pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) file no. CV-20-00636095-00CL dated February 12, 2020 (the "**Appointing Order**"), the Vendor was appointed as Receiver over the Property (as defined in the Appointing Order) of Dean Myers Chevrolet Limited ("**DMC**") and 1125278 Ontario Limited (in such capacity the "**Receiver**");

**AND WHEREAS** the Purchaser wishes to purchase and the Receiver wishes to sell certain Vehicles, as set out at Schedule "A" hereto, which are owned by DMC and currently in the possession of the Purchaser and/or certain family members of the Purchaser (the "**Purchased Vehicles**"), in accordance with the terms outlined below;

**NOW THEREFORE**, in consideration of the sum described at paragraph 1.0 (a) below, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Receiver, hereby sells, conveys, transfers, assigns and sets over unto the Purchaser, all of DMC's right, title and interest, if any, in and to the Purchased Vehicles on an absolutely "as is where is basis", and to the following terms:

### 1.0 Purchase Price

a. The Purchaser will pay the amount of CDN \$204,383.75 being \$180,870.58 plus HST (defined below) of \$23,513.18 (the "Purchase Price") to DELOITTE RESTRUCTURING INC. by way of electronic wire transfer to the Receiver's trust account or a bank draft drawn upon a Schedule 1 chartered bank and in addition to the Purchase Price, the Purchaser will pay all applicable federal and provincial

taxes applicable in connection with the purchase and sale of the Purchased Vehicle(s) including, without limitation, Harmonized Sales Tax ("HST"). The Purchaser will pay upon closing, in addition to the Purchase Price, all applicable federal and provincial taxes applicable in connection with the purchase and sale of the Purchased Vehicles if any, including, without limitation, HST.

b. The Purchaser agrees to indemnify and save the Vendor harmless from and against all claims and demands for payment of all applicable taxes including penalties and interest and any liability or costs incurred as a result of any failure by the Purchaser to pay such taxes when due.

#### 2.0 Possession of Purchased Vehicles

- a. The Purchaser will remove, transport and store any of the Purchased Vehicles from 3180 Dufferin Street, Toronto, Ontario (the "Premises") at its own expense. The Purchaser will be responsible for all damages to the premises where the Purchased Vehicles is located that are caused by the Purchaser during the removal of such Purchased Vehicles (if applicable).
- b. The Purchaser will take possession of the Purchased Vehicles where situated within five (5) days of the execution of this Bill of Sale and the payment of the Purchase Price. The Purchaser acknowledges that the Vendor has no obligation to deliver physical possession of the Purchased Vehicles to the Purchaser.
- c. It shall be the Purchaser's sole responsibility to register the vehicles and obtain any consents to the transfer and any further documents or assurances which are necessary or desirable in the circumstances to carry out the sale of the Purchased Vehicle to the Purchaser.

### 3.0 As Is Where Is

a. The Purchaser acknowledges that the Receiver is selling the Purchased Vehicles on an "as is, where is" basis as they exist on the date of this Agreement without recourse to the Vendor. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendor does not guarantee title to the Purchased Vehicles and that the Purchaser has conducted such inspections of the condition of title to the Purchased Vehicles as it deemed appropriate and has satisfied itself with regard to these matters. The Purchaser further acknowledges that no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, conditions, quantity or quality, assignability or in respect of any other matter or thing whatsoever concerning the Purchased Vehicles. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) or similar legislation do not apply to this transaction and have been waived by the Purchaser and the list of Purchased Vehicles hereto has been provided for reference purposes only and shall not affect the interpretation of this Agreement. The Vendor has made no representations, warranties, statements or promises (save and except as expressly stated herein) and has not agreed to any conditions with respect to the Purchased Vehicles, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, all of which are expressly excluded.

b. The Receiver hereby represents and warrants to the Purchaser that the Vendor has done no act to encumber the Purchased Vehicles or any part thereof and has the authority to sell, assign and transfer to the Purchaser DMC's right, title and interest, if any, in and to the Purchased Vehicles.

#### 4.0 General

- a. Upon payment of the Purchase Price and the execution and release of this Agreement, the Purchaser will hold the Purchased Vehicles for its use and benefit without any manner of hindrance, interruption, molestation, claim or demand whatsoever of, from or by DMC or the Receiver, its successors and assigns.
- b. The Receiver represents and warrants that it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
- c. The Receiver shall, at all times and from time to time, at the request and sole expense of the Purchaser, execute all such additional documents as the Purchaser may reasonably require to sell, convey and transfer the Purchased Vehicles to the Purchaser according to the true intent and meaning of this Bill of Sale.

- d. It is agreed that the recitals above are true and accurate and form part of the terms and conditions of this Bill of Sale.
- e. It is agreed that the Vendor and Purchaser are each responsible for their own legal costs.
- f. The representations and warranties described above shall survive closing.
- g. The Bill of Sale may be executed by the parties herein in separate counterparts (which counterparts may be delivered by facsimile transmission, or as a PDF document attached to an email) each of which once executed and delivered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument, which shall be sufficiently evidenced by any such counterparts.
- h. This Bill of Sale shall enure to the benefit of and be binding upon the respective successors and assigns of the Vendor and the Purchaser.
- i. The Vendor is acting solely in its capacity as court-appointed Receiver and will have no personal or corporate liability under this Agreement.

**IN WITNESS WHEREOF** the parties have executed this Bill of Sale on the date first written above.

Dated at Tomas, Ontario this  $g^{TM}$  day of  $A_{PRIL}$ , 2020

Witness:

Receiver of the Property of Dean Myers
Chevrolet Limited and 1125278 Ontario Limited,
and not in its personal or corporate capacity
// )

**DELOITTE RESTRUCTURING INC.**Solely in its capacity as court-appointed

Per: OR DAMIANI
Title: VICE- PRESIDENT

(I have authority to bind the Corporation)

RICHARDXCHAMBERLIN

Richard chamberlin

President

## SCHEDULE "A" PURCHASED VEHICLES

VIN	YEAR	MAKE	MODEL	ODOMETER (KM)	AMOUNT (\$)	HST (\$)	TOTAL (\$)
1GYKNDRS9JZ152310	2018	Cadillac	XT5 Luxury	43,855	48,865.16	6,352.47	55,217.63
SCBDR33W27C043629	2007	Bentley	Continental Gt 2dr Conv	30,000	75,266.25	9,784.61	85,050.86
1FDAW57P17EB32440	2007	Ford	F550	162,854	40,527.98	5,268.64	45,796.62
3C4PDCAB8HT552378	2017	Dodge	Journey	65,282	16,211.19	2,107.45	18,318.65
Total					180,870.58	23,513.18	204,383.75

THIS BILL OF SALE made as of this 8th day of March, 2020.

BETWEEN:

#### DELOITTE RESTRUCTURING INC.

Solely in its capacity as court-appointed Receiver of the Property of Dean Myers Chevrolet Limited and 1125278 Ontario Limited, and not in its personal or corporate capacity

(the "Vendor")

And

RICHARD CHAMBERLIN

2010197 Ontario Ltd

SP

(the "Purchaser")

**WHEREAS** pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) file no. CV-20-00636095-00CL dated February 12, 2020 (the "**Appointing Order**"), the Vendor was appointed as Receiver over the Property (as defined in the Appointing Order) of Dean Myers Chevrolet Limited and 1125278 Ontario Limited ("**112 Ontario**") (in such capacity the "**Receiver**");

**AND WHEREAS** the Purchaser wishes to purchase and the Receiver wishes to sell certain Vehicles, as set out at Schedule "A" hereto, which are owned by 112 Ontario and currently in the possession of the Purchaser and/or certain family members of the Purchaser (the "**Purchased Vehicles**"), in accordance with the terms outlined below;

**NOW THEREFORE**, in consideration of the sum described at paragraph 1.0 (a) below, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Receiver, hereby sells, conveys, transfers, assigns and sets over unto the Purchaser, all of 112 Ontario's right, title and interest, if any, in and to the Purchased Vehicles on an absolutely "as is where is basis", and to the following terms:

### 1.0 Purchase Price

a. The Purchaser will pay the amount of CDN \$85,574.25 being \$75,729.42 plus HST (defined below) of \$9,844.82 (the "Purchase Price") to DELOITTE RESTRUCTURING INC. by way of electronic wire transfer to the Receiver's trust account or a bank draft drawn upon a Schedule 1 chartered bank and in addition to the Purchase Price, the Purchaser will pay all applicable federal and provincial

taxes applicable in connection with the purchase and sale of the Purchased Vehicle(s) including, without limitation, Harmonized Sales Tax ("**HST**"). The Purchaser will pay upon closing, in addition to the Purchase Price, all applicable federal and provincial taxes applicable in connection with the purchase and sale of the Purchased Vehicles if any, including, without limitation, HST.

b. The Purchaser agrees to indemnify and save the Vendor harmless from and against all claims and demands for payment of all applicable taxes including penalties and interest and any liability or costs incurred as a result of any failure by the Purchaser to pay such taxes when due.

#### 2.0 Possession of Purchased Vehicles

- a. If applicable, the Purchaser will remove, transport and store any of the Purchased Vehicles from 3180 Dufferin Street, Toronto, Ontario (the "Premises") at its own expense. The Purchaser will be responsible for all damages to the premises where the Purchased Vehicles is located that are caused by the Purchaser during the removal of such Purchased Vehicles (if applicable).
- b. If applicable, the Purchaser will take possession of the Purchased Vehicles where situated within five (5) days of the execution of this Bill of Sale and the payment of the Purchase Price. The Purchaser acknowledges that the Vendor has no obligation to deliver physical possession of the Purchased Vehicles to the Purchaser.
- c. It shall be the Purchaser's sole responsibility to register the vehicles and obtain any consents to the transfer and any further documents or assurances which are necessary or desirable in the circumstances to carry out the sale of the Purchased Vehicle to the Purchaser.

#### 3.0 As Is Where Is

a. The Purchaser acknowledges that the Receiver is selling the Purchased Vehicles on an "as is, where is" basis as they exist on the date of this Agreement without recourse to the Vendor. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendor does not guarantee title to the Purchased Vehicles and that the Purchaser has conducted such inspections of the condition of title to the Purchased Vehicles as it deemed appropriate and has satisfied itself with regard to these matters. The Purchaser further acknowledges that no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, conditions, quantity or quality, assignability or in respect of any other matter or thing whatsoever concerning the Purchased Vehicles. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) or similar legislation do not apply to this transaction and have been waived by the Purchaser and the list of Purchased Vehicles hereto has been provided for reference purposes only and shall not affect the interpretation of this Agreement. The Vendor has made no representations, warranties, statements or promises (save and except as expressly stated herein) and has not agreed to any conditions with respect to the Purchased Vehicles, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, all of which are expressly excluded.

b. The Receiver hereby represents and warrants to the Purchaser that the Vendor has done no act to encumber the Purchased Vehicles or any part thereof and has the authority to sell, assign and transfer to the Purchaser 112 Ontario's right, title and interest, if any, in and to the Purchased Vehicles.

#### 4.0 General

- a. Upon payment of the Purchase Price and the execution and release of this Agreement, the Purchaser will hold the Purchased Vehicles for its use and benefit without any manner of hindrance, interruption, molestation, claim or demand whatsoever of, from or by 112 Ontario or the Receiver, its successors and assigns.
- b. The Receiver represents and warrants that it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
- c. The Receiver shall, at all times and from time to time, at the request and sole expense of the Purchaser, execute all such additional documents as the Purchaser may reasonably require to sell, convey and transfer the Purchased Vehicles to the Purchaser according to the true intent and meaning of this Bill of Sale.

- d. It is agreed that the recitals above are true and accurate and form part of the terms and conditions of this Bill of Sale.
- e. It is agreed that the Vendor and Purchaser are each responsible for their own legal costs.
- f. The representations and warranties described above shall survive closing.
- g. This Bill of Sale may be executed by the parties herein in separate counterparts (which counterparts may be delivered by facsimile transmission, or as a PDF document attached to an email) each of which once executed and delivered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument, which shall be sufficiently evidenced by any such counterparts.
- h. This Bill of Sale shall enure to the benefit of and be binding upon the respective successors and assigns of the Vendor and the Purchaser.
- i. The Vendor is acting solely in its capacity as court-appointed Receiver and will have no personal or corporate liability under this Agreement.

**IN WITNESS WHEREOF** the parties have executed this Bill of Sale on the date first written above.

Dated at Towns, Ontario this 8 day of April, 2020

Witness:

#### DELOITTE RESTRUCTURING INC.

Solely in its capacity as court-appointed Receiver of the Property of Dean Myers Chevrolet Limited and 1125278 Ontario Limited, and not in its personal or corporate capacity

Per: STEFAND DAMANI
Title: Vice-Pres Dewy

(I have authority to bind the Corporation)

RICHARD CHAMBERLIN

Per: 2010197 Ontario Ltd

Richard Chamberlin
President

## SCHEDULE "A" PURCHASED VEHICLES

VIN	YEAR	MAKE	MODEL	ODOMETER (KM)	AMOUNT (\$)	HST (\$)	TOTAL (\$)
WBA3R1C50EK190682	2014	BMW	435i	70,895	29,411.73	3,823.53	33,235.26
1GNSKJKC3GR201940	2016	Chevrolet	Suburban	64,737	46,317.69	6,021.30	52,338.99
Total					75,729.42	9,844.82	85,574.25

## APPENDIX N

#### ASSET PURCHASE AGREEMENT

This Agreement made this 28<sup>TH</sup> day of April 2020.

#### BETWEEN:

DELOITTE RESTRUCTURING INC., in its capacity as Court-appointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited, and not in its personal or corporate capacity

(the "Vendor" or the "Receiver")

- and -

#### **2010197 ONTARIO LTD.**

(the "Purchaser")

WHEREAS, pursuant to the Order of the Honourable Mr. Justice Hainey issued February 12, 2020 and entered February 12, 2020 (the "Appointment Order"), the Vendor was appointed as receiver of all of the assets, undertakings and properties of Dean Myers Chevrolet Limited ("Dean Myers") and 1125278 Ontario Limited ("112Co.");

AND WHEREAS, the Purchaser offers and agrees to purchase the Purchased Assets and assume the Assumed Obligations (each as defined below) from the Vendor upon the terms and conditions set forth hereinafter:

AND WHEREAS the Dealer Sales and Service Agreement between Dean Myers and General Motors of Canada Company effective November 1, 2015 (the "GM Dealer Agreement") has been terminated:

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

## ARTICLE 1 INTERPRETATION

#### 1.1 **Definitions**

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

"112Co. Discharge Order" has the meaning given in Article 4.2:

"Administration Charges" means (a) the "Receiver's Charge" as defined in, and established pursuant to, the Appointment Order to secure payment of Receiver's and its counsel's respective

reasonable fees and disbursements, including all of the Receiver's and its counsel's fees and expenses necessary to complete the administration of the estate; (b) the "Receiver's Borrowing Charge" as defined in, and established pursuant to, the Appointment Order to secure the repayment of monies borrowed by the Receiver to fund the receivership; and, (c) any other charge that may have been or may be granted by the Court in the Receivership Proceedings;

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

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

"Approval and Vesting Order" has the meaning given in Article 4.2;

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

"Affiliate" means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person;

"Assumed Obligations" has the meaning given in Article 2.8;

"BIA" means the Bankruptcy and Insolvency Act (Canada), R.S.C., 1985, c.B-3;

"Books and Records" means all of the books and records relating to the Purchased Assets, including, without limitation, all personnel files/records (subject to PIPEDA), sales books, records, books of account, sales and purchase records, lists of suppliers and customers, business reports, projections and all other documents, plans, files, records, correspondence, and other data and information, financial or otherwise, including all data, information and databases stored on computer-related or other electronic media;

"Business" means the automobile sales, and repair businesses carried on by Dean Myers;

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

"Cash" means all cash or cash equivalents in the possession of the Vendor as at Closing, including but not limited to all cash or cash equivalents in any bank account utilized by Dean Myers, 112Co. and the Vendor, which cash shall, after the payment of all costs, claims by parties in priority to the Purchaser and obligations of the Receiver whatsoever, shall be distributed to RBC at the sole discretion of the Receiver;

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

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

"Closing Date" means, subject to the terms hereof, the first Business Day following the date that is two (2) calendar days after the date on which the Approval and Vesting Order and 112Co. Discharge Order have each been granted by the Court or such other date as the Parties may agree to writing;

"Closing Time" has the meaning given in Article 3.1;

"Contracts" means the right, title and interest of Dean Myers, and the Vendor, if any, to and in all pending and/or executory contracts, agreements, leases and arrangements Related to the Business or by which any of Dean Myers, and the Vendor or any of the Purchased Assets or Business is bound or affected:

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

"Effective Time" means 12:01 a.m. on the Closing Date;

"Employee" means an individual who was formerly employed or engaged by Dean Myers or, as at the Effective Time, is employed or engaged by Dean Myers in connection with the Business, and "Employees" means every Employee;

"Employee Liabilities" means any and all Liabilities (whether by statute, contract, common law or otherwise) owed to any of the Employees, or otherwise arising out of, or resulting from, the relationship between the Dean Myers, and any of the Employees, including any Liability arising as a result of such party being deemed to be a successor employer, related employer or otherwise responsible or liable for payment of any amounts owing to, on behalf of, or in respect of, any of the Employees (including, but not limited to, the Transferred Employees), whether pursuant to the Employment Standards Act (Ontario), the Pay Equity Act (Ontario) or the Workplace Safety and Insurance Act, 1997 (Ontario). Without limiting the foregoing, Employee Liabilities shall include:

- (a) all salaries, wages, bonuses, commissions, vacation pay, public holiday pay and other compensation relating to the employment of the Employees (including accrued but unpaid vacation pay and any retroactive pay) and all Liabilities under employee benefit plans relating to employment of the Employees; and
- (b) all termination pay, severance pay, damages in lieu of reasonable notice and other related Liabilities (under statute, contract, common law or otherwise) in respect of the termination and/or severance of employment of the Employees.

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

"Excluded Assets" means all Cash and any assets that the Purchaser elects to exclude in writing prior to Closing pursuant to Article 2.6.

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

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

"Intellectual Property" means any or all of the following items, wherever located, and to the extent transferrable by the Vendor: all patents and patent rights, trademarks and trademark rights, trade names and trade name rights, service marks and service mark rights, service names and service name rights, copyrights and copyright rights, brand names, trade dress, business and product names, domain names, corporate names, logos, slogans, trade secrets, inventions, processes, formulae, industrial models, designs, specifications, data, technology, methodologies, computer programs (including all source code), confidential and proprietary information, whether or not subject to statutory registration, all related technical information, manufacturing, engineering and technical drawings, know how, all pending applications for and registrations of patents, trademarks, service marks and copyrights, including all obligations of third parties relating to the protection of the foregoing, the goodwill associated with the foregoing, and the right to sue for past payment, if any, in connection with any of the foregoing, and all documents, disks and other media on which any of the foregoing is stored, and shall include, without limitation, the trade names "Dean Myers Chevrolet Ltd." and all derivatives thereof, as well as the Business phone and fax numbers and the Business website;

"Interim Period" means the period from and including the date of this Agreement to and including the Closing Date;

"Inventory" means the parts inventory of Dean Myers situated at the Premises;

"Liability" means any debt, loss, damage, adverse claim, fines, penalties, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, disputed or undisputed, liquidated or unliquidated, or due or to become due, and whether in or under statute, contract, tort, strict liability or otherwise) of Dean Myers, and includes all costs and expenses relating thereto (including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation), including, without limitation, Employee Liabilities and

"Liabilities" means the plural thereof;

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

"Permitted Encumbrances" means such Encumbrances, if any, that the Purchaser shall in its sole discretion agree will continue to attach to and be enforceable against the Purchased Assets and/or the Business following Closing;

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

"Personal Property" means any and all of Dean Myers' machinery, equipment, tools, furniture, including, without limitation, desks, chairs, tables, copiers, telephone lines and numbers, telecopy machines and other telecommunication equipment, cubicles, cabinets, televisions, all computer hardware, including servers, computers and peripherals, printers and miscellaneous office furnishings and supplies, if any, laptops, cell phones and all other tangible personal property used in the Business, and remaining unsold and situated at the Premises on the Closing Date, and including any right, title, and interest of the Vendor existing on the Closing Date in the 2018 Chevrolet Corvette GS Convertible, Blue, VIN 1G1Y13D79J5100667 presently in the possession of Richard Chamberlin;

"PIPEDA" means the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c.5.

"Prepaid Amounts" means any and all prepayments, prepaid charges, deposits, security deposits, sums and fees Related to the Business or in respect of the Purchased Assets;

"Purchase Price" has the meaning given in Article 2.2;

"Purchased Assets" means collectively, as at the date of Closing, all of Dean Myers', and the Vendor's, if any, right, title and interest in all of the assets, properties and undertakings Related to the Business, including, but not limited to, the following assets:

- (a) the Inventory;
- (b) the Personal Property;
- (c) the Intellectual Property;
- (d) the Receivables;
- (e) all rights and interests under or pursuant to all warranties, representations and guarantees, express implied or otherwise, of or made by suppliers or others in connection with the Purchased Assets or otherwise Related to the Business;
- (f) all goodwill and other intangible assets associated with the Business, including all telephone and facsimile numbers used in Related to the Business:

- (g) all right, title and interest of Dean Myers, and the Vendor, if any, to any and all rights, claims or choses-in-action, existing now or hereafter arising, related to, in connection with or arising out of the Business, including but not limited to any intercompany loans owing by 112Co. to Dean Myers, and the goodwill associated with the Business;
- (h) all other unsold property, assets and undertaking of Dean Myers used in or relating to the Business of whatsoever nature or kind, including without limitation all property, assets and undertaking of Dean Myers; and,
- (i) specifically excludes any rights formerly available to Dean Myers under the GM Dealer Agreement other than any claim(s) relating thereto or arising therefrom that may be advanced by the Purchaser following Closing;

other than the Excluded Assets.

"Purchaser's Lawyers" means Loopstra Nixon LLP;

"RBC Debt" means collectively, all liabilities of Dean Myers to the Royal Bank of Canada, estimated to be \$ , as at April 28, 2020, plus interest and costs continuing to accrue;

"RBC Security" means all security documents granted by Dean Myers to the Royal Bank of Canada to secure the RBC Debt, together with any and all guarantees of the RBC Debt.

"Related to the Business" means, directly or indirectly, used in, arising from, or relating in any manner to the Business or the Purchased Assets;

"Receivables" means any and all right, title and interest of Dean Myers, and the Vendor, if any, due and payable on or following the Closing Date, in and to all accounts receivable, bills receivable, trade accounts, book debts, , and choses-in-action, now or hereafter due or owing to any of the Dean Myers, and the Vendor, Related to the Business together with any unpaid interest accrued on such items and any security or collateral for such items, including recoverable deposits,.

"Receiver's Certificate" has the meaning ascribed thereto in Article 4.2 hereof;

"Receiver's Discharge Order" means an order from the Court, approving the Receiver's First Report dated March 19, 2020 (the "First Report"), and the Confidential Supplement to the First Report dated March 19, 2020, and the Statement of Receipts and Disbursements as detailed in the First Report, and approving any report filed before the Court to support the approval of this Agreement, and any Statement of Receipts and Disbursements contained therein, and all relief to see the Receiver discharged, and approving the fees of the Receiver and its counsel and the payment of same, and approve a final distribution to RBC, and approve the discharge and Release of the Receiver, and in a form satisfactory to the Receiver in its sole discretion;

"Receivership Proceedings" means the receivership proceedings of Dean Myers and 112Co., commenced by the Appointment Order and proceeding under Court File No. CV-20-00636095-00CL; "Taxes" means all taxes, charges, fees, levies, imposts and other assessments, including all

income, sales, use, goods and services, harmonized, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments or similar charges in the nature of a tax, including, Canada Pension Plan and provincial pension plan contributions, employment insurance payments and workers compensation premiums, together with any instalments with respect thereto, and any interest, fines and penalties, imposed by any Governmental Authority, and whether disputed or not; and

"Vendor's Lawyers" means Harrison Pensa LLP.

### 1.2 Article References

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

## ARTICLE 2 PURCHASE AND SALE

### 2.1 Purchase and Sale of Purchased Assets

At the Closing Time, subject to the terms and conditions of this Agreement, the Vendor shall sell, and the Purchaser shall purchase the Purchased Assets and the Purchaser shall assume the Assumed Obligations.

#### 2.2 Purchase Price

Pursuant to the terms and subject to the conditions set forth in this Agreement, in consideration of the sale of the Purchased Assets pursuant to the terms hereof, the Purchaser shall

- (a) pay to the Vendor the following amount:
  - (1) on account of the purchase of the Purchased Assets of Dean Myers, which shall be exclusive of applicable Taxes;

and.

- (b) assume from the Vendor and become obligated to pay, perform and discharge, when due, the Assumed Obligations (if any),
- ((a) and (b), collectively, the "Purchase Price").

## 2.3 Deposit

[intentionally deleted]

### 2.4 Satisfaction of Purchase Price

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

- (1) by the cancelation of such portion of the RBC Debt, to be credited against the Purchase Price, as is to satisfy the Cash Purchase Price in full; and,
- (2) by the assumption by the Purchaser of the Assumed Obligations (if any).

### 2.5 Allocation of Purchase Price

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

### 2.6 Additional Excluded Assets

Save and except as otherwise expressly set out herein, the Purchaser may, at its option, exclude any of the Purchased Assets (other than the Assumed Liabilities) from the transaction contemplated hereby at any time prior to Closing upon delivery of written notice to the Vendor, whereupon such assets shall be deemed to form part of the Excluded Assets, provided, however, that there shall be no reduction in the Purchase Price as a result of such exclusion.

### 2.7 Sales and Transfer Taxes

- (a) The Purchaser shall be responsible for the payment on Closing of any Taxes that are required to be paid or remitted in connection with the consummation of the transactions contemplated in this Agreement, which such amounts shall be in addition to the Purchase Price; and,
- (b) At the Closing, the Purchaser shall remit to the Vendor with respect to HST on the total Purchase Price, payable by way of electronic wire transfer or bank draft drawn from a Schedule 1 chartered bank.

## 2.8 Assumed Obligations

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

- (a) all Liabilities and Claims arising or accruing from the use of the Purchased Assets from and after the Closing;
- (b) all Permitted Encumbrances, if any; and
- (c) all Taxes arising or accruing from and after the Closing from the use of the Purchased Assets, including, without limitation, HST to be collected and remitted to Canada Revenue Agency when due.

### 2.9 Excluded Liabilities

The Purchaser is not assuming, and shall not be deemed to have assumed, any Liabilities of the Vendor (collectively, the "Excluded Liabilities"), which Excluded Liabilities include, but are not limited to, the following:

(a) all Liabilities and Claims arising or accruing from the use of the Purchased Assets of the Operation of the Business prior to the Closing.

## 2.10 Assignment of Purchased Assets

Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an assignment or transfer of the Purchased Assets or any right thereunder if an attempted assignment or transfer, without the consent of a third Person, would constitute a breach or in any way adversely affect the rights of the Purchaser hereunder.

## 2.11 Extension of Occupation of Premises

So as to facilitate the within transaction and approval of the same by the Court, the Vendor shall extend its occupation of the dealership premises at 3180 Dufferin Street, Toronto ("Premises") to May 12, 2020. The cost of such extension is acknowledged and agreed by the Parties to be \$75,000, which funds relate only to the out-of-pocket expenses of the Vendor, in the Receiver's sole and unfettered discretion, in connection with such occupation (specifically, rent, property taxes, utilities, maintenance, security, insurance, software/administrative costs, and employee payroll) (collectively, the "Occupancy Costs Payment"). The Purchaser shall, as a condition precedent set out in Article 4.4 hereof, provide the sum of \$20,000 towards the Occupancy Costs Payment to the Vendor by April 29, 2020, with the remaining \$55,000 due and payable within five (5) business days of the execution of this Agreement, each payment by way of electronic wire transfer or bank draft, which funds shall be received by the Vendor and held in trust, to be released by the Vendor only to pay such occupancy costs. The Vendor will account to the Purchaser for the use the Occupancy Costs Payment, and any amount thereof not expended shall be reimbursed to the Purchaser. Any of the Purchased Assets remaining situated at the Premises effective close of business on May 12, 2020 will be the responsibility of and at the risk of the Purchaser and the Vendor shall have no further obligation to deliver same. Following May 12, 2020, the Purchaser shall be solely responsible for all occupation costs at the Premises as a result of the Purchased Assets remaining on the Premises.

# ARTICLE 3 CLOSING ARRANGEMENTS

## 3.1 Closing

Closing shall take place at 10:00 a.m. (the "Closing Time") on the Closing Date or on such other date as the Parties may agree upon in writing. The Closing shall take place by electronic transmission of documents, or such other time and location, and in such other manner, as the Parties may agree upon in writing.

#### 3.2 Tender

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

## 3.3 Vendor's Closing Deliveries

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

- (a) a copy of the Approval and Vesting Order;
- (b) a copy of the 112Co. Discharge Order;
- (c) a copy of the Receiver Discharge Order;
- (d) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Vendor contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date;
- (e) the Receiver's Certificate, as set out in Article 3.5 hereof; and,
- (f) such further and other documentation as is referred to in this Agreement or as the Purchaser or the Purchaser's Lawyers may reasonably require to complete the transactions provided for in this Agreement.

## 3.4 Purchaser's Closing Deliveries

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

- (a) satisfactory evidence of assignment of and subsequent cancellation of the RBC Debt, in such amounts as required by Article 2.4 hereof;
- (b) payment of any amounts required for Taxes (as applicable);
- (c) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date;
- (d) the Release and Indemnity as required pursuant to Article 4.4 (e) below; and such further and other documentation as is referred to in this Agreement or as the Vendor

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or the Vendor's Lawyers may reasonably require to complete the transactions provided for in this Agreement.

### 3.5 Delivery of the Receiver's Certificate

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

## ARTICLE 4 CONDITIONS PRECEDENT

## 4.1 Condition Precedent re: Assignment of RBC Debt and Security

This Agreement shall be subject to the following condition precedent:

(a) the Purchaser shall, on or before April 29, 2020, have concluded an assignment agreement with the Royal Bank of Canada, pursuant to which the Purchaser shall have acquired the RBC Debt and the RBC Security.

If the foregoing condition precedent is not satisfied, this Agreement shall be null and void and Party shall be released from all obligations under this Agreement

## 4.2 Mutual Condition re: Approval and Vesting Order and 112Co. Discharge Order

The Vendor shall obtain:

- (a) An Approval and Vesting Order from the Court approving this Agreement and the transactions contemplated hereby and vesting, upon the delivery of the Receiver's Certificate to the Purchaser, all right, title and interest of Dean Myers and the Vendor in and to the Purchased Assets in the Purchaser, free and clear of all Claims and Encumbrances pursuant to the terms and conditions of this Agreement, other than any permitted encumbrances (the "Approval and Vesting Order"). The Approval and Vesting Order shall be substantially in the form of the model order approved by the "Ontario Commercial List Users Committee", including a provision requiring the Receiver to deliver a certificate confirming the Closing of the transactions contemplated hereby and to file a copy of the same with the Court (the "Receiver's Certificate"). The Approval and Vesting Order shall be served upon the necessary parties, and in the timeframe required under the Court's Rules of Civil Procedure, as approved by the Purchaser, acting reasonably.
- (b) An order discharging 112Co. from the Receivership Proceedings, effective two (2) business days following the granting of the Approval and Vesting Order, and such discharge shall be conditional on the completion of the transactions contemplated hereby and the payment in full of all claims against 112Co. in priority to the RBC Security (the "112Co. Discharge Order").

(c) The Receiver's Discharge Order.

The obligations of the Vendor and the Purchaser hereunder are subject to the satisfaction of, or the express written waiver of the Parties, at or prior to the Closing Time, the mutual condition that the Approval and Vesting Order and 112Co. Discharge Order shall have been granted by the Court in form and substance acceptable to the Purchaser and the Vendor, acting reasonably, and that neither the Vendor nor Purchaser shall have been served with any notice of appeal with respect to the Approval and Vesting Order and 112Co. Discharge Order, or any notice of any application, motion or proceedings seeking to set aside or vary the Approval and Vesting Order or 112Co. Discharge Order or to enjoin, restrict or prohibit the transaction contemplated hereby.

## 4.3 Conditions Precedent of the Purchaser

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

- (a) Representations and Warranties. The representations and warranties of the Vendor in Article 5.1 shall be true and correct at the Closing Time;
- (b) Termination of Employees. The Vendor shall have terminated all Employees, with effect immediately prior to Closing; and
- (c) Vendor's Compliance. The Vendor shall have performed and complied with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before the Closing Time and shall have executed and delivered to the Purchaser at the Closing Time all the deliveries contemplated in Article 3.3.

### 4.4 Conditions Precedent of the Vendor

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

- (a) Representations and Warranties. The representations and warranties of the Purchaser in Article 5.2 shall be true and correct at the Closing Time;
- (b) Purchaser's Compliance. The Purchaser shall have performed and complied with all of the terms and conditions in this Agreement on its part to be to be performed by or complied with at or before the Closing Time and shall have executed and

delivered to the Vendor at the Closing Time all the deliveries contemplated in Article 3.4 or elsewhere in this Agreement;

- (c) Bankruptcy. The Purchaser shall, provide the Receiver with evidence of Dean Myers' voluntary assignation into bankruptcy within ten (10) days of the execution of this Agreement, and prior to the date of the Approval and Vesting Order, and the Receiver shall consent to lift the stay of proceedings under the Bankruptcy and Insolvency Act for the purpose of such assignment. Should the Purchaser choose the Receiver's firm as trustee in bankruptcy, the Purchaser shall advance the sum of \_\_\_\_\_, exclusive of HST, to the Receiver within five (5) days of execution of this Agreement;
- (d) Receiver Discharge. The Receiver shall have obtained the Receiver Discharge Order;
- (e) Receiver Release and Indemnity. The Purchaser, 112Co., Richard Chamberlin, and Penny Chamberlin shall provide a release and indemnity to the Receiver and its counsel in a form acceptable to the Receiver with respect to the Receiver's administration of the Estate of Dean Myers and 112Co., any pre-appointment liability to taxing authorities for any Taxes accrued to Dean Myers and/or 112Co. during the Receivership Proceedings, and with respect to the Receiver's occupancy of 3180 Dufferin Street, Toronto;
- (f) *Consent.* A signed consent to the 112Co. Discharge Order, the Approval and Vesting Order and the Receiver Discharge Order;
- (g) Occupancy Costs Payment. The Vendor's receipt of the Occupancy Costs Payment, as required under Article 2.11 above, in cleared and readily available funds; and,
- (h) \$6,500 Payment. At the Closing, the Purchaser shall remit the sum of \$6,500 to the Vendor, representing the estimated HST owing by 112Co. prior to the date of the Appointment Order, payable by way of electronic wire transfer or bank draft drawn from a Schedule 1 chartered bank.

## 4.5 Non-Satisfaction of Conditions

If any condition precedent set out in Article 4.3 or 4.4 is not satisfied or performed prior to the time specified therefor, the Party for whose benefit the condition precedent is inserted may:

- (a) waive compliance with the condition, in whole or in part, in its sole discretion by written notice to the other Party (but may not claim for any matter waived) and without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part; or
- (b) elect on written notice to the other Party to terminate this Agreement, in which event each Party shall be released from all obligations under this Agreement.

#### 4.6 Mutual Condition not Fulfilled

If the condition in Article 4.2 shall not have been fulfilled prior to May 14, 2020, which such date shall be subject to availability of the Court, or such later date agreed upon by the Parties in writing, acting reasonably, then the Vendor or the Purchaser, in such Party's sole discretion, may terminate this Agreement by notice to the other Party, in which event each Party shall be released from all obligations under this Agreement.

## ARTICLE 5 REPRESENTATIONS AND WARRANTIES

## 5.1 Representations and Warranties of the Vendor

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

- (a) Due Authorization. Subject to the granting of the Approval and Vesting Order, the Vendor has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments;
- (b) No other Purchase Agreement. The Vendor has not entered into any other agreement, option, understanding or commitment, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, option or commitment for the purchaser or other acquisition from the Vendor of the Purchased Assets;
- (c) Enforceability of Obligations. Subject to the granting of the Approval and Vesting Order, this Agreement constitutes a valid and binding obligation of the Vendor, enforceable against the Vendor, in accordance with its terms;
- (d) *HST*. Dean Myers (B/N 12987 1521 RT0002) and 112 Co. (B/N 89979 2071 RT0002) are registrants under Part IX of the *Excise Tax Act* (Canada), and the Vendor shall provide their HST registration number to the Purchaser prior to Closing;
- (e) Residency. The Vendor is not a non-resident within the meaning of section 116 of the Income Tax Act (Canada); and
- (f) No Further Costs. Except as set out in Article 2.11 hereof, the Vendor, as Receiver, requires no further funding to complete the transactions contemplated herein, including but not limited to an application to Court for the Approval and Vesting Order and the 112Co. Discharge Order, and to complete the transactions contemplated hereby.

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## 5.2 Representations and Warranties of the Purchaser

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

- (a) *Incorporation of the Purchaser*. The Purchaser is a corporation duly incorporated under the laws of the jurisdiction of its incorporation and is duly organized, validly subsisting and in good standing under such laws;
- (b) *Due Authorization*. The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments;
- (c) Enforceability of Obligations. Subject to the granting of the Approval and Vesting Order, this Agreement constitutes a valid and binding obligation of the Purchaser, enforceable against the Purchaser, in accordance with its terms;
- (d) Approvals and Consents. Except as otherwise provided herein, no authorization, consent or approval of or filing with or notice to any Governmental Authority or other Person is required in connection with the execution, delivery or performance of this Agreement by the Purchaser or the purchase of any of the Purchased Assets hereunder;
- (e) *HST*. The Purchaser is or shall be at Closing a registrant under Part IX of the *Excise Tax Act* (Canada), and shall provide its HST registration number to the Purchaser prior to Closing; and
- (f) Residency. The Purchaser is not a non-resident within the meaning of section 116 of the Income Tax Act (Canada).

## 5.3 Survival of Representations and Warranties

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

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

The Purchaser acknowledges that the Vendor is selling the Purchased Assets on an "as is, where is" basis as they shall exist on the Closing Date, subject to the terms of the Approval and Vesting Order. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendor does not guarantee title to the Purchased Assets and that the Purchaser has conducted such inspections of the condition of and title to the Purchased Assets as it deemed appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose.

merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Vendor to sell or assign same save and except as expressly represented or warranted herein. Without limiting the generality of the foregoing, any and all conditions, warranties or representations, expressed or implied, pursuant to the *Sale of Goods Act* (Ontario) or similar legislation do not apply hereto and have been waived by the Purchaser. The Purchaser further acknowledges that all written and oral information obtained by the Purchaser from the Vendor or any of its directors, officers, employees, professional consultants or advisors with respect to the Purchased Assets or otherwise relating to the transactions contemplated in this Agreement has been obtained for the convenience of the Purchaser only and is not warranted to be accurate or complete. The Purchaser further acknowledges that the Vendor shall be under no obligation to deliver the Purchased Assets to the Purchaser and that it shall be the Purchaser's responsibility to take possession of the Purchased Assets.

The Purchaser acknowledges that no Ontario Motor Vehicle Industry Council licenses are being transferred under this Agreement.

## ARTICLE 6 INTERIM PERIOD

#### 6.1 Access

During the Interim Period and subject to the terms herein, the Purchaser shall have reasonable access to the Purchased Assets during normal business hours and at such other times as agreed to by the Vendor to, among other things, conduct such inspections of the Purchased Assets as it deems appropriate. Such inspection shall only be conducted in the presence of a representative of the Vendor. The Purchaser shall not be provided with access to any of the foregoing to the extent that such access would violate or conflict with:

- (a) any Applicable Law to which the Vendor or any of the Purchased Assets is subject; or
- (b) any agreement, instrument or understanding by which the Vendor is bound.

Following execution of this Agreement, access to the Premises shall be granted to the Purchaser, for the purpose of removing the Purchased Assets.

The Purchaser and its agents or employees shall be insured at all such times referenced in this Article 6.1, and shall wholly indemnify and hold harmless the Vendor from and against all claims, demands, losses, damages, actions and costs incurred or arising from or in any way related to the inspection and removal of the Purchased Assets by the Purchaser or attendance by the Purchaser, save and except for any claims, demands, losses, damages, actions and costs incurred or resulting from the negligence or wilful misconduct of the Vendor.

### 6.2 Risk of Loss

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

## 6.3 Purchaser's Right to Close or Terminate

In the event that the Purchased Assets shall be damaged prior to Closing, then the Vendor shall advise the Purchaser, in writing, within twenty-four (24) hours of the Vendor learning of same. In the event that the Purchased Assets shall be materially damaged prior to Closing then the Vendor or Purchaser shall be entitled, in its sole and absolute discretion, to elect to terminate this Agreement by notice, in writing, to the other party and in such event the Parties hereto shall be released from all obligations and liabilities hereunder. If the Parties shall not elect to terminate this Agreement as set out above, then the transaction contemplated hereby shall be completed and the Purchaser shall be entitled to all proceeds of insurance payable in respect thereof, if any.

## ARTICLE 7 EMPLOYEES

#### 7.1 Termination

The Vendor shall, prior to Closing, terminate all Employees with effect immediately prior to Closing.

## ARTICLE 8 TERMINATION

## 8.1 Termination by the Parties

This Agreement may be terminated:

- (a) upon the mutual written agreement of the Vendor and the Purchaser;
- (b) pursuant to Articles 4.5(b) or 4.6 by either Party, if applicable; and
- (c) pursuant to Article 6.4.

## ARTICLE 9 POST-CLOSING MATTERS

## 9.1 Post-Closing Receipts

[intentionally deleted]

#### 9.2 Books and Records

[intentionally deleted]

## ARTICLE 10 GENERAL CONTRACT PROVISIONS

## 10.1 Headings and Articles

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

### 10.2 Number and Gender

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

## 10.3 Currency

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

#### 10.4 Statute References

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

#### 10.5 Time Periods

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

### 10.6 Consent

Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

#### 10.7 No Strict Construction

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

## 10.8 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and sets out all the covenants,

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

## 10.9 Expenses

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

#### 10.10 Announcements

Except as required by Applicable Law, all public announcements concerning the transactions provided for in this Agreement or contemplated by this Agreement shall be jointly approved in advance as to form, substance and timing by the Parties after consultation.

#### 10.11 Notices

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

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

### **Deloitte Restructuring Inc.**

8 Adelaide Street West, Suite #200 Toronto, Ontario M5J 0A9 Attention: Stefano Damiani

Email:

sdamiani@deloitte.ca

with a copy to:

## **Harrison Pensa LLP**

450 Talbot Street London, ON N6A 5J6

Attention:

Timothy C. Hogan

Email:

thogan@harrisonpensa.com

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

2010197 Ontario Ltd.

c/o Richard Chamberlin

Email:

rgctd@bell.net

with a copy to:

Loopstra Nixon LLP

135 Queens Plate Drive, Suite 600 Toronto, ON M9W 6V7

Attention:

Graham Phoenix

Email:

gphoenix@loonix.com

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

Any Party may, from time to time, change its address by giving notice to the other Party in accordance with the provisions of this Article 10.11.

### 10.12 Successors and Assigns

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors (including any successor by reason of amalgamation of any Party) and permitted assigns including a receiver or trustee in bankruptcy of the Vendor. Neither Party may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its respective rights or obligations under this Agreement without the prior written consent of the other Party. Notwithstanding the above, the Purchaser may at any time assign any of its rights or obligations arising under this Agreement to any Affiliate of the Purchaser, provided that the representations and warranties and terms and conditions set out herein are validly applicable to such assignee and, upon such assignment and completion of the transactions contemplated by this Agreement, the Purchaser shall be released and discharged from all obligations hereunder but not before Closing.

Additionally, notwithstanding the above, the Purchaser may direct that, on Closing, the Purchased Assets vest in any Affiliate of the Purchaser, provided that such direction is provided in advance of the Approval and Vesting Order so that the vesting entity is included therein.

### 10.13 Third Party Beneficiaries

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

#### 10.14 Time of the Essence

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

#### 10.15 Amendment

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

#### 10.16 Further Assurances

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

## 10.17 Severability

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

## 10.18 Governing Law

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

## 10.19 Non-Merger

The representations, warranties and covenants of each Party contained in this Agreement (other than Article 4) will not merge on and will survive the closing of the Transaction and will continue in full force and effect, notwithstanding the closing of the Transaction or any investigation or knowledge acquired by or on behalf of the other Party.

#### 10.20 Confidentiality

The Parties agree that the terms and conditions of this Agreement, as well as the identity of the Purchaser hereunder, are confidential and shall not be disclosed to any Person except (a) to such Parties' solicitors, advisors, agents or representatives acting in connection herewith and, then, only on the basis that such Persons are also required to keep such information confidential as aforesaid;

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and, (b) to the Court in furtherance of obtaining the Approval and Vesting Order contemplated hereby in the ordinary course, however, the Receiver agrees to seek a sealing order to keep the Purchase Price confidential until after Closing or such further order of the Court. Notwithstanding the foregoing, the obligation to maintain the confidentiality of such information will not apply to the extent that disclosure of such information is required by the Court, by law or otherwise in connection with governmental or other applicable filings relating to the transactions hereunder, provided that, in such case, unless the Purchaser otherwise agrees, the Vendor will, if possible, request confidentiality in respect of such legal proceedings or governmental or other filings.

## 10.21 Capacity

The Purchaser acknowledges and agrees that in all matters pertaining to this Agreement, including in its execution, the Receiver is acting solely in its capacity as Receiver of the Dean Myers and 112Co. and, as such, its liability under this Agreement, if any, will be in its capacity as Receiver, and the Receiver and its Representatives shall have no personal or corporate liability of any kind, whether in contract, in tort or otherwise and in no circumstance will the Receiver be liable for any consequential damages including loss of profit.

## 10.22 Execution and Delivery

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

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS OF WHICH the Parties have executed this Agreement.

DELOITTE RESTRUCTURING INC., in its capacity as Court-appointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited, and not in its personal or corporate capacity

Per:

Name: STEFANO DAMIAN

Title: ∨

Vice-President

I have the authority to bind the corporation

## **2010197 ONTARIO LTD.**

Per:

Name:

Title:

I have the authority to bind the corporation

## **APPENDIX O**

## In the Matter of the Receivership of Dean Myers Chevrolet Limited ("DMCL") and 1125278 Ontario Limited ("1125278") Statement of Receipts and Disbursements

For the cumulative period February 12, 2020 to June 4, 2020

(All amounts in Canadian Currency)

		Cumulative DMCL February 12, 2020 to		Cumulative 1125278 February 12, 2020 to		Consolidated DMCL & 1125278 February 12, 2020 to	
	Note		June 4, 2020	June 4, 2020		June 4, 2020	
Receipts							
Proceeds from the sale of vehicles	1	\$	4,086,038	\$	75,729	\$	4,161,767
Premises lease termination settlement	2		444,388		-		444,388
Collection of accounts receivable and warranty claims	3		321,331		-		321,331
Cash on hand			301,656		-		301,656
MVDA trust funds	4		38,285				38,285
Customer lease payments					29,504		29,504
Lease customer buyout					18,381		18,381
Proceeds from sale of certain equipment			4,350				4,350
Advances for interim occupancy costs re 2010197 APA	5		75,000				75,000
Interest income			690				690
HST collected	6		567,427		22,402		589,829
Total receipts		\$	5,839,164	\$	146,016	\$	5,985,180
Disbursements							
Operating expenses		\$	163,617	\$	-	\$	163,617
Employee payroll and benefits	7		74,306				74,306
Insurance			34,572		-		34,572
MVDA trust funds transfer to OMVIC re customer claim	4		25,000				25,000
Receiver's fees and out-of-pocket costs			473,577		-		473,577
Legal fees and out-of-pocket costs			93,841		-		93,841
HST paid on disbursements	6		94,580		-		94,580
HST remitted re 2010197 APA					6,500		6,500
OSB filing fee			70		70		140
Total disbursements		\$	959,563	\$	6,570	\$	966,133
Excess of receipts over disbursements before distribution to Secured Lender		\$	4,879,601	\$	139,446	\$	5,019,047
Less: Interim distributions to Secured Lender	8					\$	(3,678,238)
Cash balance as at June 4, 2020						S	1,340,809

#### Notes

- 1 Represents proceeds from the sale of vehicle inventory to General Motors, Finch Auto Group, and 2010197 Ontario Ltd.
- 2 The Receiver collected \$444,388 on March 18, 2020 pursuant to an Early Termination Fee Settlement Agreement with Dean Myers Leasing Limited, the former landlord of 3180 Dufferin Street, Toronto.
- 3 Collection of receivables in respect of vehicle sales entered into prior to the date of the Appointment Order dated February 12, 2020 and warranty claims.
- 4 Represents the MVDA trust funds held in a separate bank account as at February 12, 2020. The Receiver has since remitted \$25,000 to OMVIC in satisfaction of its claim pursuant to the OMVIC compensation fund.
- 5 Represents funds advanced to the Receiver for interim occupancy costs and other costs pursuant to the 2010197 APA.
- 6 The Receiver established post-receivership HST accounts for DMCL and 1125278, and has filed HST returns for the post-receivership period to date. The Receiver will complete HST reporting and remittance of HST payable with respect to the post-receivership HST accounts.
- 7 Represents wages paid to DMCL employees temporarily retained by the Receiver to assist in the administration of the receivership estate, including payment of related source deductions.
- 8 Represents three interim distributions to the senior secured creditor, RBC, in accordance with paragraph 6 of the Ancillary Order of the Ontario Superior Court of Justice dated March 25, 2020.

## **APPENDIX P**

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

#### **BETWEEN:**

#### **ROYAL BANK OF CANADA**

**Applicant** 

- and -

#### **DEAN MYERS CHEVROLET and 1125278 ONTARIO LIMITED**

Respondents

### AFFIDAVIT OF STEFANO DAMIANI (Sworn June 9, 2020)

# I, STEFANO DAMIANI, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

- I am a Chartered Professional Accountant, Chartered Insolvency and Restructuring Professional qualified to practice in the Province of Ontario, and am a Vice-President of Deloitte Restructuring Inc. ("**Deloitte**"), the Court-appointed receiver (the "**Receiver**") of Dean Myers Chevrolet Limited and 1125278 Ontario Limited (collectively, the "**Debtor**"). Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.
- 2. Attached hereto as **Exhibit** "**A**" is a schedule summarizing each invoice in **Exhibit** "**B**", the total billable hours charged per invoice, the total fees charged per invoice and the average hourly rate charged per invoice.
- 3. Attached hereto as **Exhibit "B"** are true copies of the invoices for fees and disbursements incurred by Deloitte in the course of the Receiver's administration for the period

February 8, 2020 to June 9, 2020. Included in the June 9, 2020 invoice is an accrual of \$20,000.00 with respect to estimated professional time for future discharge activities.

- 4. To the best of my knowledge, the rates charged by Deloitte throughout the course of these proceedings are comparable to the rates charged by other accounting firms in the Toronto market for the provision of similar services, and are comparable to the hourly rates charged by Deloitte for services rendered in relation to similar proceedings.
- 5. I make this affidavit in support of a motion by the Receiver for, *inter alia*, approval of the fees and disbursements of the Receiver.

SWORN BEFORE ME	)
over video conference this	) )
day of June, 2020.	)
The affiant was located in Toronto,	)
in the Province of Ontario,	)
	)
while the Commissioner,	
was located in London, Ontario.	) )
Tan Mateler	) Doni-
	Stefano Damiani

A commissioner for taking oaths, affidavits, etc.

#### **EXHIBIT "A"**

This is the Exhibit marked "A" referred to in the Affidavit of Stefano Damiani, sworn before me this <u>9th</u> day of June, 2020.

A Commissioner for Taking Affidavits

Tan Matun

### **EXHIBIT "A"**

### Calculation of Average Hourly Billing Rates of Deloitte Restructuring Inc. for the period February 8, 2020 to June 9, 2020

			C	Other	Total Invoice			Av	erage Hourly	Paid /				
Invoice Date	Invoice Date Fees		Fees Disburseme		HST		Amount		Amount Ho		Hours		Fee Rate	Unpaid
March 26, 2020	\$	182,872.00	\$	7,808.39	\$	24,788.45	\$	215,468.84	525.5	\$	348.00	Paid		
April 27, 2020	\$	130,757.00	\$	9,735.83	\$	18,264.07	\$	158,756.90	346.2	\$	377.69	Paid		
May 26, 2020	\$	139,577.50	\$	5,148.64	\$	18,814.40	\$	163,540.54	332.1	\$	420.29	Paid		
June 9, 2020	\$	89,267.50	\$	3,406.83	\$	12,047.66	\$	104,721.99	239.8	\$	372.26	Unpaid		
Total	\$	542,474.00	\$	26,099.69	\$	73,914.58	\$	642,488.27	1,443.6	\$	375.78			

#### **EXHIBIT "B"**

This is the Exhibit marked "B" referred to in the Affidavit of Stefano Damiani, sworn before me this 9th day of June, 2020.

A Commissioner for Taking Affidavits

ATTN: Mr. Wojtek Karwala Royal Bank of Canada 20 King Street West, 2nd Floor Toronto ON M5H 1C4 Canada

#### For professional services rendered

#### Fees

In our capacity as Court-appointed Receiver of Dean Myers Chevrolet

Please see the attached appendices for details.

**Invoice** 

**Deloitte Restructuring Inc. Bay Adelaide Centre** 

Toronto ON M5H 0A9

Tel: (416) 601-6150

Fax: (416) 601-6151

Engagement Partner:

**HST Registration:** 

www.deloitte.ca

Date: Client No.:

**HST** applicable

WBS#:

8 Ádelaide Street West, Suite 200

8001088135

March 26, 2020

122893605RT0001

182,872.00

1136959

ROY00538

**Paul Casey** 

**Expense** 

**HST** applicable 2,322.23 Administrative Expense 5,486.16

Sales Tax

HST at 13.00% 24,788.45

**Total Amount Due (CAD)** 215,468.84

Limited and 1125728 Ontario Limited for the period-ended February 29,

### Appendix #1 Summary of Fees

Name	Level	Hours		Rate	Amount
Casey, Paul	Senior Vice-President	20.8	\$	625	\$ 13,000.00
Damiani, Stefano	Vice-President	129.4	\$	500	\$ 64,700.00
Williams, Richard	Senior Manager	40.0	\$	500	\$ 20,000.00
Keene, Ashley	Senior	16.4	\$	290	\$ 4,756.00
Borzellino, Krista	Senior	63.4	\$	290	\$ 18,386.00
Dew, Todd	Senior	2.0	\$	290	\$ 580.00
Klein, Emily	Consultant	115.0	\$	250	\$ 28,750.00
Brown, Rose	Trust Administrator	19.5	\$	100	\$ 1,950.00
Total Restructuring P	Total Restructuring Professional Hours and Fees				\$ 152,122.00

#### Data Capture

Total Data Capture Pro	119.0		\$ 30,750.00	
Orvitz, Alexander	Analyst, Forensics	35.0	\$ 175	\$ 6,125.00
Darman, Nurdeen	Consultant, Forensics	5.5	\$ 250	\$ 1,375.00
Pardinas, Elijah	Consultant, Forensics	39.0	\$ 250	\$ 9,750.00
Lodhy, Nabela	Consultant, Forensics	25.0	\$ 250	\$ 6,250.00
Casey, Brian	Senior Manager, Forensics	14.5	\$ 500	\$ 7,250.00

#### Disbursements:

Total Restructuring Expenses	\$ 2,322.23
Courier and printing	\$ 128.73
Towing of demonstrator vehicle	\$ 576.30
Locksmith and security	\$ 734.50
Ground transportation	\$ 882.70

Total Fees and Expenses	\$	185,194.23
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#### Appendix #2

#### Work performed from February 8 to 29, 2020

Date	Name	Narrative	Hours
2/8/2020	Damiani, Stefano	Review draft materials and affidavit; emails.	0.4
2/10/2020	Damiani, Stefano	Review amended forms of Orders, emails with counsel on same; review of historical financial information; review PPSA.	1.0
2/11/2020	Casey, Brian	Meetings and planning discussion.	1.0
2/11/2020	Casey, Paul	Emails and telephone calls with Bank and counsel; receivership planning; review motion materials and other background.	2.0
2/11/2020	Damiani, Stefano	Review Application Record; conference call with Harrison Pensa; detailed emails to Harrison Pensa LLP; draft receivership agenda; instructions to team; planning inventory count; various planning matters; draft employee termination letters and detailed instructions to E. Klein employee and payroll matters.	3.6
2/11/2020	Klein, Emily	Pre-Receivership preparation; draft letters.	1.0
2/11/2020	Williams, Richard	Meetings and planning calls; emails with A. Young regarding inventory inspection; application record.	2.1
2/12/2020	Borzellino, Krista	On-site attendance, taking possession at the dealership; employee meeting and letter distribution, reconciling creditor listing, communications with customers.	8.0
2/12/2020	Brown, Rose	Opening two receivership bank accounts; set up wire instruction sheets.	0.5
2/12/2020	Casey, Brian	Coordination of team / data collection / imaging / IT interview.	2.0
2/12/2020	Casey, Paul	Telephone calls with team regarding status of receivership.	1.0
2/12/2020	Damiani, Stefano	On-site attendance at the Debtors' premises; telephone call and meeting with P. Whyte of RBC re vehicle audit; email to E. Klein re insurance; discussion with M. Vine of Harrison Pensa; conference call with Aird & Berlis; telephone calls with T. Hogan of Harrison Pensa; site discussion and emails with S. Nishi (Regional Director, General Motors); meetings with R. Chamberlin (President) re potential recovery plan; discussions with Controller re financial information; site tour and meeting with C. Fleming (Sales Manager) re vehicle and parts inventory; taking possession activities; instructions to team.	10.3
2/12/2020	Keene, Ashley	Estate setup; file management and emails regarding same; managing receivership website for stakeholder communication.	1.4
2/12/2020	Klein, Emily	On-site attendance at dealership to take possession; discussions with customers and employees; compiling a list of employees and their unpaid wages, vacation pay, WEPPA preparation; meetings with Controller and Payroll Accountant.	10.5
2/12/2020	Lodhy, Nabela	Data kit preparation and On-site preservations.	5.0

Date	Name	Narrative	Hours
2/12/2020	Orvitz, Alexander	Research, preparation work, and starting collections and imaging onsite.	5.0
2/12/2020	Pardinas, Elijah	Site attendance for data preservation.	5.0
2/12/2020	Williams, Richard	Attend at site; meet employees and advise re: WEPPA; commence review of customer deposits, service vehicles, taking possession, securing inventory and premises, and employee issues.	7.8
2/13/2020	Brown, Rose	Set up Ascend estates; prepare deposit and take to the bank; prepare letter and cheque for re-direction of mail.	1.8
2/13/2020	Casey, Brian	On-site collection / imaging / project management.	5.0
2/13/2020	Casey, Paul	Attend on-site for receivership administration; meetings staff; service vehicles; planning meetings with S. Damiani; E. Klein, R. Williams; retention letters, other matters.	4.5
2/13/2020	Damiani, Stefano	On-site attendance at the dealership; finalize employee retention offer letters and meeting with employees on same; telephone and email correspondence with S. Nishi of GM; various meetings with staff re financial, employee, and vehicle matters; banking instructions to R. Brown; correspondence with RBC; review of financial information; calls and emails with Harrison Pensa on various matters.	11.0
2/13/2020	Klein, Emily	Correspondence with customers and employees; freezing bank accounts; instructions to employees on compiling financial and employee information; correspondence with IT personnel re critical devices, servers and email accounts.	13.1
2/13/2020	Lodhy, Nabela	On-site data collections.	9.0
2/13/2020	Orvitz, Alexander	Collections and imaging, on-site attendance.	9.5
2/13/2020	Pardinas, Elijah	Site attendance for data preservation.	8.0
2/13/2020	Williams, Richard	Attend dealership; inspected body shop and photographed vehicles; contacted locksmith; secured exterior gates; meeting with Controller and discussed details of funds held in trust, customer deposits and lien payouts; email to T. Hogan identifying issues and arranging call; review of email regarding customer issues; telephone calls and emails with customers addressing deposit issues; telephone calls with former employees to arrange appointments to collect personal items.	3.9
2/14/2020	Borzellino, Krista	Assisted in securing and moving vehicle inventory, review invoices to update the creditor listing, compilation of employee information for WEPP calculations.	8.0
2/14/2020	Casey, Brian	Email collection / security option / IT meetings / project management.	2.0
2/14/2020	Casey, Paul	Emails with counsel and team regarding consignments, deposits, other creditors, customer issues; telephone call with S. Damiani regarding various receivership issues.	1.0

Date	Name	Narrative	Hours
2/14/2020	Damiani, Stefano	On-site attendance at the dealership premises; e-mails with General Motors; conference call with legal counsel re various matters; conference call with RBC; meetings and instructions to dealership staff; conference call with General Motors; email to S. Nishi of GM re vehicle repairs list; review of customer deposit ledger; amend and sign employee retention offer letters; email to S. Nishi re buy back matter; security matters.	9.0
2/14/2020	Darman, Nurdeen	Data preservation.	5.5
2/14/2020	Klein, Emily	On-site attendance at the dealership; correspondence with customers and employees; compiling a list of customer deposits; compiling a list of prospective purchasers; review inventory with former employees.	10.8
2/14/2020	Orvitz, Alexander	Collections and imaging, on-site attendance.	9.0
2/14/2020	Pardinas, Elijah	Data preservation.	8.5
2/14/2020	Williams, Richard	Attend premises; compile register of vehicles under repair; call and emails with former customers re: vehicle issues; calls and emails with RBC re: GM issues; call with T. Hogan re: customer deposits; supervise employee removal of personal effects; detailed review of trust liens and payouts; correspondence with customers; review GM customer issues log; conference call with GM.	8.0
2/15/2020	Casey, Paul	Communications with S. Damiani.	0.2
2/15/2020	Damiani, Stefano	On-site attendance at the dealership; meetings with security personnel, canvass the premises, arrange repair of door; report matter; correspondence with team; meeting with C. Fleming (Sales Manager).	3.4
2/15/2020	Klein, Emily	Inputting employee payroll details re WEPPA payment calculations; customer emails.	1.5
2/16/2020	Damiani, Stefano	Drafting of various customer responses, instructions to E. Klein; inventory count sheet review; review various emails; prepare detailed tracking schedule.	2.9
2/17/2020	Damiani, Stefano	Emails with GM representatives re customer matters and lists; review customer deposit ledger, email to C. Fleming of Dean Myers Chevrolet; telephone call with Torcon Security re status update on patrol, mobile camera unit.	3.5
2/17/2020	Klein, Emily	Customer correspondences.	1.0
2/17/2020	Williams, Richard	Prepared analysis of customer deposits and sent same to S. Damiani; reviewed consignment files and prepared schedule; emails with T. Hogan and S. Damiani re: consignment, GM issues and customer issues.	3.0
2/18/2020	Borzellino, Krista	Site attendance, conducted vehicle inventory, mileage and check with RBC auditor; VIN review.	6.0
2/18/2020	Casey, Brian	On-site - Meetings and review of data collection.	2.0
2/18/2020	Casey, Paul	Status and priorities call with S. Damiani; Bank reporting.	0.4

Date	Name	Narrative	Hours
2/18/2020	Damiani, Stefano	On-site attendance at DMC premises; telephone calls with S. Nishi of GM re buy-back, dealer matters, lease issue; conference call with D. Burke of GM re customer vehicle repairs; review and amend repair protocol email to GM; instructions to Dean Myers staff to facilitate access to GM technicians; review financial information; review and amend Notice and Statement of Receiver; on-site discussions with customers (re consignment, deposits, etc.); meeting with B. Casey re IT back up; meeting with Douglas Guardian re vehicle mileage checks; conference call with T. Hogan and R. Danter of Harrison Pensa (legal counsel); telephone call with P. Casey.	10.5
2/18/2020	Klein, Emily	Site attendance; communications with customers and employees, updating WEPPA calculations and documents, drafting of notice and statement of receiver for both entities.	12.3
2/18/2020	Lodhy, Nabela	Evidence and data management.	6.5
2/18/2020	Orvitz, Alexander	Final day of collections and imaging on-site.	6.5
2/18/2020	Pardinas, Elijah	Data preservation.	6.0
2/18/2020	Williams, Richard	Attend dealership; meeting with S. Damiani and C. Fleming re: consignment and customer issues; review information systems to associate key and stock numbers for inventory count; customer correspondence; review WEPP materials; review depositor and consignor letters drafted by counsel; emails with J. Stanleigh re: Dealerwerx; conducted perimeter check and locked down body shop; interviewed security guard.	5.5
2/19/2020	Borzellino, Krista	Site attendance at dealership; continued VIN review of all vehicles; update detailed tracking schedule; meeting with dealership staff re vehicles.	6.0
2/19/2020	Brown, Rose	Ascend estates management; input creditors into Ascend for 1125278 and copy notices.	1.6
2/19/2020	Casey, Brian	Data collection, QA and testing.	0.5
2/19/2020	Damiani, Stefano	On-site attendance at Dean Myers premises; review various emails with GM and C. Fleming re repairs / return of vehicles; meeting with team; meeting with R. Chamberlin (President); voicemail to P. Whyte of RBC Automotive; draft cover letter and form of Consignment release/termination; instructions to team re vehicle listings; review and amend draft letter re deposits; discussions with security personnel; telephone call with OMVIC; review and amend repair listing, emails with D. Burke of GM on same; correspondence with appraiser; various emails and meetings with team and DMC staff.	10.6
2/19/2020	Klein, Emily	Site attendance; review of additional financial information, finalizing the notice and statements for both entities; calling and sending notices to utility companies; customer and employee correspondences.	11.2
2/19/2020	Lodhy, Nabela	Data preservation.	2.0
2/19/2020	Orvitz, Alexander	Sorting collected drives, archiving in checkpoint.	3.0

Date	Name	Narrative	Hours
2/19/2020	Pardinas, Elijah	Evidence management and extracting data; troubleshooting and mounting drive into Vmware.	2.0
2/19/2020	Williams, Richard	Attend dealership; planning meeting, match inventory listing to garage register; call and emails with A. Young re: inventory; emails with A. Moskowitz; call and emails on customer deposits and repairs; call S. Mitra; physical inspection of gates and locks; search corporate information on Dealerwerx and email T. Hogan; review corporate reports; meet T. Dantas re: deposits; supervise inventory list production and review consignment issues.	4.3
2/20/2020	Borzellino, Krista	Vehicle inventory and key review, ownership documentation.	5.7
2/20/2020	Brown, Rose	WEPPA processing; prepare labels for mailing of notice and statement of receiver.	4.6
2/20/2020	Casey, Brian	Data extraction for sps and testing.	0.5
2/20/2020	Casey, Paul	Emails and multiple calls with S. Damiani regarding receivership administration; creditor communications, WEPP, respond to RBC emails.	1.5
2/20/2020	Damiani, Stefano	On-site attendance at Dean Myers; telephone call with S. Nishi of GM; telephone call with T. Hogan of Harrison Pensa; review of GM dealership; instructions to team; respond to customer queries; emails with Bisceglia Associates re former employee; fixed assets review; meeting with Controller re deposit listing and reconciliation; meeting with Sales Manager re new vehicle reconciliation; e-mails with dealer re equipment/fixed assets; e-mail to A. Coluccio of FCA Insurance; e-mails with M. Volvano of the incumbent insurer; e-mail and telephone call with W. Stasyshyn, the Landlord's legal counsel; e-mails with RBC; correspondence with P. Casey; various meetings/emails.	10.4
2/20/2020	Keene, Ashley	Preparing WEPPA administration, review employee information; calls with P. Casey; coordinate issuance of notice and statement of receiver.	6.5
2/20/2020	Klein, Emily	Various customer and employee communications; updating WEPPA documents.	1.6
2/20/2020	Orvitz, Alexander	Updating checkpoint images.	0.5
2/20/2020	Pardinas, Elijah	Data preservation.	0.5
2/20/2020	Williams, Richard	Review of inventory listings and email correspondence regarding same; call and emails regarding consignment vehicles, customer deposits and repairs; review emails with RBC and review customer deposit list.	2.1
2/21/2020	Borzellino, Krista	Updating of vehicle inventory reconciliation for GM negotiations, discussions with S. Damiani, correspondence with employees; various matters.	6.0
2/21/2020	Brown, Rose	WEPPA administration; printing Schedule A, prepare form of proof of claim, and print Service Canada letters; review and collate envelopes for employee mailing.	6.0
2/21/2020	Casey, Brian	Data collection, QA and testing.	0.5

Date	Name	Narrative	Hours
2/21/2020	Casey, Paul	Emails and instructions regarding WEPP administration; review correspondence; email S. Damiani regarding creditor communications.	0.5
2/21/2020	Damiani, Stefano	On-site attendance at the dealership premises; meeting with Controller re customer deposit listing; review New vehicle listing and email to RBC on same; WEPPA administration; meeting with Toronto Police; instructions to K. Borzellino; review listing of Chamberlin demo vehicles, draft listing and issue email to R. Chamberlin and Loopstra Nixon; e-mails to property services company; draft demand letter; various meetings with C. Fleming (Sales Manager); review updated list of new and used vehicles per C. Fleming, instructions on reconciling items; email to S. Nishi of GM re outstanding payment; amend Customer Deposit letter; e-mails and calls with Harrison Pensa, legal counsel; On-site discussion with R. Chamberlin; conference call with RBC; e-mails with the Landlord's legal counsel and T. Hogan on same.	9.0
2/21/2020	Dew, Todd	WEPP claims and correspondence.	2.0
2/21/2020	Keene, Ashley	WEPPA administration, calls and emails with team on same.	8.2
2/21/2020	Lodhy, Nabela	Data extraction.	2.0
2/21/2020	Pardinas, Elijah	Data extraction.	0.5
2/21/2020	Williams, Richard	WEPPA administration.	1.5
2/23/2020	Damiani, Stefano	Review of lease agreement, amending lease agreements, settlement agreement, and emails with T. Hogan of Harrison Pensa on same; email to T. Dantas (Controller) re rent and property tax payments; email to R. Chamberlin re demo vehicle purchase; consignment matters; review status of tax and employee matters; plan for team.	2.6
2/24/2020	Borzellino, Krista	Updating of vehicle listings and review of supporting documentaiton.	6.0
2/24/2020	Brown, Rose	Trust Banking Administration - Deposit, take re-direction of mail to Post office; mailing of additional WEPP packages.	1.9
2/24/2020	Casey, Brian	Review of request and troubleshoot mail forwarding.	0.5
2/24/2020	Damiani, Stefano	On-site attendance at DMC premises; follow up emails on GM repair status, warranty claims; detailed instructions to E. Klein re payroll, benefits; meeting with P. Kershaw re payroll and review of schedule; e-mail reporting to RBC; review property tax and utility certificates from Landlord counsel; telephone call with R. Chamberlin re demos, customer deposits, 1125278, inventory status, GM; instructions re additional security; towing re 4 repaired vehicles, instructions to C. Fleming on same; call with T. Hogan of Harrison Pensa on various matters; discussion with repair customer; call and e-mail correspondence with W. Stasyshyn (Landlord counsel) and T. Hogan; finalize / issued letter to R. Chamberlin re customer deposits.	8.9
2/24/2020	Klein, Emily	Employee and customer correspondences, organizing employee payroll, finalizing list of consignment vehicles, IT correspondences on outstanding data collected.	9.0

Date	Name	Narrative	Hours
2/24/2020	Lodhy, Nabela	Data extraction.	0.5
2/24/2020	Orvitz, Alexander	Imaging of problematic drives, counting collected drives.	1.5
2/24/2020	Pardinas, Elijah	Data extraction.	2.0
2/24/2020	Williams, Richard	Emails with creditors; conference call with P. Casey and S. Damiani re: customer issues.	0.5
2/25/2020	Borzellino, Krista	Review of accounting system; updating vehicle listing.	2.0
2/25/2020	Brown, Rose	Trust Banking Administration - Disbursement/payroll cheques and courier to offices; review payroll calculation.	1.8
2/25/2020	Casey, Paul	Administration; action plans regarding vehicle marketing; Chamberlin demands and vehicles return; review creditor communications.	1.5
2/25/2020	Damiani, Stefano	On-site attendance at DMC premises; e-mails with D. Burke of General Motor re towing of repair vehicles; telephone call and emails with T. Hogan of Harrison Pensa re various matters; amend communication to Loopstra Nixon re DMC and 112; correspondence with RBC re banking matters; e-mails to S. Nishi of GM re New Car inventory repurchase, parts inventory repurchase, repair vehicles; telephone call with P. Casey on various matters; draft email to GM re customer deposits; e-mails to the Security manager re cameras; review of 112 lease account and financial statements, discussion with Controller re upcoming March payments; instructions to Operations Manager re Used vehicles listing, repairs, consignment; telephone call with S. Mitra of Aird & Berlis; detailed instructions to E. Klein re various tax and employee accounts; instructions re premises maintenance; approve payroll and banking instructions to R. Brown; review R. Chamberlin email and offer, review and reconcile Chamberlin vehicles schedule, provide detailed response.	9.3
2/25/2020	Klein, Emily	Going through consignment release forms, corresponding with employees (regarding WEPPA) and customers, contacting vendors, completing employee invoices, updating Chamberlin vehicle purchase proposal analysis, requesting additional TD funds to be transferred.	11.2
2/25/2020	Pardinas, Elijah	Data Extraction.	2.5
2/26/2020	Borzellino, Krista	Site attendance, continued mileage check of used vehicles.	6.0
2/26/2020	Brown, Rose	Trust Banking Administration - Prepare Disbursement and payroll cheques and mail/courier to company offices, Print disbursement requests.	1.1
2/26/2020	Casey, Paul	Emails regarding unsecured claims; GM correspondence.	0.2

Date	Name	Narrative	Hours
2/26/2020	Damiani, Stefano	On-site attendance at DMC premises; e-mails with S. Nishi of GM re New car inventory, parts inventory, and customer deposits; detailed email to GM re customer deposit list and status; e-mail to D. Burke of GM re parts inventory; e-mails with the Landlord's counsel re payment of termination fee and status of realty taxes and utilities; emails with the City of Toronto inspector and Landlord counsel; review of OMVIC letter re customer deposits, emails with D. Dailly; correspondence with RBC re floorplan insurance; review and amend landlord demand letter, emails with T. Hogan of Harrison Pensa on same; meetings with employees; e-mails and telephone call with R. Chamberlin re 112; telephone call with S. Nishi of GM re buy back process.	9.0
2/26/2020	Klein, Emily	Site attendance; updating payable amounts in Ascend, review agreements, assisting employees with WEPPA forms, reviewing used vehicle listings, corresponding with customers, attaching pay stubs to cheques for employees, finalizing receivables listing.	10.8
2/26/2020	Williams, Richard	Call and emails with customers; call with S. Damiani re: customer deposits and repair issues.	0.3
2/27/2020	Borzellino, Krista	Site attendance, meetings with dealership employees, review of accounting system, continued mileage check of used vehicles.	6.0
2/27/2020	Casey, Paul	On-site attendance; meetings with staff; inspect inventories and other site issues; discuss marketing plans; prepare and attend call with GM Canada; call with Bank; review Chamberlin correspondence.	5.0
2/27/2020	Damiani, Stefano	On-site attendance at DMC premises; conference call with General Motors team and legal counsel; issue demand letter to 2010197 Ontario/Chamberlin; emails with GM; call with D. Burke of GM re parts buy back; various e-mails with GM; review vehicle listings; meeting with staff on prospective buyers; draft bid instructions letter; telephone call with RBC; meetings with Controller re various financial information; potential buyer listing; meeting with P. Casey; telephone and e-mail correspondence with T. Hogan of Harrison Pensa re sale and other matters; e-mails with City of Toronto inspector and Landlord.	8.0
2/27/2020	Keene, Ashley	WEPPA administration.	0.3
2/27/2020	Klein, Emily	Site attendance; compiling list of tires stored for customers; creating list of potential vehicle inventory purchasers, contacting regulator regarding WEPPA questions, updating creditors listing, corresponding with employees regarding WEPPA.	11.5
2/27/2020	Pardinas, Elijah	Data extraction.	2.0
2/27/2020	Williams, Richard	Emails with E. Klein re: WEPPA; call and emails with S. Damiani and customers re: repair issues.	0.5
2/28/2020	Borzellino, Krista	Update vehicle inventory listing, mileage check, meetings with employees.	3.7
2/28/2020	Brown, Rose	Trust Banking Administration - Pick up cheque.	0.2
2/28/2020	Casey, Brian	Review of request and troubleshoot mail forwarding.	0.5

Date	Name	Narrative	Hours
2/28/2020	Casey, Paul	On-site attendance; meetings with staff re vehicle marketing and sale process; calls with counsel and bank; emails re various matters.	3.0
2/28/2020	Damiani, Stefano	On-site attendance at DMC premises; update letter to GM dealers, issue draft to GM and GM counsel; conference call with RBC and counsel; correspondence with the City of Toronto Inspector and Landlord Counsel re permit matter; call with S. Nishi of GM re various items; issue Invitation to Purchaser Inventory letter to purchasers, reporting email to RBC on same; telephone call with S. Mitra of Aird & Berlis re R. Chamberlin request; various instructions to team; e-mail response to R. Chamberlin re 2010197 demand letter and charges; telephone call with A. Leijten of GM re GM dealer calls, buy back listing, fleet issue, and request for refund of undelivered vehicles; e-mails with prospective buyers.	6.0
2/28/2020	Klein, Emily	Site attendance; finalizing the new car listings, sending new car listing to various dealers for potential purchases, compiling invoices for new cars, compiling a list of leases.	9.5
2/28/2020	Pardinas, Elijah	Data extraction.	2.0
2/28/2020	Williams, Richard	Conference call with RBC re: marketing strategy and realization.	0.5
Total	- 1	•	525.5

ATTN: Mr. Wojtek Karwala Royal Bank of Canada 20 King Street West, 2nd Floor Toronto ON M5H 1C4 Canada

#### For professional services rendered

#### Fees

In our capacity as Court-appointed Receiver of Dean Myers Chevrolet Limited and 1125728 Ontario Limited for the month of March, 2020.

Please see the attached appendices for details.

#### Invoice 8001142824

#### **Deloitte Restructuring Inc.**

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

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

Date: April 27, 2020
Client No.: 1136959
WBS#: ROY00538
Engagement Partner: Paul Casey

HST Registration: 122893605RT0001

HST applicable	130,757.00
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#### Expense

HST applicable 5,813.12 Administrative Expense 3,922.71

#### **Sales Tax**

HST at 13.00% 18,264.07

Total Amount Due (CAD) 158,756.90

### Appendix #1 Summary of Fees

difficitly of Fees					
Name	Level	Hours	Rate	Amount	
Casey, Paul	Senior Vice-President	11.5	625	7,187.50	
Damiani, Stefano	Vice-President	161.9	500	80,950.00	
Keene, Ashley	Senior	1.8	290	522.00	
Borzellino, Krista	Senior	32.0	290	9,280.00	
Klein, Emily	Consultant	121.0	250	30,250.00	
Brown, Rose	Trust Administrator	13.3	100	1,330.00	
Total Restructuring P	Professional Hours and Fees	341.5		129,519.50	

#### Data <u>Capture</u>

Casey, Brian	Senior Manager, Forensics	1.0	500	500.00
Pardinas, Elijah	Consultant, Forensics	1.2	250	300.00
Orvitz, Alexander	Analyst, Forensics	2.5	175	437.50
Total Data Capture P	4.7		1,237.50	

Total Professional Hours and Fees	346.2		130,757.00
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#### Disbursements:

Total Disbursements	5,813.12
Locksmith and security	1,593.07
IT costs re data hosting fees, Company's email network costs	1,789.59
Ground transportation	2,430.46

Total Fees and Expenses (CAD)	136,570.12
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#### Appendix #2

#### Work performed from March 1 to 31, 2020

Date	Name	Narrative	Hours
3/1/2020	Damiani, Stefano	Email correspondence with R. Chamberlin re 2 demo vehicle returns and status of 2 vehicles in the US; detailed instructions to team re New inventory list, reviewing corresponding invoices, and keys for returned demos.	0.4
3/2/2020	Borzellino, Krista	Site attendance; meetings with staff; continued mileage review of used vehicles.	5.0
3/2/2020	Casey, Paul	On-site attendance; telephone call with RBC; attend calls with counsel and GM Canada; other receivership administration; review form of Bill of Sale; emails.	5.0
3/2/2020	Damiani, Stefano	On-site attendance; correspondence with prospective purchasers re new/demo inventory; conference call with General Motors and its counsel; respond to customer repair issues; emails with legal counsel re OMVIC matters; meetings with staff re vehicle in-transit, claims, returned vehicles, various matters; review of warranty and sales rebate schedules, meetings with Controller; review form of Bill of Sale, comments to counsel; e-mails with demo party's counsel; conference call with T. Hogan of Harrison Pensa; amendments to customer deposit letters following GM call, email to counsel on same; review GM agreement.	7.9
3/2/2020	Klein, Emily	On-site attendance; customer and dealer correspondences, submitting WEPPA claims, compiling invoices for new vehicles, updating creditor amounts, compiling customer deposits listing with contact details, supplier correspondences.	10.1
3/3/2020	Borzellino, Krista	Site attendance; vehicle key inventory and reconciliation; discussion with S. Damiani.	5.0
3/3/2020	Brown, Rose	Trust Banking Administration - Deposits.	0.5
3/3/2020	Casey, Paul	Conference calls with Bank and counsel regarding various; correspondence with deposit creditors.	1.5
3/3/2020	Damiani, Stefano	On-site attendance; amend customer deposit letters, detailed email to GM on same; correspondence with prospective purchasers/GM dealers re New vehicles; update call with RBC; conference call with T. Hogan, M. Vile of Harrison Pensa; discussion with Controller re partial collection/vendor set-off; banking administration; e-mail to R. Chamberlin re PayPal; call with A. Leijten of GM; e-mail to counsel on GM request; review of receivables and meeting with Controller on same; drafting of form of Offer and Terms and Conditions, email to counsel on same; meeting with DMC staff re RIN, bill of sale, disposition matters.	7.4
3/3/2020	Keene, Ashley	Finalize letters; telephone discussion with S. Damiani; banking administration.	1.2
3/3/2020	Klein, Emily	On-site attendance; dealer correspondences, reviewing equipment leases and sending notice letters, preparing letters to be sent with customers who made deposits, consignment vehicle administration, reviewing account receivables, preparing details for cheque deposits.	9.6
3/3/2020	Orvitz, Alexander	Consolidating drives.	0.5

Date	Name	Narrative	Hours
3/4/2020	Borzellino, Krista	Site attendance; meetings with company staff; vehicle key inventory and reconciliation.	5.0
3/4/2020	Casey, Brian	Data collection and project management.	0.5
3/4/2020	Casey, Paul	Telephone calls with S. Damiani regarding marketing program, customer letters, GM Canada buyback; other receivership administration.	1.5
3/4/2020	Damiani, Stefano	On-site attendance at DMC premises; telephone call with General Motors re potential buy back arrangement, discussion with counsel on same; amend Customer Deposits letter further to GM comments, email to counsel on same; on-site meeting with A. Leijtan/GM to facilitate physical inspection; correspondence with prospective purchasers; email to T. Hogan of Harrison Pensa re GM requests; emails with A. Leijtan of GM re status of refund re in-transits; meeting with C. Fleming; call with T. Hogan of Harrison Pensa re various matters; telephone call with S. Nishi of GM; telephone call with M. Van Beveren of RBC re floor plan and status of refund; call, emails with Oxford re release of car; on-site discussion with owner of consignment vehicle; telephone and email correspondence with E. Villas (Controller, Enterprise) re GM request for rentals; e-mails with counsel re status of CHIN Radio demo; review and amend form of APS.	7.9
3/4/2020	Klein, Emily	On-site attendance; updating insurance forms for new policies with FCA Insurance, employee correspondences, preparing customer deposit letters to be sent out, completing demand letters to be sent to vendors, emailing demand letters to vendors, arranging consignment vehicle returns.	9.4
3/4/2020	Orvitz, Alexander	Consolidating drives.	0.5
3/5/2020	Borzellino, Krista	Attendance at site; ownership and key reconciliation for used vehicles; discussions with Controller and staff.	5.0
3/5/2020	Brown, Rose	Trust Banking Administration - Review cheques, prepare deposit slips and attend at the bank; payroll tax remittance at the bank.	1.5
3/5/2020	Casey, Paul	Review draft GM agreement and comment; emails and telephone call with S. Damiani regarding various; conference call with RBC.	1.0
3/5/2020	Damiani, Stefano	On-site attendance; conference call with RBC re GM status; e-mail to RBC re customer deposits; e-mails with GM and RBC re floorplan refund; call and emails with T. Hogan of Harrison Pensa re vehicles, customer deposits, GM requests, Court motion, outstanding demo return; telephone and email correspondence with M. Vine of Harrison Pensa re amended APS, email to GM on same; instructions to team re DMC software continued service, customer tires, various matters; correspondence with prospective purchasers; discussions with DMC employees; correspondence with T. Hogan re landlord matters, prepare property tax analysis; e-mail to D. Daily of OMVIC.	6.8
3/5/2020	Klein, Emily	On-site attendance; correspondence with vendors re unsecured claims, prepare disbursement package for receivership operating expenses, arranging for email domain names to continue for current employees, arranging for deposit of A/R cheques, meetings with DMCL financial management.	8.5
3/5/2020	Orvitz, Alexander	Continued drive consolidation and update Images in Checkpoint.	1.0
3/6/2020	Borzellino, Krista	Site attendance; reconciliation of ownership documentation of used inventory; meetings with company staff.	5.0

Date	Name	Narrative	Hours
3/6/2020	Casey, Paul	Review emails; update on GM; discussion with S. Damiani.	0.5
3/6/2020	Damiani, Stefano	On-site attendance; telephone call with S. Nishi of GM re form of APS; voicemail and e-mail correspondence with D. Daily of OMVIC; instructions to staff; attendance on two conference calls with GM and counsel re deal structure; telephone correspondence with T. Hogan of Harrison Pensa re landlord matter; telephone calls with M. Vine of Harrison Pensa re APS, Bill of Sale, next steps; correspondence with P. Casey; creditor matters; meeting with Controller; e-mails with counsel re return of demo; instructions to team on Used cars; emails with RBC Auto; review letter and Notice of Fogler Rubinoff for RioCan; e-mails with W. Stasyshn (Landlord Counsel).	7.4
3/6/2020	Klein, Emily	On-site attendance; contacting various vendors to continue or cancel services, further Tire Hotel correspondences regarding customer tires stored at their facility, employee correspondences regarding WEPPA, corresponding with the employee benefits provider on account updates.	7.8
3/7/2020	Damiani, Stefano	E-mails with T. Hogan of Harrison Pensa re GM transaction; review of detailed email and Vehicle Listing from A. Leijten of GM; commence drafting of Court Report.	3.5
3/8/2020	Damiani, Stefano	E-mails with T. Hogan of Harrison Pensa re Landlord email, signage, CWB security, other matters; detailed email to P. Casey.	
3/9/2020	Borzellino, Krista	Compilation of Blackbook values for used car inventory.	1.0
3/9/2020	Brown, Rose	Review and scan Dean Myers mail, send to E. Klein.	1.5
3/9/2020	Casey, Brian	Follow-up with team re data control.	0.5
3/9/2020	Damiani, Stefano	On-site attendance; call with M. Vine of Harrison Pensa re GM, Court motion, bill of sale; meeting with C. Fleming re GM LPO's, IT system, and rebates, review of additional info; draft detailed email to counsel re GM APS action plan; e-mail correspondence with D. Burke of GM re Tire Customer matter; conference call with A. Colucci of FCA Insurance; banking matters; correspondence with the security provider; telephone call and email to D. Chan of RioCan; conference call with T. Hogan and M. Vine of Harrison Pensa; e-mail correspondence with G. Phoenix (Loopstra Nixon LLP) and R. Chamberlin; review letter of Minden Gross, email to T. Hogan on same; emails with A. Leijten of GM re customers; meeting with E. Klein re analysis of related party transactions.	
3/9/2020	Klein, Emily	Customer correspondences regarding stored tires, creditor correspondences, call with insurance provider regarding new policy, updating Chamberlin vehicles listing with pricing details; discussions with S. Damiani.	9.5
3/10/2020	Borzellino, Krista	Compilation of Blackbook values for used car inventory.	2.0
3/10/2020	Brown, Rose	Open and scan mail to EK. Input and prepare deposit and take to the bank.	1.5

Date	Name	Narrative	Hours	
3/10/2020	Damiani, Stefano	On-site attendance; prepare and attend conference call with GM and counsel re buy back transaction; e-mails with D. Jeffers of GM re customer vehicle return; conference call with A. Leijtan of GM and C. Fleming re GM system access; emails with Landlord, prepare calculation for discussion with T. Hogan; additional calls with GM; e-mail to R. Chamberlin re PayPal funds; telephone calls with Harrison Pensa; voicemail and email correspondence with D. Daily of OMVIC; meetings with staff; instructions re banking; correspondence with E. Villas of Enterprise re customer rentals; e-mail to R. Chamberlin re vehicles; update analysis re Chamberlin vehicle sales/offer, email to T. Hogan; emails with T. Hogan re 3501 Dufferin lease.	7.7	
3/10/2020	Keene, Ashley	Banking administration re bank drafts from RBC; telephone discussion with S. Damiani.	0.6	
3/10/2020	Klein, Emily	Corresponding with GM regarding stored tires, finalizing employee payroll to March 11, finalizing summary of vehicles re Chamberlin purchase, discussions with S. Damiani re GM, review mail.	10.1	
3/11/2020	Borzellino, Krista	Compilation of Blackbook values for used car inventory.	1.0	
3/11/2020	Brown, Rose	Trust Banking Administration - Payroll and disbursement cheques, Dean Myers mail review, WEPPA proof of claim review.	2.8	
3/11/2020	Damiani, Stefano	On-site attendance; call with D. Chan (RioCan) re insurance, rent and site visit; onsite meeting with A. Leijtan of GM re second vehicle inspection for GM buy back, and other customer matters; telephone call with P. Dinneen of GM; review landlord counter letter, emails with T. Hogan of Harrison Pensa on same; emails with M. Vine and T. Hogan of Harrison Pensa; review VIN search, emails with GM re return of 4 vehicles; correspondence with insurance brokers; review amended APS, comments to M. Vine; call with T. Hogan on various; email to Chamberlin re 2010197 A/R and demos; prepare and attend conference call with R. Chamberlin and Loopstra Nixon LLP; review of amended GM vehicle listing and email of P. Dinneen of GM on same; prepare Schedule A and email amended APS to GM and GM counsel.	7.2	
3/11/2020	Klein, Emily	On-site attendance; finalizing new insurance policy details, corresponding with customers on outstanding amounts due, following up with vendors on cancelling subscriptions/services, organizing company records and meetings with DMC staff on same.	7.7	
3/11/2020	Orvitz, Alexander	Hard drive management.	0.5	
3/12/2020	Borzellino, Krista	Updating of used car listing and values.	2.0	
3/12/2020	Brown, Rose	Trust Banking - Disbursement cheques; obtain, review and scan Dean Myers mail and courier package, and send to E. Klein.		
3/12/2020	Damiani, Stefano	On-site attendance; e-mail to E. Vilas of Enterprise re rental customers; email to R. Chamberlin re new/demo vehicles; email to R. Chamberlin re 1125278 financial info; review ground lot lease re 3501 Dufferin, email to counsel; e-mails with Harrison Pensa re CWB security, respond to CWB re release of equipment; e-mail to GM re Enterprise Rental customer matter; review Used Vehicles listing; meeting with C. Fleming re Used Cars; telephone call with T. Hogan of Harrison Pensa re GM, PPSA, Landlord, Chamberlin; meetings with employees; detailed instructions to Controller re Black Book analysis; correspondence with customer re deposit; telephone call with E. Cedrena of OMVIC re registration/licensing; follow up email to P. Dinneen (Director, GM) and J. Williams (GM counsel), and voicemail to P. Dinneen.	6.2	

Date	Name	Narrative	Hours
3/12/2020	Klein, Emily	Compile and prepare disbursement invoice packages, employee correspondences regarding WEPP, updating used car listing with Blackbook values, and develop list prices with Sales Manager; review re-directed DMCL mail.	4.4
3/13/2020	Borzellino, Krista	Updating of used car listing and values.	1.0
3/13/2020	Brown, Rose	Review of re-directed DMCL mail, scan and send to E. Klein.	0.5
3/13/2020	Damiani, Stefano  On-site attendance at DMC premises; follow up email to GM; review further amended GM offer, calls with T. Hogan and M. Vine of Harrison Pensa on same; meeting with employees; telephone call with T. Hogan re various matters; review and amend form of release to Landlord re settlement; conference call with P. Dinneen and J. Williams of GM; e-mails with Oxford Properties and GM re vehicle release; review of used car listing, instructions to Controller re Black Book review; update Court Report.		4.3
3/13/2020	Klein, Emily	Corresponding with staff regarding next steps on used inventory listing, various customer and employee correspondences.	1.4
3/14/2020	Damiani, Stefano	Review of amended form of Bill of Sale and Schedule A, provide detailed comments to Harrison Pensa on same; e-mails with R. Chamberlin; update Court report.	3.3
3/15/2020	Damiani, Stefano	Detailed reporting update to P. Casey; instructions to E. Klein re Chamberlin account; updating Court report.	
3/15/2020	Klein, Emily	Review re-directed mail; submitting employee proofs of claim to Service Canada.	
3/16/2020	Brown, Rose	Review and scan re-directed mail and send to E. Klein, prepare deposit and attend at the bank.	
3/16/2020	Damiani, Stefano	On-site attendance; updating Court Report; email and telephone call with R. Chamberlin re offer negotiations, receivership matters; amend Chamberlin offer analysis, email to R. Chamberlin and Loopstra Nixon LLP on same; conference call with T. Hogan of Harrison Pensa re GM status, Landlord, Chamberlin, Court availability implications; review amended form of Landlord settlement, comments to T. Hogan re per diem amount; respond to Loopstra Nixon query re Landlord termination fee; e-mail updated agreement to P. Dinneen and J. Williams of GM; e-mail to S. Mitra of Aird & Berlis re Chamberlin offer and request re VIN charges; e-mails with W. Stasyshyn of the Landlord counsel re release form and funds; execute Landlord release, email to T. Hogan on same; conference call with GM and Harrison Pensa re amendments and AVO issue; call and emails with D. Chan of RioCan re Pattison sign request and deferral of site visit; e-mails with A. Leijten of GM re Pattison signage.	8.4
3/16/2020	Klein, Emily	Employee and customer correspondences, prepare interim statement of receipts and disbursements, creating financial summary for Court Report, providing various details (employee, tax, A/R, A/P, inventory) for the Court report.	6.8

Date	Name	Narrative	Hours		
3/17/2020	Damiani, Stefano	On-site attendance at DMC's premises; review of forms of Orders, call with M. Vine of Harrison Pensa on same; call and email with A. Leijtan of GM re release of vehicles, facilitate access to Foss Motors; emails with D. Chan of RioCan re removal of Pattison signage; calls with T. Hogan re amendments to Landlord agreement; review and execute GM APA; Court report; call with S. Mitra of Aird & Berlis; call with W. Karwala of RBC re GM, Landlord, Chamberlin; emails with GM and Osler, obtain fully executed APA; amend schedule re Chamberlin offer and emails to M. Vine on same.			
3/17/2020	Klein, Emily	Corresponding with former pension provider on cancellation, updating inventory listing with GM purchases, reviewing pre-Receivership HST submissions, updating appendices for Court Report, IT arrangements for DMC staff remote-access.	5.1		
3/18/2020	Brown, Rose	Trust Administration - Confirming incoming wire rec'd - various emails and telephone calls with RBC.	0.6		
3/18/2020	Casey, Paul	Telephone call with S. Damiani re GM and other receivership matters.	0.5		
3/18/2020	Damiani, Stefano	On-site attendance at DMC premises; conference call with Harrison Pensa re motion and Court Orders; emails with Landlord's counsel re settlement funds; telephone call with W. Karwala re funding mechanism; prepare schedule of funding obligations; telephone call with C. Fleming (Sales Manager); telephone call with P. Casey on various file matters; e-mails with H. Cobham (SVP, GM) re vehicle matter; updating Court Report, emails with counsel on same; detailed instructions to C. Fleming and E. Klein re marketing blast for remaining inventory; call with T. Dantas (Controller) re Out of Trust Funds; review amended forms of Orders, and comments to T. Hogan.			
3/18/2020	Klein, Emily	Compilation of additional financial information for Court Report, review of related party loans, prepare and submit disbursement invoice package to R. Brown for payment, contacting Toronto Hydro re deposit matter, finalizing the R&D statement.	4.4		
3/19/2020	Brown, Rose	Trust Banking Administration - Print and input disbursement requests into Ascend.	0.8		
3/19/2020	Casey, Paul	Emails with S. Damiani regarding various.	0.3		
3/19/2020	Damiani, Stefano	On-site attendance at DMC premises; e-mails and call with M. Vine of Harrison Pensa re Chamberlin bills of sale; teleconference with Controller re Out of Trust Funds analysis, instructions to E. Klein on same; calls with T. Hogan; update, finalize and execute First Report and Confidential Supplemental Report to Court; conference call with RBC; instructions to E. Klein re marketing blast; emails with GM Financial, review of PPSA and VIN results.			
3/19/2020	Klein, Emily	Finalizing new and used vehicle listings for dealer distribution, drafting a letter to be sent to dealers for distribution, arranging pick up for tanks at dealership.	3.1		
3/20/2020	Brown, Rose	Trust Banking Administration - Emails to E. Klein, bank print outs and copy of return items, and process in Ascend.	0.4		

Date	Name	Narrative	Hours
3/20/2020	Damiani, Stefano	On-site attendance at DMC premises; emails with counsel re Chamberlin bills of sale; call with A. Leijtan of GM and C. Fleming re 2 customer penalty issues / vehicle release matters; e-mails re vendor pick up of gas cylinders and tanks; emails with CWB re release of equipment; review revised listings for marketing blast, instructions to Sales Manager on same; call with T. Hogan of Harrison Pensa; conference call with C. Fleming and E. Klein re marketing package.	3.7
3/20/2020	Klein, Emily	Finalizing all inventory listings for dealer distribution, customer correspondences, reviewing cash flow with Controller, arranging for oil tanks and key cutter to be picked-up, call with S. Damiani on next steps on selling remaining inventory.	4.1
3/21/2020	Damiani, Stefano	Review and amend form of 2010197 A/R satisfaction agreement, and email to T. Hogan of Harrison Pensa on same; e-mail to T. Hogan re Chamberlin matter; review emails.	1.3
3/23/2020	Damiani, Stefano	On-site attendance at the dealership premises; detailed review on marketing letter, New and Used vehicle listings, parts listing, accessories listing, and detailed comments to E. Klein on same; emails with H. Cobham (SVP, GM Financial) and C. Hansen (VP Risk, GM Financial) re vehicle return; e-mails with Controller re tax; review amended Bills of Sale and A/R Satisfaction document issued to Chamberlin counsel; review email of Loopstra Nixon, comments to T. Hogan of Harrison Pensa on same; correspondence with S. Morris of Aird & Berlis re release of charges; review Factum, comments to Harrison Pensa on same; call with Bailiff re GM Financial; call with W. Karwala of RBC; e-mails re scheduling vendor pick up; telephone and email correspondence with CWB representative re key cutting machine pick up; call with T. Hogan re marketing letter; telephone calls with A. Leijtan and S. Nishi of GM re marketing letter package and recipient listing, email on same; review Riocan counsel query; conference call with P. Dinneen, S. Nishi and A. Leijtan of GM; review form of confidentiality agreement, emails with T. Hogan on same; review listing of 2019 GM incentive rebates, comments to GM on same; detailed email to Harrison Pensa re GM; marketing blast to prospective purchasers; correspondence with prospective purchasers.	9.7
3/23/2020	Klein, Emily	Finalize marketing package with S. Damiani and correspondence on same; issuance of marketing package with inventory listings and forms of bill of sale to 85 dealers.	4.9
3/24/2020	Damiani, Stefano	On-site attendance at the dealership; facilitate access and removal by vendors/secured lender (i.e. gas cylinders, CWB/key cutting machine); instructions to Sales Manager re parts inquiry; call with legal counsel re GM sale, Chamberlin; emails with GM Financial confirming release/pick up of vehicle; call with W. Karwala of RBC re GM; email to R. Chamberlin re bill of sale and A/R; call with J. Zomok of RBC; prepare and attend call with GM and counsel; review draft amended closing date terms, discussion with T. Hogan on same; second conference call with GM and counsel; e-mails with employees re payroll; discussions with Sales Manager re marketing and vendor matters; review of Chamberlin form of APA, call with T. Hogan on same; reporting email to RBC.	
3/24/2020	Klein, Emily	Corresponding with prospective purchasers, corresponding with retained employees, corresponding with customers re accounts receivable.	2.1

Date	Name	Narrative	Hours
3/25/2020	Casey, Paul	Conference call with S. Damiani and T. Hogan regarding Superior Court attendance and Order; next steps; account correspondence; marketing timetable and funding.	1.2
3/25/2020	Damiani, Stefano	On-site attendance; calls with T. Hogan of Harrison Pensa; prepare monthly occupancy calculation; pre-Court teleconference with Chamberlin legal counsel; attend on Court teleconference hearing re AVO, Omnibus, Ancillary Orders; conference call with T. Hogan and P. Casey re Orders, marketing, Chamberlin offer; telephone call with W. Karwala of RBC re marketing status; review employee payroll calculation, instructions to E. Klein on same; e-mails with legal counsel; review and amend employee termination letter, instructions to E. Klein; e-mails with Sales Manager re marketing of parts; e-mails with A. Leijtan of GM re site inspection on March 31, coordinating transfers of funds and vehicles for April 1.	5.7
3/25/2020	Klein, Emily	Completing employee invoices and payroll calculations for the March 12-25 period; completing employee ROE details; contacting WSIB to remit payment; customer and employee correspondences.	3.2
3/26/2020	Damiani, Stefano	On-site attendance at the dealership premises; emails with GM and counsel re AVO, inspection date, finance call; review payroll matter, instructions to R. Brown on same; emails with Toronto Hydro re deposit waiver; amend letter to owners of third-party vehicles onsite; review/approve disbursements; instructions to E. Klein.	2.3
3/26/2020	Klein, Emily	Reviewing and submitting proofs of claim of former employees, correspondence with former employees, corresponding with prospective purchasers, finalizing termination letter, arranging for payment of various utilities.	3.0
3/27/2020	Damiani, Stefano	On-site attendance; e-mails with A. Leijtan of GM re GM sale transaction, funding and vehicle inspection prep; emails with B. MacEachern of RBC Auto re GM funds transfer logistics; review receivership vendor invoices; telephone call with T. Hogan of Harrison Pensa; prepare and attend conference call with representatives of GM and RBC Auto re closing planning; review and amend statement of cash R&D to March 27, 2020; follow up e-mail to R. Chamberlin re purchase of 6 cars and A/R settlement; review correspondence with T. Hogan and OMVIC counsel.	3.3
3/27/2020	Klein, Emily	Correspondence with owners of non-DMCL vehicles located at the dealership; various other customer correspondences; updating the R&D.	1.4
3/30/2020	Damiani, Stefano	On-site attendance at the dealership premises; e-mails with A. Leijtan of GM re site inspection, vehicle positioning, funding timing; telephone call with Sales Manager re GM request; review Bailiff request re Ford F150, e-mail to counsel on same; review and amend release form re third-party vehicles, instructions to E. Klein; email correspondence with vendors re tank pick up (CamCarb, Wakefield); compile information re Somerset Automotive Sales Network and email to T. Hogan on same; telephone call and emails with E. Smoluch of Ritchie Bros. re potential auction; e-mails with R. Chamberlin re transactions and A/R satisfaction document; review form of release re Pattison signage, emails with Harrison Pensa on same; conference call with A. Leijtan of GM and C. Fleming re status of vehicle prep, MDI tool.	5.1
3/30/2020	Pardinas, Elijah	Data testing.	0.7

Date	Name	Narrative	Hours
3/31/2020	Damiani, Stefano	On-site attendance; facilitate access for tank removal by vendors; of site meeting with A. Leijtan of GM for final vehicle inspections per GI sale agreement; review email to Folgers (RioCan counsel) re Pattison; telephone call with D. Chan of RioCan re Pattison; email to A. Leijtan of GM; reporting email to RBC re GM status; emails with G. Phoenix of Loopstra Nixon re Chamberlin sale; review floor plan list with Controller, email to Harrison Pensa; facilitate release of 2 third-party vehicles for towing; telephone call with W. Karwala of RBC re floor plan; emails with M. Rusek (OMVIC legal counsel); telephone call with S. Mitra of Aird & Berlis re Chamberlin release request; conference call with RBC and counsel.	
3/31/2020	Klein, Emily	Customer correspondences, arranging pick-up of equipment and vehicles at the dealership not belonging to Receiver, corresponding with auctioneers, preparing inventory listing for non-dealers, finalizing related party receivables list.	
3/31/2020	Pardinas, Elijah	Data testing.	0.5
Total		·	346.2

ATTN: Mr. Wojtek Karwala Royal Bank of Canada 20 King Street West, 2nd Floor Toronto ON M5H 1C4 Canada

#### For professional services rendered

#### Fees

**Expense** 

**Sales Tax** 

In our capacity as Court-appointed Receiver of Dean Myers Chevrolet Limited and 1125728 Ontario Limited for the period April 1, 2020 to May 6, 2020.

Please see the attached appendices for details.

Invoice 8001200697

**Deloitte Restructuring Inc.** 

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

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

Date: May 26, 2020 Client No.: 1136959 WBS#: ROY00538 Engagement Partner: Paul Casey

HST Registration: 122893605RT0001

HST applicable	139,577.50
HST applicable Administrative Expense	961.31 4,187.33
HST at 13.00%	18,814.40

Total Amount Due (CAD) 163,540.54

# 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 reprint invoice date to the date on which the entire account is paid.

#### Appendix #1

#### **Summary of Fees**

Name	Level	Hours	Rate	Amount
Casey, Paul	Senior Vice-President	17.5	625.00	10,937.50
Damiani, Stefano	Vice-President	205.2	500.00	102,600.00
Klein, Emily	Consultant	63.7	250.00	15,925.00
Brown, Rose	Trust Administrator	25.4	100.00	2,540.00
Total Professional Hours and Fees		311.8		132,002.50

#### Data Capture

Total Data Capture Profe	essional Hours and Fees	20.3		7,575.00
Pardinas, Elijah	Consultant, Forensics	10.3	250.00	2,575.00
Casey, Brian	Senior Manager, Forensics	10.0	500.00	5,000.00

Total Professional Hours and Fees	332.1		139,577.50
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#### Disbursements:

Ground transportation	734.31
Online search reports	227.00
Total Disbursements	961.31

nses (CAD) 140,538.81
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Appendix #2

#### Work performed from April 1, 2020 to May 6, 2020

Date	Name	Name Narrative	Hours
4/1/2020	Casey, Paul	Update call with S. Damiani; GM sale closing; marketing of remaining fleet, parts, Chamberlin offer, reporting, other receivership matters.	0.5
4/1/2020	Damiani, Stefano	On-site attendance at the dealership premises; emails with GM re confirmation of funds transfer re closing of GM APS and transport logistics; on-site discussions with drivers, facilitate removal of all 49 vehicles purchased by GM; emails with RBC; review and approve disbursement requests; correspondence with GM re Pattison status; conference call with OMVIC legal counsel re licensing actions and customer deposits; email and telephone correspondence with T. Hogan of Harrison Pensa; review customer lease agreement and subledger, emails of T. Dantas (Controller) on same, and instructions to E. Klein re end of lease term customer buyout; review email re Chamberlin charge request; telephone call with P. Casey; emails and call with N. Fry (Pattison).	9.8
4/1/2020	Klein, Emily	Correspondence with leasing and tire customers.	0.3
4/2/2020	Damiani, Stefano	On-site attendance at the dealership premises; e-mails with Ford and bailiff re vehicle removal; emails re leasing customer request; review G. Phoenix (Loopstra Nixon) correspondence re Chamberlin transaction; review and approve disbursement requests; instructions re insurance notification re sold vehicles; e-mails to T. Hogan of Harrison Pensa.	2.3
4/2/2020	Klein, Emily	Creditor and customer correspondences; sending invoices for payment.	0.6
4/2/2020	Pardinas, Elijah	Data management.	0.3
4/3/2020	Damiani, Stefano	On-site attendance at the dealership premises; e-mails to B. MacEachern of RBC re status of GM funds; facilitate release of Ford vehicle; instructions re parts count; telephone call with T. Hogan of Harrison Pensa; emails with T. Hogan and Loopstra Nixon re Chamberlin transaction status; instructions re employee payroll; review of Ritchie Bros document and emails with E. Smoluch of Ritchie Bros. on same; telephone call with T. Dantas (Controller) re monthly billings to lease customers; email to P. Dinneen and J. Williams (legal counsel) of GM re confirmation of funds, rebate payable after closing; execute Receiver's Certificate re GM sale, email to Harrison Pensa on same; detailed instructions re deposit and distribution entries for Ascend estate general ledger; instructions to E. Klein re employee letter and ROE.	4.4
4/3/2020	Klein, Emily	Corresponding with employees, customers, and retained employees; call with S. Damiani regarding next steps; calculating payroll.	3.0

Date	Name	Narrative	Hours
4/5/2020	Damiani, Stefano	Review of A/R demand letter tracking schedule, and detailed instructions to E. Klein on same; review and amend letter re used vehicles; instructions to E. Klein re TD lien; review letter of S. Zucker (Chamberlin counsel) re request for Court teleconference on April 7; e-mail correspondence with G. Phoenix of Loopstra Nixon (Chamberlin counsel) re status of family vehicle sale, other matters.	2.3
4/6/2020	Brown, Rose	Trust Banking Administration - Payroll and Disbursement cheques, review and email Service Canada WEPP letter to E. Klein.	2.2
4/6/2020	Casey, Paul	Review email regarding Chamberlin and counsel; emails with S. Damiani.	0.2
4/6/2020	Damiani, Stefano	On-site attendance at the dealership; teleconference call with W. Stasyshyn (Landlord/Gordon Myers counsel) and T. Hogan of Harrison Pensa re Chamberlin request; review, amend demand letters for related parties; review, approve disbursements and payroll; review GM rebate, call with Sales Manager; review RBC and TD receipts and email of Controller on same; telephone calls with T. Hogan; email to E. Klein re related party A/R; review Controller's email and the attached GM credit confirmation invoices; emails with GM and Sales Manager re vehicle re Scotiabank lien (Malibu); telephone call with W. Karwala of RBC; email to T. Hogan re VIN search (Malibu); telephone calls with Controller.	5.1
4/6/2020	Klein, Emily	Updating related party demand letters, submitting invoices for payment, submitting proof of claims for WEPPA and reviewing payment letters, allocating receipts R&D telephone call with S, Damiani regarding related party receivables.	4.8
4/7/2020	Brown, Rose	Trust Banking Administration - Prepare wires.	0.6
4/7/2020	Casey, Paul	Emails and telephone calls with S. Damiani regarding Chamberlin offer and negotiations; review R&D and estimated receivership liabilities.	1.0
4/7/2020	Damiani, Stefano	On-site attendance at the dealership premises; conference call with G. Phoenix of Loopstra Nixon (Chamberlin counsel); telephone calls and emails with T. Hogan of Harrison Pensa; email to Controller re cash receipts and bank balances; review form of NDA; instructions to E. Klein re auctioneers; telephone call with A. Moskowitz (Platinum Assets); e-mail to GM dealer; telephone call with prospective purchaser re used vehicles; teleconference call with counsel to Chamberlin, Gordon Dean Myers, RBC re potential resolution; e-mails with Sales Manager re customer lien; review and amend R&D to April 7, 2020 and prepare estimate of April and May disbursements; telephone call with E. Smoluch of Ritchie Bros; conference call with RBC.	6.3
4/7/2020	Klein, Emily	Updating R&D, reviewing dealership mail, contacting and arranging meetings with auctioneers, sending inventory listing to non-GM dealers.	4.2
4/7/2020	Pardinas, Elijah	Data management.	0.2

Date	Name	Narrative	Hours
4/8/2020	Brown, Rose	Trust Banking Administration - Completes two wire transfers, arrange signatures and fax to RBC; confirm wire process by RBC and send confirmation to S. Damiani; disbursement requests.	1.0
4/8/2020	Casey, Paul	Communications regarding Court decision, Chamberlin negotiations; receivership liabilities, borrowing requirements and transition/transaction issues.	1.0
4/8/2020	Damiani, Stefano	On-site attendance at the dealership premises; prepare and attend Court teleconference hearing; review of letter to Justice Hainey and written submissions of W. Stasyshyn (Gordon Myers counsel); telephone calls and emails with T. Hogan (counsel); emails with Toronto Hydro; telephone discussion with Aird & Berlis; telephone call and emails with K. Muller of Adessa re auction structure; telephone call and emails with P. DeVille of Impact Auto Auctions re auction structure; telephone call with Sales Manager, review ownership documents, email to G. Phoenix of Loopstra Nixon (Chamberlin counsel) on same; review bills of sale executed by Chamberlin and email re delay in funding; fully execute bills of sale, email to T. Hogan on same; review 407 ETR statement, email to R. Chamberlin on same; telephone call with RBC.	5.3
4/8/2020	Klein, Emily	Corresponding with potential vehicle purchasers; updating inventory listing to reflect aged vehicles; review re-directed mail; calls with auctioneers regarding sale of vehicles (Impact & Adessa); sending bills for payment.	4.4
4/9/2020	Brown, Rose	Scanning mail and send to E. Klein.	0.5
4/9/2020	Casey, Paul	Comments on Chamberlin negotiations, receiver liabilities and transition planning.	0.5
4/9/2020	Damiani, Stefano	On-site attendance at the dealership premises; drafting of potential deal framework, priority payables, and discharge; telephone and email correspondence with A. Moskowitz (Platinum Assets); review draft auction summary chart, instructions to E. Klein on same; reporting email to RBC; telephone call with T. Hogan of Harrison Pensa; review GM form of termination notice, correspondence with S. Nishi, J. Williams of GM on same; emails with auctioneers (Adesa, Impact, Ritchie Bros.) re transport costs; emails of D. Jeffers of GM re customer tires; telephone call with S. Nishi re GM dealers, sale restrictions re COVID, and termination agreement; emails with Controller re MVDA Trust Account; review, amend and execute GM Termination Notice; e-mail to GM re OMVIC claimant.	5.2
4/9/2020	Klein, Emily	Arrangement payment for utilities, commence drafting schedule of Auctioneer proposals; updating R&D to April 9; review dealership mail.	3.0
4/11/2020	Damiani, Stefano	Review auction proposals and emails, and amend auction summary table.	1.9

Date	Name	Narrative	Hours
4/13/2020	Brown, Rose	Trust Banking Administration - input disbursement cheques and print cheques; discuss depositing cheques and obtain copy of cheque for deposit with S. Damiani.	0.8
4/13/2020	Casey, Paul	Review reporting email to RBC and emails to S. Damiani.	0.2
4/13/2020	Damiani, Stefano	On-site attendance at the dealership premises; follow up voicemail to R. Chamberlin re status of funding; telephone call and on-site meeting with A. Moskovitz (Platinum Assets) re auction proposal; email, telephone correspondence with W. Karwala; review and approve disbursements; telephone call with Sales Manager re Chamberlin envelope; deposit instructions to R. Brown; finalize Chamberlin Settlement Framework outline, teleconference call w counsel to Chamberlin, Dean Myers, RBC; telephone calls and emails with T. Hogan of Harrison Pensa; update R&D and schedule of receivership obligations; reporting email to RBC; instructions to E. Klein re customer tires and GM communications.	6.6
4/13/2020	Klein, Emily	Arranging payment of operating invoices, customer correspondences; contacting GM regarding pick-up of customer tires at the Tire Hotel and at the dealership.	1.1
4/14/2020	Brown, Rose	Trust Banking Administration - Deposit. Trust Banking Administration - have cheques signed and mail out. Open Mail received.	1.5
4/14/2020	Damiani, Stefano	On-site attendance at the dealership premises; telephone call with T. Dantas (Controller) re HST filings, A/R collections; instructions to E. Klein re RT0001 returns; telephone call and emails with prospective purchaser (GM Dealer); e-mail correspondence with K. Miller (Adessa) re auction proposal; telephone call with P. DeVille (Impact Auto) re auction proposal; telephone and email correspondence with E. Smoluch (Ritchie Bros) re auction proposal; review of Gordon Dean Myers Responding Application Record; review disbursement requests and sign cheques; review of customer tire listings, inquiries with GM on same; review of A/R collections tracking schedule, email of Controller on same.	4.3
4/14/2020	Klein, Emily	Filing HST returns for both entities, customer correspondences, providing deposit details for collections, sending updated inventory listing to the insurer, corresponding with auctioneers, updating inventory list for potential purchaser.	4.0
4/15/2020	Brown, Rose	Review dealership mail, send to E. Klein.	0.5
4/15/2020	Casey, Paul	Emails and telephone call with S. Damiani regarding status and plan.	1.0

Date	Name	Narrative	Hours
4/15/2020	Damiani, Stefano	On-site attendance; review of fully executed GM termination notice and email of S. Nishi of GM on same; review of Ritchie Bros. amended auction proposal, telephone call with E. Smoluch on same; telephone call with S. Nishi of GM re remaining inventory and regional dealer inventory, and emails to S. Nishi on same; call with banker to private investor/interested party, emails on same; follow up email to prospective purchaser; telephone call with GM dealer / prospective purchaser; telephone calls with T. Hogan of Harrison Pensa; email correspondence with tire customer; emails with GM; conference call with W. Stasyshyn (counsel to Gordon Dean Myers); conference call with Aird & Berlis; review proposal of Platinum Assets and telephone call with A. Moskowitz on same; review vehicle listings and update auction summary chart; draft detailed reporting email to RBC and counsel; telephone discussion with P. Casey; email correspondence with tire customer; telephone call with prospective purchaser regarding a specific vehicle (Hummer); review emails with GM re tire matters.	5.6
4/15/2020	Klein, Emily	Updating inventory analyais and summary of remaining assets, discussions with GM regarding tires stored at the dealership; calls with potential inventory purchasers; completing ROE for former retained employee.	3.7
4/16/2020	Casey, Paul	Review reporting to Bank and summary of auction proposals; emails S. Damiani regarding Court attendance and instructions.	1.3
4/16/2020	Damiani, Stefano	On-site attendance; conference call with M. Rusek (OMVIC legal counsel) re licensing status; email correspondence and telephone call with prospective buyer (Finch Auto) re vehicle query; telephone calls with Sales Manager re dealer trades, OMVIC, auctions, car lists; telephone calls with T. Hogan of Harrison Pensa; telephone call and e-mails with D. Dailly (OMVIC) re MVDA trust account and status of claims; emails with E. Smoluch of Ritchie Bros.; call with P. De Ville of Impact Auto, review agreement; update auction summary chart and reporting email; review of vehicles details re Scotiabank lien, call and email to Sales Manager on same; email to A. Leijten of GM re customer lien; emails with D. Burke of GM re tire issues; email to T. Hogan re OMVIC claims matter; respond to query from interested party (S. Leckie); calls and emails with T. Dantas (Controller) re lien matter, instructions for release; emails with P. Taylor and D. Burke of GM re system access, termination agreement; attendance on Court teleconference hearing before Justice Hainey; reporting email to RBC and counsel; respond to email inquiry from interested party re scrap vehicles.	7.1
4/16/2020	Klein, Emily	Update listing of interested dealers to follow-up with regarding the inventory; corresponding with retained staff regarding current tasks.	1.9
4/17/2020	Casey, Paul	Review Hainey Judgement; analysis of new vehicle offer from Finch and discussions with S. Damiani; correspondence with RBC; discuss next steps and instructions.	1.5

Date	Name	Narrative	Hours
4/17/2020	Damiani, Stefano	On-site attendance; review and analysis of en bloc offer for remaining New and Demo vehicles, emails with Purchaser (Finch Group) on same; conference call with Aird & Berlis and Harrison Pensa re offer; additional emails with P. Taylor and D. Burke of GM re system access, termination agreement; review email correspondence with Scotiabank re customer lien; telephone call with Purchaser (J. Finch) re details and conditions of offer, logistics, funding, other assets for sale; reporting email to RBC and counsel; review correspondence from Chamberlin counsel; emails with A. Leijten of GM re customer matter; additional emails with Sales Manager and GM re customer tire reconciliation; review email of D. Dailly of OMVIC re customer repayment; emails of T. Dantas (Controller) and E. Klein re OMVIC; voicemail and email to S. Nishi of GM re incentive rebates applicable to Finch Offer; conference call with Loopstra Nixon, Aird & Berlis, and Harrison Pensa re Chamberlin offer status.	8.9
4/17/2020	Klein, Emily	Reconciling inventory offer with inventory listing, sending invoices for payment, discussions with vendors on outstanding invoices, review of re-directed mail.	2.3
4/17/2020	Pardinas, Elijah	Data management.	0.5
4/18/2020	Casey, Paul	Telephone call with S. Damiani regarding prospective bulk purchase and action plans; other receivership activities.	0.5
4/18/2020	Damiani, Stefano	Telephone call and emails with prospective purchaser (J. Finch); telephone call and emails with T. Hogan of Harrison Pensa; review email of G. Phoenix of Loopstra Nixon (Chamberlin counsel); conference call with Aird & Berlis and Harrison Pensa; telephone call and email correspondence with Sales Manager re vehicle inspection prep, logistics; emails; telephone call with P. Casey.	2.3
4/20/2020	Casey, Brian	Meeting / review of data / next Steps	1.0
4/20/2020	Casey, Paul	Review and update reporting email to RBC regarding potential purchaser status and next steps; emails with S. Damiani; subsequent telephone call with S. Damiani regarding Finch transaction approval.	1.2

Date	Name	Narrative	Hours
4/20/2020	Damiani, Stefano	On-site attendance; pre-call and on-site morning meeting with used car/parts reseller; on-site afternoon meetings with prospective purchaser of new and used vehicles (Finch Auto); discussion with Sales Manager re customer tires, email to E. Klein re GM status; email correspondence with prospective purchaser (Lecke) re used cars and terms; e-mails with RBC and counsel; e-mails with P. Taylor of GM re system reports; e-mail of A. Leijtan of GM; telephone and e-mail correspondence with T. Hogan of Harrison Pensa; discussions with Sales Manager re keys, ownerships, LPO's and other information; review UCDA report for GMC Sierra, email to T. Dantas (Controller) for supporting documentation; e-mail to R. Brown re funds status; conference call with B. Casey and E. Klein re data servers, Quorum; review auction agreement; negotiate and finalize Bill of Sale with Finch for 39 new and demo vehicles; discussion with P. Casey; e-mails to prospective buyers re used vehicle listings; instructions to E. Klein re Scotiabank.	10.7
4/20/2020	Klein, Emily	Arranging pick-up of vehicles with liens, corresponding with GM regarding tires, arranging pick-up of leased equipment, creating schedules for remaining new vehicles bill of sale, cancelling dealer phones, fixed asset inventory listing.	3.8
4/20/2020	Pardinas, Elijah	Data management.	0.5
4/21/2020	Brown, Rose	Trust Banking Administration - Review online banking to confirm deposit; review account online for incoming wire for sale; telephone call with S. Damiani.	1.0
4/21/2020	Casey, Paul	Emails S. Damiani, counsel regarding status of Finch transaction and other receivership administration matters.	0.3
4/21/2020	Damiani, Stefano	On-site attendance; e-mails with purchaser of new/demo vehicles (Finch) re second meeting, keys, NVIS, ownership, LPO's, wire funds; on-site meetings with group of prospective purchasers re used cars, parts, equipment, inspections; telephone call with M. Vine of Harrison Pensa re claims, emails on same; telephone call with E. Klein re Finch Bill of Sale, OMVIC, GM, customer tires, Scotiabank vehicle lien; telephone call with tire customer (G. Thorpe); pick-up of tires by GM dealer; respond to RBC VIN query; facilitate return of leased equipment (Sharp); telephone call with Purchaser (Finch) re transport, used cars; email to R. Chamberlin re Corvette in Florida; discussions with Sales Manager re vehicle prep; email to R. Chamberlin re parts inventory; correspondence with RBC; review equipment offers, provided detailed instructions to E. Klein on same; emails with party interested in scrap vehicles; review Sales Manager schedule re Finch purchase list to prepare for closing.	7.7
4/21/2020	Klein, Emily	Corresponding with various vendors on the pick-up of equipment from the dealership; compile and review details of amounts owed from related parties; retaining back-up for customer deposits; preparing employee payroll.	4.6
4/21/2020	Pardinas, Elijah	Data management.	0.5

Date	Name	Narrative	Hours
4/22/2020	Brown, Rose	Follow up on incoming wire with bank, telephone calls with S. Damiani and RBC to confirm status; supporting documents for Ascend entries; review re-directed mail.	1.2
4/22/2020	Damiani, Stefano	On-site attendance; on-site meeting with Purchaser (Finch) for removal of vehicles, keys and documents re new/demo vehicles; correspondence with Impact Auto Auctions; additional emails and telephone calls with Purchaser (Finch) re funds, transport logistics; banking instructions to R. Brown; facilitate inspection by Finch of used vehicles, parts and shop equipment; review payroll; telephone call and emails with T. Hogan of Harrison Pensa; discussions with Sales Manager re used cars, new car documentation, parts, and shop equipment; review email of Chamberlin counsel; emails with P. Casey.	9.1
4/22/2020	Klein, Emily	Corresponding with purchasers of fixed assets regarding their offers; corresponding with creditors.	1.4
4/23/2020	Brown, Rose	Trust Banking Administration - Prepare wire and sent to RBC, update Ascend with disbursement/payroll requests and reconcile to bank; email to E. Klein.	1.8
4/23/2020	Casey, Brian	Meeting / review of data / next steps.	0.5
4/23/2020	Casey, Paul	Telephone calls with S. Damiani to discuss used vehicle sale opportunity and options; review estimated surplus calculation and estimated estate liabilities; review correspondence with RBC.	1.5
4/23/2020	Damiani, Stefano  On-site attendance; facilitate removal of Finch purchased new/demo vehicles inventory; review of en bloc Offer for Used vehicles, telephone and email correspondence with purchaser (Finch); telephone calls and emails with P. DeVille of Impact Auto; discussions with Sales Manager to vehicle transport, used car ownership transfers, equipment; conference calls with Aird & Berlis and Harrison Pensa; telephone correspondence with Finch re Used cars, parts, equipment; review and amend R&D and estimate liabilities; email reporting to RBC; review email correspondence with Chamberlin counsel; conference call with B. Earle and P. DeVille of Impact Auto re used, parts, shop equipment, logistics, meeting; review of offer on certain equipment, email to E. Klein on same; telephone call and emails with T. Hogan of Harrison Pensa; correspondence with P. Casey; review of Pattison amendments to the release form, and send email to D. Chan of RioCan and L. Sdao of Fogler on same.		7.3
4/23/2020	Klein, Emily	Updating the R&D review re-directed email; sending inventory listings to interested purchasers.	2.6
4/23/2020	Pardinas, Elijah	Data management.	0.6
4/24/2020	Brown, Rose	Trust Banking Administration - Disbursement transfer, confirm incoming wire and input into Ascend; reconcile bank to GL and confirm all entries updated on Ascend; review mail and email to E. Klein.	1.9

Date	Pate Name Narrative		Hours
4/24/2020	Casey, Brian	Meeting / review of data / next steps.	1.0
4/24/2020	Casey, Paul	Email updates with S. Damiani.	0.3
4/24/2020	Damiani, Stefano	On-site attendance; conference call with G. Phoenix of Loopstra Nixon (Chamberlin) and T. Hogan of Harrison Pensa, and emails on same; conference calls with Aird & Berlis and Harrison Pensa; various telephone calls with Purchaser (Finch) re confirmation of Used Cars sale, transport of remaining New cars; execute Bill of Sale for Used Cars and confirm receipt of funds; on-site meeting with Impact Auto re parts, shop equipment; review draft statements of claims, correspondence with M. Vine of Harrison Pensa on same; discussions with Sales Manager re logistics, used cars, parts; review disbursement package and sign cheques; conference call with Data Capture team re vacating premises; telephone call, email with prospective equipment buyer (H. Yeo of TLS); facilitate access for transport carriers, release of vehicles re Finch; update R&D and draft reporting email.	
4/24/2020	Klein, Emily	Preparing schedule of inventory for bill of sale for used vehicles purchase, corresponding with customers regarding stored tires, comparing fixed asset offers from various purchasers, call with forensics regarding outstanding data collections.	3.1
4/24/2020	Pardinas, Elijah	Data management.	0.5
4/25/2020	Casey, Paul	Review email report with S. Damiani; call regarding status of Chamberlin visit and realization options; updated reporting and analysis.	
4/25/2020	Damiani, Stefano  On-site attendance at the dealership premises; facilitate release of Finch purchased used cars to transport carrier; on-site meeting with R. Chamberlin, facilitate site inspection; review related party accounts, cash analysis, sold out of trust analysis, telephone calls with Controller (T. Dantas) on same; release of customer tires; e-mails with Purchaser (J. Finch) re spare keys, ownerships, prepare for Monday meeting; telephone calls and emails with T. Hogan of Harrison Pensa; discussions with Sales Manager; email correspondence with G. Phoenix of Loopstra Nixon (Chamberlin counsel) and T. Hogan; email to R. Chamberlin re site visit, call; review of Landlord agreement; telephone call with P. Casey.		9.3
4/26/2020	Casey, Paul	Review Phoenix Agreement and updated reporting to RBC; telephone call with S. Damiani.	1.0

Date	Name	Narrative	Hours
4/26/2020	Damiani, Stefano	On-site attendance; telephone and email correspondence with R. Hall of Quorum re accounting server; review lease portfolio analysis and telephone call with Controller on same; review of curtailment analysis of Controller; review of email of G. Phoenix of Loopstra Nixon (Chamberlin counsel); emails with T. Hogan of Harrison Pensa; review SOT analysis, calls with Controller on same; telephone call with Sales Manager re Finch, leases; review lease documentation; emails with Purchaser (Finch) re transport carrier; telephone call and emails with Quorum re server hosting and remote access disruption; reporting email to RBC; call with P. Casey.	9.4
4/27/2020	Brown, Rose	Review re-directed mail, email to E. Klein, WEPP correspondence.	0.7
4/27/2020	Casey, Paul	Attend call with counsel to discuss Phoenix proposal and required amendments; prepare and attend call with RBC and counsel; emails with S. Damiani regarding distribution, status, Finch adjustments, release/indemnity from Chamberlin; APA amendments and comments.	2.0
4/27/2020	Damiani, Stefano	On-site attendance; facilitate access to transport carriers re purchased used cars; on-site meetings with Purchaser (Finch) of Used Cars; conference call with T. Hogan of Harrison Pensa and P. Casey re Chamberlin APS, R&D, next steps; conference call with RBC and counsel; conference call with G. Phoenix (Loopstra Nixon), Harrison Pensa and Aird & Berlis; on-site meeting with Purchaser (Ventura) re pick up sold equipment; emails re insurance policy; review and amend Chamberlin agreement, call with T. Hogan and R. Danter on same; conference call with Harrison Pensa and Loopstra Nixon re Agreement; sign numerous Ministry of Transportation ownership transfer forms; on-site meeting with P. DeVille of Impact Auto Auctions re parts inventory; e-mail to A. Coluccio of FCA Insurance; review email of R. Danter of Harrison Pensa, send further amended agreement.	9.6
4/27/2020	Klein, Emily	Arranging pick-up of purchased fixed assets, arranging for payment of invoices, corresponding with insurance provider, review re-directed mail, recording amounts paid by WEPPA, WSIB payment.	1.8
4/27/2020	Pardinas, Elijah	Data management.	0.5
4/28/2020	Brown, Rose	Prepare transfer between accounts and sent to RBC and input into Ascend.	0.1
4/28/2020	Casey, Paul	Telephone call with S. Damiani and Harrison Pensa to draft Chamberlin APA and residual issues; calls and emails re closing steps and reporting; other receivership matters.	1.5

Date	Name	Narrative	Hours
On-site attendance; conference call with A. Colucci of FCA re insurance options, vacating timeline and costs, execute insurance change form; conference call with T. Hogan, R. Dant of Harrison Pensa re Chamberlin Credit Bid Agreement; correspondence with P. Casey; discussions with Sales Manager re vehicle prep for carriers, VINs, ownerships; review and approve disbursements; conference call with Looptstra Nixon and Harrison Pensa; telephone call with Purchaser (Finch) re missing used car ownership documents; instructions to E. Kleir re equipment queries from interested parties; review VIN, emato counsel on same; review various amendments to the Chamberlin Credit Agreement; review email re Scotia lien; execute Chamberlin APA.		8.1	
4/28/2020	Klein, Emily	Review re-directed mail and arranging for payment of invoices; call with insurance broker regarding change in premium.	0.8
4/29/2020	Brown, Rose	Trust Banking Administration - Disbursement cheques and scan mail, general ledger review.	2.4
4/29/2020	Casey, Paul	Emails with S. Damiani regarding status of Chamberlin closing; reporting and other correspondence to RBC; distribution administration.	1.0
4/29/2020	Damiani, Stefano  On-site attendance; facilitate transport carrier access of cars from premises, emails with Purchaser (Finch) and Impact Auto Auctions; detailed email to Harrison OMVIC claim, review of Chamberlin counsel emails (idiscussions with Sales Manager; e-mails with G. Pho Loopstra Nixon (Chamberlin counsel) re wire confirm access, server, WEPPA, other matters; telephone and correspondence with T. Hogan on various; update R8 reporting letter; instructions to E. Klein re security; Casey re Quorum server; e-mails with R. Danter of HPensa re customer rebate query; e-mail to GM re customed matter; review and execute Power of Attorney reletter for missing ownerships; e-mails with T. Dantass (Controller).		7.3
4/29/2020	Klein, Emily	Preparing cheque requisition and deposit requisition forms for Rose for various disbursements and deposits. Corresponding with vendors (security, mail machine, photocopiers) regarding cancellation of services.	0.8
4/30/2020	Brown, Rose	Trust Banking Administration - Disbursement cheques and wire; confirm with RBC wire was processed.	1.8
4/30/2020	Casey, Brian	Meeting / clean up of data / review of data / safe e-wasting process of computer equipment.	1.0

Date	Name	Narrative	Hours
4/30/2020 Damiani, Stefano		On-site attendance; emails with Impact Auto Auctions re vehicle transports; review email of D. Jeffers of GM re customer deposit; facilitate access by Chamberlin staff and vendors to commence asset removals; review and approve disbursements; emails with A. Colucci of FCA re insurance matters; detailed email to R. Chamberlin and Loopstra Nixon re transition matters; conference call with W. Stasyshyn (Landlord counsel); call with B. Casey and E. Klein re IT transition matters; email to D. Dailly of OMVIC re compensation fund payment; execute further Power of Attorney / plating letter for 2 used vehicles; emails with A. Leijtan of GM re Finch sales; email to S. Posen of Minden Gross re 3501 Dufferin utility bill; telephone call with R. Chamberlin re timetable, RioCan, server, Quorum, leases, books and records storage by the bankruptcy trustee, insurance to be obtained by Chamberlin; detailed email to D. Chan of RioCan re transition matters; e-mail to G. Phoenix re bills of sale and satisfaction piece; email detailed agenda to T. Hogan re call with Chamberlin counsel; on-site discussion with R. Chamberlin.	9.2
5/1/2020	Brown, Rose	Trust Banking Administration - Prepare wire and send to RBC; review Ascend creditor list and discuss with S. Damiani, general ledger review; review re-directed mail; prepare disbursement cheque for mailing; prepare receipt voucher for draft.	2.6
5/1/2020	Damiani, Stefano	On-site attendance; telephone call with Controller (T. Dantas) re lease breakdown, server; emails with M. Vine of Harrison Pensa re claims; on-site meeting with R. Chamberlin, facilitate asset removals; telephone call with D. Burke of GM re customer tire logistics; telephone call with Sales Manager re parts catalogue, vehicle pick up; conference call with G. Phoenix of Loopstra Nixon, T. Hogan of Harrison Pensa re various transition items; emails with D. Chan of RioCan re transition matters; follow up email to RioCan re Pattison release form; telephone call with D. Chan of RioCan; review partial discharge of registrations list; onsite meeting with L. Trinh of RioCan; telephone call with M. Baigel re premises lease, books and records, servers, background; voicemail and email to M. Whelan of Quorum re Chamberlin request.	8.4
5/1/2020	Klein, Emily	Customer correspondences regarding stored tires, corresponding with vendors regarding change of services; providing RioCan with various utility account details for transition; arranging for payment of various invoices; banking matters.	3.6
5/2/2020	Damiani, Stefano	On-site attendance at the dealership; facilitate asset removal by Chamberlin staff; discussion with Sales Manager; on-site meeting with R. Chamberlin; emails with D. Chan of RioCan re Chamberlin moving and dismantling timeline; review email of M. Whelan of Quorum re accounting software.	3.5

Date	Name	Narrative	Hours
5/4/2020	Brown, Rose	Trust Banking Administration - Input outgoing wire into Ascend, complete creditor listing in Excel; print various back for deposit entries and confirm wire received; review re-directed mail.	2.4
5/4/2020	Casey, Brian	Coordination of on-site meeting and next steps.	1.0
5/4/2020	Damiani, Stefano	On-site attendance; facilitate asset removal by Chamberlin staff; instructions to E. Klein re CRA letters; on-site discussions with R. Chamberlin; review and comment on Chamberlin work calendar, and emails with D. Chan of RioCan on same; e-mail to R. Chamberlin and G. Phoenix (Loopstra Nixon) re estate information; telephone call with R. Chamberlin and M. Baigel re estate records; telephone call with B. Casey re remaining computers, hard drives, and server; telephone call and e-mails with D. Sullivan of Quorum re account transition; telephone calls with T. Dantas (Controller) re accounting system; discussions with Sales Manager re transition matters; emails with G. Phoenix (Loopstra Nixon) re wire confirmation and use of funds, instructions to R. Brown on same; books and records.	6.8
5/4/2020	Klein, Emily	Corresponding with the CRA regarding a payroll trust account examination, corresponding with vendors regarding April invoices, finalizing WEPPA and customer deposit listings for Bankruptcy trustee, arranging payment for invoices.	3.5
5/4/2020	Pardinas, Elijah	Data management.	0.2
5/5/2020	Brown, Rose	Trust Banking Administration - Prepare wire, have signed and send to RBC to process, review redirected mail, emails to S. Damiani and E. Klein.	
5/5/2020	Casey, Brian	On-site collection of remaining data, prepare for exiting site, meeting with S. Damiani.	5.0
5/5/2020	Damiani, Stefano	On-site attendance; facilitate asset removals by Chamberlin staff; emails re tires on-site; respond to inquiries from interested parties; discussions with Sales Manager; on-site meeting with Deloitte Data Capture team for two employees and server transition; banking instructions to R. Brown and E. Klein; review lease file for customer requesting buyout; telephone calls with T. Dantas (Controller) on server, Quorum, leases; email to T. Hogan of Harrison Pensa re lease buyout; telephone call with M. Baigel (Trustee) and B. Casey re server transition; telephone call with T. Hogan; discussion with Sales Manager re Snap-On parts catalogue; review of GM dealer reports to April 29, 2020; email to T. Hogan re server custodian transfer agreement; emails re customer tires; prepare Bill of Sale for lease customer and draft cover email on same; emails with D. Sullivan of Quorum re accounting system.	
5/5/2020	Klein, Emily	Reviewing re-directed mail, updating WEPPA summary using Service Canada letters, contacting AMEX regarding closure of merchant account, sending deposit details to R. Brown for received cheques, customer correspondences, preparing for exit of premises.	2.5

Date	Name	Narrative	Hours
5/5/2020	Pardinas, Elijah	Attendance at site, canvas premises, final server back up, meetings with staff and team.	5.0
5/6/2020	Brown, Rose	Input journal entries into Ascend and discuss transfer with S. Damiani.	1.2
5/6/2020	Casey, Brian	Data imaging.	0.5
5/6/2020	Damiani, Stefano	On-site attendance; emails with D. Sullivan of Quorum re server; facilitate asset removals by Chamberlin staff; emails with E. Klein re lease buyout; telephone calls and emails with T. Hogan of Harrison Pensa; discussions with Sales Manager re remaining vehicles, VINs, asset removals; facilitate access by Bell; emails with G. Phoenix of Loopstra Nixon (Chamberlin counsel), T. Hogan; emails with D. Chan (RioCan), L.Sdao (Fogler) re Pattison release; conference call with Loopstra Nixon, Harrison Pensa; review of estate general ledger report, instructions to R. Brown, E. Klein on same; books and records; prepare to vacate; emails with D. Burke of GM re customer tires to GM dealer; telephone call and emails with Controller (T. Dantas) re quorum; on-site discussion with E. Padrinas re server and Quorum; follow up email to D. Chan of RioCan re transition of various accounts.	
5/6/2020	Klein, Emily	Corresponding with leasing customers regarding lease discharges, contacting customers to pick-up their assets at the dealership, arranging for payment of invoices, corresponding with GM regarding customer tires.	1.9
5/6/2020	Pardinas, Elijah	Site attendance, server, meeting with S. Damiani.	1.5
Total	<u>'</u>		332.1

# Deloitte.

ATTN: Mr. Wojtek Karwala Royal Bank of Canada 20 King Street West, 2nd Floor Toronto ON M5H 1C4 Canada

### For professional services rendered

### Fees

**Expense** 

**Sales Tax** 

In our capacity as Court-appointed Receiver of Dean Myers Chevrolet Limited and 1125728 Ontario Limited for the period from May 7, 2020 to June 9, 2020, and estimated future time for discharge administration.

Please see the attached appendices for details.

Invoice 8001226793

**Deloitte Restructuring Inc.** 

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

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

Date: June 09, 2020 Client No.: 1136959 WBS#: ROY00538 Engagement Partner: Paul Casey

HST Registration: 122893605RT0001

89,267.50
728.80 2,678.03
12,047.66

Total Amount Due (CAD) 104,721.99

# 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.

# **Deloitte.**

# Appendix #1

# **Summary of Fees**

Name	Level	Hours	Rate	Amount
Casey, Paul	Senior Vice-President	10.3	625.00	6,437.50
Damiani, Stefano	Vice-President	110.9	500.00	55,450.00
Klein, Emily	Consultant	77.3	250.00	19,325.00
Brown, Rose	Trust Administrator	26.8	100.00	2,680.00
Total Professional Hours and Fees		225.3		83,892.50

Data Capture

Total Professional Hours and Fees		239.8		89,267.50
Total Data Capture Pr	ofessional Hours and Fees	14.5		5,375.00
Pardinas, Elijah	Consultant, Forensics	7.5	250	1,875.00
Casey, Brian	Senior Manager, Forensics	7.0	500	3,500.00

### Disbursements:

Ground transportation	728.80
Total Disbursements	728.80
Total Fees and Expenses (CAD)	89,996.30

# **Deloitte.**

# Appendix #2

Date	Name	Narrative	Hours
5/7/2020	Brown, Rose	Trust Banking administration - Prepare deposit and attend at the bank; prepare and print disbursement cheques.	2.0
5/7/2020	Casey, Brian	Imaging and vendor correspondence.	2.5
5/7/2020	Casey, Paul	Telephone call with S. Damiani re status of Chamberlin transition and other transaction close out matters.	0.3
5/7/2020	Damiani, Stefano	On-site attendance; facilitate removal of shop equipment and other assets by Chamberlin staff; various emails re WinLedge payroll register access; emails with Pattison, RioCan and Fogler re release form, sign removal; attendance on conference call with Quorum and Controller (T. Dantas) re transition; review employee time sheets and payroll calculation; review customer lease file, instructions to E. Klein on term expiry buyout process; emails with D. Chan of RioCan re transition; emails with M. Krula of Bre-Mar re removal of office equipment; emails with S. Posen of Minden Gross re utility charges for 3501 Dufferin lot; conference call with G. Phoenix of Loopstra Nixon (Chamberlin counsel) and T. Hogan; conference call with W. Stasyshyn (Landlord counsel) and T. Hogan re status of remaining lease obligations, exit; site-tour with G. Nagle of RioCan; review Landlord Release Agreement, email to T. Hogan on same; instructions to E. Klein re site books and records; telephone call with M. Baigel re files, storage, server, creditor information; review and amend server release form, emails with Harrison Pensa on same; emails with J. Fiorillo of RioCan re utilities transfer.	7.7
5/7/2020	Klein, Emily	Prepare and process payroll, arranging for payment of operating invoices, corresponding with leasing customers, HST matters, telephone call with accounting software company regarding next steps, correspondence with utility service providers re account close out / meter readings / final accounts, telephone discussions with S. Damiani, prepare for vacating of premises.	4.2
5/7/2020	Pardinas, Elijah	Data management.	3.5
5/8/2020	Brown, Rose	Trust Banking Administration - Disbursement cheques, review redirected mail.	1.1
5/8/2020	Casey, Brian	Various calls with the vendor, next steps	1.0
5/8/2020	Damiani, Stefano	On-site attendance; meetings and ongoing assistance with Baigel Corp.'s (DMCL Bankruptcy Trustee) storage vendor and R. Chamberlin re books and records, telephone calls and emails with M. Baigel (Trustee) on same; facilitate asset removal; emails with T. Hogan of Harrison Pensa; site meeting with 1125278 leasing customer, obtain bank draft and sign ownership document; conference call with D. Chan and G. Nagle of RioCan re transition matters; review email of RioCan re various utility accounts, respond to status; review fully executed server release form and emails with counsel on same; discussions with Sales Manager re server, equipment clean up; telephone calls with T. Hogan; onsite discussions with R. Chamberlin; review and approve disbursements, sign cheques; emails with Quorum re account status, server and R. Chamberlin request.	9.8

Date	Name	Narrative	Hours
5/8/2020	Klein, Emily	Correspondence with lease customer, coordinate site meeting and documentation, various emails, telephone call with S. Damiani.	1.3
5/9/2020	Damiani, Stefano	On-site attendance; facilitate removal of equipment and assets by Chamberlin staff; instructions to vendor re removal of debris at Premises; discussions with Sales Manager; discussions with R. Chamberlin; instructions to security staff; email to R. Chamberlin re insurance; emails with mailroom re books and records.	4.9
5/10/2020	Damiani, Stefano	On-site attendance; canvass premises with security personnel; review emails; review Certificate of Insurance and email of R. Chamberlin on same; review DMCL bankruptcy notice package.	2.2
5/11/2020	Brown, Rose	Trust Banking Administration - Issue disbursement cheques, review redirected mail, email to E. Klein, prepare deposit.	2.0
5/11/2020	Casey, Brian	Receivership, data collection wrap up	1.0
5/11/2020	Casey, Paul	Update emails with S. Damiani.	0.2
5/11/2020	Damiani, Stefano	On-site attendance; compile remaining physical books and records, and arrange for off-site storage; instructions to service provider re continued debris removal for vacating premises; e-mail confirmation from R. Chamberlin re completion of site access requirements; review of bankruptcy certificate of appointment; telephone call and emails with D. Burke of GM re customer tires to be transferred to alternate dealers; review emails re WSIB employee matter; email to C. Fleming re server status; review email of D. Sullivan of Quorum; telephone call with Controller (T. Dantas); facilitate removal of leased photocopiers to Bre-Mar, emails to Bre-Mar on same; emails with R. Chamberlin; email of C. Fleming re customer tire matter; follow up email to N. Fry of Pattison.	4.1
5/11/2020	Klein, Emily	Creditor correspondences, recording updated WEPPA amounts on tracking schedule, customer correspondences regarding stored tires, transition matters re vacating of premises; telephone and email correspondence with GM., review re-directed mail, preparing deposit slips for received cheques.	4.0
5/12/2020	Brown, Rose	Trust Banking Administration - Disbursement cheques, Deposits.	1.2
5/12/2020	Casey, Brian	Receivership , data collection wrap up	0.5
5/12/2020	Casey, Paul	Status call with S. Damiani; close-out and priorities.	0.3
5/12/2020	Damiani, Stefano	On-site attendance; review inquiry re lease buyout customer, draft Power of Attorney and email to Harrison Pensa on same; telephone calls and emails with D. Burke and T. Fazzini of GM, and on-site meeting with GM staff to remove all remaining customer tires; instructions to vendor re final cleaning for vacating premises; instructions to security personnel for final site inspection and photographs; instructions to E. Klein on leases; telephone calls and on-site meeting with Valu-Trade to facilitate electronic waste disposal; telephone call with T. Hogan of Harrison Pensa; emails with Bre-Mar re missing leased equipment; email to G. Nagle and D. Chan of RioCan; emails with W. Stasyshyn (Landlord counsel).	5.2

Date	Name	Narrative	Hours
5/12/2020	Klein, Emily	Correspondence with leasing customers, arranging for payment of operating invoices, correspondence with RioCan and City of Toronto regarding transfer of water utilities, correspondence with tire customers and GM re pick up, other landlord transition matters; various emails, telephone calls with S. Damiani.	3.8
5/13/2020	Brown, Rose	Trust Banking Administration - Mailing out cheques.	0.3
5/13/2020	Casey, Brian	Data management.	0.5
5/13/2020	Damiani, Stefano	On-site meeting with RioCan and its security personnel for final site tour and release of keys; final meeting with Torcon Security; execute Power of Attorney for lease customer buyout; telephone call and emails with M. Krulla of Bre-Mar re leased equipment; emails with G. Nagle of RioCan; instructions to E. Klein re hard drives and certified disposal service provider; review and amend form of Landlord release, emails with T. Hogan of Harrison Pensa on same.	3.7
5/13/2020	Klein, Emily	Telephone call with the employee benefits provider regarding termination of benefits, emails with security re vacating photographs of premises and archive same, correspondence with vendor on remaining hard drives, emails, correspondence with S. Damiani.	1.4
5/14/2020	Brown, Rose	Review of redirected mail.	0.5
5/14/2020	Damiani, Stefano	Conference call with G. Phoenix of Loopstra Nixon (Chamberlin counsel) and T. Hogan of Harrison Pensa; review Pattison email, release form, and COVID letter, correspondence with counsel on same; telephone call with K. Majoka of Torcon Security re removal of security camera trailers, final account; telephone calls with T. Hogan; instructions to E. Klein re employee termination letters; execute Pattison release form; review insurance invoice, emails with A. Coluccio of FCA Insurance Brokers on same; review amended form of landlord release; review emails of W. Stasyshyn (Landlord counsel).	1.8
5/14/2020	Klein, Emily	Draft termination letters for remaining retained employees, arranging for payment of operating invoices, correspondence with S. Damiani.	1.5
5/15/2020	Damiani, Stefano	Email correspondence with L. Sdao of Fogler re Pattison request and document; review and approve disbursements; review amended form of release re Former Landlord; telephone call with T. Hogan of Harrison Pensa; review of email of G. Phoenix of Loopstra Nixon (Chamberlin counsel); conference call with Harrison Pensa and Loopstra Nixon; emails with R. Villamar of RioCan.	1.4
5/15/2020	Klein, Emily	Review of re-directed mail, arranging for payment of various invoices, review details of MVDA trust account balance.	1.7
5/19/2020	Damiani, Stefano	Emails with A. Colucci of FCA Brokers; review and approve disbursements; email correspondence with G. Phoenix of Loopstra Nixon (Chamberlin counsel) and T. Hogan of Harrison Pensa re discharge and lease portfolio matters; review email of W. Stasyshyn (Landlord counsel) and Landlord release, and email to T. Hogan on same.	1.2

Date	Name	Narrative	Hours
5/19/2020	Klein, Emily	Arranging for payment of various operating invoices, terminating insurance policies, corresponding with GM regarding customer inquiries, review of re-directed mail.	1.6
5/20/2020	Brown, Rose	Scan mail received and prepare wire and send to RBC, input disbursement cheques.	1.5
5/20/2020	Brown, Rose	Email to E. Klein re redirected mail, prepare wire and send to secured lender.	0.8
5/20/2020	Damiani, Stefano	Telephone calls and emails with T. Hogan of Harrison Pensa; review final and fully executed Landlord release, instructions to R. Brown re payment; review CRA notice of assessment and instructions to E. Klein on same; review, amend and sign employee termination letters; telephone call with T. Dantas (Controller) re leases, CRA; review June lease payment schedule; issue termination letters and calls with two retained staff on same; instructions to E. Klein re ROE.	1.8
5/20/2020	Klein, Emily	Arranging for payment of the final rent, other disbursements; review CRA package, telephone call with CRA regarding notice of assessment on the pre-receivership payroll account, telephone calls with the retained employees regarding termination and final pay, review of re-directed mail, correspondence with S. Damiani.	2.4
5/21/2020	Brown, Rose	Trust Banking Administration - Disbursement cheques, arrange for signatures, mailing.	1.1
5/21/2020	Damiani, Stefano	Review final payroll calculation, instructions to R. Brown on same; review and approve disbursements; telephone call with T. Hogan of Harrison Pensa; emails with N. Fry of Pattison Sign Group; e-mails with A. Coluccio of FCA Insurance, sign insurance change forms; review emails of Harrison Pensa and Loopstra Nixon (Chamberlin counsel) re OMVIC, discharge matters.	1.7
5/21/2020	Klein, Emily	Prepare final payroll calculation for the remaining employees, review of re-directed mail, emails, internal correspondence, telephone call with Service Canada.	1.9
5/22/2020	Klein, Emily	Customer correspondences, telephone call with CRA regarding assessment on RP0001 payroll account, emails.	1.3
5/25/2020	Damiani, Stefano	Review email from lease customer re end of term matters; telephone call with T. Hogan of Harrison Pensa; emails with M. Baigal re DMCL's bankruptcy; email correspondence with Harrison Pensa and Loopstra Nixon (Chamberlin counsel) re lease vehicles and portfolio; email correspondence with Pattison and Fogler (RioCan counsel) re fully executed Release and Indemnity Agreement.	0.6
5/25/2020	Klein, Emily	Correspondence with insurance provider regarding cancellation of services and final invoices, customer and General Motors correspondences, emails.	1.1
5/26/2020	Brown, Rose	Review of redirected mail, email to E. Klein.	0.4
5/26/2020	Casey, Paul	Creditor correspondence and discuss distribution and next steps with S. Damiani.	0.4
5/26/2020	Klein, Emily	Updating and reconciling the R&D for both entities, review of redirected mail.	1.5

Date	Name	Narrative	Hours
5/27/2020	Casey, Paul	Commence review updated Statement of Receipts and Disbursements and estimated future liabilities.	0.3
5/27/2020	Damiani, Stefano	Review and amend R&D attendance at the First Meeting of Creditors re DMCL; review Baigel Corp.'s Trustee report on preliminary administration; reporting letter to RBC; telephone call and instructions to E. Klein re CRA audits, CRA letter, banking, utilities; telephone call with W. Karwala of RBC; telephone call with DMCL bankruptcy trustee (M. Baigel) re CRA trust examination, access to CRA information.	1.6
5/27/2020	Klein, Emily	Updating the R&D, telephone discussion with S. Damiani, emails.	2.0
5/28/2020	Brown, Rose	Trust Banking Administration - Prepare three wire and send to signing officers.	1.2
5/28/2020	Casey, Paul	Final review of distribution calculation and reporting letter to bank; email to S. Damiani.	1.0
5/28/2020	Damiani, Stefano	Review FCA letter re termination of insurance, telephone call with A. Colucci of FCA on same; update R&D and estimate calculation; emails with P. Casey; finalize and issue reporting letter to RBC; banking instructions to R. Brown; email to RBC and Aird & Berlis re lease customer buyout, registrations.	2.4
5/28/2020	Klein, Emily	Arranging for the payment of various invoices, prepare for upcoming discharge.	1.5
5/29/2020	Brown, Rose	Trust Banking Administration - Wire to RBC and confirm process.	0.3
5/29/2020	Damiani, Stefano	Email to E. Klein re CRA forms; telephone call and emails with C. Fleming re lease customer and vehicle pickup; emails with G. Phoenix of Loopstra Nixon (Chamberlin counsel) and R. Chamberlin re lease portfolio.	0.6
5/30/2020	Damiani, Stefano	Review of draft closing documents re Chamberlin Purchase Agreement (bill of sale, forms of receipts, bring down certificates, release) and draft comments to Harrison Pensa on same; commence drafting of final Court Report.	5.3
5/31/2020	Damiani, Stefano	Review emails; drafting of the Second Report to Court; commence drafting Affidavit of Fees; instructions to E. Klein re CRA matters, R&D.	3.8
6/1/2020	Damiani, Stefano	Emails with T. Hogan of Harrison Pensa; review email of Quorum re continued accounting software, draft response on same; review the 2010197 purchase agreement; execute Receiver's Certificates re four Bills of Sale to be filed with the Court, emails with Harrison Pensa on same; updating the Receiver's report to Court; emails with Finch re used car bill of sale.	5.7
6/1/2020	Klein, Emily	Telephone call with CRA to discuss payroll tax account (RP0001); prepare schedule of occupancy costs; commence preparing affidavit of fees summary table; emails; prepare detailed schedule for HST filings for both entities.	5.9
6/2/2020	Brown, Rose	Review redirected mail, print various disbursement requests.	1.3

Date	Name	Narrative	Hours
6/2/2020	Damiani, Stefano	Review of release agreement, emails with R. Danter of Harrison Pensa on same; emails with leasing company re pick up of remaining Sharp unit; emails with L. Provost of Harrison Pensa re Receiver's Certificates; instructions to E. Klein re vendor inquiries; conference call with E. Klein; instructions re CRA trust exams; emails with T. Hogan of Harrison Pensa; review and amend occupancy cost schedule; review of HST monthly filing schedules for both estates; review DOJ email and letters of CRA, and telephone call with T. Hogan on same; voicemail to B. Clements of CRA; telephone call with A. Colucci of FCA Insurance.	3.6
6/2/2020	Klein, Emily	Telephone call with S. Damiani regarding the HST filings, payment, and occupancy cost analysis; updating schedule of occupancy expenses; filing HST returns to May 31, 2020; telephone call with CRA regarding post-receivership tax accounts.	5.5
6/3/2020	Brown, Rose	Trust Banking Administration - Print CRA Payment request, review and discuss with S. Damiani.	0.5
6/3/2020	Damiani, Stefano	Emails with G. Phoenix of Loopstra Nixon (Chamberlin counsel) re service providers; review email with vendor; telephone call with R. Brown re banking matters; emails re tax filings; review email of L. Provost of Harrison Pensa re filed certificates; conference call with B. Clements of CRA re proofs of claim.	1.6
6/3/2020	Klein, Emily	Instructions for payment of the HST remittance, customer correspondences, telephone call with the CRA and S. Damiani, emails.	1.4
6/4/2020	Casey, Brian	Vendor correspondence re hard drives and back up tapes, emails with team.	0.5
6/4/2020	Damiani, Stefano	Telephone call and emails with T. Hogan of Harrison Pensa; email re OMVIC and balance of account; drafting of Court Report; review third party certificate re hard drives; review email to DOJ; review draft Notice of Motion, Ancillary Order, AVO, and comments to Harrison Pensa on same; draft form of Receiver's Discharge Certificate.	4.6
6/5/2020	Damiani, Stefano	Teleconference call with Loopstra Nixon (Chamberlin counsel) and Harrison Pensa; emails with T. Hogan of Harrison Pensa re Orders, Court materials; telephone call and emails with R. Danter of Harrison Pensa re form of Ancillary Order and amended Receiver's Discharge Certificate, bill of sale; updating Court Report; review request of purchaser (Finch) re used vehicle Bill of Sale, and prepare Power of Attorney Plating Letter on same.	3.8
6/5/2020	Klein, Emily	Court report; review general ledger reports and prepare statement of receipts and disbursements; corresponding with General Motors.	5.0
6/6/2020	Damiani, Stefano	Updating Court Report; drafting of the Confidential Supplement; review and amend the interim and cumulative statement of receipts and disbursements.	4.3
6/7/2020	Casey, Paul	Review emails; Court Report status.	0.3
6/7/2020	Damiani, Stefano	Emails with H. Bricks; amendments to Court Report; emails to T. Hogan of Harrison Pensa; emails with P. Casey.	1.8

Date	Name	Narrative	Hours
6/8/2020	Brown, Rose	Trust Banking Administration, emails, telephone call with S. Damiani.	1.1
6/8/2020	Casey, Paul	Review Court Reports and appendices and comments to S. Damiani, review draft forms of Order and notice of motion, various emails, correspondence with S. Damiani.	2.0
6/8/2020	Damiani, Stefano	Update Court Report and materials; telephone call and emails with T. Hogan of Harrison Pensa; instructions to E. Klein and R. Brown; review and approve disbursements; emails with Loopstra Nixon (Chamberlin counsel), review amendments to Notice of Motion and Discharge Order; emails with P. Casey; review email of Baigel; emails with R. Danter of Harrison Pensa.	4.1
6/8/2020	Klein, Emily	Compilation of Court Report appendices and information package, CRA matters, update R&D, various emails, telephone calls with S. Damiani.	6.0
6/9/2020	Brown, Rose	Trust Banking Administration, emails, prepare disbursement cheques.	1.5
6/9/2020	Casey, Paul	Emails, finalize and sign Court Report.	1.5
6/9/2020	Damiani, Stefano	Emails and telephone calls with legal counsel; review amended R&D affidavit of fees; finalize and sign report to Court.	1.6
6/9/2020	Klein, Emily	Finalize R&D, emails with lease customers, emails with former DMCL employee, review utility account, correspondence with landlord, emails to R. Brown re requisition of disbursements.	2.3
-	Casey, Paul	Estimated future time for future discharge activities.	4.0
-	Damiani, Stefano	Estimated future time for future discharge activities.	20.0
-	Klein, Emily	Estimated future time for future discharge activities.	20.0
-	Brown, Rose	Estimated future time for future discharge activities.	10.0
-	Casey, Brian	Estimated future time for future discharge activities.	1.0
-	Pardinas, Elijah	Estimated future time for future discharge activities.	4.0
Total	•	•	239.8

# -and-ROYAL BANK OF CANADA

Applicant

DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondents

SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) ONTARIO

PROCEEDING COMMENCED AT TORONTO

# AFFIDAVIT OF STEFANO DAMIANI OF DELOITTE RESTRUCTURING INC. (SWORN JUNE 9, 2020)

# HARRISON PENSA LLP

Barristers & Solicitors

450 Talbot St., London, Ontario N6A 5J6

Tel: 519-679-9660

Fax: 519-667-3362

# Timothy C. Hogan (LSO No. 36553S)

Tel: 519-661-6743

Email: thogan@harrisonpensa.com

Lawyers for Deloitte Restructuring Inc., in its capacity as Courtappointed Receiver of Dean Myers Chevrolet Limited and 1125278 Ontario Limited

# **APPENDIX Q**

# ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

BETWEEN:

### **ROYAL BANK OF CANADA**

**Applicant** 

- and –

### **DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED**

Respondents

# AFFIDAVIT OF THOMAS MASTERSON (Sworn June 8, 2020)

I, **THOMAS MASTERSON**, of the City of London, in the Province of Ontario, **MAKE OATH AND SAY:** 

- 1. I am a solicitor qualified to practice law in the Province of Ontario and I am a lawyer with Harrison Pensa <sup>LLP</sup>, who acts as counsel for Deloitte Restructuring Inc. in its capacity as Court-Appointed Receiver of the Respondents, Dean Myers Chevrolet Limited and 1125278 Ontario Limited, in the within proceeding and as such I have knowledge of the matters to which I hereinafter depose except for those matters based expressly upon information and belief.
- 2. Attached hereto and marked as Exhibit "A" is a summary of the time incurred by professionals at Harrison Pensa <sup>LLP</sup>, the hourly rate and fees associated with such and disbursements for the period of February 10, 2020 to March 25, 2020.
- Attached hereto and marked as Exhibit "B" are particulars of time spent by professionals at Harrison Pensa <sup>LLP</sup> in connection with this matter for the period of February 10, 2020 to March 25, 2020 and an account statement detailing the services provided dated March 26, 2020.

- 4. Attached hereto and marked as Exhibit "C" is a summary of the time incurred by professionals at Harrison Pensa <sup>LLP</sup>, the hourly rate and fees associated with such and disbursements for the period of March 23, 2020 to May 1, 2020.
- Attached hereto and marked as Exhibit "D" are particulars of time spent by professionals at Harrison Pensa <sup>LLP</sup> in connection with this matter for the period of March 23, 2020 to May 1, 2020 and an account statement detailing the services provided dated May 11, 2020.
- 6. Attached hereto and marked as Exhibit "E" is a summary of the time incurred by professionals at Harrison Pensa <sup>LLP</sup>, the hourly rate and fees associated with such and disbursements for the period of April 2, 2020 to June 2, 2020.
- 7. Attached hereto and marked as Exhibit "F" are particulars of time spent by professionals at Harrison Pensa <sup>LLP</sup> in connection with this matter for the period of April 2, 2020 to June 2, 2020 and an account statement detailing the services provided dated June 3, 2020.
- 8. The hourly billing rates set out in the Exhibits are comparable to the hourly rates charged by Harrison Pensa <sup>LLP</sup> for services rendered in relation to similar proceedings.
- 9. The fees and disbursements of Harrison Pensa <sup>LLP</sup> in this matter to June 2, 2020 are as follows:
  - a. Total Billed Fees and Disbursements from February 10, 2020 to March 25, 2020- \$66,720.97:
  - b. Total Billed Fees and Disbursements from March 23, 2020 to May 1, 2020 \$39,314.33;
  - Total Billed Fees and Disbursements from April 2, 2020 to June 2, 2020 -\$10,879.43;
  - d. Total \$116,914.73.
- The weighted average hourly rate charged by professionals at Harrison Pensa is \$361.23.
- 11. The estimated fees and disbursements of Harrison Pensa <sup>LLP</sup> to complete its involvement in this matter are approximately \$15,000.

12. I make this Affidavit in support of among other things, approval of fees and disbursements of the counsel for the Receiver.

SWORN BEFORE ME at the City	)	
of London, in the Province of	)	I m +
Ontario this <b>3</b> day of	)	I wallen
June, 2020.	)	THOMAS MASTERSON
	)	
	)	
A Commissioner, etc.	)	

# ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

BETWEEN:

### **ROYAL BANK OF CANADA**

- and -

### DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED

Respondents

**Applicant** 

### **EXHIBITS**

TABS "A" TO "F" ARE THE EXHIBITS TO THE AFFIDAVIT OF THOMAS MASTERSON SWORN THIS S DAY OF JUNE, 2020

A Commissioner for taking Affidavits

# **EXHIBIT A**

# (From February 10, 2020 to March 25, 2020)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	69.00	\$450.00	\$31,050.00
	Melinda Vine	2007	55.30	\$350.00	\$19,355.00
Associates	Robert Danter	2016	3.70	\$250.00	\$925.00
	Thomas Masterson	2019	9.10	\$185.00	\$1,683.50
Clerks	Jana Streith		0.60	\$175.00	\$105.00
	Lindsay Ferguson		17.40	\$165.00	\$2,871.00
	Linda Gutjahr		0.40	\$130.00	\$52.00
	Olivia Rajsp		0.30	\$120.00	\$36.00
Student	Alexandra Campbell		1.80	\$100.00	\$180.00
TOTAL FEES					\$56,257.50
HST ON FEES					\$7,313.48
TOTAL TAXABLE DISBURSEMENTS					\$2,773.44
TOTAL NON TAXABLE DISBURSEMENTS					\$16.00
HST DISBURSEMENTS					\$360.55
TOTAL FEES, DISBURSEMENTS AND HST					\$66,720.97

# **EXHIBIT B**



## 450 Talbot Street P.O. Box 3237 LONDON ON N6A 4K3

Telephone: (519) 679 9660 Facsimile: (519) 667 3362

Deloitte & Touche Inc. 4210 King St. East Kitchener ON N2P 2G5

March 26, 2020 Invoice #: 202368

File #: 181517/Timothy C. Hogan RE: Dean Myers Chevrolet Limited

# TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
10-Feb-20	Call with client, call with RBC counsel, review Orders	.60	\$270.00	TCH
11-Feb-20	Call with client and counsel RBC and e-mail to client	.60	\$270.00	ТСН
11-Feb-20	E-mail with RBC counsel	.20	\$90.00	TCH
11-Feb-20	Call with client	.40	\$180.00	TCH
11-Feb-20	E-mail from RBC	.20	\$90.00	TCH
11-Feb-20	To review correspondence;	.20	\$70.00	MVI
11-Feb-20	To telephone conference;	.20	\$70.00	MVI
11-Feb-20	To review application record;	.50	\$175.00	MVI
11-Feb-20	To prepare PPSA Summary	2.30	\$425.50	THM
12-Feb-20	Call with client, counsel and e-mail to borrower counsel	.60	\$270.00	TCH
12-Feb-20	Calls with client	.60	\$270.00	TCH
12-Feb-20	To draft opinion;	1.50	\$525.00	MVI
12-Feb-20	To attendance at commercial court;	2.00	\$700.00	MVI
12-Feb-20	To review Dealer Agreement;	.20	\$70.00	MVI
12-Feb-20	Review GM agreement and e-mail to client;	.40	\$180.00	TCH
13-Feb-20	Various e-mails and revise engagement letter	.50	\$225.00	TCH
13-Feb-20	Calls and e-mails with client review engagement letter, e-mails with counsel, review deposit and consignment issue	1.40	\$630.00	TCH
13-Feb-20	To review of OMVIC/deposit issue	1.80	\$333.00	THM
14-Feb-20	Review issues, e-mail to Deloitte and call with client	1.00	\$450.00	TCH

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
15-Feb-20	Review of RBC security	1.00	\$450.00	TCH
17-Feb-20	Review consignment and e-mail to client	.40	\$180.00	тсн
18-Feb-20	Review PPSA	.20	\$90.00	TCH
18-Feb-20	Call with client	.40	\$180.00	ТСН
18-Feb-20	Call with counsel to Dean Myers	.40	\$180.00	TCH
18-Feb-20	Call with client	.20	\$90.00	TCH
18-Feb-20	Amend letter, review release, e-mail to client	.80	\$360.00	TCH
19-Feb-20	Call with client	.20	\$90.00	TCH
19-Feb-20	Review GMC agreement	.40	\$180.00	TCH
19-Feb-20	Review release, e-mail to counsel, call to client	.40	\$180.00	TCH
19-Feb-20	Review corporate profile and e-mail to client	.20	\$90.00	ТСН
19-Feb-20	Call with counsel	.20	\$90.00	TCH
20-Feb-20	Review consignment letter and release	.40	\$180.00	TCH
20-Feb-20	E-mail to client re consignment	.20	\$90.00	TCH
20-Feb-20	Call with client	.40	\$180.00	ТСН
20-Feb-20	Review letter, e-mail to client	.30	\$135.00	TCH
20-Feb-20	Review RBC security	.30	\$135.00	TCH
20-Feb-20	Email to client re addresses	.10	\$25.00	RDA
20-Feb-20	Revise letter to deposit makers	.40	\$100.00	RDA
20-Feb-20	To conference with counsel;	.20	\$70.00	MVI
21-Feb-20	To request and review of corporate profiles;	.20	\$70.00	MVI
21-Feb-20	To review security and report;	.50	\$175.00	MVI
21-Feb-20	To obtaining PPSA reports	.20	\$35.00	JST
21-Feb-20	To review and revise opinion letter	.50	\$92.50	THM
21-Feb-20	To review PPSA summary	.20	\$37.00	THM
21-Feb-20	To obtain corporate profile report against Dean Myers Chevrolet Limited and 1125278 Ontario Limited; To review of corporate information for Dean Myers Chevrolet Oldsmobile (1991) Limited;	.30	\$36.00	ORA
21-Feb-20	To e-mail correspondence with client;	.10	\$16.50	LFE
21-Feb-20	To phone call with client;	.10	\$16.50	LFE
21-Feb-20	To review record;	.20	\$33.00	LFE
21-Feb-20	To edit opinion letter;	.30	\$49.50	LFE
21-Feb-20	Review GM termination	.20	\$90.00	TCH

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
21-Feb-20	E-mails with client	.40	\$180.00	ТСН
21-Feb-20	Telephone with client, send deposit letter	.20	\$50.00	RDA
21-Feb-20	Call with counsel	.20	\$90.00	ТСН
21-Feb-20	Review lease settlement document, e-mail form counsel, e-mail to client	.40	\$180.00	ТСН
21-Feb-20	Review opinion and e-mail to client	1.00	\$450.00	TCH
21-Feb-20	E-mail to client	.20	\$90.00	TCH
23-Feb-20	Review settlement agreements with LL, e-mail to client	.50	\$225.00	TCH
24-Feb-20	Draft e-mail to landlord counsel	.40	\$180.00	TCH
24-Feb-20	Review security issue, and call to counsel	.40	\$180.00	TCH
24-Feb-20	Call with client	.40	\$180.00	TCH
24-Feb-20	Call with landlord counsel	.50	\$225.00	TCH
24-Feb-20	Review law, amend letter re deposits	.40	\$180.00	TCH
24-Feb-20	Draft bill of sale	.90	\$225.00	RDA
24-Feb-20	To PPSA VIN searches;	.20	\$33.00	LFE
24-Feb-20	To review and revise PPSA report	.50	\$92.50	THM
24-Feb-20	Research on OMVIC issue	.30	\$55.50	THM
24-Feb-20	To obtaining VIN PPSA reports	.40	\$70.00	JST
24-Feb-20	To review security and conference with RBC counsel;	.40	\$140.00	MVI
25-Feb-20	To review correspondence from RBC counsel; to correspondence to Nemers;	.50	\$175.00	MVI
25-Feb-20	Update and revise Security Report	.30	\$55.50	THM
25-Feb-20	E-mails from Phoenix and client, calls from client, e-mail to Phoenix	1.00	\$450.00	ТСН
25-Feb-20	Call with Phoenix and e-mail from Phoenix	.40	\$180.00	тсн
25-Feb-20	E-mail from RC and e-mail from client and e-mail to client	.40	\$180.00	TCH
25-Feb-20	Amend Bill of Sale	.40	\$180.00	TCH
25-Feb-20	Call with client	.40	\$180.00	TCH
26-Feb-20	E-mail to Landlord counsel	.20	\$90.00	тсн
26-Feb-20	To letter to landlord;	.40	\$180.00	тсн
26-Feb-20	To email to client;	.20	\$90.00	TCH
26-Feb-20	Revise/review letter, send to Stasyhyn	.40	\$100.00	RDA
26-Feb-20	To call with Riocan;	.20	\$90.00	TCH
26-Feb-20	To call with client;	.40	\$180.00	ТСН

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
26-Feb-20	To review and revise Security Report	.20	\$37.00	THM
26-Feb-20	To review application record;	.10	\$16.50	LFE
26-Feb-20	To review security documents; to update report;	.50	\$175.00	MVI
26-Feb-20	To review application record;	.20	\$70.00	MVI
27-Feb-20	E-mails with client	.20	\$90.00	TCH
27-Feb-20	Call with RBC counsel	.20	\$90.00	ТСН
27-Feb-20	Call with client	.40	\$180.00	TCH
27-Feb-20	Call with GM and Deloitte	1.40	\$630.00	TCH
27-Feb-20	Call from client	.20	\$90.00	TCH
28-Feb-20	Call with client, to GM issues	.40	\$180.00	TCH
28-Feb-20	E-mail to RBC	.40	\$180.00	TCH
28-Feb-20	Call with RBC and Deloitte	.50	\$225.00	ТСН
28-Feb-20	E-mails with RBC, client and counsel to LL	.40	\$180.00	ТСН
1-Mar-20	Research re Omvic, MVDA exemptions	1.50	\$375.00	RDA
2-Mar-20	E-mail to client re: OMVIC	.20	\$90.00	TCH
2-Mar-20	Call with debtor counsel	.50	\$225.00	TCH
2-Mar-20	Call with Walter	.20	\$90.00	TCH
2-Mar-20	Call with client	1.00	\$450.00	TCH
2-Mar-20	Call with GM	.80	\$360.00	TCH
3-Mar-20	Review amend deposit letters	.30	\$135.00	TCH
3-Mar-20	Review Bill of Sale and RIN issue, e-mail to client	.40	\$180.00	TCH
3-Mar-20	To review appointing order;	.20	\$33.00	LFE
3-Mar-20	Attendance at Registry Office (MTO)	1.80	\$180.00	aca
3-Mar-20	To review SOT's and RIN number;	.50	\$175.00	MVI
3-Mar-20	To correspondence with client;	.20	\$70.00	MVI
3-Mar-20	To telephone conference with client;	.50	\$175.00	MVI
3-Mar-20	To instruction to student re: MTO and RIN search;	.20	\$70.00	MVI
3-Mar-20	To conference MTO;	.20	\$70.00	MVI
3-Mar-20	To receipt and review of RINS;	.30	\$105.00	MVI
3-Mar-20	To review Enhanced Retail Excellence Program Participation Agreement;	.50	\$175.00	MVI
3-Mar-20	To correspondence with client;	.20	\$70.00	MVI
3-Mar-20	To call to Finch;	.20	\$70.00	MVI

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
4-Mar-20	To conference Finch; to conference Receiver; to review Bills of Sale; to modify Bill of Sale;	1.00	\$350.00	MVI
4-Mar-20	To draft APS;	2.50	\$875.00	MVI
4-Mar-20	To correspondence with client;	.20	\$70.00	MVI
4-Mar-20	To perform MTO VIN search x 10;	.20	\$26.00	LGU
4-Mar-20	To review and revise Agreement of Purchase and Sale	.40	\$74.00	THM
4-Mar-20	Call with client	.40	\$180.00	TCH
4-Mar-20	Call with client and review fleet and claim, e-mail to client	.40	\$180.00	ТСН
4-Mar-20	Review of GM Issues, revise and amend agreement	1.00	\$450.00	TCH
4-Mar-20	E-mails with respect to CHIN radio vehicle	.40	\$180.00	TCH
5-Mar-20	Call with LL Lawyer, calls with client	.50	\$225.00	TCH
5-Mar-20	E-mail to Narvaez-Guerrero	.20	\$90.00	TCH
5-Mar-20	Fleet vehicle release to GM e-mail to client	.40	\$180.00	TCH
5-Mar-20	E-mail from landlord counsel	.20	\$90.00	TCH
5-Mar-20	E-mail to Chin layer and e-mail from client	.20	\$90.00	TCH
5-Mar-20	To preparation of deposit letters;	4.20	\$693.00	LFE
5-Mar-20	To correspondence from client;	.20	\$70.00	MVI
5-Mar-20	To correspondence with Stefano;	.20	\$70.00	MVI
5-Mar-20	To review agreement;	.20	\$70.00	MVI
5-Mar-20	To various conference Stefano; to amend agreement;	1.20	\$420.00	MVI
5-Mar-20	To various correspondence re: call with GM;	.20	\$70.00	MVI
6-Mar-20	To telephone conference GM; to conference counsel;	.80	\$280.00	MVI
6-Mar-20	To correspondence with court;	.20	\$70.00	MVI
6-Mar-20	To conference with counsel;	.20	\$70.00	MVI
6-Mar-20	To conference Nemers; to conference client;	.40	\$140.00	MVI
6-Mar-20	To correspondence with court to schedule;	.20	\$70.00	MVI
6-Mar-20	To call with GM and client;	.80	\$280.00	MVI
6-Mar-20	To conference counsel;	.40	\$140.00	MVI
6-Mar-20	To e-mail correspondence with client;	.10	\$16.50	LFE
6-Mar-20	To draft commercial list request form;	.20	\$33.00	LFE
6-Mar-20	To phone call with deposit maker;	.30	\$49.50	LFE
6-Mar-20	To e-mail correspondence with commercial list court;	.20	\$33.00	LFE
6-Mar-20	To update file re registered mail;	.10	\$16.50	LFE

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
6-Mar-20	To correspondence with firm re couriers;	.10	\$16.50	LFE
6-Mar-20	Telephone with deposit-maker re letter	.20	\$50.00	RDA
6-Mar-20	Call with client	.20	\$90.00	ТСН
6-Mar-20	E-mails on deposit issue	.20	\$90.00	TCH
6-Mar-20	Call with GM	.50	\$225.00	TCH
6-Mar-20	E-mail to Chin counsel, e-mail to LL counsel	.40	\$180.00	тсн
6-Mar-20	Call with GM	.40	\$180.00	TCH
7-Mar-20	Review GM/Pattison sign agreement, e-mail to client	.40	\$180.00	TCH
7-Mar-20	E-mail from borrower counsel, e-mail to client	.20	\$90.00	TCH
7-Mar-20	Review amended agreement and e-mail to client	.40	\$180.00	TCH
7-Mar-20	To review redline GM Buyback agreement;	.30	\$105.00	MVI
7-Mar-20	To draft Schedule A to Bill of Sale;	.80	\$280.00	MVI
7-Mar-20	To draft Approval Order and Omnibus Order;	1.50	\$525.00	MVI
8-Mar-20	To draft Ancillary Order;	.70	\$245.00	MVI
9-Mar-20	To correspondence with client;	.20	\$70.00	MVI
9-Mar-20	To security opinion;	.20	\$70.00	MVI
9-Mar-20	To correspondence with client;	.20	\$70.00	MVI
9-Mar-20	To correspondence with counsel;	.20	\$70.00	MVI
9-Mar-20	To correspondence with client;	.20	\$70.00	MVI
9-Mar-20	To correspondence from client;	.20	\$70.00	MVI
9-Mar-20	To conference client;	.20	\$70.00	MVI
9-Mar-20	To correspondence with client;	.20	\$70.00	MVI
9-Mar-20	To correspondence with receiver;	.20	\$70.00	MVI
9-Mar-20	E-mail from client	.20	\$90.00	TCH
9-Mar-20	Call with RBC counsel	.30	\$135.00	TCH
9-Mar-20	E-mail to LL counsel	.20	\$90.00	TCH
9-Mar-20	To e-mail correspondence with counsel re commercial list request form;	.10	\$16.50	LFE
9-Mar-20	To review opinion letter;	.10	\$16.50	LFE
9-Mar-20	To edit service list;	.20	\$33.00	LFE
9-Mar-20	To issue letters to deposit makers;	.50	\$82.50	LFE
9-Mar-20	To email correspondence with client re letters to deposit makers;	.20	\$33.00	LFE
9-Mar-20	To edit and issue Commercial List request form;	.10	\$16.50	LFE

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
10-Mar-20	E-mail to GM re 3501 Dufferin	.20	\$90.00	тсн
10-Mar-20	Call with GM	.50	\$225.00	ТСН
10-Mar-20	E-mails with client	.20	\$90.00	TCH
10-Mar-20	To review key cutter lease;	.50	\$175.00	MVI
10-Mar-20	To conference with client and GM;	.70	\$245.00	MVI
10-Mar-20	To correspondence with client;	.20	\$70.00	MVI
10-Mar-20	To correspondence with client;	.20	\$70.00	MVI
11-Mar-20	To amend GM Agreement;	.80	\$280.00	MVI
11-Mar-20	To correspondence with client;	.20	\$70.00	MVI
11-Mar-20	To correspondence with client;	.20	\$70.00	MVI
11-Mar-20	To amend GM Agreement;	.30	\$105.00	MVI
11-Mar-20	To perform MTO VIN search x 4;	.10	\$13.00	LGU
11-Mar-20	E-mail to LL	.20	\$90.00	TCH
11-Mar-20	Call with RBC counsel	.30	\$135.00	TCH
11-Mar-20	Call with client and Chamberlain	.80	\$360.00	TCH
11-Mar-20	Review and revise GM APS	.70	\$315.00	TCH
11-Mar-20	To update file re registered mail;	.10	\$16.50	LFE
12-Mar-20	E-mails with client	.40	\$180.00	TCH
12-Mar-20	Call with client	.40	\$180.00	TCH
12-Mar-20	Review of GM agreement	.40	\$180.00	TCH
12-Mar-20	To correspondence from client;	.20	\$70.00	MVI
12-Mar-20	To draft CWB Lease PMSI recommendation;	.50	\$175.00	MVI
12-Mar-20	To conference client;	.20	\$70.00	MVI
13-Mar-20	Review and amend LL release	.50	\$225.00	TCH
13-Mar-20	Review GM agreement and call with client	.40	\$180.00	тсн
13-Mar-20	Amend LL release and e-mail to counsel	.50	\$225.00	тсн
13-Mar-20	Call with GM, client and counsel	.80	\$360.00	TCH
14-Mar-20	Review amended GM APS and e-mail to client	.40	\$180.00	TCH
14-Mar-20	Amend Bill of Sale and e-mail to client	.50	\$225.00	TCH
14-Mar-20	To review GM Agreement; to correspondence to client;	.30	\$105.00	MVI
15-Mar-20	To correspondence with client;	.20	\$70.00	MVI
15-Mar-20	To amend Bill of Sale;	.30	\$105.00	MVI
16-Mar-20	To correspondence with client;	.20	\$70.00	MVI

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
16-Mar-20	To amend Agreement of Purchase and Sale;	.30	\$105.00	MVI
16-Mar-20	To Bill of Sale	.30	\$105.00	MVI
16-Mar-20	Calls with client and counsel, amend agreement	1.00	\$450.00	TCH
16-Mar-20	Call with client	.20	\$90.00	TCH
16-Mar-20	Call to LL counsel, amend release, e-mail to LL counsel	.60	\$270.00	TCH
16-Mar-20	Review and amend orders, e-mail to client	.50	\$225.00	ТСН
16-Mar-20	Call with GM counsel	.40	\$180.00	TCH
16-Mar-20	To review appointing order;	.10	\$16.50	LFE
16-Mar-20	To e-mail correspondence with commercial court;	.10	\$16.50	LFE
17-Mar-20	To prepare execution of agreement;	.30	\$49.50	LFE
17-Mar-20	To prepare blackline order	.50	\$92.50	THM
17-Mar-20	E-mail to counsel	.20	\$90.00	TCH
17-Mar-20	Review GM deal, various e-mails	.40	\$180.00	тсн
17-Mar-20	Call with client, call with LL counsel	.40	\$180.00	ТСН
17-Mar-20	Review GM Order	.20	\$90.00	TCH
17-Mar-20	Finalize opinion and e-mail to client	.50	\$225.00	TCH
17-Mar-20	To draft Approval and Vesting Order;	.80	\$280.00	MVI
17-Mar-20	To conference client; to correspondence with client;	.40	\$140.00	MVI
17-Mar-20	To opinion;	.50	\$175.00	MVI
17-Mar-20	To amend AVO;	.20	\$70.00	MVI
17-Mar-20	To black line AVO; to correspondence to client;	.40	\$140.00	MVI
17-Mar-20	To various calls and correspondence wih GM counsel;	.20	\$70.00	MVI
17-Mar-20	To correspondence with counsel;	.20	\$70.00	MVI
17-Mar-20	To Omnibus Order and Parts Agreement;	1.00	\$350.00	MVI
17-Mar-20	To amend Ancillary Order;	.30	\$105.00	MVI
17-Mar-20	To various correspondence from counsel;	.20	\$70.00	MVI
17-Mar-20	To Chamberlain Bill of Sale;	.70	\$245.00	MVI
18-Mar-20	To finalize orders;	.50	\$175.00	MVI
18-Mar-20	To correspondence with counsel;	.20	\$70.00	MVI
18-Mar-20	To conference and correspondence with client;	.40	\$140.00	MVI
18-Mar-20	To schedules to Order;	.50	\$175.00	MVI
18-Mar-20	To correspondence with client; to review receivers certificate;	.40	\$140.00	MVI

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
18-Mar-20	To call with counsel; to review limits in Appointment Order;	.20	\$70.00	MVI
18-Mar-20	To conference counsel;	.20	\$70.00	MVI
18-Mar-20	E-mails to LL lawyer	.40	\$180.00	TCH
18-Mar-20	Review and amend AVO, ancillary and omnibus order	1.00	\$450.00	TCH
18-Mar-20	Calls with counsel to RBC, e-mail from LL lawyer	.50	\$225.00	TCH
18-Mar-20	E-mail with Phoenix, call with Phoenix	.40	\$180.00	TCH
18-Mar-20	Review and amend report	1.00	\$450.00	TCH
18-Mar-20	To edit Orders;	.60	\$99.00	LFE
18-Mar-20	To e-mail correspondence with court;	.10	\$16.50	LFE
18-Mar-20	To Chamberlain Bill of Sale;	.40	\$140.00	MVI
18-Mar-20	To various correspondence with court re: scheduling; to updated PPSA;	.40	\$140.00	MVI
19-Mar-20	To amend Agreement;	.30	\$49.50	LFE
19-Mar-20	To amend Orders;	.20	\$33.00	LFE
19-Mar-20	To review and revise Notice of Motion	1.40	\$259.00	THM
19-Mar-20	To perform MTO VIN search;	.10	\$13.00	LGU
19-Mar-20	E-mail to client, review GM Financial vehicle issue;	.40	\$180.00	TCH
19-Mar-20	Call with client and RBC	1.50	\$675.00	TCH
19-Mar-20	Draft notice of motion	1.00	\$450.00	TCH
19-Mar-20	To review report;	.50	\$175.00	MVI
19-Mar-20	To correspondence with court;	.20	\$70.00	MVI
19-Mar-20	To correspondence with client;	.20	\$70.00	MVI
19-Mar-20	To conference client;	.20	\$70.00	MVI
19-Mar-20	To review report;	.50	\$175.00	MVI
19-Mar-20	To draft Notice of Motion;	2.00	\$700.00	MVI
19-Mar-20	To correspondence with client; to update report;	.40	\$140.00	MVI
19-Mar-20	To various correspondence with client;	.30	\$105.00	MVI
19-Mar-20	To review Bills of sale; to draft Satisfaction Piece;	1.00	\$350.00	MVI
19-Mar-20	To correspondence with court re: scheduling;	.20	\$70.00	MVI
19-Mar-20	To correspondence with client;	.20	\$70.00	MVI
20-Mar-20	To correspondence with counsel;	.20	\$70.00	MVI
20-Mar-20	To service list;	.20	\$70.00	MVI
20-Mar-20	To motion record;	1.50	\$525.00	MVI

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
20-Mar-20	To various correspondence with client;	.30	\$105.00	MVI
20-Mar-20	To various correspondence with Court;	.30	\$105.00	MVI
20-Mar-20	To various correspondence with client;	.50	\$175.00	MVI
20-Mar-20	To confidential supplemental record;	.20	\$70.00	MVI
20-Mar-20	To amend Orders and Certificate;	.50	\$175.00	MVI
20-Mar-20	To various service issues;	.30	\$105.00	MVI
20-Mar-20	Review/revise Notice of motion and Motion Record	1.50	\$675.00	TCH
20-Mar-20	Call with counsel to debtor	.40	\$180.00	TCH
20-Mar-20	Call with LL counsel	.20	\$90.00	TCH
20-Mar-20	Call with client	.20	\$90.00	TCH
20-Mar-20	To review and revise Blackline Order	.70	\$129.50	THM
20-Mar-20	To prepare motion record and confidential appendices for serving and filing;	3.90	\$643.50	LFE
20-Mar-20	To prepare motion record for serving and filing;	1.40	\$231.00	LFE
21-Mar-20	Review satisfaction piece and e-mail to client	.50	\$225.00	TCH
21-Mar-20	E-mail from OMVIC and review OMVIC issue and Order	.40	\$180.00	TCH
22-Mar-20	To finalize Chamberlain Bill of Sale;	.30	\$105.00	MVI
22-Mar-20	To draft Factum;	1.00	\$350.00	MVI
23-Mar-20	To draft factum;	.50	\$175.00	MVI
23-Mar-20	To correspondence with court re materials and call in;	.20	\$70.00	MVI
23-Mar-20	To various correspondence re: Bills of Sale;	.20	\$70.00	MVI
23-Mar-20	To various OMVIC service issues;	.20	\$70.00	MVI
23-Mar-20	☐ ference client;	.20	\$70.00	MVI
23-Mar-20	To factum;	.30	\$105.00	MVI
23-Mar-20	To various conference and correspondence with client;	.30	\$105.00	MVI
23-Mar-20	To correspondence with OMVIC;	.20	\$70.00	MVI
23-Mar-20	To factum caselaw;	.30	\$105.00	MVI
23-Mar-20	To correspondence with court;	.20	\$70.00	MVI
23-Mar-20	To correspondence with client;	.20	\$70.00	MVI
23-Mar-20	To correspondence amend omnibus order;	.20	\$70.00	MVI
23-Mar-20	Finalize Bill of Sale, e-mail with counsel;	.40	\$180.00	TCH
23-Mar-20	Review, amend factum	.50	\$225.00	TCH
23-Mar-20	Call with client	.20	\$90.00	TCH

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DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
23-Mar-20	Amend sales package, call with client, various e-mails to client, e-mail from LL lawyer, e-mail to OMVIC, e-mail to LL lawyer	1.20	\$540.00	TCH
23-Mar-20	E-mail from counsel for Chamberlin, call with client, draft undertaking, e-mail to client	1.00	\$450.00	TCH
23-Mar-20	GM e-mail from client, call with client, review agreement	.40	\$180.00	TCH
23-Mar-20	To update file re couriers to service list;	.10	\$16.50	LFE
23-Mar-20	To e-mail correspondence with court;	.10	\$16.50	LFE
23-Mar-20	To draft Affidavit of Service;	.30	\$49.50	LFE
23-Mar-20	To serve Factum on service list;	.30	\$49.50	LFE
23-Mar-20	To review service list;	.10	\$16.50	LFE
23-Mar-20	To e-mail correspondence with service list;	.20	\$33.00	LFE
23-Mar-20	To edit Factum;	1.30	\$214.50	LFE
24-Mar-20	To review court correspondence;	.10	\$16.50	LFE
24-Mar-20	To email correspondence with counsel for OMVIC;	.20	\$33.00	LFE
24-Mar-20	E-mail to GM	.40	\$180.00	TCH
24-Mar-20	Call with Phoenix	.20	\$90.00	TCH
24-Mar-20	Review RC offer and call with client	.80	\$360.00	TCH
24-Mar-20	E-mail to Phoenix	.20	\$90.00	TCH
24-Mar-20	Call with Phoenix	.20	\$90.00	TCH
24-Mar-20	Call with client on RC offer, emails on RC offer	.40	\$180.00	TCH
24-Mar-20	E-mail to Phoenix	.20	\$90.00	TCH
24-Mar-20	Call with Phoenix	.40	\$180.00	TCH
24-Mar-20	Call with client	.50	\$225.00	TCH
24-Mar-20	Call with GM	.60	\$270.00	TCH
24-Mar-20	Call with RBC	.20	\$90.00	TCH
24-Mar-20	Call with counsel	.20	\$90.00	TCH
24-Mar-20	To various correspondence with client; to review GM Agree met;	.50	\$175.00	MVI
24-Mar-20	To review Force Majure;	.50	\$175.00	MVI
24-Mar-20	To correspondence with Court;	.20	\$70.00	MVI
24-Mar-20	To correspondence to service list;	.20	\$70.00	MVI
24-Mar-20	To various confirmation emails;	.20	\$70.00	MVI
25-Mar-20	To various correspondence with the court;	.30	\$105.00	MVI
25-Mar-20	To finalize orders;	.30	\$105.00	MVI

DATE	DESCRIPTION			HOURS	AMOUNT	LAWYER
25-Mar-20	To prepare for motion;			.30	\$105.00	MVI
25-Mar-20	To attend at motion;			.80	\$280.00	MVI
25-Mar-20	To counsel slip;			.40	\$140.00	MVI
25-Mar-20	To receipt and review of O	rder;		.20	\$70.00	MVI
25-Mar-20	Prepare for and argue GM motion, call with counsel for			3.50	\$1,575.00	ТСН
Total I Plus G Plus H <b>Total</b> I	ST:		\$	56,257.50 0.00 7,313.48	<u>\$</u>	63,570.98
FEE SUMMA	RY:					
Government Fil	son on pbell <u>LE DISBURSEMENTS</u>	HOURS 69.00 55.30 9.10 3.70 17.40 .30 .60 .40 1.80	RA \$450. \$350. \$185. \$250. \$165. \$120. \$175. \$130.	00 00 00 00 00 00 00 00		AMOUNT \$31,050.00 \$19,355.00 \$1,683.50 \$925.00 \$2,871.00 \$36.00 \$105.00 \$52.00 \$180.00
TAXABLE DI	SBURSEMENTS					
Cyberbahn - Co Cyberbahn - PP Register Mail Courier B&W Photocop Colour Photoco Westlaw Total 7 Plus G Plus H	orporate Profile PSA  Dies/Printing pies/Printing  Faxable Disbursements:  ST:		\$	26.00 538.00 617.12 1,101.62 319.00 143.50 28.20 2,773.44 0.00 360.55	<u>\$</u>	3,149.99
TOTAL DUE	& OWING				<u>\$</u>	66,720.97

THIS IS OUR ACCOUNT HEREIN

HARRISON PENSA LLP

Per:

E. & O.E.

GST \ HST REGISTRATION NO: R867630543 Interest of 2 % is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days.

## **EXHIBIT C**

# (From March 23, 2020 to May 1, 2020)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	51.60	\$450.00	\$23,220.00
	Melinda Vine	2007	16.60	\$350.00	\$5,810.00
Associates	Robert Danter	2016	14.40	\$250.00	\$3,600.00
	Thomas Masterson	2019	2.70	\$185.00	\$499.50
Clerks	Jana Streith		0.20	\$175.00	\$35.00
	Lindsay Ferguson		4.20	\$165.00	\$693.00
	Linda Gutjahr		0.10	\$130.00	\$13.00
	Olivia Rajsp		0.10	\$120.00	\$12.00
Student	Jonathan Mahoney		1.10	\$100.00	\$110.00
TOTAL FEES					\$33,992.50
HST ON FEES					\$4,419.03
TOTAL TAXABLE DISBURSEMENTS					\$777.70
TOTAL NON TAXABLE DISBURSEMENTS					\$24.00
HST DISBURSEMENTS					\$101.10
TOTAL FEES, DISBURSEMENTS AND HST					\$39,314.33

## EXHIBIT D



### 450 Talbot Street P.O. Box 3237 LONDON ON N6A 4K3

Telephone: (519) 679 9660 Facsimile: (519) 667 3362

Deloitte & Touche Inc. 4210 King St. East Kitchener ON N2P 2G5

May 11, 2020 Invoice #: 203664

File #: 181517/Timothy C. Hogan RE: Dean Myers Chevrolet Limited

## TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
23-Mar-20	Amend Factum	1.10	\$110.00	jom
25-Mar-20	To prepare orders for hearing;	.60	\$99.00	LFE
25-Mar-20	To correspondence with court re: orders;	.20	\$70.00	MVI
25-Mar-20	Draft e-mails to Phoenix	.50	\$225.00	TCH
26-Mar-20	To correspondence with client;	.20	\$70.00	MVI
26-Mar-20	To correspondence with court;	.20	\$70.00	MVI
26-Mar-20	To various correspondence from client;	.20	\$70.00	MVI
26-Mar-20	To various correspondence with the Court re: orders;	.30	\$105.00	MVI
26-Mar-20	To correspondence with client;	.20	\$70.00	MVI
26-Mar-20	To correspondence with court office for issuance;	.20	\$70.00	MVI
27-Mar-20	To correspondence from court;	.20	\$70.00	MVI
27-Mar-20	Call with client	.20	\$90.00	TCH
27-Mar-20	To e-mail correspondence with service list;	.20	\$33.00	LFE
29-Mar-20	To review Pattison Lease;	.50	\$175.00	MVI
29-Mar-20	To draft Indemnity Agreement (Pattison);	.70	\$245.00	MVI
30-Mar-20	To finalize access agreement;	.40	\$140.00	MVI
30-Mar-20	To review Indemnity;	.20	\$70.00	MVI
30-Mar-20	Draft indemnity	.60	\$270.00	TCH
30-Mar-20	E-mail to client	.20	\$90.00	TCH
30-Mar-20	E-mail from Deloitte re Bill of Sale with RC and response	.40	\$180.00	TCH

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
31-Mar-20	Review 2017 F150 and draft release	.40	\$180.00	тсн
31-Mar-20	To amend Indemnity and correspondence from client;	.20	\$70.00	MVI
31-Mar-20	E-mail from client and e-mail to Riocan counsel	.40	\$180.00	TCH
31-Mar-20	E-mail to OMVIC	.20	\$90.00	TCH
31-Mar-20	Call with RBC and client	.30	\$135.00	TCH
31-Mar-20	Call with Phoenix	.20	\$90.00	ТСН
1-Apr-20	Review OMVIC issue	.20	\$90.00	TCH
1-Apr-20	Call with Deloitte and OMVIC	.80	\$360.00	TCH
1-Apr-20	Call with RBC counsel	.20	\$90.00	TCH
1-Apr-20	Call with client	.20	\$90.00	TCH
2-Apr-20	E-mail from counsel	.20	\$90.00	TCH
2-Apr-20	E-mails with counsel re: Ford	.50	\$225.00	TCH
3-Apr-20	Call with client and e-mail to Graham	.40	\$180.00	TCH
3-Apr-20	E-mails from Deloitte	.20	\$90.00	TCH
5-Apr-20	E-mail from Deloitte re Ricthie Bros	.20	\$90.00	TCH
5-Apr-20	E-mail to GM counsel	.20	\$90.00	TCH
6-Apr-20	To draft NDA;	.70	\$115.50	LFE
6-Apr-20	To amend Receiver's Certificate;	.10	\$16.50	LFE
6-Apr-20	To e-mail correspondence with court;	.10	\$16.50	LFE
6-Apr-20	Correspondence from RC counsel, review application record, e-mail from client, e-mail to client	.40	\$180.00	TCH
6-Apr-20	Call with LL counsel and client	.40	\$180.00	TCH
6-Apr-20	Call with RBC	.20	\$90.00	TCH
6-Apr-20	Call with LL lawyer	.30	\$135.00	TCH
6-Apr-20	Draft e-mail to Phoenix re Somerset	.50	\$225.00	TCH
6-Apr-20	Call with Phoenix	.20	\$90.00	TCH
6-Apr-20	E-mail with GM, e-mail to RBC counsel	.40	\$180.00	TCH
6-Apr-20	To various correspondence with Court re: Receiver's Certificate;	.30	\$105.00	MVI
6-Apr-20	To review various correspondence from Zucker;	.20	\$70.00	MVI
6-Apr-20	To review Somerset issue;	.30	\$105.00	MVI
7-Apr-20	To correspondence from client;	.20	\$70.00	MVI
7-Apr-20	Draft NDA	.50	\$225.00	TCH
7-Apr-20	Call with RBC, call with RBC counsel, call with Deloitte	.80	\$360.00	TCH

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
7-Apr-20	Call with counsel	.70	\$315.00	TCH
7-Apr-20	Review VINs, e-mail to client	.20	\$90.00	ТСН
7-Apr-20	Call with RBC counsel, call with client	.20	\$90.00	ТСН
7-Apr-20	Call with RBC counsel	.20	\$90.00	ТСН
7-Apr-20	Calls with counsel	.80	\$360.00	ТСН
7-Apr-20	Call with RBC	.80	\$360.00	ТСН
7-Apr-20 7-Apr-20	Call with Phoenix	.20	\$90.00	ТСН
7-Apr-20 7-Apr-20	To perform MTO VIN search x2;	.10	\$13.00	LGU
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8-Apr-20	Prepare for and argue motion, call with RBC counsel and Deloitte	1.70	\$765.00	TCH
8-Apr-20	Call with counsel	.20	\$90.00	TCH
8-Apr-20	To ownership issue;	.20	\$70.00	MVI
9-Apr-20	Review amend settlement structure, e-mail to client	.50	\$225.00	ТСН
9-Apr-20	Call with Walter, call with client, call with Zucker, e-mail to client	.80	\$360.00	ТСН
9-Apr-20	Call with client, call with Zucker, call with Mitra, call with Walter, review settlement agreement, e-mail to counsel	.50	\$225.00	TCH
13-Apr-20	Call with client and e-mail to client	.20	\$90.00	тсн
13-Apr-20	Call with RBC lawyer	.60	\$270.00	TCH
13-Apr-20	Call with counsel, call with client, call with Phoenix	1.10	\$495.00	TCH
13-Apr-20	Call with client	.20	\$90.00	ТСН
13-Apr-20	Call with RBC counsel	.20	\$90.00	ТСН
14-Apr-20	Review Gordon Dean material, e-mail to client	.40	\$180.00	тсн
15-Apr-20	Call with Phoenix, review RC settlement issues, call with client	.40	\$180.00	TCH
15-Apr-20	Call with LL lawyer, call with RBC counsel, call with client	.60	\$270.00	ТСН
15-Apr-20	Review Broderick affidavit	.20	\$90.00	TCH
15-Apr-20	Call with LL Lawyer, client and bank lawyer	.50	\$225.00	TCH
15-Apr-20	To review R&D and settlement docs from Deloitte and potential agreements;	.80	\$280.00	MVI
16-Apr-20	To review Agreement from Phoenix; to review Omnibus Order;	.50	\$175.00	MVI
16-Apr-20	To draft Sale Agreement;	1.90	\$665.00	MVI
16-Apr-20	Call with RBC counsel, call with client, call with OMVIC	.40	\$180.00	TCH

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
16-Apr-20	Prepare for and speak to motion, call with RBC and borrower counsel and client	1.70	\$765.00	TCH
17-Apr-20	Review endorsement, e-mail with counsel, e-mail from client	.40	\$180.00	ТСН
17-Apr-20	Call with counsel and client	.40	\$180.00	TCH
17-Apr-20	Call with Deloitte	.20	\$90.00	TCH
17-Apr-20	Draft credit APS	1.50	\$675.00	TCH
17-Apr-20	Calls and e-mails with RBC and borrower counsel	.40	\$180.00	TCH
17-Apr-20	Call with debtor and RBC counsel	.60	\$270.00	TCH
17-Apr-20	E-mail from RBC	.20	\$90.00	TCH
17-Apr-20	To review APS;	.10	\$16.50	LFE
17-Apr-20	To edit Credit Bid;	.30	\$49.50	LFE
17-Apr-20	To sales agreement;	2.50	\$875.00	MVI
18-Apr-20	Call with client	.40	\$180.00	TCH
18-Apr-20	E-mail exchange with counsel to debtor	.40	\$180.00	TCH
18-Apr-20	Call with client	.20	\$90.00	TCH
20-Apr-20	Draft auction agreement, e-mail to client	.80	\$360.00	TCH
20-Apr-20	Call with client	.20	\$90.00	TCH
20-Apr-20	E-mail to Phoenix	.20	\$90.00	TCH
20-Apr-20	Call with RC counsel	.20	\$90.00	TCH
21-Apr-20	E-mails from client	.20	\$90.00	TCH
21-Apr-20	To review of account collections, e-mail to client	.40	\$180.00	TCH
21-Apr-20	To various correspondence with client;	.30	\$105.00	MVI
21-Apr-20	To review documents for A/R claim;	.50	\$175.00	MVI
21-Apr-20	To draft Sommerset Claim;	1.00	\$350.00	MVI
21-Apr-20	To draft 105 Statement of Claim;	1.00	\$350.00	MVI
21-Apr-20	To review corporate profile;	.20	\$33.00	LFE
21-Apr-20	To review Chamberlain correspondence;	.20	\$33.00	LFE
21-Apr-20	To review agreement;	.20	\$33.00	LFE
21-Apr-20	To obtain corporate record search against Somerset Automotive Sales Network Inc.;	.10	\$12.00	ORA
22-Apr-20	To draft Statements of Claim;	2.00	\$370.00	THM
22-Apr-20	To review FLA corporate profile;	.20	\$70.00	MVI
22-Apr-20	To Statement of Claims;	.20	\$70.00	MVI

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
22-Apr-20	Call with client	.20	\$90.00	TCH
22-Apr-20	Call with client	.20	\$90.00	TCH
23-Apr-20	Review claims	.50	\$225.00	ТСН
23-Apr-20	Review Bill of Sale for equipment, call with RBC counsel	.40	\$180.00	ТСН
23-Apr-20	Call with client, call with counsel, e-mail from counsel	.40	\$180.00	TCH
23-Apr-20	E-mail from counsel, e-mail to counsel, call with client	1.00	\$450.00	TCH
23-Apr-20	E-mail to client	.20	\$90.00	TCH
23-Apr-20	E-mail to counsel	.20	\$90.00	TCH
23-Apr-20	To correspondence with Stefano;	.20	\$70.00	MVI
23-Apr-20	To correspondence with client;	.20	\$70.00	MVI
23-Apr-20	To various corporate profile searches;	.20	\$70.00	MVI
23-Apr-20	To revise Statement of Claims	.30	\$55.50	THM
23-Apr-20	To edit Statements of Claim;	.70	\$115.50	LFE
23-Apr-20	To obtaining corporate search report	.10	\$17.50	JST
24-Apr-20	To obtaining profile report	.10	\$17.50	JST
24-Apr-20	To edit and issue Statements of Claim;	.70	\$115.50	LFE
24-Apr-20	To revise Statement of Claims	.40	\$74.00	THM
24-Apr-20	To various correspondence with client;	.20	\$70.00	MVI
24-Apr-20	To amend claims;	.30	\$105.00	MVI
24-Apr-20	To instructions re: issuance;	.20	\$70.00	MVI
24-Apr-20	Call with Phoenix;	.20	\$90.00	TCH
24-Apr-20	E-mail from RC counsel	.20	\$90.00	тсн
24-Apr-20	E-mail from Bank counsel	.20	\$90.00	тсн
24-Apr-20	E-mail to client	.20	\$90.00	TCH
24-Apr-20	Call with Bank counsel	.20	\$90.00	тсн
24-Apr-20	Call with RBC and RC counsel	.40	\$180.00	тсн
24-Apr-20	Calls with client	1.00	\$450.00	TCH
24-Apr-20	E-mail to counsel	.20	\$90.00	TCH
24-Apr-20	Call with counsel	.40	\$180.00	TCH
24-Apr-20	E-mail from Phoenix, call with client	.40	\$180.00	тсн
25-Apr-20	Call with counsel	.40	\$180.00	TCH
25-Apr-20	E-mail with counsel	.20	\$90.00	TCH
25-Apr-20	Call and e-mail with client	.30	\$135.00	TCH

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
26-Apr-20	E-mails from counsel	.20	\$90.00	тсн
26-Apr-20	Call with client	.20	\$90.00	ТСН
27-Apr-20	Call with client, call with Bank, call with counsel, review lease, review R & D, review release	2.00	\$900.00	ТСН
27-Apr-20	Amend and revise APS	2.50	\$1,125.00	TCH
27-Apr-20	E-mails with RBC counsel	.40	\$180.00	TCH
27-Apr-20	E-mail with borrower counsel	.20	\$90.00	TCH
27-Apr-20	Call with client	.20	\$90.00	TCH
27-Apr-20	Review and amend release	.50	\$225.00	TCH
27-Apr-20	Amend agreement, call with client, call with Phoenix	1.50	\$675.00	TCH
27-Apr-20	To review claims;	.10	\$16.50	LFE
27-Apr-20	Review re landlord/tenant liability	3.00	\$750.00	RDA
27-Apr-20	To draft full and final release	.70	\$175.00	RDA
27-Apr-20	To draft/revise approval and vesting order	.70	\$175.00	RDA
27-Apr-20	Telephone call and document review with TCH, client, purchaser counsel	1.40	\$350.00	RDA
27-Apr-20	To revise sale agreement	.80	\$200.00	RDA
27-Apr-20	Draft notice of motion, orders	1.20	\$300.00	RDA
28-Apr-20	Draft notice of motion, orders	1.80	\$450.00	RDA
28-Apr-20	Telephone call with TCH, client re review asset agreement	1.10	\$275.00	RDA
28-Apr-20	Revise asset agreement	.90	\$225.00	RDA
28-Apr-20	Telephone with TCH, purchaser lawyer, client re asset agreement	.40	\$100.00	RDA
28-Apr-20	Telephone call with TCH, client re further changes to asset agreement	.40	\$100.00	RDA
28-Apr-20	Further revisions to asset agreement	.20	\$50.00	RDA
28-Apr-20	Review amended APS	.40	\$180.00	TCH
28-Apr-20	Review amended RBC assignment	.20	\$90.00	TCH
28-Apr-20	Review and amend agreement, call with client	1.20	\$540.00	TCH
28-Apr-20	E-mail from counsel and to counsel, review and amend agreement, call with counsel, calls with client, finalize agreement	1.00	\$450.00	ТСН
28-Apr-20	E-mail from client, e-mail to counsel	.40	\$180.00	TCH
29-Apr-20	E-mail from counsel re OMVIC, e-mails with client, e-mail to counsel re OMVIC	.50	\$225.00	ТСН

DATE	DESCRIPTION			HOURS	AMOUNT	LAWYER
29-Apr-20	Call with client			.20	\$90.00	TCH
29-Apr-20	E-mails with client			.40	\$180.00	TCH
29-Apr-20	To correspondence with client	t;		.20	\$70.00	MVI
29-Apr-20	To correspondence with Finch	1;		.20	\$70.00	MVI
29-Apr-20	To draft PoA;			.50	\$175.00	MVI
29-Apr-20	To correspondence with client	t;		.20	\$70.00	MVI
29-Apr-20	Memo drafting re: receiver ob	oligations (lease)		1.00	\$250.00	RDA
29-Apr-20	To provide deposit email (tali	bov) to receiver		.10	\$25.00	RDA
29-Apr-20	To drafting, revising orders.			.70	\$175.00	RDA
30-Apr-20	To correspondence from Jordi	in;		.10	\$35.00	MVI
30-Apr-20	To correspondence to client;			.10	\$35.00	MVI
30-Apr-20	To second PoA;			.20	\$70.00	MVI
30-Apr-20	Call with Deloitte			.40	\$180.00	TCH
30-Apr-20	E-mail to counsel			.20	\$90.00	TCH
30-Apr-20	Call with landlord			.50	\$225.00	TCH
30-Apr-20	E-mails from client, e-mail to	counsel		.20	\$90.00	тсн
30-Apr-20	E-mail to client re LL obligati	ions		.20	\$90.00	ТСН
1-May-20	Call with client and counsel			.50	\$225.00	TCH
Total F Plus GS Plus HS <b>Total F</b>	ST:		\$	33,992.50 0.00 4,419.03	<u>\$</u>	<u>38,411.53</u>
FEE SUMMAR	<u>RY:</u>					
LAWYER Timothy C. Hog Melinda Vine Thomas Masters Danter Rob Lindsay Ferguso Olivia Rajsp Jana Streith Linda Gutjahr Jonathan Mahon	an son on	DURS 51.60 16.60 2.70 14.40 4.20 .10 .20 .10	\$450 \$350 \$183 \$250 \$163 \$173 \$130 \$100	0.00 5.00 5.00 5.00 0.00 5.00 0.00		AMOUNT \$23,220.00 \$5,810.00 \$499.50 \$3,600.00 \$693.00 \$12.00 \$35.00 \$13.00 \$110.00
NON-TAXABI	NON-TAXABLE DISBURSEMENTS					
Government Fili	ng Fees			\$24.00		
Total N	Ion-Taxable Disbursements:			24.00		

#### **TAXABLE DISBURSEMENTS**

Cyberbahn - Corporate Profile	62.00
Cyberbahn - PPSA	118.50
Drivers Licence Search	257.00
B&W Photocopies/Printing	41.50
Colour Photocopies/Printing	93.50
Westlaw	169.20
Travel Costs	36.00
Total Taxable Disbursements:	\$ 777.70
Plus GST:	0.00
Plus HST:	 101.10
Total Disbursements (INCL TAX)	 _

\$ 902.80

**TOTAL DUE & OWING** 

\$ 39,314.33

THIS IS OUR ACCOUNT HEREIN

HARRISON PENSA A

Per:

Timothy C. Hogan

E. & O.E.

 $GST \setminus HST \; REGISTRATION \; NO: \; R867630543$  Interest of 2 % is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days.

## **EXHIBIT E**

# (From April 2, 2020 to June 2, 2020)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	14.70	\$450.00	\$6,615.00
	Melinda Vine	2007	1.80	\$350.00	\$630.00
Associate	Robert Danter	2016	5.60	\$250.00	\$1,400.00
Clerk	Lindsay Ferguson		3.50	\$165.00	\$577.50
TOTAL FEES					\$9,222.50
HST ON FEES					\$1,198.93
TOTAL TAXABLE DISBURSEMENTS					\$0.00
TOTAL NON TAXABLE DISBURSEMENTS					\$458.00
HST DISBURSEMENTS					\$0.00
TOTAL FEES, DISBURSEMENTS AND HST					\$10,879.43

## **EXHIBIT F**



#### 450 Talbot Street P.O. Box 3237 LONDON ON N6A 4K3

Telephone: (519) 679 9660 Facsimile: (519) 667 3362

Deloitte & Touche Inc. 4210 King St. East Kitchener ON N2P 2G5

June 3, 2020 Invoice #: \*\*\*\*\*

File #: 181517/Timothy C. Hogan RE: Dean Myers Chevrolet Limited

#### TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
2-Apr-20	Review email re taking payment	.10	\$25.00	RDA
23-Apr-20	To Claims;	1.20	\$420.00	MVI
1-May-20	To correspondence with client;	.20	\$70.00	MVI
1-May-20	To review discountenance rules;	.20	\$70.00	MVI
6-May-20	Call with client	.20	\$90.00	TCH
6-May-20	Call with client, e-mail to Phoenix	.20	\$90.00	TCH
6-May-20	Review Pattison agreement and e-mail to Rio-can lawyer	.40	\$180.00	TCH
6-May-20	Call with counsel	.30	\$135.00	TCH
7-May-20	Call with Phoenix	.20	\$90.00	TCH
7-May-20	Call with client, e-mail from counsel, e-mail from trustee, to undertaking	.40	\$180.00	TCH
7-May-20	Call with client and counsel	.40	\$180.00	TCH
7-May-20	Call with LL, and e-mail to LL	.40	\$180.00	тсн
7-May-20	Draft serve release and e-mail to client	.40	\$180.00	TCH
7-May-20	E-mail from client, e-mail from counsel re 112Co leases and e-mail to client	.40	\$180.00	TCH
7-May-20	Draft release/direction	1.40	\$350.00	RDA
8-May-20	E-mail to client, review amended server release and e-mail to counsel	.40	\$180.00	TCH
8-May-20	E-mail to landlord counsel	.20	\$90.00	TCH
8-May-20	Calls with client, call to counsel	.40	\$180.00	TCH

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
8-May-20	E-mail to LL Lawyer	.20	\$90.00	TCH
12-May-20	Review and revise closing documents from purchaser counsel.	1.00	\$250.00	RDA
12-May-20	Call with Deloitte re landlord and 112 Co, e-mail to counsel to former landlord	.60	\$270.00	ТСН
12-May-20	Draft landlord release	.20	\$50.00	RDA
13-May-20	Draft/revise release agreement re may occupancy rent	1.20	\$300.00	RDA
13-May-20	To correspondence with client;	.20	\$70.00	MVI
13-May-20	Review/revise LL release, e-mail to client	.40	\$180.00	TCH
14-May-20	Call with client and counsel	.50	\$225.00	TCH
14-May-20	E-mail to counsel, call with client	.40	\$180.00	TCH
14-May-20	Call with counsel	.20	\$90.00	TCH
14-May-20	To prepare release;	.20	\$33.00	LFE
14-May-20	Review rent issue and e-mail to client	.40	\$180.00	TCH
14-May-20	E-mail from counsel re 112Co	.20	\$90.00	TCH
15-May-20	Amend release and e-mail to counsel	.20	\$90.00	TCH
15-May-20	E-mail to Riocan re Pattison	.20	\$90.00	TCH
15-May-20	Call with client and counsel	.40	\$180.00	TCH
19-May-20	E-mail from LL counsel, e-mail from and to borrower counsel	.40	\$180.00	ТСН
20-May-20	Call with client, e-mail to court	.40	\$180.00	TCH
20-May-20	Call with client	.20	\$90.00	TCH
20-May-20	Call with counsel and client	.40	\$180.00	TCH
20-May-20	Draft e-mail to counsel	.40	\$180.00	TCH
21-May-20	Call with counsel and client	.40	\$180.00	TCH
21-May-20	E-mail with client	.50	\$225.00	TCH
22-May-20	To prepare zoom details for motion;	.10	\$16.50	LFE
25-May-20	Call with client and to scheduling court hearing	.40	\$180.00	TCH
25-May-20	E-mail to counsel re lease, e-mail to Pattison	.40	\$180.00	TCH
25-May-20	To prepare zoom details for motion;	.10	\$16.50	LFE
26-May-20	To e-mail correspondence with court;	.10	\$16.50	LFE
26-May-20	To draft amended notice of motion;	1.00	\$165.00	LFE
27-May-20	To prepare motion;	.20	\$33.00	LFE
29-May-20	Revise/review credit bid re RBC debt numbers	.40	\$100.00	RDA

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
29-May-20	Compile/organize credit bid documents	.40	\$100.00	RDA
29-May-20	To draft Notices of Discontinuance;	.20	\$33.00	LFE
29-May-20	Review and advise closing documents/release	1.00	\$450.00	ТСН
1-Jun-20	Review/revise closing documents per client	.60	\$150.00	RDA
1-Jun-20	Revise release and indemnity agreement	.30	\$75.00	RDA
1-Jun-20	To draft certificates re omnibus order;	.30	\$49.50	LFE
1-Jun-20	To review Notices of Discontinuance;	.10	\$16.50	LFE
1-Jun-20	To review motion;	.10	\$16.50	LFE
1-Jun-20	Review Bills of Sale, draft Receiver's certificate	.40	\$180.00	TCH
1-Jun-20	E-mail from and to client, amend closing documents	.80	\$360.00	TCH
2-Jun-20	E-mail to counsel, e-mail from client	.20	\$90.00	TCH
2-Jun-20	E-mail from CRA, review proofs and e-mail to Delo	itte .40	\$180.00	TCH
2-Jun-20	Call from client and e-mail to RBC	.40	\$180.00	TCH
2-Jun-20	To edit certificates;	.20	\$33.00	LFE
2-Jun-20	To e-mail correspondence with client;	.10	\$16.50	LFE
2-Jun-20	To e-mail correspondence with court;	.20	\$33.00	LFE
2-Jun-20	To file Notices of Discontinuance;	.20	\$33.00	LFE
2-Jun-20	To draft and issue letter to court re Notices of Discontinuance;	.40	\$66.00	LFE
Total Fe Plus GS Plus HS <b>Total F</b> e	T:	\$ 9,222.50 0.00 1,198.93	<u>\$</u>	10,421.43
FEE SUMMAR	<u>Y:</u>			
LAWYER Timothy C. Hoga Melinda Vine Danter Rob Lindsay Ferguson	1.80 5.60	RATE \$450.00 \$350.00 \$250.00 \$165.00		AMOUNT \$6,615.00 \$630.00 \$1,400.00 \$577.50
NON-TAXABL	E DISBURSEMENTS			
Issue Statement of	of Claim	\$458.00		
Total No Total Disbursem	on-Taxable Disbursements	\$458.00	e	450 00
i otai Dispursem	ICH19		<u>\$</u>	458.00
TOTAL DUE &	OWING		<u>\$</u>	<u> 10,879.43</u>

THIS IS OUR ACCOUNT HEREIN

HARRISON PENSA LLP

Per: Timethy Hogan

E. & O.E.

 $GST \ \ NO: R867630543$  Interest of 2 % is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days.

DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED		Court File No. CV-20-00636095-00CL	ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST	PROCEEDING COMMENCED AT TORONTO	AFFIDAVIT OF THOMAS MASTERSON	HARRISON PENSA LLP Barristers & Solicitors 450 Talbot Street London, Ontario NGA 5J6	Timothy C. Hogan (LSO #36553S) Robert Danter (LSO #69806O)	Tel: (519) 679-9660 Fax: (519) 667-3362	Solicitors for the Receiver, Deloitte Restructuring Inc.
DEAN MYERS C	Respondents								

-and-

ROYAL BANK OF CANADA

Applicant

DEAN MYERS CHEVROLET LIMITED and 1125278 ONTARIO LIMITED		Court File No. CV-20-00636095-00CL	ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST	PROCEEDING COMMENCED AT TORONTO	SECOND REPORT OF THE RECEIVER	HARRISON PENSA LLP Barristers & Solicitors 450 Talbot Street London, Ontario NGA 5J6	Timothy C. Hogan (LSO #36553S) Robert Danter (LSO #69806O)	Tel : (519) 679-9660 Fax: (519) 667-3362	Solicitors for the Receiver, Deloitte Restructuring Inc.
DEAN MYERS CH	Respondents								

-and-

ROYAL BANK OF CANADA

Applicant

Respondents

Court File No. CV-20-00636095-00CL

# ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

#### **MOTION RECORD**

#### **HARRISON PENSA LLP**

Barristers & Solicitors 450 Talbot Street London, Ontario N6A 5J6

Timothy C. Hogan (LSO #36553S) Robert Danter (LSO #69806O)

Tel: (519) 679-9660 Fax: (519) 667-3362

Solicitors for the Receiver, Deloitte Restructuring Inc.