

District of: Ontario
Division No. 09-Toronto
Court No. CV-23-00707330-00CL
Estate No. 31-459685

**IN THE MATTER OF THE RECEIVERSHIP OF
926749 ONTARIO LTD. O/A CLONSILLA AUTOSALES AND LEASING**

Interim Report of Receiver
(Subsection 246(2) of the Act)

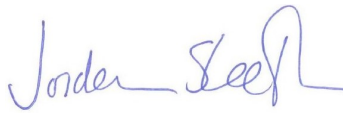
1. Deloitte Restructuring Inc. (“**Deloitte**”) became the receiver (the “**Receiver**”), without security, of certain assets, undertakings and properties of 926749 Ontario Ltd. o/a Clonsilla Auto Sales (the “**Company**”) acquired for, or used in relation to business carried on by the Company pursuant to the Order (the “**Initial Appointment Order**”) dated October 26, 2023, of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) under Section 243(1) of the *Bankruptcy and Insolvency Act* and Section 101 of the *Courts of Justice Act*. On the same day, Deloitte was appointed as Receiver of Velocity Asset and Credit Corporation (“**Velocity**”) which held the leases written and serviced by the Company.
2. Pursuant to the Initial Appointment Order, the Receiver was appointed only over those assets of the Company that related to leases, leased vehicles, accounts and proceeds related to leases subject to security held by Enlightened Funding Corporation (the “**EFC Property**”). The Receiver was not appointed over the assets of the Company other than the EFC Property, and the Company continued to operate.
3. Deloitte commenced the exercise of its power under the Initial Appointment Order on October, 26, 2023. Deloitte became the Receiver of all of the assets, undertakings and properties of the Company by virtue of an Amended and Restated Order (the “**ARO**”) issued by the Court on dated December 8, 2023 pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act* and Section 101 of the *Court of Justice Act*. The Company ceased operations on that date.
4. Since the date of the ARO, the Receiver has worked to collect lease receivables, identify valid leases in the portfolio and engaged a third-party lease servicing company. The Receiver also realized on individual vehicles and the personal property of the Company.
5. On January 31, 2024, the Receiver vacated the premises at 809 Clonsilla Avenue in Peterborough and returned the property to the landlord. The Receiver remitted all rent and utilities related to the period in which it occupied the premises (i.e., December 8, 2023 to January 31, 2024).
6. Since the date of the ARO, the Receiver has made the appropriate HST filings pursuant to its obligation as Receiver and has been working to address issues identified by CRA regarding

HST with respect to the pre-receivership period. The Receiver has not yet estimated the impact and timeline to settle the Company's HST obligations.

7. On May 3, 2024, pursuant to an Order of the Court, the Receiver was granted the power to assign the Company and Velocity into bankruptcy and conduct a sale and investment solicitation process ("SISP") of the assets and undertakings of the Company and Velocity.
8. The Receiver continues to conduct the SISP and will provide further information in that regard in subsequent reports.
9. An interim statement of receipts and disbursements of the Receiver from April 1, 2024 to September 30, 2024 is included as Appendix "A".

Dated at Toronto this 14 day of July, 2025.

DELOITTE RESTRUCTURING INC.,
solely in its capacity as Court-appointed Receiver of
926749 Ontario Ltd. O/A Clonsilla Auto Sales and Leasing
and not in its personal or corporate capacity
Per:



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

Appendix “A”

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**In the Matter of the Receivership of
926749 Ontario Ltd. o/a Clonsilla Auto Sales & Leasing
Statement of Receipts and Disbursements
For the period from April 1, 2024 to September 30, 2024**

	October 26, 2023 to March 31, 2024		April 1 2024, to September 30, 2024	Total	Notes
Receipts					
Lease Proceeds	\$ 899,322		\$ 1,247,445	\$ 2,146,767	1
Advance from secured creditor	\$ 600,000		\$ -	\$ 600,000	
Sale of Assets	\$ 258,009		\$ 156,615	\$ 414,625	
Insurance Proceeds	\$ 44,041		\$ 37,462	\$ 81,503	
Bank Interest	\$ 1,430		\$ 5,120	\$ 6,550	
Miscellaneous Receipts	\$ 3,310		\$ 741	\$ 4,051	
Total Receipts	<u>\$ 1,806,113</u>		<u>\$ 1,447,384</u>	<u>\$ 3,253,496</u>	
Disbursements					
Receiver's Fees and Disbursements	\$ 1,143,880		\$ 302,321	\$ 1,446,201	
Legal Fees and Disbursements	\$ 80,102		\$ 616,902	\$ 697,004	
HST Paid on Legal Fees	\$ 10,413	\$ 80,196			
HST Paid on Receiver's Fees/Costs	\$ 148,704	\$ 39,302			
HST Paid on Disbursements	\$ 6,829	\$ 7,301			
Subtotal	\$ 165,947		\$ 126,798	\$ 292,745	
Operating Expenses	\$ 73,779		\$ 178,339	\$ 252,118	2
Bank Charges	\$ 145		\$ 12,753	\$ 12,898	
WEPP Claims	\$ -		\$ 4,204	\$ 4,204	
Funds Transfer to Bankruptcy	\$ -		\$ 2,082	\$ 2,082	3
Computer Services	\$ 920		\$ 110	\$ 1,030	
Total Disbursements	<u>\$ 1,464,773</u>		<u>\$ 1,243,508</u>	<u>\$ 2,708,281</u>	
Excess of Receipts over Disbursements	<u>\$ 341,340</u>		<u>\$ 203,875</u>	<u>\$ 545,215</u>	

Notes:

- 1 The proceeds from lease payments include HST, which the Receiver is in the process of reconciling.
- 2 Operating expenses represent the fees paid to the servicer of the loan portfolio.
- 3 These amounts were transferred to fund the OSB filing, court discharge and newspaper advertisement fees.