

District of Ontario
Division No. 12 - Ottawa
Court File No. BK-23-03025642-0033
Bankruptcy Estate File No. 33-3025642

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)**

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY ACT, R.S.C., 1985, C. B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF OEM AUTOMOTIVE
SOLUTIONS INC., OEM AUTOMOTIVE CORNWALL INC.
AND OEM AUTOMOTIVE HOLDINGS INC.

**MOTION RECORD
(RE: DISTRIBUTION ORDER AND ANCILLARY RELIEF)
(RETURNABLE ON MAY 28, 2024 AT 2:00 P.M.)**

VOLUME 2 OF 2

May 23, 2024

FOGLER, RUBINOFF LLP
Toronto-Dominion Centre
77 King Street West
Suite 3000, PO Box 95
Toronto, ON M5K 1G8

Vern W. DaRe (LSO# 32591E)
Tel: 416.941.8842
Fax: 416.941.8852
Email: vdare@foglers.com

Lawyers for BDO Canada Limited,
in its capacity as the Proposal Trustee

TO: **SERVICE LIST**

SERVICE LIST
(as at May 22, 2024)

TO: **LOOPSTRA NIXON LLP**
130 Adelaide St. West, Suite 2800
Toronto, ON M5H 3P5

R. Graham Phoenix
Tel.: (416) 748-4776
Fax: (416) 746-8319
Email: gphoenix@LN.law

Shahrzad Hamraz
Tel.: (416) 748-5116
Fax: (416) 746-8319
Email: shamraz@LN.law

*Lawyers for OEM AUTOMOTIVE SOLUTIONS INC.,
OEM AUTOMOTIVE HOLDINGS INC., and
OEM AUTOMOTIVE CORNWALL INC.*

AND TO: **BDO CANADA LIMITED**
20 Wellington Street East, Suite 500
Toronto, ON M5E 1C5

Clark Lonergan
Email: clonergan@bdo.ca

Heron Yin
Email: hyin@bdo.ca

*Licensed Insolvency Trustee of proposal proceedings of OEM AUTOMOTIVE
SOLUTIONS INC., OEM AUTOMOTIVE HOLDINGS INC.,
and OEM AUTOMOTIVE CORNWALL INC.*

AND TO: **FOGLER RUBINOFF LLP**
77 King St. W, Suite 3000
Toronto, ON M5K 1G8

Vern W. DaRe
Tel: (416) 941-8842
Email: vdare@foglers.com

Lawyers for Trustee, BDO Canada Limited

AND TO: **AIRD & BERLIS LLP**
181 Bay St., Suite 1800
Toronto, ON M5J 2T9

Kyle Plunkett
Email: kplunkett@airdberlis.com

Adrienne Ho
Email: aho@airdberlis.com

Lawyers for Bank of Montreal

AND TO: **CHAITONS LLP**
5000 Yonge St., 10th Floor
Toronto, ON M2N 7E9

Maya Poliak
Tel: (416) 218-1161
Email: maya@chaitons.com

*Lawyer to 11678833 Canada Inc., Christina Grant, Seaway Toyota (1990) Inc.,
and 1921534 Ontario Inc.*

AND TO: **DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.**
3450 Superior Court, Unit 1
Oakville, ON L6L 0C4

Tel: 1-877-523-5515
Email: clientservices-ca@leasedirect.com

AND TO: **THE BANK OF NOVA SCOTIA**
120 King St. W, Suite 500
Hamilton, ON L8P 4V2

AND TO: **GLENN JOSEPH MACDONELL**
1875 Country Rd. #2
Cornwall, ON K6H 5R5

Email: glencogmd@outlook.com

AND TO: **CRA – TAX – ONTARIO**
Shawinigan-Sud National Verification
and Collection Centre
4695 Shawinigan-Sud Blvd.
Shawinigan-Sud, QC G9P 5H9

AND TO: **MINISTRY OF FINANCE – ON PST, EHT & OTHER TAXES**
Ministry of Revenue
33 King Street West, 6th Floor
Oshawa, ON L1H 8H5

Asta Alberry
Fax: (905) 436-4524
Email: insolvency.unit@ontario.ca

AND TO: **WORKPLACE SAFETY AND INSURANCE BOARD**
200 Front St. W., 22nd Floor
Toronto, ON M5V 3J1

Eric Kupka
Tel: (416) 344-3143
Email: eric_kupka@wsib.on.ca

AND TO: **OFFICE OF THE SUPERINTENDENT OF BANKRUPTCY**
25 St. Clair Avenue – East (6th Floor)
Toronto, ON M4T 1M2

Tel: (416) 973-6441
Fax: (416) 973-7440
Email: osbservice-bsfservice@ised-isde.gc.ca

AND TO: **BORDEN LADNER GERVAIS**
22 Adelaide St. W.,
Toronto, ON M5H 4E3

Bevan Brooksbank
Tel: (416) 367-6604
Email: BBrooksbank@blg.com

Lawyers for VGCA

AND TO: **SOLOWAY WRIGHT LAWYERS**
700-427 Laurier Avenue West
Ottawa, ON K1R 7Y2

Sybil Jonhson-Abbott
Tel: (613) 782-3220
Fax: (613) 238-8507
Email: sjohnsonabbott@solowaywright.com

Lawyers for Mark Motors of Ottawa (1987) Limited

AND TO: **Gabriel Poliquin**
CP 22006 RPO Heron Gate
Ottawa, Ontario K1V 0W2
Tel: (613)983-8062
Email: gpoliquin@gp-avocats.ca

Lawyer for Caroline Bourret

Email Service List

gphoenix@LN.law; shamraz@LN.law; clonergan@bdo.ca; hyin@bdo.ca; vdare@foglers.com;
kplunkett@airdberlis.com; aho@airdberlis.com; maya@chaitons.com; clientservices-ca@leasedirect.com;
glencogmd@outlook.com; insolvency.unit@ontario.ca; eric_kupka@wsib.on.ca; osbservice-bsfservice@ised-isde.gc.ca; BBrooksbank@blg.com; sjohnsonabbott@solowaywright.com; gpoliquin@gp-avocats.ca

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY ACT, R.S.C., 1985, C. B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF OEM AUTOMOTIVE
SOLUTIONS INC., OEM AUTOMOTIVE CORNWALL INC.
AND OEM AUTOMOTIVE HOLDINGS INC.

INDEX

Tab	Description	Page No.
1	Notice of Motion	1
2	Fourth Report of the Proposal Trustee	16
A.	Appendix "A" – First Report of the Proposal Trustee dated January 11, 2024 (w/o appendices)	45
B.	Appendix "B" – Initial Court Order dated January 17, 2024	77
C.	Appendix "C" – Endorsement of Justice Kaufman dated January 17, 2024	111
D.	Appendix "D" – Second Report of the Proposal Trustee dated February 21, 2024 (w/o appendices)	115
E.	Appendix "E" – Second Court Order dated February 27, 2024	128
F.	Appendix "F" – Endorsement of Justice Bell dated February 27, 2024	133
G.	Appendix "G"- Third Report of the Proposal Trustee dated March 27, 2024 (w/o appendices)	136

Tab	Description	Page No.
H.	Appendix "H" – Confidential Supplementary Report dated March 27, 2024 (w/o appendices)	154
I.	Appendix "I" – Ancillary Court Order dated April 3, 2024	163
J.	Appendix "J" – Approval and Vesting Order dated April 3, 2024	168
K.	Appendix "K" – Endorsement of Justice Kershman dated April 3, 2024	181
L.	Appendix "L" – Revised Cash Flow Forecasts for the period March 25, 2024, to May 26, 2024	183
M.	Appendix "M" – Final Cash Flow Forecast for the period May 20, 2024 to June 21, 2024	190
N.	Appendix "N"- Agreement of Purchase and Sale dated March 27, 2024	193
O.	Appendix "O" – Writ of Seizure and Sale, Judgment and Decision	244
P.	Appendix "P" – Revised Cash Flow Variance Analysis for the eight-week period ending May 17, 2024	307
Q.	Appendix "Q" - PPSA and Land Title Searches	311
R.	Appendix "R" - Opinion Letter regarding BMO	375
S.	Appendix "S" - Opinion Letter regarding MacDonell	383
T.	Appendix "T" - Opinion Letter regarding GrantCo	387
U.	Appendix "U" - GrantCo Payout Letter	394
V.	Appendix "V" - Fee Affidavit of Clark Lonergan, sworn May 21 2024	397
W.	Appendix "W" - Fee Affidavit of Scott Venton, sworn May 15, 2024	448
3.	Draft Ancillary Order	466

Tab	Description	Page No.
4.	Draft Interim Distribution Order	473

Fourth Report of the Proposal Trustee
Appendix “N”

AGREEMENT OF PURCHASE AND SALE

BETWEEN

BDO CANADA LIMITED,

solely in its capacity as the proposal trustee of OEM Automotive Solutions Inc., OEM Automotive Cornwall Inc. and OEM Automotive Holdings Inc., and not in its personal capacity or in any other capacity

- and -

**MARK MOTORS OF OTTAWA (1987) LIMITED AND
MRAK HOLDINGS INC.**

Dated: March 27, 2024

TABLE OF CONTENTS

ARTICLE 1 DEFINED TERMS	2
1.1 Definitions.....	2
ARTICLE 2 SCHEDULES.....	8
2.1 Schedules.	8
ARTICLE 3 AGREEMENT TO PURCHASE.....	9
3.1 Purchase and Sale of Purchased Assets.	9
3.2 Excluded Assets.	10
3.3 Excluded Liabilities.	10
3.4 Employees.....	10
ARTICLE 4 PURCHASE PRICE AND SATISFACTION OF PURCHASE PRICE.....	12
4.1 Purchase Price.....	12
4.2 Deposit.	13
4.3 Satisfaction of Purchase Price.....	13
4.4 Allocation of Purchase Price.....	13
4.5 Adjustment of Purchase Price.....	13
ARTICLE 5 TAXES.....	14
5.1 Taxes.	14
ARTICLE 6 CLOSING ARRANGEMENTS	15
6.1 Closing and Closing Procedure.....	15
6.2 Tender.	15
6.3 Proposal Trustee's Closing Deliverables.	15
6.4 Purchaser's Closing Deliverables.	16
6.5 Proposal Trustee's Certificate.....	17
ARTICLE 7 CONDITIONS PRECEDENT TO CLOSING	17
7.1 Conditions in Favour of the Proposal Trustee.	17
7.2 Conditions in Favour of Proposal Trustee Not Fulfilled.	17
7.3 Conditions in Favour of the Purchaser.....	18
7.4 Conditions in Favour of Purchaser Not Fulfilled.....	18
ARTICLE 8 REPRESENTATIONS & WARRANTIES OF THE PROPOSAL TRUSTEE.....	19

TABLE OF CONTENTS

(continued)

ARTICLE 9 REPRESENTATIONS & WARRANTIES OF THE PURCHASER.....	19
ARTICLE 10 COVENANTS	20
10.1 Mutual Covenants.	20
10.2 Proposal Trustee Covenants.....	20
10.3 Purchaser Covenants.....	20
ARTICLE 11 POSSESSION AND ACCESS PRIOR TO CLOSING.....	20
11.1 Possession of Purchased Assets.	21
11.2 Examination of Title and Access to the Purchased Assets.	21
11.3 Risk.	22
ARTICLE 12 AS IS, WHERE IS	22
12.1 Condition of the Purchased Assets.	23
12.2 Environmental Condition of the Purchased Assets.....	23
ARTICLE 13 POST-CLOSING MATTERS.....	24
13.1 Books and Records.	24
ARTICLE 14 TERMINATION.....	24
14.1 Termination of this Agreement.....	24
14.2 Remedies for Breach of Agreement.....	24
14.3 Termination If No Breach of Agreement.....	25
ARTICLE 15 GENERAL CONTRACT PROVISIONS.....	25
15.1 Further Assurances.....	25
15.2 Survival Following Completion.....	25
15.3 Notice.....	25
15.4 Waiver.....	27
15.5 Consent.	27
15.6 Governing Law.	27
15.7 Entire Agreement.	27
15.8 Time of the Essence.	27
15.9 Time Periods.	27
15.10 Assignment.	27
15.11 Expenses.	28
15.12 Severability.	28

TABLE OF CONTENTS
(continued)

15.13 No Strict Construction. 28

15.14 Cumulative Remedies. 28

15.15 Currency..... 28

15.16 Proposal Trustee’s Capacity. 28

15.17 Planning Act..... 29

15.18 No Third Party Beneficiaries. 29

15.19 Number and Gender. 29

15.20 Independent Legal Advice. 29

15.21 Counterparts..... 29

15.22 Environmental.....29

SCHEDULE A APPROVAL AND VESTING ORDER A-1

SCHEDULE B PERMITTED ENCUMBRANCES..... B-1

SCHEDULE C SALE PROCESS ORDER.....C-1

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made this 27th day of March, 2024.

BETWEEN:

BDO CANADA LIMITED,

solely in its capacity as the proposal trustee of OEM Automotive Solutions Inc., OEM Automotive Cornwall Inc. and OEM Automotive Holdings Inc.,
and not in its personal capacity or in any other capacity

(in such capacity, the “**Proposal Trustee**”)

- and -

**MARK MOTORS OF OTTAWA (1987) LIMITED AND
MRAK HOLDINGS INC.**

(collectively, the “**Purchaser**”)

WHEREAS OEM Automotive Solutions Inc. (“**Solutions**”), OEM Automotive Cornwall Inc. (“**Cornwall**”) and OEM Automotive Holdings Inc. (“**Holdings**”) (collectively, the “**Debtors**”) each filed a notice of intention to make a proposal (“**NOIs**”) pursuant to the *Bankruptcy and Insolvency Act* (the “**BIA**”) on December 22, 2023, pursuant to which BDO Canada Limited (“**BDO**”) was named as the proposal trustee (the “**Proposal Trustee**”);

AND WHEREAS the Debtors primarily operate as an automobile dealership under the style name of “Cornwall Volkswagen”;

AND WHEREAS Cornwall operates as a real estate holding company which owns the real property located at 628 Pitt Street, Cornwall, Ontario (the “**Body Shop Property**”) and Solutions operates as an automotive body shop from the Body Shop Property;

AND WHEREAS Holdings operates as a real estate holding company which owns the real property located at 632 Pitt Street, Cornwall, Ontario (the “**Dealership Property**”, together with the Body Shop Property, the “**Real Property**”) and Solutions operates the Cornwall Volkswagen dealership from the Dealership Property;

AND WHEREAS a sale and investment solicitation process with respect to the assets and business of the Debtors (the “**Sale Process**”) and the expansion of the Proposal Trustee’s powers were both, among other things, approved pursuant to an Order of the Honourable Justice A. Kaufman of the Ontario Superior Court of Justice (In Bankruptcy & Insolvency) (the “**Court**”) made on January 17, 2024 (the “**Sale Process Order**”);

AND WHEREAS pursuant to the provisions of the Sale Process Order, the Proposal Trustee has the power to, amongst other things, sell the Property (as defined in the Sale Process

Order) or any part or parts thereof out of the ordinary course of business with the approval of the Court;

AND WHEREAS the time referenced in section 50.4(9) of the BIA currently expires on April 14, 2024, and the Court is not authorized pursuant to section 50.4(9) of the BIA to extend the time referenced in such section beyond on or about June 21, 2024;

AND WHEREAS the Purchaser wishes to purchase the Purchased Assets (as defined herein) upon the terms and subject to the conditions set out herein;

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

ARTICLE 1 DEFINED TERMS

1.1 Definitions.

In this Agreement:

“Accounts Receivable” means all those accounts receivable, trade accounts receivable, notes receivable, book debts or other debts owing to the Debtors as at the Closing Date;

“Accounts Payable” means all amounts relating to the Business owing to any Person which are incurred in connection with the purchase of goods or services in the ordinary course of business;

“Agreement” means this agreement of purchase and sale, including all schedules and all amendments or restatements, as permitted, and references to **“article”**, **“section”** or **“schedule”** mean the specified article, section of, or schedule to this Agreement and the expressions **“hereof”**, **“herein”**, **“hereto”**, **“hereunder”**, **“hereby”** and similar expressions refer to this Agreement and not to any particular section or other portion of this Agreement;

“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” means the approval and vesting order issued by the Court approving this Agreement and the transactions contemplated by this Agreement and conveying to the respective Purchaser all of the Debtors' right, title and interest, if any, in and to the respective Purchased Assets free and clear of all Encumbrances other than the Permitted Encumbrances, and which order shall be in a form substantively similar to the draft order attached as **Schedule “A”** hereto;

“Assignable Assets” has the meaning given in section 3.1(3) herein;

“**Assumption Agreement**” has the meaning given in section 15.10 herein;

“**BIA**” has the meaning set out in the recitals hereof;

“**Body Shop Property**” has the meaning set out in the recitals hereof;

“**Books and Records**” means the files, documents, instruments, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise) pertaining to the Purchased Assets that have been delivered by the Proposal Trustee to the Purchaser at or before Closing;

“**Business**” means the business carried on or previously carried on by the Debtors, primarily as an automobile dealership under the style name “Cornwall Volkswagen”;

“**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 in the Province of Ontario;

“**Claims**” means any and all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including solicitor and client costs and disbursements, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing, related to the Debtors or the Purchased Assets, and “**Claim**” means any one of them;

“**Closing**” means the successful completion of the Transaction;

“**Closing Date**” means, unless otherwise agreed in writing by the Parties, the date that is the later of: (i) April 30, 2024; (ii) the first Business Day following the date that is 10 days following the date on which the Approval and Vesting Order is issued by the Court; and (iii) the first Business Day following the date on which any appeals or motions to set aside or vary the Approval and Vesting Order have been finally determined;

“**Closing Employees**” has the meaning given in section 3.4 herein;

“**Closing Time**” means 2:00 p.m. (Toronto time) on the Closing Date or such other time as agreed in writing by the Parties;

“**Consents and Approvals**” means the consents and approvals of all relevant third parties;

“**Contracts**” means, except for the Excluded Contracts, all of the contracts, licences, dealership licences or agreements, leases, subleases, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements and engagements to which the Debtors are a party, the Debtors conduct Business or by which the Debtors, in their capacity as owner of the Purchased Assets are bound;

“**Court**” has the meaning set out in the recitals hereof;

“**Customer Contracts**” means any and all unfilled orders, commitments and other engagements entered into between any of the Debtors and one or more third parties relating to the sale of vehicles or vehicle parts and accessories or the provision of vehicle maintenance or repair services by any of the Debtors to such third parties in the ordinary course of the Business;

“**Dealership Property**” has the meaning set out in the recitals hereof;

“**Debtors**” have the meaning set out in the recitals hereof;

“**Deferred New Vehicles**” means undamaged new model vehicles used in the Business by the Debtors as at the close of Business on the Closing Date for which Volkswagen Canada or Volkswagen Group Canada Inc. (either, the “**Manufacturer**”) has invoiced the Debtors’ lender for the respective vehicle;

“**Demonstrator Vehicles**” means undamaged New Vehicles used in the Business by the Debtors as at the close of Business on the Closing Date for demonstration purposes and which has not been registered as sold vehicles with the Manufacturer;

“**Deposit**” has the meaning given in section 4.2 herein;

“**DIP Documents**” include: (i) the debtor-in-possession financing term sheet dated January 8, 2024 between the Debtors, as borrowers, and the DIP Lender, as lender; and (ii) the court-ordered priority interim financing charge over the Property in favour of the DIP Lender pursuant to the Sale Process Order;

“**DIP Lender**” means the Bank of Montreal;

“**Election**” has the meaning given in section 5.1 herein;

“**Employees**” has the meaning given in section 3.4 herein;

“**Employment Legislation**” means any and all Applicable Law applicable to employees, including without limitation employment standards legislation, labour relations legislation, human rights legislation, occupational health legislation, workers' compensation legislation and employment pension legislation;

“**Encumbrances**” means all liens, charges, security interests, pledges, title retention agreements, mortgages, charging, or creating a security interest in, the Purchased Assets or any part thereof or interest therein and any restrictions on use, development or similar agreements, easements, rights-of-way, title defects, options or adverse claims or encumbrances affecting title to the Purchased Assets;

“**Environmental Results**” means the Remediation/Management Option Evaluation and Cost Estimate Letter from Pinchin Ltd. regarding the Real Property;

“**ETA**” means the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended;

“Excluded Assets” means all the Debtors’ right, title and interest in and to the Property other than the Purchased Assets, which Excluded Assets include the Debtors’ right, title and interest, if any, in and to the following:

- (a) any of the Debtors’ cash or cash equivalents;
- (b) original tax records and books and records pertaining thereto, minute books, corporate seals, taxpayer and other identification numbers and other documents relating to the organization, maintenance and existence of the Debtors that do not relate exclusively or primarily to any of the Purchased Assets;
- (c) the benefit of any refundable Taxes payable or paid by the Debtors in respect of the Purchased Assets and applicable to the period prior to the Closing Date net of any amounts withheld by any taxing authority, and any claim or right of the Debtors to any refund, rebate, or credit of Taxes for the period prior to the Closing Date;
- (d) the Accounts Receivable;
- (e) the interest of the Debtors in any litigation and in the proceeds of any judgement or order thereof (including the Litigation Claim);
- (f) the interest of the Debtors in any insurance policies, including any cash surrender value thereof;
- (g) those tools used by mechanics employed in the Business which are owned by the mechanics;
- (h) individual New Vehicles and/or Used Vehicles for which the Purchaser and the Proposal Trustee cannot agree on its value;
- (i) Work in Progress; and
- (j) the Excluded Contracts.

“Excluded Contracts” mean: (i) the DIP Documents;

“Excluded Employees” are employees or former employees of the Debtors that are not or will not be employed by the Purchaser at the Closing Date;

“Excluded Liabilities” has the meaning given in section 3.3 herein;

“Governmental Authority” 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, republic, 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 harmonized sales tax imposed under Part IX of the ETA;

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

“**ITA**” means the *Income Tax Act*, R.S.C. 1985, c.1, as amended;

“**Licence Rights**” means all licences and distribution rights relating to the Business;

“**Litigation Claim**” means the outstanding Judgment of the Ontario Superior Court of Justice, Court File No. CV-23-00091216-0000, with the style of cause: *Seaway Auto Group Inc. and OEM Automotive Solutions Inc. and Cameron Grant, 11678833 Canada Inc. and Christopher Grant*, made on June 28, 2023, in favour of Seaway Auto Group Inc. and OEM Automotive Solutions Inc. against Cameron Grant, 11678833 Canada Inc. and Christopher Grant, in the approximate amount of \$573,000 plus pre-judgment and post-judgment interest, costs, disbursements, fees and expenses;

“**Manufacturer**” means Volkswagen Canada, Volkswagen Group Canada Inc. or a related company;

“**Net Price**” means with respect to New Vehicles, Deferred New Vehicles, and Demonstrator Vehicles, the factory invoice cost for such New Vehicles, Deferred New Vehicles or Demonstrator Vehicles, as the case may be, plus accepted dealer installed accessories at new car department cost, less any manufacturer rebates and allowances which have been received or which are payable to the Debtors;

“**New Vehicles**” means 2023 and 2024 models which are undamaged [with less than two hundred (200) kilometers] and which have not been registered as sold vehicles with the Manufacturer comprising part of the Debtor's inventory of vehicles as at the close of business on the Closing Date;

“**Notice**” has the meaning given in section 15.3 herein;

“**Obsolete Inventory**” means all Manufacturer parts and accessories which are more than twelve (12) months old from April 1, 2024. Obsolete Inventory shall also include parts and accessories which were not initially provided by the Manufacturer and includes operating supplies such as cleaning materials, washer fluid, brake cleaner, and other automotive related supplies;

“**OMVIC**” means the Ontario Motor Vehicle Industry Council;

“**Parties**” means the Proposal Trustee and the Purchaser;

“**Parts and Accessories**” means the current new parts and accessories comprising part of the Debtor's inventory at the close of business on the Closing Date but specifically excludes Obsolete Inventory;

“Permits” means all the authorizations, registrations, permits, certificates of approval, approvals, consents, commitments, rights or privileges issued, granted or required by any Governmental Authority in respect of the Purchased Assets;

“Permitted Encumbrances” means all those Encumbrances described in **Schedule “B”** hereto;

“Person” means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;

“Property” has the meaning set out in the recitals hereof including all of the Debtors’ current and future assets, undertakings and properties of every nature and kind whatsoever and wherever situate;

“Proposal Trustee” has the meaning set out in the recitals hereof;

“Proposal Trustee’s Certificate” has the meaning set out in section 6.3 herein;

“Purchase Price” has the meaning set out in section 4.1 herein;

“Purchased Assets” means all of the Debtors’ right, title and interest in and to the Property other than the Excluded Assets and the Excluded Liabilities, which Purchased Assets include the Debtors’ right, title and interest, if any, in and to the following:

- (k) the Real Property;
- (l) all New Vehicles, Deferred New Vehicles and Demonstrator Vehicles of the Business as at the Closing Date;
- (m) all Used Vehicles which have been identified by the Debtors and the Purchaser to be included in the Purchased Assets not less than fifteen (15) Business Days prior to the Closing Date. In the event that the Debtors and the Purchaser have not specifically identified a Used Vehicle to be included in the Purchased Assets, such Used Vehicle shall be an Excluded Asset;
- (n) the Parts and Accessories inventory of the Business as of the Closing Date;
- (o) Customer Contracts;
- (p) the Contracts, but only to the extent transferable to the Purchaser or the Purchaser’s permitted assignees;
- (q) the full benefit of all prepaid expenses and all deposits with any Person, public utility or Governmental Authority relating to the Contracts or Customer Contracts;
- (r) the Permits and Licence Rights, but only to the extent transferable to the Purchaser or the Purchaser’s permitted assignees;

- (s) all machinery, equipment, tools, furniture, furnishings, computer hardware and other miscellaneous items used in or relating to the Business but specifically excluding those tools owned by the mechanics of the Business (the “**Equipment**”);
- (t) all right, title and interest of the Debtors in and under leases of equipment used or relating to the Business that are assignable and subject to the Purchaser's review and acceptance of such contracts or leases prior to the Closing Date;
- (u) the goodwill of the Business (the “**Goodwill**”); and
- (v) the Warranty Rights.

“**Purchaser**” means collectively Mark Motors of Ottawa (1987) Limited (“**Mark Motors**”) and Mrak Holdings Inc. (“**Mrak Holdings**”) and/or the Purchasers’ designee defined or identified in the Approval and Vesting Order;

“**Real Property**” has the meaning set out in the recitals hereof and particularly means the the real property municipally known as 632 Pitt Street, Cornwall, Ontario, legally described as Part Lot 16 South Side Seventh Street Plan Cornwall, Parts 1 and 2, 52R4375; City of Cornwall (PIN 60180 - 0282 LT) and the real property municipally known as 628 Pitt Street, Cornwall, Ontario, legally described as Part Lot 16 South Side Seventh Street Plan Cornwall, Part 2, 52R2252; Cornwall (PIN 60180 - 0067 LT);

“**Rights**” has the meaning given in section 3.1(3) herein, but only has such meaning in such section;

“**Sale Process Order**” has the meaning set out in the recitals hereof;

“**Taxes**” means all taxes, HST, land transfer 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, excise, real property and personal property taxes, and any related interest, fines and penalties, imposed by any Governmental Authority, and whether disputed or not;

“**Third Party**” has the meaning given in section 3.1(3) herein;

“**Transaction**” means the transaction of purchase and sale contemplated by this Agreement;

“**Used Vehicles**” means the unsold vehicles, if any, (together with all options thereon) comprising part of the Debtor's inventory of vehicles at the close of Business on the Closing Date that are not New Vehicles, Deferred New Vehicles or Demonstrator Vehicles;

“**Warranty Rights**” means the full benefit of all warranties, warranty rights, performance bonds and indemnities (implied, express or otherwise) of the Debtors against manufacturers, contractors or any other Person which apply to the Purchased Assets, but only to the extent that the same are capable of being assigned; and

“**Work in Progress**” means all unbilled service, body work and parts supplied to a customer or performed on or added to a customer’s vehicle and includes sublet repairs that is not more than 30 days old on the Closing Date, other than Work in Progress that has not been completed due to a delay in Solutions receiving the required parts needed to complete the Work in Progress

ARTICLE 2 SCHEDULES

2.1 Schedules.

The following schedules are incorporated in and form part of this Agreement:

<u>Schedule</u>	<u>Description</u>
Schedule A	Approval and Vesting Order
Schedule B	Permitted Encumbrances
Schedule C	Sale Process Order

ARTICLE 3 AGREEMENT TO PURCHASE

3.1 Purchase and Sale of Purchased Assets.

- (1) Relying on the representations and warranties herein and the powers granted to it by, amongst other things, the Sale Process Order, the Proposal Trustee hereby agrees to sell, assign, convey and transfer the Real Property to Mrak Holdings and the Purchased Assets save and except the Real Property to Mark Motors, and Mrak Holdings hereby agrees to purchase the Real Property and Mark Motors hereby agrees to purchase the Purchased Assets save and except the Real Property, free and clear of all Encumbrances other than the Permitted Encumbrances.
- (2) Upon the Closing, the Proposal Trustee shall hereby remise, release and forever discharge all of its rights, claims and demands whatsoever in the Purchased Assets.
- (3) This Agreement or any document delivered in connection with this Agreement shall not constitute an assignment of any rights, benefits or remedies (in this section 3.1(3), collectively, the “**Rights**”) under any Permits, Licence Rights, Warranty Rights, Customer Contracts, Contracts, automobile and equipment leases or lease portfolios in relation to the Business or Consents and Approvals (collectively, the “**Assignable Assets**”) that form part of the Purchased Assets and which are not assignable by the Proposal Trustee to the Purchaser without the required consent and/or approval of the other party or parties thereto (collectively, the “**Third Party**”). To the extent any such consent is required and not obtained by the Proposal Trustee or Purchaser prior to the Closing Date, then, to the extent permitted by Applicable Law:
 - (a) the Proposal Trustee will, at the request, direction and sole cost of the Purchaser, acting reasonably, assist the Purchaser, in a timely manner and on a commercially reasonable best-efforts basis, in applying for and obtaining all Third Party consents

and/or approvals required to assign the Assignable Assets to the Purchaser in a form satisfactory to the Proposal Trustee and the Purchaser, acting reasonably, and take such actions and do such things as may be reasonably and lawfully designed to attempt to provide the benefits of the Assignable Assets to the Purchaser, including holding those Assignable Assets in trust for the benefit of the Purchaser or acting as agent for the Purchaser pending such assignment;

- (b) the Proposal Trustee will only deal with or make use of such Rights in accordance with the directions of the Purchaser; and
 - (c) in the event that the Proposal Trustee receives funds with respect to those Assignable Assets, the Proposal Trustee will promptly pay over to the Purchaser all such funds collected by the Proposal Trustee, net of any outstanding costs provided in subsection (a) above.
- (4) The Proposal Trustee acknowledges that Mrak Holdings will take title to the Real Property and that Mark Motors will take title to the Purchased Assets save and except the Real Property.

3.2 Excluded Assets.

Notwithstanding anything else in this Agreement, the Purchased Assets shall not include the Excluded Assets.

3.3 Excluded Liabilities.

With the exception of the Permitted Encumbrances, the Purchaser is not assuming, and shall not be deemed to have assumed any liabilities, obligations or commitments of the Debtors or the Proposal Trustee or of any other Person, whether known or unknown, fixed or contingent or otherwise, including any debts, obligations, sureties, positive or negative covenants or other liabilities directly or indirectly arising out of or resulting from the conduct or operation of the Business or the Purchased Assets or the Debtors' ownership or interest therein, whether pursuant to this Agreement or as a result of the Transaction (collectively, the "**Excluded Liabilities**"). For greater certainty, the Excluded Liabilities shall include, but not be limited to, the following:

- (a) except as otherwise agreed in this Agreement, all Taxes payable by the Debtors arising with respect to any period prior to the Closing Date and all Taxes payable relating to any matters or assets other than the Purchased Assets arising with respect to the period from and after the Closing Date;
- (b) any liability, obligation or commitment associated with the Accounts Payable or any employees of the Debtors;
- (c) any liability, obligation or commitment resulting from an Encumbrance that is not a Permitted Encumbrance;
- (d) any liability, obligation or commitment associated with any of the Excluded Assets; and

- (e) any liability, obligation or commitment of the Debtors in respect to Claims arising from or in relation to any facts, circumstances, events or occurrences existing or arising prior to the Closing Date.

3.4 Employees

- (a) The Debtors shall be responsible for the payment of all remittances and all accrued or earned and outstanding compensation owing to the employees of the Debtors (the "**Employees** ") up to the day preceding the Closing Date in accordance with the Applicable Law including the Employment Legislation and BIA, including without limitation, any salary, wages, overtime, holiday pay, benefits, commissions, bonuses, and incentive payments owing pursuant to their employment agreements.
- (b) The Purchaser shall have the opportunity to interview all Employees on or before the Closing Date in order to select which Employees it wishes to offer continued employment to. The Purchaser shall offer continued employment to all Employees of the Debtors, other than to the Excluded Employees, the current dealer principal and family members of the current dealer principal, who are employed by the Debtors on the Closing Date on comparable terms and conditions of employment, by offering each of those Employees a position, compensation and benefits that are comparable in the aggregate to those provided to the Employees, and recognizing the Employees' years of service with the Debtors.
- (c) The Purchaser will recognize the service of the Closing Employees, as hereinafter defined up to the Closing Date as if such service had occurred with the Purchaser. The Purchaser will, on the Closing Date, provide to the Proposal Trustee a list of the Employees who did not accept the Purchaser's offer of employment, and the Employees who accept the Purchaser's offer of employment are referred to herein as the "**Closing Employees**".
- (d) The Debtors shall be liable in accordance with the Applicable Law including the Employment Legislation and BIA for the payment of wages, salaries, bonuses, pension, or other benefits, severance pay, notice, or pay in lieu of notice, and holiday pay, up to the day preceding the Closing Date in respect of all Excluded Employees and all of the Employees who did not accept the Purchaser's offer of employment.
- (e) The Purchaser shall be liable in accordance with the Applicable Law including the Employment Legislation and BIA for the payment of wages, salaries, bonuses, pension, or other benefits, severance pay, notice, or pay in lieu of notice, and holiday pay for the Closing Employees from Closing Date forward, and the Purchaser shall indemnify and save the Debtors harmless from and against all claims, demands, suits, actions, causes of actions, losses, damages, costs and expenses which may be brought against the Debtors by any Closing Employees pertaining to matters from the Closing Date forward. This indemnity shall survive Closing.

- (f) Effective as of the Closing Date, the Closing Employees shall cease participation in any Debtors' Benefit Plans. Also, effective as of the Closing Date, the Purchaser shall establish or cause to be established Benefit Plans for the Closing Employees that are substantially equivalent (or better) to the Debtors' applicable Benefit Plans, as disclosed to the Purchaser as being provided to Employees immediately prior to the Closing Date. Closing Employees shall commence participation in the Purchaser's benefit plan effective as of the Closing Date.
- (g) In respect to the Closing Employees, the Purchaser's benefit plan shall be responsible for all claims based on facts arising after the Closing Date, regardless of when filed or reported. The Debtors' Benefit Plan, if applicable, shall remain responsible for all claims based on facts arising before the Closing Date, regardless of when filed or reported.

ARTICLE 4

PURCHASE PRICE AND SATISFACTION OF PURCHASE PRICE

4.1 Purchase Price.

- (1) The purchase price for the Purchased Assets shall be determined based on the aggregate of the following, subject to adjustments provided for in this Agreement (collectively, the **"Purchase Price"**).
- (2) The Purchase Price payable by the Purchaser to the Proposal Trustee for the Purchased Assets will be the aggregate of the following amounts:
 - (a) Three Million Four Hundred Thousand Dollars (\$3,400,000) to be allocated to the Real Property;
 - (b) Two Million Eight Hundred Thousand Dollars (\$2,800,000) to be allocated to the Goodwill of the Business;
 - (c) the New Vehicles and Deferred New Vehicles, at an amount equal to the Net Price for each New Vehicle and Deferred New Vehicle; provided, for greater certainty, the Purchaser shall not be required to purchase previously registered New Vehicles;
 - (d) the Demonstrator Vehicles, at an amount equal to the Net Price for each Demonstrator Vehicle less depreciation of an amount agreed upon by the Parties; provided, if a Demonstrator Vehicle has been previously registered, the Purchase Price shall be reduced by an amount agreed upon by the Parties;
 - (e) the Used Vehicles, at an amount agreed by the Parties acting reasonably for each such Used Vehicle at the time such Used Vehicle is identified as forming part of the Purchased Assets in accordance with this Agreement;

- (f) the Parts and Accessories, at an amount equal to the Debtors' invoice cost for such Parts and Accessories, provided that such Parts and Accessories shall not include Obsolete Inventory, it being understood and agreed that the Purchase Price payable by the Purchaser for the Obsolete Inventory shall be at an amount to be negotiated by the Parties;
- (g) the Equipment used in or relating to the Business, shall be at an amount to be negotiated by the Parties; and
- (h) for the remaining Purchased Assets, at an amount to be negotiated by the Parties.

4.2 Deposit.

- (1) The Parties agree and acknowledge that the Purchaser paid to the Proposal Trustee in accordance with the Sale Process a non-refundable deposit in immediately available funds equal to the greater of: an amount of not less than 10% of the Purchase Price or Two Hundred Fifty Thousand Dollars (\$250,000.00) (the "**Deposit**"), which Deposit shall be held in accordance with the provisions of the Sale Process and this Agreement pending completion or other termination of this Agreement and shall be applied against and towards the Purchase Price due on completion of the Transaction on the Closing Date.
- (2) The Parties agree and acknowledge that the Proposal Trustee has caused the Deposit to be placed in a non-interest bearing account and shall be credited to the Purchaser on the Closing Date.

4.3 Satisfaction of Purchase Price.

The Purchaser shall indefeasibly pay and satisfy the Purchase Price as follows:

- (a) the Deposit shall be applied against the Purchase Price; and
- (b) the remainder of the Purchase Price, being the net amount owing after deducting the Deposit from the Purchase Price and subject to the adjustments contemplated in sections 4.5 and 15.22 hereof, shall be paid by the Purchaser to the Proposal Trustee on Closing.

4.4 Allocation of Purchase Price.

The Parties, acting reasonably and in good faith, covenant to use best efforts to agree to allocate the Purchase Price amongst the Purchased Assets in a mutually agreeable manner on or prior to the Closing Time, provided that failure of the Parties to agree upon an allocation shall not result in the termination of this Agreement but rather shall result in the nullity of the application of this section of the Agreement such that each Party shall be free to make its own reasonable allocation. At minimum, the allocation of the Purchase Price shall include an allocated amount or price for each of the following Purchased Assets: Body Shop Property; Dealership Property; New Vehicles; Used Vehicles; Parts & Accessories; Equipment; and Goodwill.

4.5 Adjustment of Purchase Price.

- (1) The Purchase Price shall be adjusted as of the Closing Time in a manner and amount to be agreed upon by the Parties, acting reasonably, for any property taxes (including interest thereon), utilities and any other items which are usually adjusted in purchase transactions involving assets similar to the Purchased Assets in the context of a Court-supervised sale, including, without limitation, prepaid rent and security deposits (if any). The Proposal Trustee shall prepare a statement of adjustments and deliver same with all supporting documentation to the Purchaser for its approval by no later than the Closing Date. If the amount of any adjustments required to be made pursuant to this Agreement cannot be reasonably determined as of the Closing Date, an estimate shall be agreed upon by the Parties as of the Closing Date based upon the best information available to the Parties at such time, each Party acting reasonably, and such estimate shall serve as a final determination.
- (2) Following the physical count by the Parties to occur not later than two days prior to the Closing Date, the Purchase Price shall be adjusted, if necessary, by the actual value of New Vehicles, Deferred New Vehicles, Demonstrator Vehicles, Used Vehicles, Parts and Accessories and any other Purchased Assets calculated in accordance with Section 4.1 above and such other adjustments as may be necessary to reflect the accurate amounts of the value of the Purchased Assets, all as set out in Section 4.1 above and shall make such other adjustments as are customary in transactions of a similar nature, including adjustment for assumed Contracts, customer deposits or other liabilities, if applicable, of the Debtors for the period prior to Closing. The Parties agree that any payment required to be made by one party to the other for adjustments pursuant to this section shall be made within ten (10) Business Days following agreement on such adjustments.
- (3) If the Proposal Trustee and Purchaser cannot resolve all matters that may be in dispute with respect to such post-closing adjustments as described in this section within ninety (90) days of the Closing Date, then all unresolved matters will be submitted to an Arbitrator to be agreed jointly by the Purchaser's and Proposal Trustee's counsel (the "**Arbitrator**") for resolution. Each of the parties warrants and represents that it does not currently engage the Arbitrator as its accountant or auditor or consultant. The Arbitrator will be given access to all materials and information reasonably requested by it for such purposes. The rules and procedures to be followed in the arbitration proceedings will be determined by the Arbitrator in its discretion. The Arbitrator will make its determination as soon as practical and, in any case, within thirty (30) days of the matter being submitted to it. The Arbitrator's determination of all such matters will be final and binding on all parties and will not be subject to appeal by any party. The fees and expenses of the Arbitrator will be borne by the party whose position prior to Arbitration was further away from the Arbitrator's decision.
- (4) Other than as provided for in this section 4.5 and section 15.22 hereof, there shall be no adjustments to the Purchase Price.

ARTICLE 5 TAXES

5.1 Taxes.

The Purchaser shall be responsible for all federal and provincial sales taxes, land transfer tax, goods and services, HST and other similar taxes and duties and all registration fees payable upon or in connection with the conveyance or transfer of the Purchased Assets to the Purchaser. If the sale of the Purchased Assets is subject to HST, then such tax shall be in addition to the Purchase Price. The Proposal Trustee will not collect HST if the Purchaser provides to the Proposal Trustee a warranty that it is registered under the ETA, together with a copy of the required ETA registration at least five (5) Business Days prior to Closing, a warranty that the Purchaser shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Proposal Trustee in respect of any HST payable. At the option and request of the Purchaser, the Purchaser and the Proposal Trustee shall elect jointly under subsection 167(1) of the *Excise Tax Act* (Canada) in the form prescribed for the purposes of that subsection (the “**Election**”), in respect of the sale and transfer of the Purchased Assets. The Purchaser shall file the Election with its HST return for its reporting period that includes the Closing Date. The foregoing warranties shall not merge but shall survive the completion of the Transaction.

ARTICLE 6 CLOSING ARRANGEMENTS

6.1 Closing and Closing Procedure.

Closing shall take place at the Closing Time on the Closing Date by means of an electronic Closing in which the Closing deliverables will be delivered by e-mail exchange of signature pages in PDF or functionally equivalent electronic format, which delivery will be effective without any further physical exchange of the originals or copies of the originals, or at such other time or at such other place as the Parties may agree in writing.

6.2 Tender.

Any tender of documents or money under this Agreement may be made upon the Parties or their respective lawyers, and money shall be tendered by wire transfer of immediately available funds to the account specified by the receiving Party.

6.3 Proposal Trustee’s Closing Deliverables.

The Proposal Trustee covenants to execute, where applicable, and deliver the following to the Purchaser at Closing or on such other date as expressly provided herein:

- (1) a copy of the issued and entered Approval and Vesting Order and the attached Proposal Trustee’s Certificate;
- (2) a statement of adjustments prepared in accordance with section 4.5 hereof;

- (3) an undertaking by the Proposal Trustee to readjust the adjustments set out in section 4.5 hereof;
- (4) an assignment and assumption agreement for all Warranty Rights, Permits, Contracts, Consents and Approvals pertaining to the Purchased Assets (to the extent assignable) relating to the period from and after the Closing Date, and to the extent not assignable, an agreement to hold same in trust for the Purchaser;
- (5) a certificate from the Proposal Trustee, dated as of the Closing Date, certifying (collectively, the **“Proposal Trustee’s Certificate”**):
 - (a) that, except as disclosed in the certificate, the Proposal Trustee has not been served with any notice of appeal with respect to the Approval and Vesting Order, or any notice of any application, motion or proceedings seeking to set aside or vary the Approval and Vesting Order or to enjoin, restrict or prohibit the Transaction;
 - (b) that all representations, warranties and covenants of the Proposal Trustee contained in this Agreement are true as of the Closing Time, with the same effect as though made on and as of the Closing Time; and
 - (c) the non-merger specified in section 15.2 and elsewhere herein.
- (6) an acknowledgement, dated as of the Closing Date, that each of the conditions in section 7.1 hereof has been fulfilled, performed or waived as of the Closing Time; and
- (7) such further documentation relating to the completion of the Transaction as shall be otherwise referred to herein or required by the Purchaser, acting reasonably, Applicable Law or any Government Authority.

6.4 Purchaser’s Closing Deliverables.

The Purchaser covenants to execute, where applicable, and deliver the following to the Proposal Trustee at Closing or on such other date as expressly provided herein:

- (1) the indefeasible payment and satisfaction in full of the Purchase Price according to section 4.3 hereof;
- (2) an undertaking by the Purchaser to readjust the adjustments set out in section 4.5 hereof;
- (3) an acknowledgement, dated as of the Closing Date, that each of the conditions in section 7.3 hereof has been fulfilled, performed or waived as of the Closing Time;
- (4) an assignment and assumption agreement for all Warranty Rights, Permits, Contracts, Consents and Approvals pertaining to the Purchased Assets (to the extent assignable) relating to the period from and after the Closing Date, and to the extent not assignable, an agreement to hold same in trust for the Purchaser;
- (5) a certificate from the Purchaser, dated as of the Closing Date, certifying:

- (a) that all representations, warranties and covenants of the Purchaser contained in this Agreement are true as of the Closing Time, with the same effect as though made on and as of the Closing Time; and
- (b) the non-merger specified in section 15.2 and elsewhere herein;
- (6) if necessary, payment or evidence of payment of HST applicable to the Purchased Assets or, if applicable, appropriate tax exemption certificates with respect to HST in accordance with Article 5 hereof; and
- (7) such further documentation relating to the completion of the Transaction as shall be otherwise referred to herein or required by the Proposal Trustee, acting reasonably, Applicable Law or any Government Authority.

6.5 Proposal Trustee's Certificate.

Upon receipt of written confirmation from the Purchaser that all of the conditions contained in section 7.3 have been satisfied or waived by the Purchaser, and upon satisfaction or waiver by the Proposal Trustee of all of the conditions contained in section 7.1, the Proposal Trustee shall forthwith deliver to the Purchaser the Proposal Trustee's Certificate comprising Schedule "A" of the Approval and Vesting Order, and shall file same with the Court.

ARTICLE 7 CONDITIONS PRECEDENT TO CLOSING

7.1 Conditions in Favour of the Proposal Trustee.

The obligation of the Proposal Trustee to complete the Transaction is subject to and conditional upon the satisfaction of the following conditions on or before the Closing Date:

- (1) all the representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects on the Closing Date;
- (2) all the covenants of the Purchaser contained in this Agreement to be performed on or before the Closing Date shall have been duly performed by the Purchaser;
- (3) the Purchaser shall have complied with all the terms contained in this Agreement applicable to the Purchaser prior to the Closing Date;
- (4) there shall be no Claim, litigation or proceedings commenced after the date of the Sale Process Order, or order issued by a Governmental Authority after the date of the Sale Process Order, against either of the Parties for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper;
- (5) the Purchaser or Mark Motors shall take all reasonable steps on a timely basis to apply for the requisite approvals of the Manufacturer (i.e., Volkswagen Canada or Volkswagen Group Canada Inc.) and OMVIC (the Ontario Motor Vehicle Industry Council); and

- (6) the Court shall have issued the Approval and Vesting Order.

7.2 Conditions in Favour of Proposal Trustee Not Fulfilled.

If any of the conditions contained in section 7.1 hereof is not fulfilled on or prior to the Closing Date and such non-fulfillment is not directly or indirectly as a result of any action or omission of the Proposal Trustee, then the Proposal Trustee may, at its sole discretion, and without limiting any rights or remedies available to it at law or in equity:

- (1) terminate this Agreement by notice to the Purchaser, in which event the Proposal Trustee shall be released from its obligations under this Agreement to complete the Transaction; or
- (2) waive compliance with any such condition without prejudice to the right of termination in respect of the non-fulfillment of any other condition.

7.3 Conditions in Favour of the Purchaser.

The obligation of the Purchaser to complete the Transaction is subject to and conditional upon the satisfaction of the following conditions on or before the Closing Date (or on or before such other date as specified below):

- (1) all the representations and warranties of the Proposal Trustee contained in this Agreement shall be true and correct in all material respects on the Closing Date;
- (2) all the covenants of the Proposal Trustee under this Agreement to be performed on or before the Closing Date shall have been duly performed by the Proposal Trustee;
- (3) the Proposal Trustee shall have complied with all the terms contained in this Agreement applicable to the Proposal Trustee prior to the Closing Date;
- (4) there shall be no Claim, litigation or proceedings commenced after the date of the Sale Process Order, or order issued by a Governmental Authority after the date of the Sale Process Order, against either of the Parties for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper;
- (5) the Manufacturer shall have approved the Purchaser or Mark Motors as a dealer authorized to sell and service the Manufacturer's vehicles from the Dealership Property and Body Shop Property, such approval to be on terms and conditions satisfactory to the Purchaser or Mark Motors. Such approval shall be evidenced by the execution and delivery of the applicable dealer agreement between the Manufacturer and the Purchaser or Mark Motors or on an acceptable form of letter of intent to enter into the dealer agreement;
- (6) OMVIC shall have approved the application for registration of the Purchaser or Mark Motors; and

- (7) the Court shall have issued the Approval and Vesting Order.

7.4 Conditions in Favour of Purchaser Not Fulfilled.

If any of the conditions contained in section 7.3 hereof is not fulfilled on or prior to the Closing Date (or such other date as referenced in section 7.3 hereof) and such non-fulfillment is not directly or indirectly as a result of any action or omission of the Purchaser, then the Purchaser may, in its sole discretion and without limiting its rights or remedies available at law or in equity:

- (1) terminate this Agreement by notice to the Proposal Trustee, in which event the Purchaser and the Proposal Trustee shall be released from their obligations under this Agreement to complete the Transaction; or
- (2) waive compliance with any such condition without prejudice to the right of termination in respect of the non-fulfillment of any other condition.

ARTICLE 8 REPRESENTATIONS & WARRANTIES OF THE PROPOSAL TRUSTEE

The Proposal Trustee represents and warrants to the Purchaser as follows, with the knowledge and expectation that the Purchaser is placing complete reliance thereon and, but for such representations and warranties, the Purchaser would not have entered into this Agreement:

- (1) the Proposal Trustee has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary action on the part of the Proposal Trustee, subject to the Approval and Vesting Order. This Agreement is a valid and binding obligation of the Proposal Trustee enforceable in accordance with its terms;
- (2) the Court has granted to the Proposal Trustee the full right, power and authority to enter into this Agreement, perform its obligations hereunder, and convey the Purchased Assets to the Purchaser; and
- (3) the Proposal Trustee and the Debtors are not non-residents of Canada for the purposes of the ITA.

ARTICLE 9 REPRESENTATIONS & WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Proposal Trustee as follows, with the knowledge and expectation that the Proposal Trustee is placing complete reliance thereon and, but for such representations and warranties, the Proposal Trustee would not have entered into this Agreement:

- (1) each Purchaser is a corporation duly formed and validly subsisting under the laws of the Province of Ontario;

- (2) each Purchaser has all necessary corporate power and authority to enter into this Agreement and to carry out its obligations hereunder. Neither the execution of this Agreement nor the performance by the Purchaser of the Transaction will violate the Purchasers' constating documents, any agreement to which the Purchaser is bound, any judgment or order of a court of competent jurisdiction or any Government Authority, or any Applicable Law. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary corporate action on the part of the Purchaser. This Agreement is a valid and binding obligation of the Purchaser enforceable in accordance with its terms;
- (3) each Purchaser is or will be a registrant under Part IX of the ETA on the Closing Date; and
- (4) each Purchaser has not committed an act of bankruptcy, is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had any application for a bankruptcy order filed against it, has not taken any proceeding and no proceeding has been taken to have a receiver appointed over any of its assets, has not had an encumbrancer take possession of any of its property and has not had any execution or distress become enforceable or levied against any of its property.

ARTICLE 10 COVENANTS

10.1 Mutual Covenants.

Each of the Proposal Trustee and the Purchaser hereby covenants and agrees that, from the date hereof until Closing, each shall take all such actions as are necessary to have the Transaction approved in the Approval and Vesting Order on substantially the same terms and conditions as are contained in this Agreement, and to take all commercially reasonable actions as are within its power to control, and to use its commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with each of the conditions set forth in Article 7 hereof.

10.2 Proposal Trustee Covenants.

The Proposal Trustee hereby covenants and agrees that, from the date hereof until Closing, it shall take all such actions as are necessary to provide to the Purchaser all necessary information in respect of the Debtors and the Purchased Assets reasonably required to complete the applicable Election or tax elections in accordance with section 5.1 hereof and to execute all necessary forms related thereto.

10.3 Purchaser Covenants.

- (a) The Purchaser hereby covenants and agrees that, except as expressly contemplated in this Agreement, from the date hereof until the Closing Date, it shall take all such actions as are necessary to provide to the Proposal Trustee all necessary information in respect of the Purchaser reasonably required to complete the applicable Election

or tax elections in accordance with section 5.1 hereof and to execute all necessary forms related thereto.

- (b) The Purchaser hereby covenants and agrees that it will receive the Accounts Receivable of the Debtors in trust and will provide the same to the Debtors. The Purchaser will use best efforts on a commercially reasonable basis to collect the Debtors' Accounts Receivable for a period of 180 days after the Closing, but the Purchaser will have no obligation to spend any money on such collections or commence, participate in or conclude any action or proceeding with respect to such collection.

ARTICLE 11

POSSESSION AND ACCESS PRIOR TO CLOSING

11.1 Possession of Purchased Assets.

At the Closing Time, the Purchaser shall take possession of the Purchased Assets where situated. In no event shall the Purchased Assets be sold, assigned, conveyed or transferred to the Purchaser until all the conditions set out in the Approval and Vesting Order have been satisfied or waived and the Purchaser has satisfied or the Proposal Trustee has waived all the delivery requirements outlined in section 7.1 hereof.

11.2 Examination of Title and Access to the Purchased Assets.

- (1) The Purchaser acknowledges and agrees that it shall, at its own cost and expense (regardless of results), examine title to the Purchased Assets and the Real Property, and satisfy itself as to the state thereof, satisfy itself as to outstanding work orders affecting the Purchased Assets and the Real Property, satisfy itself as to the use of the Purchased Assets and the Real Property being in accordance with applicable zoning requirements and satisfy itself that any and all buildings and structures on the Real Property may be insured to the satisfaction of the Purchaser. The Purchaser further acknowledges that, notwithstanding any statutory provisions to the contrary, the Purchaser has no right to submit requisitions in regard to any outstanding work orders, deficiency notices or orders to comply issued by any Government Authorities. The Purchaser further acknowledges and agrees that it shall not call upon the Proposal Trustee to produce any title deed, abstract of title, survey or other evidence of title that is not within the Proposal Trustee's possession or control.
- (2) Subject to the rights of any occupants of the Real Property, the Purchaser and its agents and representatives may have reasonable access to the Purchased Assets and the Real Property during normal business hours in the Interim Period for the purpose of enabling the Purchaser, at its sole cost and expense (regardless of results), to conduct such non-destructive, non-invasive inspections of the Purchased Assets and the Real Property as it deems appropriate, provided that such inspections shall not unduly interfere (and the Purchaser undertakes to use its best efforts, which the Purchaser represents and warrants shall not be less than reasonable commercial efforts, not to so interfere) with the use,

operation and enjoyment of the Purchased Assets, Business or the Real Property. The Purchaser agrees that such tests and inspections shall not include any tests or inspections by any Governmental Authority and specifically acknowledges and agrees that it shall not request or, through its actions, prompt or cause any tests or inspections to be made by any Governmental Authority. Such inspection may, if the Proposal Trustee so desires, be conducted in the presence of a representative of the Proposal Trustee.

- (3) The Purchaser covenants and agrees to repair or pay the costs to repair any damage occasioned during or resulting from the inspection of the Purchased Assets or the Real Property conducted by the Purchaser or its authorized representatives, as outlined above, and to return the Purchased Assets and the Real Property to substantially the condition same were in prior to such inspections. The Purchaser covenants and agrees to indemnify and save the Proposal Trustee harmless from and against all losses, costs, claims, third party claims, damages, expenses (including actual legal costs) which the Proposal Trustee may suffer as a result of the inspection of the Purchased Assets or the Real Property conducted by the Purchaser or its authorized representatives, as outlined above.

11.3 Risk.

- (1) The Purchased Assets shall be at the risk of the Purchaser from and after Closing.
- (2) If, prior to Closing, the Real Property is substantially damaged or destroyed by fire, casualty or otherwise, then, at its option, the Purchaser may decline to complete the Transaction. Such option shall be exercised within 15 calendar days after notification to the Purchaser by the Proposal Trustee of the occurrence of such damage or destruction (or prior to the Closing Date if such occurrence takes place within 15 calendar days of the Closing Date), in which event this Agreement shall be terminated automatically. If the Purchaser does not exercise such option, it shall complete the Transaction and shall be entitled to an assignment of any proceeds of insurance referable to such damage or destruction. Where any damage or destruction is not substantial, the Purchaser shall complete the Transaction and shall be entitled to an assignment of any proceeds of insurance referable to such damage or destruction. For the purposes of this section, substantial damage or destruction shall be deemed to have occurred if the loss or damage to the Real Property exceeds 15% of the total Purchase Price (inclusive of the Deposit).
- (3) If, prior to the Closing Date, all or a material part of the Real Property is expropriated or a notice of expropriation or intent to expropriate all or a material part of the Real Property is issued by any Governmental Authority, the Proposal Trustee shall immediately advise the Purchaser thereof by Notice in writing. The Purchaser shall, by Notice in writing given within three Business Days after the Purchaser receives Notice in writing from the Proposal Trustee of such expropriation, elect to either: (i) complete the Transaction contemplated herein in accordance with the terms hereof without reduction of the Purchase Price, and all compensation for expropriation shall be payable to the Purchaser and all right, title and interest of the Proposal Trustee or Debtors to such amounts, if any, shall be assigned to the Purchaser on a without recourse basis; or (ii) terminate this Agreement and not complete the Transaction, in which case all rights

and obligations of the Proposal Trustee and the Purchaser in this Agreement (except for those obligations which are expressly stated to survive the termination of this Agreement) shall terminate, and any Deposit paid by the Purchaser to the Proposal Trustee shall be returned to the Purchaser forthwith.

ARTICLE 12 AS IS, WHERE IS

12.1 Condition of the Purchased Assets.

The Purchaser acknowledges that the Proposal Trustee is selling and the Purchaser is purchasing the Purchased Assets on an “*as is, where is*” and “*without recourse*” basis as the Purchased Assets shall exist on the Closing Date, including, without limitation, whatever defects, conditions, impediments, hazardous materials or deficiencies exist on the Closing Date, whether patent or latent. The Purchaser further acknowledges and agrees that it has entered into this Agreement on the basis that neither the Proposal Trustee nor the Debtors have guaranteed or will guarantee title to or marketability, use or quality of the Purchased Assets, that the Purchaser has conducted such inspections of the condition and title to the Purchased Assets as it deems appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrance, description, fitness for purpose, environmental state or compliance, merchantability, condition or quality, or in respect of any other matter or thing whatsoever concerning the Purchased Assets including the Real Property, or the right of the Proposal Trustee to sell, assign, convey or transfer same, save and except as expressly provided in this Agreement. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act*, R.S.O. 1990, c. S.1, do not apply hereto and/or have been waived by the Purchaser. The description of the Purchased Assets contained in this Agreement is for the purpose of identification only and no representation, warranty or condition has or will be given by the Proposal Trustee concerning the accuracy of such description.

12.2 Environmental Condition of the Purchased Assets

Without limiting the generality of the foregoing section 12.1, the Purchaser acknowledges and agrees that:

- (1) all materials or information in relation to the Purchased Assets, including the Real Property, provided to the Purchaser by the Proposal Trustee or any person on behalf of the Proposal Trustee (the “**Materials**”), (including, without restriction, the Environmental Results) are submitted to the Purchaser for information purposes only and the Proposal Trustee does not and shall not make any representation or warranty whatsoever as to the accuracy of the information contained in the Materials, the completeness of the Materials, or the environmental or any other condition of the Purchased Assets including the Real Property and, in the absence of a reliance letter, the Purchaser shall not be entitled to rely on any reports contained in the Materials;

- (2) notwithstanding the delivery of the Materials to the Purchaser, the Purchaser has relied and will rely entirely and solely upon its own inspections and investigations with respect to the Purchased Assets, including the physical and environmental condition of the Purchased Assets including the Real Property, and has relied and will rely solely upon its own judgment resulting therefrom and has not relied on any information, written or oral, furnished by the Proposal Trustee or any other person or entities on behalf of or at the direction of the Proposal Trustee;
- (3) Except as expressly contemplated in sections 6.3(7) and 11.3 of this Agreement, the Proposal Trustee shall have no obligations or responsibility to the Purchaser after Closing with respect to any matters relating to the Purchased Assets or the condition thereof, including, without restriction, the physical and environmental condition of the Purchased Assets including the Real Property and compliance with any and all Applicable Laws;
- (4) The Purchaser shall assume full responsibility for the Purchased Assets on the Closing Date and hereby remises, releases and forever discharges the Proposal Trustee and the solicitors and agents of the Proposal Trustee of and from any Claims which the Purchaser has now or may hereafter have or may hereafter bring against the Proposal Trustee by reason of, arising from or relating to the condition, including, without restriction, the environmental condition of the Purchased Assets, including the Real Property, or their state of compliance with Applicable Laws

ARTICLE 13 POST-CLOSING MATTERS

13.1 Books and Records.

The Purchaser shall keep and maintain the Books and Records for a period of two years from the Closing Date, or for any longer period as may be required by Applicable Law or Governmental Authority. Upon reasonable advance notice, during such two year period after the Closing Date, the Purchaser will grant the Proposal Trustee and its representatives, reasonable access during normal business hours to use and copy the Books and Records at the sole cost of the Proposal Trustee.

ARTICLE 14 TERMINATION

14.1 Termination of this Agreement.

This Agreement may be validly terminated:

- (1) upon the mutual written agreement of the Parties;
- (2) pursuant to section 7.2 hereof by the Proposal Trustee;

- (3) pursuant to section 7.4 hereof by the Purchaser; or
- (4) pursuant to section 11.3 hereof.

14.2 Remedies for Breach of Agreement.

If this Agreement is terminated as a result of any breach of a representation, warranty, covenant or obligation of the Proposal Trustee, any Deposit paid by the Purchaser to the Proposal Trustee, without deduction, shall be returned to the Purchaser forthwith, and this shall be the Purchaser's sole right and remedy pursuant to this Agreement or at law as a result of the Proposal Trustee's breach. If this Agreement is terminated as a result of a breach of a representation, warranty, covenant or obligation of the Purchaser, the Deposit shall be forfeited to the Proposal Trustee as liquidated damages and not as a penalty, which Deposit the Parties agree are a genuine estimate of the liquidated damages that the Proposal Trustee would suffer in such circumstances, and this shall be the Proposal Trustee's sole right and remedy pursuant to this Agreement or at law as a result of the Purchaser's breach.

14.3 Termination If No Breach of Agreement.

If this Agreement is terminated other than as a result of a breach of a representation, warranty, covenant or obligation of a Party, then:

- (1) all obligations of each of the Proposal Trustee and the Purchaser hereunder shall end completely, except those that survive the termination of this Agreement;
- (2) any Deposit paid by the Purchaser to the Proposal Trustee, without deduction, shall be returned to the Purchaser forthwith; and
- (3) neither Party shall have any right to specific performance, to recover damages or expenses or to any other remedy (legal or equitable) or relief other than as expressly provided herein.

ARTICLE 15 GENERAL CONTRACT PROVISIONS

15.1 Further Assurances.

From time to time after Closing, each of the Parties shall execute and deliver such further documents and instruments and do such further acts and things as may be required or useful to carry out the intent and purpose of this Agreement and which are not inconsistent with the terms hereof.

15.2 Survival Following Completion.

Notwithstanding any other provision of this Agreement, section 4.5, article 8, article 9, section 14.2 and section 14.3 shall survive the termination of this Agreement and the completion of the Transaction, provided, however, that upon the discharge of BDO Canada Limited as the

Proposal Trustee, the Parties' respective obligations by reason of this Agreement shall end completely and they shall have no further or continuing obligations by reason thereof.

15.3 Notice.

All notices, requests, demands, waivers, consents, agreements, approvals, communications or other writings required or permitted to be given hereunder or for the purposes hereof (each, a "**Notice**") shall be in writing and be sufficiently given if personally delivered, sent by prepaid registered mail or transmitted by email, addressed to the Party to whom it is given, as follows:

- (a) to the Proposal Trustee:

BDO Canada Limited
20 Wellington East, Suite 500
Toronto, ON M5E 1C5

Attention: Clark Lonergan
Email: clonergan@bdo.ca

and a copy to the Proposal Trustee's counsel to:

Fogler, Rubinoff LLP
77 King Street West, Suite 3000
Toronto, ON M5K 1G8

Attention: Vern W. DaRe
Email: vdare@foglers.com

- (b) to the Purchaser:

Mark Motors of Ottawa (1987) Limited
611 Montreal Road
Ottawa, ON K1J 8J8

Attention: Michael Mrak and Liza Mrak
Email: mmark@markmotorsgroup.com/ lmrak@markmotorsgroup.com

and a copy to the Purchasers' counsel to:

Soloway Wright LLP
700-427 Laurier Avenue West
Ottawa ON K1R 7Y2

Attention: Sybil Johnson-Abbott
Email: sjohnsonabbott@solowaywright.com

or such other address of which Notice has been given. Any Notice mailed as aforesaid will be deemed to have been given and received on the third Business Day following the date of its mailing. Any Notice personally delivered will be deemed to have been given and received on the day it is personally delivered, provided that if such day is not a Business Day, the Notice will be deemed to have been given and received on the Business Day next following such day. Any Notice transmitted by email will be deemed given and received on the first Business Day after its transmission.

If a Notice is mailed and regular mail service is interrupted by strike or other irregularity on or before the fourth Business Day after the mailing thereof, such Notice will be deemed to have not been received unless otherwise personally delivered or transmitted by email.

15.4 Waiver.

No Party will be deemed or taken to have waived any provision of this Agreement unless such waiver is in writing and such waiver will be limited to the circumstance set forth in such written waiver.

15.5 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 or the requirement for such consent is not required pursuant to the terms of the Approval and Vesting Order, then, unless otherwise specified, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

15.6 Governing Law.

This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The Parties irrevocably attorn to the jurisdiction of the courts of the Province of Ontario sitting in Ottawa. The Parties consent to the exclusive jurisdiction and venue of the Court for the resolution of any disputes between them, regardless of whether or not such disputes arose under this Agreement.

15.7 Entire Agreement.

This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements and understandings between the Parties. There are not and will not be any verbal statements, representations, warranties, undertakings or agreements between the Parties. This Agreement may not be amended or modified in any respect except by written instrument signed by the Parties. The recitals herein are true and accurate, both in substance and in fact.

15.8 Time of the Essence.

Time will be of the essence, provided that if the Parties establish a new time for the performance of an obligation, time will again be of the essence of the new time established.

15.9 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.

15.10 Assignment.

This Agreement will enure to the benefit of and be binding on the Parties and their respective heirs, executors, legal and personal administrators, successors and permitted assigns. The Parties hereby acknowledge and agree that the Proposal Trustee's interest in this Agreement may be assigned, including, without limitation, to any licensed insolvency trustee (whether receiver, bankruptcy trustee or otherwise) appointed in respect of the Purchased Assets, and, for greater certainty, the Parties hereby acknowledge and agree that no discount whatsoever shall be applied to the Purchase Price as a result of the receivership of the Debtors and/or the bankruptcy of the Debtors, as applicable. The Purchaser may not assign this Agreement without the Proposal Trustee's prior written approval. Up until Closing, the Purchaser shall have the right to direct that title to the Purchased Assets be taken in the name of another person, entity, joint venture, partnership or corporation (presently in existence or to be incorporated) provided that the assignee shall, in writing and prior to Closing, agree to assume and be bound by the terms and conditions of this Agreement (the "**Assumption Agreement**") and a copy of such Assumption Agreement is delivered to the Proposal Trustee forthwith after having been entered into and prior to Closing, upon which however the Purchaser shall not be released from any of its obligations and liabilities hereunder.

15.11 Expenses.

Except as otherwise set out in this Agreement, all costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such costs and expenses.

15.12 Severability.

If any portion of this Agreement is prohibited in whole or in part in any jurisdiction, such portion shall, as to such jurisdiction, be ineffective to the extent of such prohibition without invalidating the remaining portions of this Agreement and shall, as to such jurisdiction, be deemed to be severed from this Agreement to the extent of such prohibition.

15.13 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.

15.14 Cumulative Remedies.

Unless otherwise expressly stated in this Agreement, no remedy conferred upon or reserved to one or both of the Parties is intended to be exclusive of any other remedy, but each remedy shall be cumulative and in addition to every other remedy conferred upon or reserved hereunder, whether such remedy shall be existing or hereafter existing, and whether such remedy shall become available under common law, equity or statute.

15.15 Currency.

All references to dollar amounts contained in this Agreement shall be deemed to refer to lawful currency of Canada.

15.16 Proposal Trustee's Capacity.

It is acknowledged by the Purchaser that the Proposal Trustee is entering into this Agreement solely in its capacity as the proposal trustee and that the Proposal Trustee shall have absolutely no personal or corporate liability under or as a result of this Agreement in any respect.

15.17 Planning Act.

This Agreement is to be effective only if the provisions of the *Planning Act*, R.S.O. 1990, c. P.13, as amended, are complied with.

15.18 No Third Party Beneficiaries.

This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns, nothing in this Agreement shall be construed to create any rights or obligations except amongst the Parties and no other person or entity shall be regarded as a third party beneficiary of this Agreement.

15.19 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".

15.20 Independent Legal Advice.

Each of the Parties acknowledges and declares that:

- (1) it has had an adequate opportunity to read and consider this Agreement and to obtain such advice in regard to it as it considers advisable, including, without limitation, independent legal advice;
- (2) it fully understands the nature and effect of this Agreement; and
- (3) this Agreement has been duly executed voluntarily.

15.21 Counterparts.

This Agreement may be executed in counterparts and by PDF, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

15.22 Environmental

Subject to section 12.2 of this Agreement, the Vendor shall deliver to the Purchaser before the Closing, the Environmental Results which includes details regarding possible environmental contamination on the Real Property including a remediation evaluation and an estimated cost analysis to implement the remediation plan on the Real Property. Subject to section 12.2 of this Agreement, the Vendor shall give the Purchaser a credit in the amount of \$200,000 on the Statement of Adjustments in respect of the costs for any remediation plan set out in the Environmental Results.

[SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF the Purchaser has duly executed this Agreement as of the date first above written.

MARK MOTORS OF OTTAWA (1987) LIMITED

Per: DocuSigned by: Michael Mrak
2127F32CF2AC400...
Name: Michael Mrak
Authorized Signing Officer

Per: DocuSigned by: Liza Mrak
FCBB8B95F5144C3...
Name: Liza Mrak
Authorized Signing Officer

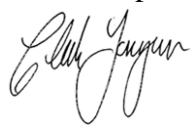
MRAK HOLDINGS INC

Per: DocuSigned by: Michael Mrak
2127F32CF2AC400...
Name: Michael Mrak
Authorized Signing Officer

Per: DocuSigned by: Liza Mrak
FCBB8B95F5144C3...
Name: Liza Mrak
Authorized Signing Officer

ACCEPTED by the Proposal Trustee this 4th day of April, 2024.

BDO CANADA LIMITED, solely in its capacity as the Proposal Trustee, and not in its personal capacity or in any other capacity

Per: 
Name:
Title:

SCHEDULE A**APPROVAL AND VESTING ORDER**

District of Ontario
 Division No. 12 - Ottawa
 Court File No. BK-33-03025642
 Bankruptcy Estate File No. 33-3025642

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

THE HONOURABLE)	WEDNESDAY, THE 3 rd
)	
JUSTICE)	DAY OF APRIL, 2024

IN THE MATTER OF THE *BANKRUPTCY AND*
INSOLVENCY ACT, R.S.C., 1985, C. B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF
OEM AUTOMOTIVE SOLUTIONS INC., OEM
AUTOMOTIVE CORNWALL INC. AND OEM
AUTOMOTIVE HOLDINGS INC.

APPROVAL AND VESTING ORDER

THIS MOTION, made by BDO Canada Limited, in its capacity as the proposal trustee (in such capacity, the “**Proposal Trustee**”) of OEM Automotive Solutions Inc., OEM Automotive Cornwall Inc. and OEM Automotive Holdings Inc. (collectively, the “**Debtors**”), for an Order, *inter alia*, approving the sale transaction (the “**Transaction**”) that was selected by the Proposal Trustee under the sale and solicitation process (the “**SISP**”) granted by the Ontario Superior Court of Justice (In Bankruptcy and Insolvency) (the “**Court**”) on January 17, 2024 (the “**Sale Process Order**”), and as contemplated by an agreement of purchase and sale between the Proposal Trustee, as vendor, and Mark Motors of Ottawa (1987) Limited (“**Mark Motors**”) and Mrak Holdings Inc. (“**Mrak Holdings**”), as purchasers, dated March 27, 2024 (the “**Sale**

- A-2 -

Agreement”), a final unredacted copy of which is attached to the Confidential Supplementary Report dated March 27, 2024 (the “**Confidential Supplementary Report**”) and a final redacted copy of which is attached to the third report of the Proposal Trustee dated March 27, 2024 (the “**Third Report**”), and vesting in Mark Motors the Debtors’ right, title and interest in and to the property described as the “Purchased Assets” (excluding the Real Property) in the Sale Agreement (the “**Business Assets**”), and vesting in Mrak Holdings the Debtors’ right, title and interest in and to the real property described as the “Real Property” in the Sale Agreement (the “**Real Property**”) (hereinafter, Mark Motors and Mrak Holdings are collectively referred to as the “**Purchaser**”, and the Business Assets and the Real Property are collectively referred to as the “**Purchased Assets**”), was heard this day by judicial videoconference.

ON READING the Third Report, the Confidential Supplementary Report and the appendices thereto, and on hearing the submissions of counsel for the Proposal Trustee, counsel for the Companies, counsel for the Bank of Montreal and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Michelle Pham sworn March 28, 2024, filed,

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

2. **THIS COURT ORDERS AND DECLARES** that the Transaction selected from the SISP is hereby approved, and the execution of the Sale Agreement by the Proposal Trustee is hereby authorized and approved, with such minor amendments as the Proposal Trustee may deem necessary. The Debtors and the Proposal Trustee are 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.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Proposal Trustee's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Proposal Trustee's Certificate**"), all of the Debtors' right, title and interest in and to the Business Assets shall vest absolutely in Mark Motors and all of the Debtors' right, title and interest in and to the Real Property shall vest absolutely in Mrak Holdings, or such other Person(s) (as defined in the Sale Agreement) that the Purchaser may direct or designate, free and clear of and from any and all certificates of pending litigation and any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, writs, 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 Sale Process Order; (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 "C"** 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 "D"**) 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.

- A-4 -

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Stormont (No. 52) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter Mrak Holdings as the owner of the subject Real Property identified in **Schedule “B”** hereto 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.

5. **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 Proposal Trustee’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.

6. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Proposal Trustee is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtors’ records pertaining to the Debtors’ past and current employees, including personal information of those employees that will be employed by the Purchaser pursuant 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 Debtors.

7. **THIS COURT ORDERS AND DIRECTS** the Proposal Trustee to file with the Court a copy of the Proposal Trustee's Certificate, forthwith after delivery thereof.

8. **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 Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtors,

the vesting of the Business Assets in Mark Motors and the vesting of the Real Property in Mrak Holdings, or as it may direct, pursuant to this Order shall be binding on the Proposal Trustee and any other licensed insolvency trustee that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, 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.

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Proposal Trustee 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 Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Proposal Trustee and its agents in carrying out the terms of this Order.

- A-6 -

10. **THIS COURT ORDERS** that this Order is effective from today's date and is enforceable without the need for entry and filing.

Schedule “A” – Form of Proposal Trustee’s Certificate

Court File No. BK-33-03025642

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

IN THE MATTER OF THE *BANKRUPTCY AND*
***INSOLVENCY ACT*, R.S.C., 1985, C. B-3, AS AMENDED**

AND IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF
OEM AUTOMOTIVE SOLUTIONS INC., OEM
AUTOMOTIVE CORNWALL INC. AND OEM
AUTOMOTIVE HOLDINGS INC.

PROPOSAL TRUSTEE’S CERTIFICATE

RECITALS

- I. Pursuant to a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (Canada) each filed by OEM Automotive Solutions Inc., OEM Automotive Cornwall Inc. and OEM Automotive Holdings Inc. (the “**Debtors**”) on December 22, 2023, BDO Canada Limited was named as the Debtors’ proposal trustee (in such capacity, the “**Proposal Trustee**”).
- II. Pursuant to an Order of The Honourable Justice A. Kaufman of the Ontario Superior Court of Justice (In Bankruptcy and Insolvency) (the “**Court**”) made January 17, 2024 (the “**Sale Process Order**”), the Court approved, among other things, a sale and investment solicitation process with respect to the assets and business of the Debtors to be conducted, with the assistance of a sales agent, by the Proposal Trustee, and expanded the powers of the Proposal Trustee with respect to the Debtors.
- III. Pursuant to an Order of the Court dated April 3, 2024, the Court approved the agreement of purchase and sale between the Proposal Trustee, as vendor, pursuant to the Sale Process Order, and Mark Motors of Ottawa (1987) Limited (“**Mark Motors**”) and Mrak Holdings Inc. (“**Mrak**

Holdings”), as purchasers, dated March 27, 2024 (the “**Sale Agreement**”), and provided for the vesting in Mark Motors the Debtors’ right, title and interest in and to the property described as the “**Purchased Assets**” (excluding the Real Property) in the Sale Agreement (the “**Business Assets**”), and vesting in Mrak Holdings the Debtors’ right, title and interest in and to the real property described as the “**Real Property**” in the Sale Agreement (the “**Real Property**”) (hereinafter, Mark Motors and Mrak Holdings are collectively referred to as the “**Purchaser**”, and the Business Assets and the Real Property are collectively referred to as the “**Purchased Assets**”), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Proposal Trustee 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 Proposal Trustee and the Purchaser; and (iii) that the Transaction has been completed to the satisfaction of the Proposal Trustee.

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

THE PROPOSAL TRUSTEE CERTIFIES the following:

1. The Purchaser has paid and the Proposal Trustee 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 Proposal Trustee and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Proposal Trustee; and

A-3

4. This Proposal Trustee's Certificate was delivered by the Proposal Trustee at _____ [TIME] on _____ [DATE].

BDO CANADA LIMITED, solely in its capacity as the proposal trustee of the Debtors, and not in its personal capacity or in any other capacity

Per:

Name:

Title:

SCHEDULE "B"
LEGAL DESCRIPTION
Owned by OEM Automotive Cornwall Inc.

PIN 60180 - 0067 (LT)
PT LT 16 S/S SEVENTH ST PL CORNWALL PT 2 52R2252; CORNWALL
(municipally known as 628 Pitt Street, Cornwall, Ontario)

Owned by OEM Automotive Holdings Inc.

PIN 60180 - 0282 (LT)
PART LOT 16 SOUTH SIDE SEVENTH STREET PLAN CORNWALL, PARTS 1 AND 2,
52R4375; CITY OF CORNWALL
(municipally known as 632 Pitt Street, Cornwall, Ontario)

**SCHEDULE “C”
INSTRUMENTS TO BE DELETED FROM TITLE**

(1) PIN 60180 - 0067 (LT) (municipally known as 628 Pitt Street, Cornwall, Ontario)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
ST109060	2019/11/12	Transfer	\$742,145	Macdonell Family Holdings Inc.	OEM Automotive Cornwall Inc.
ST109061	2019/11/12	Charge	\$560,000	OEM Automotive Cornwall Inc.	Bank of Montreal
ST109062	2019/11/12	Notice of Assignment of Rents General		OEM Automotive Cornwall Inc.	Bank of Montreal
ST109067	2019/11/12	Charge	\$1,000,000	OEM Automotive Cornwall Inc.	Macdonell, Glenn Joseph
ST149429	2024/01/19	Application to Register Court Order		Ontario Superior Court of Justice	BDO Canada Limited

(2) PIN 60180 - 0282 (LT) (municipally known as 632 Pitt Street, Cornwall, Ontario)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
ST109063	2019/11/12	Transfer	\$1,378,270	Macdonell, Michael Allan / Macdonell, Glenn Joseph	OEM Automotive Holdings Inc.
ST109064	2019/11/12	Charge	\$1,040,000	OEM Automotive Holdings Inc.	Bank of Montreal
ST109065	2019/11/12	Notice of Assignment of Rents General		OEM Automotive Holdings Inc.	Bank of Montreal
ST109066	2019/11/12	Charge	\$1,000,000	OEM Automotive Holdings Inc.	Macdonell, Glenn Joseph
ST149429	2024/01/19	Application to Register Court Order		Ontario Superior Court of Justice	BDO Canada Limited

SCHEDULE “D”
PERMITTED ENCUMBRANCES, EASEMENTS AND RESTRICTIVE COVENANTS

(1) PIN 60180 - 0067 (LT) (municipally known as 628 Pitt Street, Cornwall, Ontario)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
PLCornwall1	1847/10/01	Plan Subdivision			
52R2252	1984/08/22	Plan Reference			

(2) PIN 60180 - 0282 (LT) (municipally known as 632 Pitt Street, Cornwall, Ontario)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
52R4375	1991/09/10	Plan Reference			

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF OEM AUTOMOTIVE SOLUTIONS INC., OEM AUTOMOTIVE CORNWALL INC. AND OEM AUTOMOTIVE HOLDINGS INC.

Court File No. BK-33-03025642

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

Proceedings commenced at Ottawa

APPROVAL AND VESTING ORDER

FOGLER, RUBINOFF LLP

Toronto-Dominion Centre

77 King Street West

Suite 3000, PO Box 95

Toronto, ON M5K 1G8

Vern W. DaRe (LSO# 32591E)

Tel: 416.941.8842

Fax: 416.941.8852

Email: vdare@foglers.com

Lawyers for the Proposal Trustee

SCHEDULE B
PERMITTED ENCUMBRANCES

(1) PIN 60180 - 0067 (LT) (municipally known as 628 Pitt Street, Cornwall, Ontario)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
PLCornwall	1847/10/01	Plan Subdivision			
52R2252	1984/08/22	Plan Reference			

(2). PIN 60180 - 0282 (LT) (municipally known as 632 Pitt Street, Cornwall, Ontario)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
52R4375	1991/09/10	Plan Reference			

SCHEDULE C
SALE PROCESS ORDER

Fourth Report of the Proposal Trustee
Appendix “O”



Court File No. CV-23-00091216-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

SEAWAY AUTO GROUP INC. and OEM AUTOMOTIVE SOLUTIONS INC.

Applicants

and

CAMERON GRANT, 11678833 CANADA INC. and CHRISTOPHER GRANT

Respondents

APPLICATION UNDER Rule 14 of the *Rules of Civil Procedure* and s. 50 of the *Arbitration Act*

WRIT OF SEIZURE AND SALE

TO: The Sheriff of the United Counties of Stormont, Dundas and Glengarry

Under a Judgment of this Court made on June 28, 2023, in favour of Seaway Auto Group Inc. and OEM Automotive Solutions Inc., YOU ARE DIRECTED to seize and sell the real and personal property within your county or district of the United Counties of Stormont, Dundas and Glengarry of

Surname of individual or name of corporation/firm, etc.

Grant

*First given name
(individual only)*

Cameron

*Second given name
(individual only)(if applicable)*

*Third given name
(individual only)(if applicable)*

-2-

and the person(s)/corporation(s) set out on Schedule "A" and to realize from the seizure and sale the following sums:

- (a) \$573,264.45 and interest at 4.0 per cent per year commencing on November 3, 2022;
- (b) \$5,073.00 which represents the prejudgment interest ordered, calculated at 0.5 per cent per year on \$573,264.45 commencing on January 26, 2021 until the date of the Arbitral Award, made on November 3, 2022;
- (c) \$30,000.00 for costs and disbursements of the within proceeding; and
- (d) your fees and expenses in enforcing this Writ.

YOU ARE DIRECTED to pay out the proceeds according to law and to report on the execution of this Writ if required by the party or lawyer who filed it.

Date 10/12/23

Issued by


Local Registrar

Address of 161 Elgin Street
court office: Ottawa ON K2P 2K1

☒ FILED/DEPOSE - effective

☐ WITHDRAWN/RETIRE

☐ EXPIRED/EXPIRE

☐ EXECUTED IN FULL/EXECUTE

THIS/CE 24 DAY OF/

JOUR DE October 2023

AT/A _____ M.

Sherrif Wood
SHERIFF / SHERIF (October 23, 2023)

This writ will expire six (6) years less one day from the date of issue unless renewed earlier. (No further notice will be provided)

Ce bref expirera dans six (6) ans moins un jour à compter de la date de sa délivrance, à moins qu'il ne soit renouvelé plus tôt. (Vous ne recevrez aucun autre avis à ce sujet.)

-3-

SCHEDULE "A"

Surname of individual or name of corporation/firm, etc.

11678833 Canada Inc.

*First given name
(individual only)**Second given name
(individual only)(if applicable)**Third given name
(individual only)(if applicable)**Surname of individual or name of corporation/firm, etc.*

Grant

*First given name
(individual only)**Second given name
(individual only)(if applicable)**Third given name
(individual only)(if applicable)*



Christopher

SEAWAY AUTO GROUP INC. et al.
Plaintiffs

-and-
Defendants

CAMERON GRANT et al.

Court File No. CV-23-00091216-0000

FEES		
Fee	Item	Officer
\$77.00	Paid for this Writ	
\$50.00	Lawyer's fee for issuing Writ	
	First Renewal	
	Second Renewal	
	Third Renewal	
RENEWAL		
Date	Officer	

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT OTTAWA

WRIT OF SEIZURE AND SALE

Creditor's Name: Seaway Auto Group Inc.
Creditor's Address: 632 Pitt Street
Cornwall, ON K6J 3R7

Creditor's Name: OEM Automotive Solutions Inc.
Creditor's Address: 632 Pitt Street
Cornwall, ON K6J 3R7

Lawyer's Name: Chris Trivisonno (73997C)

Lawyer's address and telephone no.:

Conway Baxter Wilson LLP/s.r.l.
400-411 Roosevelt Avenue
Ottawa ON K2A 3X9

Tel: (613) 780-2008
Email: ctrivisonno@conwaylitigation.ca
Fax: (613) 688-0271



Court File No: CV-22-00090804-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

THE)	WEDNESDAY, THE 28 th
)	
HONOURABLE)	DAY OF JUNE, 2023
JUSTICE HURLEY		

B E T W E E N CAMERON GRANT, 11678833 CANADA INC. and CHRISTOPHER GRANT

Applicants

and

SEAWAY AUTO GROUP INC. and OEM AUTOMOTIVE SOLUTIONS INC., CAROLINE
BOURRET

Respondents

APPLICATION UNDER Section 46(1) of the *Arbitration Act*

Court File No. CV-23-00091216-0000

A N D B E T W E E N:

SEAWAY AUTO GROUP INC. and OEM AUTOMOTIVE SOLUTIONS INC.

Applicants

and

CAMERON GRANT, 11678833 CANADA INC. and CHRISTOPHER GRANT

Respondents

APPLICATION UNDER Rule 14 of the *Rules of Civil Procedure* and s. 50 of the *Arbitration Act*

-2-

Court File No. : CV-23-00091287-0000

A N D B E T W E E N

CAROLINE BOURRET

Applicant

and

CAMERON GRANT, 11678833 CANADA INC. and CHRISTOPHER GRANT

Respondents

APPLICATION UNDER Rule 14 of the *Rules of Civil Procedure* and s. 50 of the *Arbitration Act***JUDGMENT**

THE APPLICATION, made by Cameron Grant, Christopher Grant and 11678833 Canada Inc. (together, the “**Grants**”) for an order setting aside the award of the Arbitrator Joy Noonan dated November 3, 2022 (the “**105 Award**”) in the arbitration in ADR Institute of Canada file DAC 21-105 (the “**105 Arbitration**”), setting aside the award of the Arbitrator Joy Noonan dated November 3, 2022 (the “**109 Award**”) in the arbitration in ADR Institute of Canada file DAC 21-109 (the “**109 Arbitration**”), and setting aside the costs award of the Arbitrator Joy Noonan dated February 21, 2023 in both the 105 and the 109 Arbitration (the “**Costs Award**”), the Application made by Seaway Auto Group Inc. and OEM Automotive Solutions Inc. (together, the “**Corporations**”) for an order enforcing the 105 Award and the Costs Award, and the Application made by Caroline Bourret for an order enforcing the 109 Award and the Costs Award were heard this day at the court house, 161 Elgin Street, Ottawa ON K2P 2K1.

-3-

ON READING the Application Record of the Grants, the Responding Application Record of the Corporations, the Supplemental Responding Record of the Corporations, the Application Record of the Corporations, the Application Record of Ms. Bourret, the factums of the parties and on hearing the submissions of the lawyer(s) for the parties,

1. **THIS COURT ORDERS** that the Application brought by the Grants in Court File No: CV-22-00090804-0000 is hereby dismissed;
2. **THIS COURT ORDERS** the 105 Award attached as **Schedule A**, the 109 Award attached as **Schedule B**, and the Costs Award attached as **Schedule C** are hereby enforced;
3. **THIS COURT DECLARES** that Cameron Grant breached his fiduciary duties to OEM Automotive Solutions Inc. and that Christopher Grant breached his fiduciary duties to the Applicant Seaway Auto Group Inc., as set out in the 105 Award;
4. **THIS COURT DECLARES** that Cameron Grant and 11678833 Canada Inc. breached the Shareholders Agreement dated October 31, 2019, as set out in the 105 Award;
5. **THIS COURT ORDERS** that the Grants shall pay to the Corporations damages in the amount of \$368,278.73, for which the Grants are jointly and severally liable, as required by the 105 Award;
6. **THIS COURT ORDERS** that the Grants shall pay to the Corporations their costs and disbursements in the amount of \$204,985.72, for which the Grants are jointly and severally liable, as required by the Costs Award;

-4-

7. **THIS COURT ORDERS** that the Grants shall pay to Ms. Bourret her costs and disbursements in the amount of \$101,804.61, for which the Grants are jointly and severally liable, as required by the Costs Award;

8. **THIS COURT ORDERS** that the counterclaims brought by the Grants in the 105 Arbitration are dismissed, as held in the 105 Award;

9. **THIS COURT ORDERS** that the claims brought by the Grants in the 109 Arbitration are dismissed, as held in the 109 Award;

10. **THIS COURT ORDERS** that the amounts required to be paid pursuant to paragraphs 5 and 6 this judgment shall be subject to prejudgment interest at a rate of 0.5% up to November 3, 2022, and post-judgment interest at a rate of 4.0% from November 3, 2022;

11. **THIS COURT ORDERS** that, on consent, the Grants shall pay costs and disbursements of the within proceeding to the Corporations in the amount of \$30,000 and to Ms. Bourret in the amount of \$15,000. The Grants shall be jointly and severally responsible for these amounts.


Justice Patrick Hurley

(Signature of judge, officer or registrar)

Issuance Date: September 11, 2023

**IN THE MATTER OF AN ARBITRATION PURSUANT TO
SECTION 8(A) OF THE SHAREHOLDERS AGREEMENT DATED OCTOBER 31, 2019**

ADR INSTITUTE OF CANADA

BETWEEN:

DC 21-105

**SEAWAY AUTO GROUP INC. and OEM AUTOMOTIVE SOLUTIONS INC.
Claimants (Respondents by Counterclaim)**

and

**CAMERON GRANT, 11678833 CANADA INC., and CHRISTOPHER GRANT
Respondents (Claimants by Counterclaim)**

E. Joy Noonan, Arbitrator

Hearing Dates: December 3, 2021, May 9, 10, 11, 12, 13, 16, 17, 18, 19, 20, 24 and
July 29, 2022

Appearances (counsel): Christopher Trivisonno (**Claimants**)
Danielle Bennett (student-at-law) (**Claimants**)
Gabriel Poliquin (**Defendant Bourret in DC 21-109**)
Danesh Rana (**Respondents**)

Decision #1 [of 2]: November 3, 2022

Introduction

[1] The undersigned was appointed as sole Arbitrator pursuant to section 8(a) of the Shareholders' Agreement, dated October 31, 2019, between Cameron Grant, 11678833 Canada Inc., Caroline Bourret and the Seaway Auto Group Inc. (the "**Shareholders' Agreement**"). The parties agreed to have the undersigned determine (i) the disputes relating to the First Claim [hereinafter "**DC 21-105**"] between the parties regarding the Shareholders' Agreement, and

related matters, including a counterclaim by the First Respondents; and (ii) the disputes relating to the Second Claim [hereinafter “**DC 21 – 109**”] between the parties to the Second Claim regarding the Shareholders’ Agreement, and related matters, (collectively, the “**Arbitration**”). The Arbitration was conducted in accordance with the *Arbitration Act, 1991* S. O. 1991, ch. 17.

[2] An initial day of preliminary motions took place on December 3, 2021, resulting in a written decision on those matters being issued on February 2, 2022. Numerous additional rulings were made both prior to and during the course of the arbitration, mostly relating to issues of disclosure.

[3] As the appointed arbitrator in this process, the undersigned directed that the viva voce evidence in the arbitration be presented first with respect to DC 21-105 and followed by DC 21-109 as opposed to “everything at once”. Following that same format/reasoning below is the decision in the DC-21-105 main action and counterclaim, with accompanying reasons. There is a second companion decision addressing the DC 21-109 claim by Cameron Grant and 11678833 Canada Inc. against Caroline Bourret.

A. The Parties

[4] **Seaway** is a corporation incorporated federally pursuant to the *Canada Business Corporations Act* [“**CBCA**”]. Seaway owns 100% of the issued and outstanding shares of OEM. Seaway was incorporated for the express purpose of acting as the parent company of OEM and as a licensed owner operator of a Volkswagen dealership franchise in Cornwall.

[5] **OEM** Automotive Solutions Inc. is a corporation incorporated federally pursuant to the CBCA. OEM operates a Volkswagen dealership in Cornwall, Ontario under the name **Cornwall Volkswagen**. It was originally the company through which Caroline Bourret provided consulting services to various dealerships, primarily Porsche dealerships, and after the relevant corporate transaction came to operate under the name Cornwall Volkswagen.

[6] **Caroline Bourret** [hereinafter “**Caroline**”] is the General Manager and Dealer Principal of Cornwall Volkswagen. She is responsible for the day-to-day operations of the dealership and is a 51% shareholder of Seaway. Throughout the live proceeding, Caroline Bourret was addressed as “Ms. Bourret” and the Grant brothers each as “Mr. Grant”. However, and because it makes sense to refer to the Grant brothers by their first names below in order to distinguish them from one another, for reasons of consistency Ms. Bourret is also referred to by her first name.

[7] **11678833 Canada Inc.** [hereinafter “**116**”] is a corporation incorporated federally pursuant to the CBCA. 116 owns 49% of the issued and outstanding shares of Seaway. All of the issued and outstanding shares of 116 are owned by Cameron Grant.

[8] **Cameron Grant** [hereinafter “**Cameron**”] is a director of OEM, in addition to indirectly owning 49% of the shares of Seaway through 116. Cameron is not involved in the day-to-day operations of the Cornwall Volkswagen dealership.

[9] **Christopher Grant** [hereinafter “**Christopher**” and together with Cameron and 116, the “**Grants**”] is a director of Seaway having been nominated by his brother Cameron. Like Cameron, Christopher is not involved in the day-to-day business of the Cornwall Volkswagen dealership.

B. Summary of Key Facts

[10] Extensive *viva voce* evidence was led [virtually using Zoom] in this arbitration together with a fulsome documentary record of events contained in the 1455-page Exhibit Book to the arbitration [hereinafter the “**Joint Book**”]. To a large extent this tale tells itself through the documents, and those called to testify filled-in any spaces or questions and allowed the undersigned to assess their credibility through observing some vigorous cross examinations. Caroline, Cameron and Christopher all gave detailed *viva voce* evidence. Other notably important evidence was provided by Francois Sanner, the current Financial Comptroller for Cornwall Volkswagen, Michael Ricciuto, Director of Network Development for Volkswagen and Christopher Meyers, a CPA partner at Welch LLP all of whom were forthright, credible witnesses. Other witnesses called had nothing material to add.

[11] The *viva voce* evidence was, by agreement, recorded live on the ZOOM platform and provided to the parties. As referenced above, there were 107 marked Exhibits comprising 1455 pages in total in the ultimate Joint Book. There have also been detailed written and verbal closing submissions made on behalf of the parties. The key components in the factual matrix and relevant timeline are set out below.

B.1 The Letter of Intent between OEM and Volkswagen - Exhibit 2 at Joint Book p.2

[12] Long before her involvement with the Grants, Caroline was working to develop her skillset with a focus on her dream to one day run her own dealership. She worked for Volkswagen providing support to its dealership franchises including warranty and technical parts issues from 1998 to 2002. She then worked for Porsche Canada in a variety of capacities including as a warranty specialist, and otherwise assisting dealers. During her evidence at this arbitration, Caroline demonstrated an in-depth knowledge of the operations of dealership franchises as well as

her own vision for Cornwall Volkswagen. She was clear and forthright throughout the proceedings and was able to clearly articulate her reasoning for each business decision she had made as the Dealer Principal and General Manager at Cornwall Volkswagen.

[13] Caroline first visited the Cornwall Volkswagen dealership in May of 2018 and testified that she saw it as a real opportunity; a chance to modernize a dealership that had been in the same family for over forty years. Caroline’s journey to obtaining the authorization from Volkswagen to acquire and operate the Cornwall Volkswagen dealership franchise was a multi-year process requiring a demonstration of her expertise and commitment. Her efforts paid off on June 7, 2019, when Caroline’s company OEM and Volkswagen Group Canada Inc. [hereinafter “**VGCA**” or “**Volkswagen**”] entered into a formal letter of intent [the “**VW LOI**”] thereby allowing Caroline through OEM to acquire the assets of a Volkswagen dealership, specifically the Cornwall Volkswagen dealership.

[14] The VW LOI with was of course a temporary agreement pursuant to which Caroline could operate the dealership until such time as she executed the formal dealer agreement [the “**Dealer Agreement**”] with Volkswagen. The VW LOI is a clear, readable corporate document that refers to the Dealer Agreement and to its non-negotiable¹ operating standards and standard provisions, which would govern the relationship between OEM and Volkswagen.

[15] The VW LOI required that Caroline be appointed “Dealer Principal”, and that she would “acquire and maintain at all times Power of Attorney providing her with control of the dealership” [**ref. VW LOI s.12**]. The VW LOI also required OEM to seek prior approval from Volkswagen for any other future changes to the structure of either the purchaser or the dealership. Michael Ricciuto, who testified in this proceeding in his capacity as the Director of Network Development for Volkswagen, explained that VGCA requires this of all its dealership franchises in order that there is one person ultimately responsible for making decisions on behalf of the dealership.

[16] Mr. Ricciuto was placed in an uncomfortable position having been called in this arbitration to give evidence in a shareholder dispute. One can appreciate why Volkswagen takes pains in its LOI language to ensure that they have a sole ‘Dealer Principal’ controlling the dealership - to hopefully avoid being drawn into disputes among shareholders, like this one.

[17] Under section 13 of the VW LOI, Volkswagen also approved Caroline to serve as the “General Manager” of the dealership and to be responsible in that role for the day-to-day operations of the dealership. All she needed was a business partner to assist financially with the purchase of the dealership. The original business partner in place ultimately decided not to pursue the dealership acquisition and had backed away prior to the originally planned closing date in March 2019.

¹ M. Ricciuto evidence arbitration Day 4, May 12, 2022.

[18] As described more fully below, what ultimately brought these parties into this arbitration process was the requirement under section 9 the VW LOI that OEM provide evidence to Volkswagen of the identities of beneficial ownership/shareholders. It was a seemingly straightforward request but one that led to Volkswagen declaring a breach of the VW LOI, and which put a negative spotlight on the dealership for Volkswagen - and very nearly brought OEM to ruin.

B.2 Acquisition of the Cornwall Volkswagen dealership

[19] Through detailed testimony given by both Caroline and Cameron it was established that they were introduced to one another in July of 2019. Cameron operated a body shop business [**“Unitech”**] across the street from the Cornwall Volkswagen dealership and the idea of being a part of the Volkswagen dealership was attractive to him. Of significance, neither Cameron nor anyone else in the Grant family had any approval from Volkswagen to operate a Volkswagen dealership franchise. In his evidence during this arbitration, Cameron was candid that part of the reason he went into business with Caroline was that she had the approval to acquire and operate a Volkswagen dealership franchise pursuant to the VW LOI.

[20] Before entering into any business arrangement with Caroline, however, Cameron involved a variety of professionals to conduct extensive due diligence on the proposed deal. The professionals studying the potential business transaction on Cameron’s behalf included an individual identified as J.P. “Peter” Mongrain, a broker and professional “business intermediary”; MNP, an accounting/business consulting firm; and two sets of legal counsel. From early on in the arbitration it became clear [mostly through the extensive documentary production] that Cameron’s family was very involved in the due diligence on this proposed business deal.

[21] To understand the reasoning behind pattern of obstruction that followed the closing of this business transaction it is helpful to ‘follow the money’ at the time of the acquisition, key facts being as follows:

- (i) BMO was and remains the most significant source of financing for the deal. The majority of the funds used to purchase the dealership were borrowed from BMO and the dealership operates and purchases its inventory using BMO floor plan financing;
- (ii) At the time the dealership was acquired, Cameron’s parents [through certain companies that they own] made an initial loan of \$1.8 million to 116; and
- (iii) These funds were in turn loaned to Seaway as part of the larger transaction [hereinafter, the **“116 Loan”**].

[22] While Cameron had represented to Volkswagen in his application that he would be ready to immediately inject \$882,000.00 of his own monies [see **Exhibit 71 at pp.1247-1249**] into the business, that did not in fact occur at the time of the transaction, or ever. There are numerous misrepresentations made by Cameron to Volkswagen in his application which were exposed during his cross examination, but it is this representation that is the most stark. Cameron was candid in his testimony that he did not even contemplate investing his own money. He was financed by his parents. Even the \$44,000 costs of the various consultants and counsel providing Cameron and the Grants with the due diligence on the deal were paid out of the 116 Loan.

[23] The transaction closed on November 8, 2019, and Caroline, pursuant to the VW LOI terms and the Shareholders Agreement [described below], carried on formally operating the dealership as she had been leading up to the closing. The responsibility and control that Volkswagen granted to Caroline through the VW LOI and then as is set out in the Shareholders Agreement becomes especially significant once Cameron and the Grant family become involved in the business.

B.3 The Shareholders Agreement – Exhibit 5 at Joint Book p.22

[24] This is the second key document in this arbitration and the document from which the undersigned has authority to determine the issues in DC 21-105 and DC 21-109. Upon entering into business together, Cameron, Caroline, 116 and Seaway entered into the Shareholders' Agreement, section 1 of which creates an affirmative obligation on the shareholders *"to cause Seaway and OEM to carry on their business as a Volkswagen dealership franchise"*.

[25] Sections 4.1 [a] and [b] provide that the board of directors shall consist of two directors, namely: Caroline and Cameron or their nominees. Section 3 requires that the shareholders instruct their nominees *"to vote and act in accordance with the terms of the agreement so as to give this agreement full force and effect and to carry out its intent."*

[26] Section 4.1 [f] of the Shareholders' Agreement makes it clear that Caroline is the Dealer Principal approved by Volkswagen and that she shall also be the General Manager of the dealership with final authority with respect to all matters comprising the ordinary day-to-day operations of the dealership. This section also contemplates that Cameron would serve some role in the day-to-day operations of the dealership and *"be paid a salary commensurate with his time spent working at the dealership."*

B.4 Early 2020 - the Grants interference begins

[27] The first months of the business relationship between Cameron and Caroline were described during the arbitration by Caroline as a generally positive time. Cameron was spending a little time onsite, they attended a dealer meeting together in the US, and she took the opportunity to introduce Cameron at the dealer event to Mr. Ricciuto. She kept Cameron generally informed and engaged to the extent he wished it – recognizing that he was also running his other business, Unitech. Relations shifted negatively, though, in early in 2020 and the Grants began a campaign to undermine her and to obstruct the business. Simply put, they made a move to place themselves in ultimate control of the day-to-day operations of the dealership contrary to section 4.1[g] of the Shareholders Agreement.

[28] To begin, on **February 6, 2020**, and without consulting or ever giving notice to his business partner, Caroline, [underlining added for emphasis] Cameron wrote to BMO [the main source of financing for the dealership] requesting that a restriction be placed on the company's bank accounts requiring two [2] signatures on any cheque over \$1000.00. While this kind of unilateral move *vis a vis* one's business partner is disappointing in and of itself, Cameron went further still, seeking signing authority be given to himself, his father and to his personal accountant at Unitech. This was a truly bizarre request that, had BMO obliged, would have placed Cameron and his father [neither of whom are involved in the day-to-day business of the dealership] into a position to veto any transaction over \$1000.00; requiring Caroline to seek their approval for almost everything needed to run the day-to-day business.

[29] Aside from being an active act of undermining Caroline and being contrary to section 4.1 [g], the request was also plainly inconsistent with section 4.2 [q] of the Shareholders' Agreement which only requires the approval of both shareholders for expenses greater than \$100,000.00. Not surprisingly, BMO did not agree to this change. However, it was a wake-up call for Caroline and an ominous sign of things to come.

[30] Shortly thereafter in **March of 2020**, at the onset of the COVID pandemic and while the dealership was seriously short staffed as a result, Cameron appointed an individual named Rick Picard as a director. Mr. Picard began making document requests from the business. The requests were responded to fully at the time and Mr. Picard, who Caroline later learned was the business partner of Christopher [Cameron's brother], appeared on site at the dealership for three [3] days in **April of 2020** to conduct what he and Cameron referred to as "an audit". They were provided with everything that they requested by OEM's Financial Controller, Mr. Sanner. This was the beginning and end of Mr. Picard's involvement. He seemed to have had no further role in advising Cameron/116 or the Grants after this initial audit exercise. The "auditing" exercises by the Grants, on the other hand, did continue.

[31] On **May 7, 2020**, another member of the Grant family, this time Cameron's sister, hand-delivered a lengthy legal letter to Cornwall Volkswagen from legal counsel [Mr. Shoemaker]

purporting to act on behalf of 116 and Cameron. During the course of the evidence in this proceeding [both documentary and viva voce in cross examination] it became clear that it was in fact Christopher Grant who had directed Mr. Shoemaker on the drafting of the letter. The letter was intended, Christopher testified, to reflect his own personal concerns with Caroline's leadership of the dealership business.

[32] The May 7, 2020 [see exhibit 11 at Joint Book p. 80] letter is harsh and accusing and certainly makes clear that the relationship has changed between Cameron/116 and Caroline/Seaway/OEM. Accusations of mismanagement, shareholder oppression, breaches of fiduciary duties and breaches of the Shareholders' Agreement are made in this letter - as well as a variety of demands directing Caroline and the business to prepare themselves for a potential arbitration. Many of the allegations relate to concerns around Caroline's day-to-day management despite the Shareholders' Agreement making explicit that she has final authority over these issues.

[33] By this point, in May 2020, Christopher had interjected himself into the relationship and began to actively "speak for/act for" Cameron/116. In his testimony Cameron claimed to have just let Christopher tell him what to do from this point onward. For his part, during his evidence in the arbitration, Christopher explained that his father and brother had asked him to start involving himself in the business, representing the family [underlining added for emphasis]. He certainly did do that. Christopher's involvement was very clearly not limited to representing his brother in his capacity as a shareholder in the business. Rather, Christopher was acting in the capacity of representing the Grant family who – aside from Cameron – actually have no interest in the business other than as creditors through the 116 Loan.

[34] On **June 1, 2020**, Andre Poirier, identified during the arbitration as another legal counsel to the Grants, wrote to the business' solicitor Steven Greer, copying the Grants' *other* counsel Mr. Shoemaker. He makes a series of vague technical statements and on that basis purports to request, on behalf of the Grants as "lenders" further documents [See Exhibit 69, Joint Book at p 1237-1239]. Again, much like the insertion of Mr. Picard in March 2020, Mr. Poirier does not appear to have played any further obvious role beyond the June 1, 2020 letter requesting more documents.

[35] It was evident during the arbitration that the fact that their parents had funded Cameron's share of the investment caused the Grants to believe they had a legal right to now direct Caroline on how she ran the dealership as General Manager and Dealer Principal notwithstanding the clear language of both the VW LOI and the Shareholders' Agreement.

[36] In **August of 2020** Cameron formally nominated his brother Christopher as a director. Christopher became a director of Seaway, but not of OEM. Caroline refused the appointment at OEM on the basis that:

[i] no prior approval had been sought from Volkswagen; and

[ii] she viewed Christopher as being in a conflict of interest, representing the interests of his family over those of the business.

[37] She was shown to be correct in that assessment and, as noted above, Christopher gave evidence at the arbitration that as the director of Seaway, he saw his role to be representing the Grant family's interests [**Evidence of Christopher arbitration Day 6, May 16, 2022**].

B.5 The interference with the business escalates

[38] Upon being appointed a director of Seaway, Christopher immediately increased the disruption of the business, making more document demands and setting up a three [3] day directors meeting unilaterally in August 2020. He did so with the knowledge that Caroline [an obvious key participant] could not attend. Christopher now took an active role in interfering with Caroline's ability to focus on the business.

[39] Next, on **September 1, 2020** and again without any notice to Caroline, Christopher contacted Mr. Ricciuto, the Volkswagen Director, to privately express his family's purported concerns regarding Caroline's performance as Dealer Principal and dealership GM. This was an astonishingly reckless move on Christopher's part given the potential disastrous impact of advising Volkswagen of a dispute between the shareholders, and despite the further fact that it was Caroline who was responsible for managing the relationship with Volkswagen. This was clear show of disrespect and more undermining of Caroline, and obviously not in the interests of the business to take the complaints to Volkswagen.

[40] As Christopher made clear in his e-mail to Mr. Ricciuto [see **Exhibit 46 Joint Book at p.1186**], he was representing the "Grant Family" whom he [incorrectly] describes as a "49% shareholder in the Cornwall VW company" and that the Grant family were "concerned that their investment was at risk". This leaves no question as to whose interests were being represented: the Grant family, **not** the business. Mr. Ricciuto testified that this was a surprise "cold call" communication from Christopher and, because he knew the owners of OEM were in fact Cameron and Caroline, he asked Christopher to at least include Cameron.

[41] In **October 2020**, Christopher flew his private plane to meet with Mr. Ricciuto. Cameron joined Christopher at this lunch meeting. Mr. Ricciuto testified that he just "came to listen" and knew that "there are always two sides". The Grants, according to Mr. Ricciuto, were feeling that Caroline should be including them in more decision-making and that they disagreed with some of her practices in running the dealership.

[42] Christopher contacted Mr. Ricciuto again after the lunch meeting, advising him that they planned to engage a forensic auditor and then "move to arbitration". In their closing submissions,

the Grants make assertions that certain of Caroline's behaviours - such as becoming emotionally distraught when speaking with Mr. Ricciuto during this saga - were irrational. That, for example, "*no rational person would call their own boss [ie Mr. Ricciuto] and cry*" [Grants closing submission at paragraph 5]. Context is everything and tears of frustration in a situation such as the one at hand seem neither irrational nor even surprising. What is **not** rational, though, is the Grants openly flagging for the franchisor [upon whom OEM relies for its right to operate the dealership] that there is internal discord among the shareholders - and that one shareholder plans to audit the business in order to bring the other to arbitration. This was a move on the part of the Grants that clearly did not serve the interests of the business and can only have been intended to serve their own personal family interests.

[43] Mr. Ricciuto testified at the arbitration that following this initial meeting with the Grant brothers he was concerned about how their views with respect to Caroline would affect the dealership operations and its performance. He contacted Caroline to give her a "heads up". Mr. Ricciuto further made clear during his testimony that Volkswagen **remains** concerned about the relationship between these shareholders and its impact on the business. [**Mr. Ricciuto's evidence Day 4, May 12, 2022**]

[44] This pattern of actions by the Grants points to an apparently profound misunderstanding [such misunderstanding made further puzzling by the number of lawyers and other consultants involved in advising the Grant family prior to entering into the deal] of the nature of the business relationship with Caroline, Cameron/116's responsibilities to OEM under the Shareholders' Agreement and the VW LOI and Christopher's obligations as a director of Seaway.

B.6 Escalation with 116 Documents

[45] Beginning early **November of 2020** and continuing into **February of 2021**, the Grants were asked to produce the evidence of their beneficial ownership of 49% of OEM. It was clear that these documents were required by Volkswagen pursuant to section 9 of the VW LOI before it would be willing to execute the Dealer Agreement. Everything else that was required had been delivered by Caroline, however, this final item [the "**116 Documents**"] was sought from Cameron.

[46] The response to this straightforward request involved Cameron initially promising to do so [see **Exhibit 16 at Joint Book p.109**], then avoiding doing so [see **Exhibits 76, 75, 77 at Joint Book pp. 1257-1258**], then ignoring further requests from Mr. Ricciuto, further delaying, generally prevaricating and ultimately Christopher intervening and flat out refusing to produce the required 116 Documents [see **Exhibit 19 at Joint Book pp 123-124**]. These actions were again clearly counter to the best interests of the business; that much was conceded during the cross-examinations of the Grant brothers. The excuses provided at the arbitration only further evidenced

the consistent decision on the parts of Cameron and Christopher to place their personal interests ahead of the business.

[47] The requests for the 116 Documents were repeated and came from all directions. Mr. Ricciuto issued a formal request in the form of a letter to OEM dated January 19, 2021 making clear that the 116 Documents were required pursuant to the VW LOI and setting a final deadline for receipt of **January 26, 2021** [see **Exhibit 17 at Joint Book p. 118**]. Caroline wrote a letter to Cameron on behalf of OEM imploring him to deliver the 116 documents and emphasizing the importance in order to finalize the Dealer Agreement and further advising him that he would be in breach of his fiduciary duties by not producing them [see **Exhibit 18 at Joint Book p. 121**]. Mr. Sanner tried [see **Exhibit 21 at Joint Book pp 128-131**], Stephen Greer, counsel to Seaway/OEM tried and also warned of the actions constituting breaches of fiduciary duties owed [see **Exhibit 20 at Joint Book p. 125 and Exhibit 74 at Joint Book p. 1254-1255**].

[48] There can have been no misunderstanding of the consequences, and still neither Cameron nor Christopher took action to deliver the 116 Documents.

[49] Its deadline again missed, Volkswagen sent another letter dated **January 29, 2021** making clear that OEM was now “in breach of the VW LOI” and indicating that it was now entitled to terminate the VW LOI and all contractual relations at its discretion. In addition to the 116 Documents, Volkswagen also added a new requirement: that prior to **January 31, 2021** it must receive written confirmation from both shareholders that the dispute between them was resolved, [see **Exhibit 22 at Joint Book p. 133**].

[50] During his evidence at this arbitration Mr. Ricciuto advised that, given the Grants failure to meet such a simple requirement, red flags were now up as to who in fact owned 116. The concerns were so significant that the matter was escalated to Volkswagen’s president on the basis of the potential need to “*shut OEM down*”.

[51] As the evidence led during the arbitration made painfully clear, the harm to Seaway/OEM and pushing this business to the brink of ruin was as a direct result of the Grants’ actions.

[52] The Grants’ appointment of their current litigation counsel appears to have induced them to take the necessary steps to prevent Volkswagen from “shutting OEM down” and to promptly produce the 116 Documents on **February 1, 2021**. To suggest, though, as counsel has that Caroline had herself somehow created the problem because she had received the 116 Documents during the original closing of the transaction [buried deep within the closing documents] from November 14, 2019, changes nothing. The Grants never brought this to her attention before February 1, 2021 and the other evidence led demonstrates they also did not know the 116 documents could be found somewhere in the closing documents. Moreover, even if they had known as much and notified Caroline or OEM or Mr. Ricciuto - there had been no confirmation that the register was accurate and that the beneficial ownership of 116 had not changed.

[53] The Grants' counsel ultimately provided the 116 Documents on February 1, 2021, after this proceeding had been commenced. At the same time, they insisted upon OEM providing copies of the Volkswagen Operating Standards and Standard Provisions to them before they would agree to approve the execution of the Dealership Agreement. There is no evidence before me that the Grants ever requested these documents [and they have requested and been provided with access to many documents] prior to February 1, 2021. These are the same non-negotiable standard Volkswagen documents expressly listed in the VW LOI from June 7, 2019, and seemingly delivered to legal counsel for the Grants on November 4, 2019 [**see Exhibit 3 at Joint Book p. 10**] during their due diligence exercise. Nevertheless, OEM provided the documents requested the following day.

[54] Responding to this latest request accomplished nothing. The delays and prevaricating from the Grants continued in that:

[i] the Grants still failed to provide any authorization, approval or support for OEM to enter into the Dealer Agreement;

[ii] the Grants still refused to sign onto a joint communication to Volkswagen confirming that the shareholders were attempting to resolve their dispute;

[iii] The Grants even refused to authorize Caroline to disclose to BMO Volkswagen's position that OEM was in breach of the VW LOI. This was potentially significant insofar as the financing agreement with BMO specifically requires OEM to disclose to it any notice of breach of the Dealership Agreement [presumably without it, the VW LOI] with its manufacturer [**see Exhibit 89 at Joint Book p. 1324, section 13(d)**]. Caroline testified that she ultimately did so without the Grants' authorization, in order to avoid a breach.

[iv] The Grants [specifically Cameron] even refused to attend a board meeting called by Caroline to discuss urgent contingency plans, given the imminent likelihood that Volkswagen would now be terminating its franchise relationship with OEM.

[55] Although there was a representation delivered through counsel that the Grants would be in a position to approve the Dealership Agreement in March of 2021, they actually never reversed course on withholding their approval. The pattern of promise, then delay, then prevaricate over how they might renegotiate standard operating terms with Volkswagen was re-engaged and time dragged on.

[56] Francois Sanner, a thoughtful and credible witness in this arbitration, testified that he was extremely worried and felt the business would likely end imminently, sharing how it impacted his ability to work and focus. Caroline's extensive evidence in this regard was also vivid and credible.

[57] The fact that Volkswagen ultimately decided to execute the Dealer Agreement on **April 1, 2021**, despite OEM not having met its requirements, was met with a mix of bewilderment and unbridled joy by Caroline and Mr. Sanner. They were by no means very far from the precipice of having the dealership terminated, but Volkswagen had obviously decided to give OEM a chance.

[58] To suggest, as the Grants have in their closing submission, that one can intuit from Mr. Ricciuto's evidence that [and while he at no time gave such evidence] Volkswagen in fact had/has no confidence in Caroline, makes no sense. Thanks to the Grants actions Volkswagen had a clear path to "shutting OEM down" and instead chose to execute the Dealer Agreement.

[59] In **July of 2021**, the Grants commenced another "investigation" exercise of the business. This time they retained Welch LLP to perform a "*set of agreed upon procedures*", which witness Christopher Meyers testified was a very specific process directed by the Grants and targeted at areas specifically of interest to them for the purposes of use in this arbitration. This exercise, as described by Mr. Meyer, was to involve approximately two dozen "procedures" for the sole benefit of 116 to assist them in determining if there was any financial mismanagement happening at the dealership [see **evidence of C. Meyers arbitration Day 10, May 20 2022; see also Exhibit 91 at Joint Book p. 1333 - the engagement letter for Welch LLP.**]

[60] While Welch LLP ultimately backed away from this retainer, for a time their involvement was another significant distraction for Mr. Sanner and OEM. Welch LLP was provided with access to the full financial records of OEM as well as digital copies of those records in response to a scope of review that was described by Mr. Sanner as "extremely wide" requiring about 50% of his time during those couple of months.

[61] The Grants, again offering no business explanation, refused to authorize a resolution exempting the company from the statutory requirement for an audit under the CBCA. As a result, OEM has been required to have its accountants perform an audit to finalize the financial statements. At the time of the arbitration, Mr. Sanner testified that he had been spending close to 70% of his time assisting/supporting the audit process. Yet another substantial distraction.

[62] The Grants, in their closing submissions, now suggest that all Caroline needed to do was to call them and this particular distraction [and added \$46,000+ expense for OEM] could easily have been avoided. In other words, it's really **her** fault. Good grief. The effort to shift blame to Caroline is unsurprising, though, given their pattern of deliberate actions in interfering with this business and the totality of the evidence led during this arbitration proceeding. The suggestion that the Grants would do anything – **anything** – in cooperation with Caroline or the business is not credible. They have laid bare their contempt for her and their efforts to undermine her have been unwavering.

[63] Caroline also gave testimony at the arbitration of the Grants having further failed to provide approval for capital expenditures necessary for the business. This evidence was not contested by

the Grants. Moreover, she claims that Cameron, through his body shop business is creating delays in the service of OEM's customers, taking significant time to provide quotes for work, sometimes exceeding six months. If true, this frustrates customers and further damages OEM's business relationships and ability to succeed.

C. Findings on Liability

[64] Cameron is a director and officer of OEM, an indirect 49% shareholder of Seaway and is a party to the Shareholders' Agreement. Christopher is a director and officer of Seaway; a role that required him to act in the best interests of Seaway.

[65] As referenced earlier in this decision, there is an affirmative obligation to cause Seaway and OEM to carry on their business as a Volkswagen dealership franchise [**s.1 of the Shareholders' Agreement**]. Seaway and OEM could not have carried on that business as a Volkswagen dealership without the Dealer Agreement and it could not have the Dealer Agreement without the authorization of Volkswagen. In withholding the 116 Documents, Cameron and 116 very directly obstructed Seaway and OEM from carrying out exactly this purpose.

[66] Section 3 of the Shareholders' Agreement requires the shareholders [in this instance Cameron] to instruct their nominees "*to vote and act in accordance with the terms of the agreement...*" While Christopher may have been the driving force behind willfully withholding the 116 Documents, Cameron and 116 had an obligation to ensure that – if Christopher was indeed acting as his nominee - Christopher was not obstructing the purpose of the business as set out in the Shareholders Agreement. In failing to do so Cameron and 116 breached section 3 of the Shareholders' Agreement. Christopher himself admitted on cross examination that it had been 'a mistake' to withhold the 116 Documents.

[67] Pursuant to their obligations under section 22 of the Canada Business Corporations Act ["CBCA"] Cameron and Christopher both had a statutory obligation to [a] act honestly and in good faith with a view to the best interests of the corporation; and [b] to exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances. The evidence demonstrates that both Cameron [with respect to OEM] and Christopher Grant [with respect to Seaway] breached their fiduciary duties and duty of care as directors.

[68] The testimony given by the Grants in the arbitration to the effect that they did not know or understand their obligations to the business strains credulity. They had legal counsel throughout, engaged in multiple "audit exercises", were warned by Caroline, warned by Steven Greer - and are clearly intelligent people. Christopher in particular represents himself as an experienced and successful businessperson. Cameron runs his own business as well. They also themselves make

numerous allegations of both violations of the Shareholders Agreement and breaches of fiduciary duties against these Claimants [in the within counterclaim] as well as against Caroline personally [in DC 21-109].

[69] The Grants appear to have made no effort to understand their obligations to the business or OEM's obligations to Volkswagen. Both were focussed on their family's personal interests over their obligations to Seaway/OEM.

[70] Through the course of their testimony, the Grants demonstrated repeatedly how they failed to act in the best interests of the business and any proclaimed ignorance is not an excuse for their breach of fiduciary duties. The withholding of the 116 Documents was only one example in an ongoing pattern of obstructing the business. As noted above, their actions appear to have been based on the Grants' view that their family is entitled to, effectively, run the dealership business by virtue of being a creditor.

[71] The Grants are clearly deeply unhappy with Caroline's leadership of the dealership and seek some measure of control over this business ... but without having any contractual right to such control. So instead, the Grants have pushed, undermined, and bullied Caroline through their actions beginning in February 2020 - wilfully blind to the damage their pattern of behaviour was having on the business.

D. Quantifying the Harm

[72] The Claimants have proved their case. The Grants cannot side-step liability by pointing to their eventual production of the 116 Documents or ignorance of their obligations. They engaged in a series of deliberate actions in direct violation of their legal obligations to this business as directors – and those actions caused harm to the business.

[73] There has been and will continue to be a long-term impact on the dealership's relationship with Volkswagen as a direct result of the Grants' actions. Despite having made the decision to enter the Dealer Agreement, Volkswagen remains understandably wary. It can terminate the agreement on 90 days' notice in the event it decides this business continues to be negatively affected by the dispute between the shareholders [**Evidence of M. Ricciuto May 12, 2022**].

[74] The Claimants Seaway and OEM and have made reasonable efforts to adduce evidence linking the Grants conduct to the harm the business has suffered. They point to both the 'goodwill impairment' taken on the 2020 financial statements and losses in revenue over the most intense phase of the Grants' interference.

D.1 The goodwill impairment

[75] We heard evidence from Caroline and Mr. Sanner that OEM made the difficult decision to record an impairment of \$155,000 to its goodwill on its 2020 financial statements [see **Exhibit 39 at Joint Book p. 1105**]. The report note recorded by GBA LLP Chartered Accountants is a short explanation on the impairment stating that “*sales, operating income and cash flows were lower than forecasted for the year due to a slight decline in market ...*” . The Grants contend that this statement and only this statement can be considered; and that because the GBA report does not refer to the damage to goodwill with Volkswagen there is no admissible evidence quantifying the damage claim for this loss.

[76] I disagree. Mr. Sanner as the Financial Controller walked all present at the hearing through how the calculation was reached, the lead up, the difficult decision and its practical long-term impact [i.e., that it is now there and cannot be reversed until the business is sold]. He gave credible evidence how the value of the impairment was arrived at in consultation with the dealership’s management and its accountants when the financial statements were prepared. Adding to the evidence of the Financial Controller, Caroline as the General Manager gave her added knowledge as “the dealership’s management”. The Grants led no evidence to suggest this evidence was unreasonable.

[77] Thus in making my assessment I have considered all of the evidence [the line in the GBA statements, Mr. Sanner and Caroline] on the point. It is reasonable in my view to conclude that at least 80% of the impairment, so \$124,000, can be attributed to the actions of the Grants.

D.2 Lost revenues

[78] The Grants’ deliberate actions and obstruction of the business were also a major distraction for Caroline, as well as for Mr. Sanner who has attended to the multiple “audit” exercises/requests. As the General Manager, Caroline gave compelling testimony about the impact of the Grants’ campaign against her and how this affected her ability to function properly and carry out her duties as general manager. The evidence shows that January and February of 2021 saw revenues decrease to approximately half of the January and February 2020 revenues. The calculations produced in this proceeding point to a total loss of \$679,632.00 once seasonal variations are considered [see **Exhibit 62 at p. 1227 together with Exhibits 36-38 at pp. 843, 849, 771, 777, 915 and 821.**].

[79] It has been advanced in this proceeding that a fair and reasonable estimate of the loss in revenue caused by the Grants is \$224,278.73 representing 30% of the overall loss in revenue. While the Grants offered some circumstantial evidence of other factors affecting sales, that

evidence was not strong and, in any event, the 30% estimate allows for many other factors to have been at play.

Order on main action:

The Grants [Cameron, Christopher and 116] are hereby jointly severally liable to OEM and Seaway for damages in the amount of \$368,278.73 which sum is equal to \$224,278.73 in lost revenue and \$124,000.00 for the damage to the relationship with Volkswagen.

The Counterclaim

[80] The cause of counterclaim advanced by the Grants against Seaway and OEM is for alleged breaches of contract (i.e., alleged breaches of the Shareholders' Agreement). For ease of following the decision below, the undersigned has shifted to referring to Seaway and OEM as the "Corporations". This helps to delineate, hopefully, the counterclaim from the DC 21-109 action against Caroline personally which is addressed in Decision #2. A number of the claims were struck in the undersigned's decision dated February 4, 2022. What remains are the following requests:

- [i] An order that the Corporations reduce Caroline's salary to \$0;
- [ii] A declaration that the Corporations be required to seek approval of Cameron/116 and/or the Grants for all non-arm's length transactions;
- [iii] An Order requiring the Corporations to facilitate full access to their BMO account;
- [iv] An Order requiring the Corporations to facilitate dual signing authority with Cameron on the BMO bank account;
- [v] A declaration recognizing Christopher as the properly nominated Director of Seaway/OEM;
- [vi] An Order requiring disclosure of a variety of [listed] documentation related to the running of the dealership, and access to the Corporations' Canada Revenue Agency portals; and

[vii] An Order requiring an independent audit of the Corporations' books, with costs payable by the parties.

These claims are addressed below;

A. Caroline's salary

[81] The Grants object to Caroline's General Manager salary and request an order that the Corporations be directed to reduce it to \$0. I find no merit in this claim for the reasons below.

[82] Section 4.1 [F] of the Shareholders' Agreement creates a mandatory requirement that *"when the finances of OEM Automotive Solutions Inc. shall allow it, Bourrett shall be paid a reasonable general manager salary..."*. There was no evidence led, either viva voce or documentary, to the effect that this provision has been breached.

[83] Caroline was paid a salary of \$77,100.00 in 2020 and \$77,562.66 in 2021. The only evidence of the market rate for dealership general managers presented in the arbitration was by counsel for the Corporations. That evidence [see **Exhibit 99, at Joint Book pp. 1403**] indicates that the average automotive general manager in Canada earns \$145,000.00 per year, significantly more than what Caroline receives.

[84] Caroline is responsible for the entirety of the day-to-day operations of the dealership and the uncontested evidence was that she works approximately 126 hours per week. The sole condition precedent to her receiving a salary is that the finances of OEM allow it, and this was satisfied prior to her receiving a salary. The evidence led demonstrated that OEM was profitable in both years that Caroline received a salary with net profits of \$270,671.00 In 2020 and \$410,730.00 in 2021. [See **exhibits 36 and 37 at Joint Book p. 909 and p. 837**]

[85] There is no merit in the Grants' argument that there has been a breach of the Shareholders' Agreement, or that Caroline was required to consult and or have somehow obtained permission/approval from Cameron or 116 or the Grants before receiving a salary. While acknowledging that Cameron may have felt slighted by her decision to do so without consulting him, the Shareholders' Agreement contains no such requirement. Cameron's evidence of an alleged verbal promise made by Caroline to him that she would not take a salary for a year, was contested by Caroline and is in any event trumped by the clear language of the Shareholders' Agreement.

[86] Caroline's salary is reasonable, and the finances of OEM allowed for it. The parties to the Shareholders Agreement agreed that Caroline would be paid a reasonable salary and there is no basis to order the Corporations to reduce her salary to \$0.

A.1 Caroline's daughter Stella

[87] In the decision of February 4, 2022, the undersigned ordered that paragraph 31 [a], [c], [g] 34, 35 and 38 of the Grants counterclaim be struck. As a result, all of the paragraphs containing allegations or claims for relief with respect to payment of a salary to Caroline's daughter [“**Stella**”] were struck from the counterclaim. This issue will therefore not be considered as against the Corporations.

[88] However, and in any case, there was no breach of the Shareholders Agreement. The plain language of section 4.2 [m] requires approval from shareholders for non-arm's length transactions only where their remuneration “*exceeds that paid by others dealing at arm's length in similar circumstances*”. There was detailed evidence led that demonstrated Caroline's daughter effectively was paid a wage of between \$14 and \$20/hour for work performed for the benefit of the dealership.

[89] The amounts paid to Stella for the work she did for OEM in 2019 were not above fair market value. Caroline explained the payments and reasons for the timing of the payments fully. The work performed was for the benefit of OEM and the dealership. Again, appreciating that the Grants read something sly or underhanded into it, they are mistaken. The evidence presented demonstrated that section 4.2 [m] of the Shareholders Agreement was not breached.

B. Dual signing authority

[90] The Grants seek an order directing the Corporations to facilitate the granting to Cameron/116 of dual signing authority on OEM's BMO bank account. There is no requirement for dual signing authority in the Shareholders' Agreement, nor does the Shareholders' Agreement create any right to dual signing authority by the shareholders on OEM's BMO account.

[91] Given that the Shareholders' Agreement does not require dual signing authority, refusing it cannot be a breach. Cameron and 116 were advised by their legal counsel on the Shareholders' Agreement and had the opportunity to negotiate a provision requiring dual signing authority. They did not; which makes sense given that Cameron is not involved in the day-to-day operations of the business.

[92] In any event, Cameron and Christopher have access to OEMs online banking where they can review all of the transactions in and out of OEM's bank account as they happen [see **Exhibit 107 of Joint Book at p. 1436-1441**].

C. An onsite audit for the Grants

[93] Next, the Grants request an order that an on-site audit be conducted by external auditors for their benefit. It was clear throughout the arbitration process that the Grants harbour suspicions of financial mismanagement of the business by Caroline. However, and while they are entitled to liberal access, the Shareholders' Agreement does not grant them the all-expansive right they seek. Section 4.3 [a] of the Shareholders' Agreement provides Cameron/116 with the right to "*inspect, examine and copy*" [the Corporations' books of account]. It does not provide a right to send in external auditors retained by 116 to complete an on-site audit.

[94] In any event, and as was made evident during the course of the evidence led at the arbitration, the Grants already have full access to the books of account of the Corporations through the SERTI platform. This was not contested. The Corporations have also, thus far at least, been quite cooperative in allowing for a variety of audit exercises at the behest of the Grants.

[95] As discussed further below, the 2021 decision of Welch LLP to back away from their July 30, 2021 "investigation"-type retainer with the Grants was not reasonably connected to any refusal to cooperate on the part of the Corporations.

[96] There was further uncontested evidence led at the arbitration through Mr. Sanner that in addition to SERTI access, which is quite broad, there are monthly reports delivered to Cameron including monthly financial statements, income statements, balance sheets and operating statements. There are also statements detailing the use of the dealership's floorplan financing for used and new vehicles; bank statements and cash flow statements [see **Exhibit 105 at Joint Book p. 1413**].

[97] As noted above, Cameron and Christopher also have access to OEMs online banking where they can review all of the transactions in and out of OEM's bank account as they happen. This fully satisfies their right to access the Corporations books under the Shareholders' Agreement and they have not pointed to any specific information they say has not been received.

[98] This access has always been made available. The Grants were given full access to the records of the Corporations when they attended with Mr. Picard in April 2020 for his audit exercise, along with the opportunity to ask Mr. Sanner any questions they had regarding the

business. Similarly, in August 2020 when Christopher was appointed a director of Seaway, he reviewed the Corporation's records and asked for additional information, which was provided.

[99] The Corporations also facilitated Welch LLP's review of the company's records in the summer of 2021, including a proposed on-site “*set of agreed upon procedures to assist [the Grants] in determining if there was any financial mismanagement happening at the dealership*” [Evidence of C Meyers, Day 10 -May 20, 2022]. Chris Meyers of Welch LLP was observed to be another forthright but uncomfortable witness called to give evidence in this proceeding. A professional accountant, Mr. Meyers testified that automotive work is among his areas of practice. He was careful to correct counsel that what he'd been asked to conduct was neither an audit nor a review - nor was he asked to provide any opinion. He used the word “investigation” and made it clear that, when he wrote the July 30, 2021 [retainer] letter, he “*did not have a complete appreciation of where the matter was going.*” [Day 10 at 5:06:34]. He described the proposed retainer as “a very specific kind of engagement” where the client [here the Grants] tells him what to do – and he does it. Of the approximately two dozen [24] “procedures” the Grants directed, four [4] were to be done onsite.

[100] The e-mail correspondence produced between Mr. Meyers and Mr. Sanner demonstrates that the business was always willing to allow the on-site investigation, provided that it was completed in a manner consistent with the public health COVID regulations in place at the time. Mr. Sanner advised Mr. Meyers according to the guidance he received from public health. After it appears that Mr. Meyers shared his discomfort with the dealership's standard form language [he testified that “it was not what he was used to seeing”], Mr. Sanner offered, in an email dated August 16, 2021, that he could instead just send him an email back “saying he understands the current COVID regulations.” Problem solved, obstacle removed.

[101] The relations/communications were always cordial between Mr. Sanner and Mr. Meyers and in his final e-mail Mr. Meyers indicated that he would follow up with Mr. Sanner with a formal plan for the on-site portion of his work.

[102] Mr. Meyers ultimately declined to carry on with this retainer with the Grants for his own reasons, and while he referred in his testimony to the COVID form, it was ultimately evident to the undersigned that other unrelated factors must have driven that decision. Called by and invited to invoice the Grants for his testimony in this arbitration, Mr. Meyers was circumspect.

[103] Mr. Meyers also agreed in cross examination that he had been given access to the SERTI system, but simply never logged into it because, by the time the access was granted, he had already decided to decline the mandate. He did not even explore the possibility of completing any of these procedures remotely by video, something which was entirely do-able.

[104] As the evidence makes clear, there was no breach of the Shareholders' Agreement.

D. Access to the CRA portals

[105] While the Shareholders' Agreement does not require the Grants be given access to the CRA portals, I understand that the Corporations are nevertheless in the process of obtaining this access for the Grants. While it is not being ordered by the undersigned, it seems that Grants will receive the access as soon as the CRA grants it.

E. Appointment of Christopher as Director of OEM

[106] The Corporations have also made clear in their submissions that they are willing to work with the Grants to facilitate the nomination of Christopher as a director of OEM. As was explained and uncontested during the course of the arbitration, in order to do so Cameron will first need to resign of a director of OEM.

[107] Sections 4.2 [a] and [b] of the Shareholders' Agreement provide that the board of directors is to consist of two directors, consisting of Caroline or her nominee and Cameron or his nominee. In his letter of August 12, 2020, Cameron purported to nominate Christopher, but did not state that he was resigning as a director himself, nor did he. He will need to resign so that Christopher can replace him. OEM will also need to notify Volkswagen before the nomination can become effective as per s.3 of the Dealer Agreement.

Relief Requested

[109] There is no basis to grant any non-monetary equitable relief sought by the Grants. It is fully understood that the Grants do not like some of Caroline's decisions as General Manager of the dealership. However, this counterclaim is not the path to addressing those complaints. The counterclaim [and action DC-21 – 109] is largely an effort to rewrite the Shareholders' Agreement. The Grants are bound by the terms of that contract and there is simply no basis for an arbitrator to grant relief that runs contrary to its express terms. The Grants have not advanced any theory in law or equity that would entitle them to these extraordinary heads of relief.

New Relief Requested

a. The repayment by OEM of its debt to Caroline [a new allegation]

[108] The counterclaim makes no mention of the repayment of the debt to Caroline, but it was raised in the hearing and appears in the Grants' closing submissions. The Grants do not advance the position that Seaway breached the Shareholders' Agreement with respect to the repayment of the debt, but they do seek damages against the Corporations on the theory that the Corporations ought to be held jointly and severally liable for the acts of Caroline. As will be discussed later herein, there is no support either in the evidence or in law for this claim.

b. Remedies in oppression [Canada Business Corporations Act, s.241]

[110] There are references to oppression is sprinkled in various places in the Grants' closing submission, though, suggesting that Seaway and OEM "oppressed" Cameron and 116. However, no oppression remedy claim was ever brought against the Corporations, and no allegations of oppression as defined by the CBCA were made against them.

[111] Moreover, the Grants do not actually seek damages for breach of contract against the Corporations. The counterclaim does not plead any monetary damages against the Corporations resulting from the alleged breaches of contract set out in the claim. They are instead seeking damages based on the theory that the Corporations should be held jointly and severally liable to any damages that Caroline may be found liable for in the separate DC 21-109 claim.

[112] There is no legal basis advanced for the theory that one can seek damages against one party in one claim on the basis of another party's alleged conduct in a different claim. I am unaware of any basis in law or equity to fashion such a remedy, nor have the Grants put forward any basis to articulate the theory.

[113] In any event, and perhaps more to the point, the Grants have not pled or offered any evidence that they have personally suffered any damages at all as the result of the alleged breaches by the Corporations [or by Caroline for that matter]. The amounts that the Grants claim as damages are business expenses paid by the Corporations, not by the Grants. The amounts are not damages, and they are certainly not damages owed to the Grants. The Grants have put forward no evidence of any pecuniary or non-pecuniary losses to themselves allegedly arising from the conduct of the Corporations.

[114] The theory of dividends somehow being used as a basis for damages, also raised for the first time in the Grants closing submissions, is interesting but again without merit. First there would have to be damages, which there are not. Next, the law is well established that a court [or by extension an arbitrator] should not order the payment of a dividend by a company. Additionally, there is no basis anywhere in the Shareholders' Agreement for such dividends.

[115] The Shareholders Agreement does contemplate at section 4.1 [f] that Cameron will receive compensation if he makes contributions to the day-to-day business of the dealership. As it stands, Cameron spends no time working at the dealership and did not during the arbitration express any intention of doing so in the immediate future. He's made no contributions to the business and did not argue at any point in the arbitration that he is entitled to a salary.

[116] It is obvious that the parties contemplated and agreed that Cameron and Caroline would receive different compensation based on their comparative contributions to the business. The other heads of damages also premised on dividends would equally represent windfalls to the Grants.

Order on counterclaim

The counterclaim is dismissed.

COSTS

[117] Given the success of the Claimants/Respondents by Counterclaim herein costs will be awarded in their favour. I ask that Claimants' counsel provide me with submissions on costs related to the DC-105 matter and further ask that those submissions be restricted to five [5] pages or less, **excluding** any spreadsheets or other attachments such as a Bill of Costs. Unless there is a declared need on the part of the Claimants' counsel for a longer timeline, I will look to receive the costs submission by November 30, 2022. A reasonable time will then be allotted for any challenge by the Grants with respect to the costs claimed.

Dated in Ottawa, this 3rd day of November 2022

A handwritten signature in black ink, appearing to read 'J. Noonan', with a large loop at the start and a horizontal line extending to the right.

Elizabeth 'Joy' Noonan, Arbitrator

**THE MATTER OF AN ARBITRATION PURSUANT TO S.8[A] OF THE SHAREHOLDERS AGREEMENT
DATED OCTOBER 31, 2019**

ADR INSTITUTE OF CANADA

FILE: DCA 21-109

BETWEEN:

CAMERON GRANT & 11678833 CANADA INC.

CLAIMANTS

AND

CAROLINE BOURRET

RESPONDENT

HEARD: See Decision #1 [21-105]

**COUNSEL: Danesh Rana [Claimants]
Gabriel Poliquin and Neil Abraham [Respondent]**

DECISION #2 [OF 2] November 3, 2022

[1] In this decision, the undersigned refers to the “Grants” liberally as equating with the Claimants. Cameron testified in 21-105 that he delegated all his authority both formally and informally to his brother Christopher. In fact, Cameron did not even show up to give evidence in support of this 21-109 claim, he sent Christopher to do it. Essentially, the within claim 21-109 comes down to the Grants’ deep-seated suspicion that Caroline has been doing harm to the business of the dealership and that those alleged actions/activities have negatively impacted the Grant family as a creditor under the 116 Loan.

[2] The Grants/Claimants have not been able to articulate *how* they are being harmed. They have not adduced any evidence that they have suffered any harm as a result of Caroline’s alleged actions/activities. At a high level, though, it seems that is their position.

[3] There are many allegations made in the closing submissions by the Grants in relation to this personal claim against Caroline; some of them brand new. Other claims appear to have been abandoned; the Grants having failed to adduce any pertinent evidence in support. While it can be challenging to follow, the claims that have certainly been abandoned are as follows:

- the alleged impropriety of Caroline's husband's salary and employment;
- the alleged failure by Caroline to pay interest on a loan from 116;
- Caroline's alleged [mis]use of the Corporations' assets to guarantee a loan for another company; and
- The alleged impropriety with respect to Caroline's decisions involving a line of credit and vehicle inventories.

[4] These claims and any remedies related to such claims are dismissed for lack of evidence and the Grants' failure to pursue them.

[5] For the reasons outlined already in Decision #1, this can only be an oppression claim, as there has been no evidence or legal basis otherwise led to support the Grants' allegations that either the Corporation or Caroline have breached the Shareholders' Agreement.

[6] Caroline's counsel has adopted the Corporations' submissions in respect of allegations that she has refused to provide adequate information and/or access to documentation to the Grants, with respect to the request for dual signing authority and also with respect to allegations that audit efforts were in any way impeded. My findings in respect of those allegations are found in Decision #1 and apply equally here to Caroline in her personal capacity, for all the reasons set out in Decision #1.

[7] Separately the undersigned has considered the allegations made through the lens of the oppression remedy provisions of the *Canada Business Corporations Act* ["CBCA"]. While Caroline holds much authority through being the named Dealer Principal as well as the General Manager of the dealership, that does not spare her from having to answer oppression allegations under the CBCA. She holds a different set of responsibilities to the 49% shareholder under the CBCA.

[8] To be clear, however, even if I were to determine certain of the impugned transactions were improper, the appropriate remedy would not be dividends to the Grants [see Decision #1 DC 21-105]; rather it would be the return of such funds to the Corporations. There is no situation in which any request for damages, even if proved, would be in the nature of dividend payouts.

Payments to Stella

[9] One the Grants' allegations which they seem to have pursued through the hearing and into the closing submissions, is with respect to an alleged non-arm's length transaction entered into by Caroline with respect to her daughter Stella ["Stella"], for the work her daughter performed at the dealership. The Grants appear to have abandoned their claims relating to the propriety of Stella's earnings in 2020 and 2021 and her having had access to a company car.

[10] Caroline gave detailed evidence on how and why Stella was paid for the final weeks of 2019 and the first week of 2020 for work she performed prior to the closing of the asset purchase. All of the work was, we heard, ultimately for the benefit of the dealership, and the \$2000.00 per week paid to Stella in 2020 represented a back-pay lump sum amount for her work done prior to the closing, as were the several \$500.00 per week payments made in the following weeks. In short, the evidence demonstrated that the funds represented a combination of back pay and pay for hours worked in 2020. [The evidence relating to Stella's employment is also discussed in Decision #1].

[11] During cross examination, Christopher conceded that, when broken down per hour, Stella's salary for 2020 was approximately \$20.00 per hour, and approximately \$14.00 per hour for 2021. This was the same hourly wage that another employee of the dealership, Nessa Prendergast, received during 2020. During the arbitration, the Respondent presented evidence that Ms. Prendergast's duties were ultimately taken up by Stella, who performed them for the balance of 2020, further validating why she was paid the same hourly wage. The Grants did not lead any evidence that \$12,000.00 was an unreasonable annual income for an employee engaged in work comparable to Stella's in 2019. Similarly, they did not lead any evidence to show that \$20.00 per hour was an unreasonable salary to pay an employee for the tasks performed by Stella. Nor was any evidence led that Stella's pay was not commensurate with the hours she worked.

[12] Stella's occasional access to company vehicles was also fully explained, and as noted above no longer appears to be in issue.

[13] Stella's employment is not in breach of the Shareholders' Agreement. Her employment and the facts surrounding it fall easily within section 4.1 [f], insofar as Caroline as General Manager of the dealership had final authority regarding this issue as part of the ordinary day-to-day operations of the dealership. Stella's annual income was far less than the \$100,000.00 threshold which would have triggered the application of clause 4.2 [q] of the Shareholders' Agreement. Moreover, Stella's appointment and remuneration are permissible under clause 4.2

[m] of the Shareholders' Agreement, insofar as her wages do not exceed what a person at arm's length would be paid in similar circumstances. Stella was paid a modest salary for work she did at the dealership, including during 2019. There is no evidence to suggest that Stella's wages were unreasonable or offensive or constituted a breach of clause 4.2 [m] of the Shareholders' Agreement.

[14] The assertion that the Corporations should not be held responsible for Stella's pre-closing wages because they were debts incurred by OEM before its acquisition by Seaway is also without merit. This debt was incurred for the benefit of OEM and the dealership business related to the acquisition. One could compare it to the consultancy fees incurred by the Grants and paid out of the 116 Loan. Stella's employment at the dealership in 2019 and thereafter entirely accords with reasonable business practices and, as pointed out by Caroline's counsel at paragraph 56 of his closing submission, small private corporations often find themselves employing shareholders' and officers' relatives. In fact, the Grants themselves have done so in the past.

[15] The Grants have not identified any obligation in the Shareholders' Agreement demonstrating [or even suggesting] that Caroline has breached the Shareholders' Agreement by employing and paying Stella to work at the dealership.

[16] Turning to the CBCA, this Act imposes no statutory fiduciary relationship between directors of a corporation or between shareholders of a corporation. Section 122 [1] [a] does provide that directors and officers owe a fiduciary obligation to the corporation but it would be incorrect to suggest it goes beyond that. As outlined by the Supreme Court of Canada in **BCE Inc. v. 1976 Debentureholder**¹, when a conflict arises between directors and specific shareholders, it is permissible for the directors to act in a way that diverges from the shareholders' interests, *provided that doing so is in accordance with the director's fiduciary obligation to the corporation*. The only actionable statutory fiduciary claim here is one by the Corporations, and the Grants/Claimants have made no such derivative claim. This is a personal disagreement with Caroline's decision to employ and pay her daughter without their express permission.

[17] There is also no law of equity that imposes a general fiduciary obligation that would apply herein².

[18] In sum, Caroline has not breached any obligation she may owe to the Corporations or to the Grants by employing Stella to work at the dealership and paying her, including in 2019.

¹ [2008] 3 S.C.R. 303 at para 66.

² See **Alberta v. Elder Advocates of Alberta Society**, [2011] 2 S.C.R. 261 at para 36.

Caroline's general manager salary

[19] The Grants' evidence at the arbitration with respect to Caroline deciding to pay herself a salary is also directly rooted in her not having obtained their prior approval before doing so. However, there was no requirement that she get their approval [or to be specific, Cameron's approval]. Clear and cogent evidence was led at the arbitration establishing that Caroline took care to comply with the condition precedent in s. 4.1[f] of the Shareholders agreement: that the Corporation first be profitable. No contrary evidence was led, so there is no reason to believe that the Corporations' finances did **not** allow for the salary to be paid to Caroline.

[20] Section 4.2 of the Shareholders' Agreement sets out all of the decisions and conduct which require the prior approval of the shareholders before any action is taken in respect thereof. Section 4.2 does not contain any reference to the general manager's salary, and the Grants/Claimants have no right of approval of the general manager's salary, unless it were to constitute a dividend or a bonus, which it does not. Her salary is contemplated in s. 4.1[l] of the Shareholders' Agreement and is quite plainly for work performed as the general manager of the dealership.

[21] There is also no evidence that the salary exceeds what would be paid to any general manager hired at arm's length. If anything, based on the evidence led, the salary is well below the market rate [**see Exhibit 99 at Joint Book p.1403**]. Accordingly, the payment of the general manager's salary to Caroline did not breach Section 4.2[m] of the Shareholders' Agreement and, for the sake of completeness, neither did it breach s. 4.2[q] of the Shareholders' Agreement, as the salary is well below the \$100,000.00 threshold set out in that section.

[22] During the arbitration and in their closing submission, the Grants asserted that Caroline gave Cameron a verbal promise prior to the execution of the Shareholders' Agreement to refrain from drawing a salary for one year. There is no allegation that somehow this alleged verbal statement constituted a warranty or similar for the purposes of the Shareholders' Agreement. In any event, Caroline does not admit to having made such a promise, and we can see from the language set out in section 4.1 [f] of the Shareholders' Agreement that the parties chose to make financial capacity, not the passage of time, the condition precedent for her being able to take a salary. There is nothing in the Shareholders' Agreement that would require Carolyn to discuss drawing a salary with the other shareholders before doing so.

[23] As is the case with respect to Stella's salary, there is no applicable fiduciary obligation owed by Caroline under statute or otherwise under law in these circumstances. Even if such an

obligation existed, which it does not, it would not be a breach for Caroline to be paid a salary in accordance with the Shareholders' Agreement as agreed to by the parties.

[24] Paragraphs 14 and 19 of the Grants' 21-109 claim contain further allegations that Caroline improperly committed the Corporations to capital projects and or financial expenditures without seeking the approval of the Grants - in breach of her fiduciary obligations and/or in breach of the Shareholders' Agreement. There is an alternative claim that this alleged conduct was oppressive and/or unfair to the rights of the minority shareholders. Particulars of these allegations were promised, but they were never provided during the proceeding.

The Shareholder Advance Repayment

[25] What was provided 21-109 arbitration was evidence led through Christopher, purportedly on behalf of Cameron/116, that the Corporations have reimbursed Caroline \$8000.00 of an approximately \$118,000.00 shareholder advance she allegedly made to the Corporations without the approval of the minority shareholder. In what seems to be a new claim, the Grants [and/or Christopher on behalf of Cameron/116] now point to this as possible evidence of wrongdoing on Caroline's part. The evidence of the \$8000.00 reimbursement does not appear to be tied to any particular allegation in the pleadings either at the hearing or even in the Grants' closing submissions.

[26] In any event, the relevant entries were included in the Corporations' general ledger, and independently verified in the financial statements, both of which the Claimants have had access to for some time via the SERTI system.

[27] The undersigned dismisses this Claim on the basis that it was never pleaded. However, in the event that I am mistaken in that assessment, I have outlined my added reasons for its dismissal below.

[28] To begin, in her direct evidence Caroline testified that in the first few months after closing, the Corporations did not have sufficient cash flow to cover certain expenses related to the closing, or to comply with a number of covenants, such as ensuring that the Corporations' bank accounts had the minimum balance as required by agreement with BMO. She explained that she covered these necessary disbursements by way of a shareholder loan from her own funds.

[29] Next, as noted above, the transactions were duly recorded in the general ledger by way of vouchers and other corroborating documents, all of which were available to the Claimants via

the SERTI system. The transactions and corresponding debt are also included in OEM's financial statements, to which 116 had access as a shareholder of Seaway, and to which the Grants had access in their respective capacities as directors of Seaway and OEM. **[see evidence of Caroline on May 20, 2022 and evidence of Mr. Sanner May 24, 2022 and Exhibit 39 of the Joint Book]**

[30] On or about September 17, 2021, [at a point in the timeline where the relationship between Caroline and the Grants was now in the hands of/being supervised by lawyers] Caroline advised Cameron by e-mail that she had directed the Corporations to reimburse her \$8000.00 [with no interest] in respect of a portion of a shareholder's advance she had made to the Corporations. Her evidence at the arbitration was to the effect that the notice was given to Cameron out of courtesy. She testified that while she knew his approval was not necessary under the Shareholders' Agreement, she wanted to document that she had at least given him notice. Caroline sent Cameron an acknowledgment form for his signature, which - unsurprisingly given the stance being taken on all things related to Caroline by the Grants - he refused to sign.

[31] Caroline takes the position that she was entitled to direct Mr. Sanner to prepare and provide the partial loan repayment of \$8000.00. She relies on s. 5.1 of the Shareholders' Agreement in support of her position that a shareholder need not obtain the other shareholder's approval [a] before making an advance to the Corporation or [b] before obtaining a reimbursement. It is worthwhile setting out the text of section 5.1:

5.1 Terms

All advances or contributions of funds by the shareholders to the Corporation under the provisions of this section [referred to in this Shareholders Agreement as Shareholder Advances] shall be upon such terms and conditions as shall be agreed upon and, in default of agreement, shall be upon the following terms and conditions:

[a] all advances and contributions shall be evidenced by promissory notes made by the Corporation in the principal amount advanced by each of the contributing shareholders made payable to be [sic] contributing shareholder; and

[b] the promissory notes shall bear interest computed from the date when the funds are advanced to the Corporation by the contributing shareholders, at a rate of 1% per annum, compounded quarterly.

Caroline points to the phrase "in default of agreement" [underlined above for emphasis] as validating her course of action and direction to Mr. Sanner.

[32] The language in 5.1 first contemplates shareholders agreeing to specific terms with respect to any advance, but it also contemplates no agreement, in which case the terms of the Shareholders' Agreement prevail. Section 5.2 of the Shareholders' Agreement also contains no obligation upon the advancing shareholder seeking *repayment* to seek approval from the other shareholder prior to being reimbursed.

[33] Satisfied that the terms of the Shareholders' Agreement had been complied with, Caroline asserts that she was free to unilaterally advance the funds and to later approve the partial reimbursement of the advance.

[34] This is the correct interpretation of sections 5.1 and 5.2. Consent was not technically required for either the advance or the reimbursement under the provisions of the Shareholders' Agreement. Caroline's actions are further supported by the fact that her terms [0% interest] were additionally beneficial to the Corporation.

[35] The Claimants did not lead any evidence to suggest the Corporation was not in a position to repay the \$8000.00. However, they do argue in their closing submissions that Caroline's explanation and description of the advance and accompanying reimbursement should be rejected on the basis that it is [a] not verifiable and [b] inconsistent with the evidence of Mr. Sanner. The undersigned has reviewed this evidence again with care .

[36] With respect to the 'unverified' allegation, as noted above, Caroline produced evidence that the transactions were captured in the Corporations' financial statements. The Grants did not consult or review those records, but that does not mean the transactions were unverified.

[37] In terms of the inconsistency allegation, Caroline gave evidence that she provided the advances at least in part to cover necessary expenses during the launch of the business. it follows then that the reimbursement was to repay a portion of the advances made for the purpose of covering expenses. Mr. Sanner, in his evidence, describes the advances as relating to expenses of the Corporation paid directly by Caroline in her personal capacity. The evidence given by Caroline and by Mr. Sanner was not identical [they explained in their own words and from their own vantage points], but it was not inconsistent.

[38] The Grants/Claimants also now argue that the advances created a debt predating Seaway's purchase of OEM, and on that basis the value of 116's interest in Seaway is being improperly reduced. However, the evidence presented by Caroline shows that the advances were for the benefit of OEM during the launch of its acquisition of the dealership and thereafter.

[39] Since the debt was for the benefit of OEM, it is a legitimate obligation of OEM. This has the effect of reducing the value of OEM, which may indirectly reduce the value of 116's shareholding in Seaway, since it owns 100% of OEM. I am unable to discern, though, how an interest-free loan to the Corporation could in any way 'improperly' reduce the value of 116's shareholding.

[40] Each Corporation is a separate legal person, each is liable only for its own debts and obligations, and the shareholders of each Corporation are not liable for those debts and obligations (except in very limited circumstances where it is deemed appropriate to lift the corporate veil, which has not been alleged or proved in this case). Since, as discussed above, Caroline has established that the advances were made for the benefit of OEM, the advances are a debt of OEM. Neither Seaway nor 116 is responsible or liable for the debts of OEM. So, the Claimants cannot claim that this debt improperly reduces the value of their shareholding in Seaway ... if that is what they are in fact arguing.

[41] Finally, the Claimants argue that the loan repayment by OEM may violate sections 4.2 [c], [h], [l], [j], and/or [m] of the Shareholders' Agreement. The answer is this: [i] these clauses do not apply, and [ii] even if they did, sections 5.1 and 5.2 provide a complete answer to this allegation. Sections 5.1 and 5.2 represent the clear agreement of the parties to exempt shareholder advances and repayments from the requirements of section 4.2.

[42] For all of these reasons, the shareholder's advances and subsequent repayment of \$8000.00 (representing a portion of the advances) are permitted by the Shareholders' Agreement and there is no basis upon which to accept the Grant/Claimants contrary position.

[43] The transactions also do not constitute a breach of any fiduciary obligation. As addressed in Decision #1 vis a vis the counterclaim against the Corporations, Caroline similarly does not owe the Grants/Claimants any fiduciary obligation.

Oppression

[44] Oppression, in a general sense, has been referenced by the Claimants/the Grants throughout these proceedings. The reference appears to be a kind of "catch-all" general description of Caroline's conduct. There is one specific reference that can be found at paragraph 22 of the DC 21-109 Claim regarding a line of credit [**"LOC"**], but this was never particularized. There was no evidence led of losses/harm relating to Caroline's alleged refusal to use the LOC for any new cars, or of any costs that would flow from possible bankruptcy protection - or related to shareholder cash injections. This claim appears to have been abandoned and, if it that is not the

case, it is dismissed for lack of evidence. To ensure completeness, any related fiduciary obligation allegations with respect to the LOC are also dismissed for the same reasons given above.

[45] The reference to oppression, though, shifted in the closing submissions away from any specific reference [such as the LOC] and became a backup allegation/claim with respect to all the conduct of Caroline [and/or the Corporations] objected to under the Shareholders' Agreement. Put another way, there is now a broad claim of oppressive behaviour pursuant to section 241 at the CBCA, on the basis of the operation of the Corporations and the dealership. The assertion in DC 21-109 is that Caroline ought be found personally liable under section 241 [3] of the CBCA.

[46] These allegations of oppression are not made out. The broad purpose of the oppression remedy is to restore what is fair when a corporation has engaged in conduct that undermines the reasonable expectations of the aggrieved parties in a manner that is oppressive, unfairly prejudicial or has unfair disregard for the interests of those parties³.

[47] In making that assessment, the undersigned must discern the *reasonable expectations* [not **any** expectations] of the aggrieved parties, according to the arrangements which existed between them. The courts have interpreted this reference to arrangements as being the covenants agreed to by the shareholders. The Shareholders Agreement, therefore, is the primary source for assessing what expectations are and are not reasonable.

[48] The Grants/Claimants disagree with some of Caroline's decisions, but this does not mean that it is reasonable for them to have expected her to have acted otherwise given the language they negotiated and committed to in the Shareholders' Agreement. A difference of opinion over a course of action is not in and of itself oppression, particularly when the Shareholders' Agreement allows for such decisions and conduct.

[49] The request for an oppression remedy overlaps with the Grants/Claimants main allegations that Caroline breached the Shareholders' Agreement. In this case, Caroline acted in accordance with the Shareholders' Agreement and, although the Claimants may have expected her to act in a different way and are unhappy that she did not, that does not meet the test for oppression.

[50] Even if the Claimants had met the burden of demonstrating a breach of the oppression provisions of the CBCA, which they have not, they have not come close to meeting the burden of

³ See **BCE Inc. v. 1976 Debentureholders**, [2008] 3 S.C.R. 303 this time at paras 56-68.

demonstrating personal liability pursuant to section 241 [3] of the CBCA that would be necessary to correct any alleged losses⁴. Having borne witness to many days of live testimony, this proceeding does not have the hallmarks required to demonstrate personal liability as being an appropriate remedy. Hallmarks such as bad faith, fraud, deceit and acting in the absence of authority to name a few - were simply not shown.

[51] Caroline's conduct throughout was permitted by the Shareholders' Agreement and is therefore a full answer to any claim that she acted in bad faith or otherwise inappropriately.

[52] For all of the reasons given, there is no factual or legal basis for the claims of oppression. There is likewise no basis for any award of punitive damages.

Order

This 21-109 Claim is dismissed with costs in favour of the Respondent. I will wait to hear from counsel with respect to legal fees and disbursements. As directed in Decision #1 [DC 21-105], counsel may provide submissions on costs [five [5] pages or less before attachments such as, for example, a Bill of Costs] by November 30, 2022. Time will be given to opposing counsel to mount any challenge or objections to the costs claimed.

Dated in Ottawa, this 3rd day of November 2022

A handwritten signature in black ink, appearing to read 'J. Noonan', with a large loop at the end.

Elizabeth 'Joy' Noonan, Arbitrator

⁴ See *Wilson v. Alharayeri*, 2017 S.C.C. 39 at para 53.

**IN THE MATTER OF AN ARBITRATION PURSUANT TO S. 8(A) OF THE SHAREHOLDERS
AGREEMENT DATED OCTOBER 31, 2019**

ADR INSTITUTE OF CANADA

DAC-21-105

BETWEEN:

SEAWAY AUTO GROUP INC. and OEM AUTOMOTIVE SOLUTIONS INC.

Claimants/Respondents by Counterclaim

-and-

CAMERON GRANT, 11678833 CANADA INC. and CHRISTOPHER GRANT

Respondents/Claimants by Counterclaim

ADR INSTITUTE OF CANADA

DAC-21-109

BETWEEN:

CAMERON GRANT and 11678833 CANADA INC.

Claimants

-and-

CAROLINE BOURRET

Respondent

COSTS DECISION (issued February 21, 2023) Joy Noonan, Arbitrator

[1] The decision on costs below combines two case files:

- (i) **DAC 21-105** wherein Seaway Auto Group Inc. and OEM Automotive Solutions Inc. were the successful parties. They are referred to herein as “the Corporations”.
- (ii) **DAC 21-109** wherein Caroline Bourret was the successful party. She is referred to herein as “Ms. Bourret”.

In both referenced cases the unsuccessful parties were Cameron Grant, Christopher Grant [not formally named in 21-105 but attorned] and 11678833 Canada Inc. They are referred to jointly/collectively below as “the Grants”.

[2] Given the outcome of these proceedings [21-109 and 21-105] favouring the Corporations and Ms. Bourret, there is no question that costs will be awarded in their favour. The only real issue for the undersigned to assess is what is a fair and reasonable amount of costs for the unsuccessful party, in this case the Grants, to pay? All sets of counsel have provided comprehensive written submissions.

[3] Counsel for the Grants in his costs submission urges a partial indemnity assessment only, primarily on the basis that there was no clear finding of reprehensible conduct made by the undersigned in the reasons given for the two decisions. In support, he cites the 2009 decision of the Ontario Court of Appeal in *Davies v Clarington [Municipality] et.al.*

[4] The counsel for the Corporations and counsel for Ms. Bourret both assert that *effectively* the Grants displayed reprehensible conduct in their positions taken both before and throughout these proceedings and that substantial indemnity costs awards are merited.

[5] This was an arbitration governed by the ADRI Rules which, at Rule 5.3.2, provide that in making an award for costs the undersigned may evaluate the parties’ respective degrees of compliance with Rule 1.1¹ in considering a request[s] for enhanced levels of costs recovery. The rationale is consistent with the Ontario law [which governs the arbitration pursuant to the Shareholders Agreement] and also with Rule 57.01[1][f][i] of the *Ontario Rules of Civil Procedure*² which references improper, vexatious, or unnecessary steps taken by litigants to be a possible trigger for substantial indemnity costs.

¹ The Rules’ purpose is to enable parties involved in a dispute to reach a just, speedy, and cost-effective determination of it, taking into account the values that distinguish arbitration from litigation.

² RRO 1990, Reg 194.

[6] While the undersigned can allow that the Grants may have, at some early point in time, honestly held concerns regarding the operations of the dealership, those concerns were quickly shown to have no support in fact. Their insistence on nevertheless pursuing every possible allegation against the Corporations and Ms. Bourret, however petty, resulted in this arbitration being a much more involved process, then if they had stayed focused on the issues with regard to the nonproduction of the shareholders' register ("116 Documents").

[7] As discussed below, substantial indemnity costs are appropriate. When one considers the calculated actions of the Grants throughout this process, they do meet the standard of reprehensible conduct as considered in the *Davies* case.

DCA 21-105

Injunction seeking to compel the Grants to provide the 116 Documents

[8] The Corporations are entitled to full indemnification for their costs incurred in bringing this injunction. These costs were unnecessarily and uselessly incurred as became painfully clear during the course of the arbitration process. The evidence tendered outlined the endless cat and mouse game being played by the Grants with respect to the handing over of the 116 Documents. Ultimately, Christopher Grant made it clear that he would not be providing them. And while it is correct that, literally on the eve of commencing the injunction, current counsel for the Grants was retained and indicated a reversal in position – trust had been utterly destroyed by this point. Ultimately, it was only when the injunction materials were served that the 116 Documents were finally provided.

Injunction costs incurred = **\$8071.03**

The Arbitration Process

[9] The Grants' calculated gamesmanship and their conduct throughout entitles the Corporations to substantial indemnity costs on the remainder of their fees.

[10] For more than two years the Grants engaged in a course of conduct designed to obstruct the business and to undermine Ms. Bourret. The conduct and breach of fiduciary duties that forced the Corporations to commence this arbitration, the action [or refusal] with respect to the 116 Documents was merely the final trigger. The Grants' response to the DCA 21-105 claims and then the 21-109 counterclaims herein were an extension of their campaign against the

Corporations and Ms. Bourret. Their conduct and stance throughout the arbitration is something deserving of substantial indemnity costs.

[11] It does appear that the bill of costs crafted by the Corporations counsel includes their full disbursements in the total of actual fees. It also appears that the injunction preparation work [separately addressed above] has been included again [see Bill of Costs Section 3]. As such, the undersigned has reduced the overall arbitration fee request by the amount of \$7142.50. Even if the undersigned is somehow misreading the Bill of Costs document, the reduction is nevertheless fair and reasonable considering the costs award already given separately with regard to the injunction.

Total fees and disbursements of **\$225,936.61* - \$7142.50 x 90% = \$196,914.69**

(*An addition of sections 1-7 + disbursements of the Bill of Costs)

DCA 21-109

[12] The Grants promoted a series of bald and hurtful allegations that were prejudicial to Ms. Bourret's character and her reputation. These included grave allegations of dishonesty prejudicial to her character including that [i] she effectively embezzled company funds to enrich herself and her family; [ii] that she engaged in deceitful business conduct tantamount to fraud by using the company's assets to finance a company of her own and/or to finance other improper expenses; and [iii] that she had repeatedly breached her fiduciary obligations.

[13] None of these claims were substantiated.

[14] The Grants conduct in pursuing claims that obviously had no merit was reprehensible conduct in the context of this case. They had an obligation to evaluate their evidence, to assess their chances of success and to at least try to simplify the issues. Instead, they went the other way and instructed their counsel at every turn to continue pressing every possible [meritless] allegation. It lengthened and complicated the preceding unnecessarily.

[15] The lack of any merit in the counterclaim allegations is in and of itself deserving of an award of substantial indemnity costs. However, it was compounded throughout the proceeding by the Grants' continued obscuring of the basis for these claims. They had to know they had no merit but seemed to have a scattershot strategy that something by way of a smoking gun might be uncovered during examinations or during the hearing itself. There were no smoking guns. The strategy was a calculated one on their part and had a ripple effect throughout. As mentioned

above, it meant the process was much longer and complex than needed. It also forced the Corporations in 21-105 and Ms. Bourret to chase what appeared to be a moving target throughout. This was also keenly felt by the undersigned in trying to follow the actual evidence [or the lack thereof] vis-a-vis the host of allegations.

[16] **Re 21-105 and 21-109** : During the course of the proceedings the Grants studiously avoided disclosure of particulars in support of many of their allegations. Ultimately, we learned that this was because there were none. The undersigned observed the Corporations' and Ms. Bourret's counsel engaging in the frustration of endless guesswork, trying to anticipate what evidence might be tendered, or what arguments in support of the various bald allegations might be made at the hearing. This despite counsel having served written questions on the Grants' counsel asking for that basic information about the evidence and the foundation for a variety of their allegations. This also despite the undersigned having issued Disclosure Order #1 on April 21, 2022.

[17] It is a fundamental tenant of procedural fairness that Ms. Bourret know the case she would have to meet, something underscored in Disclosure Order #1. Yet, as counsel points out in his submission in support of Ms. Bourret's costs, the hearing of DCA 21-109 began without Ms. Bourret having received any answers to her questions or any associated productions. Those details are outlined in paragraphs 12 and 13 of Ms. Bourret's costs submission.

[18] The Grants ought to have withdrawn, long before the hearing, many of these allegations. Instead, they decided to double down on claims for which they had no evidence - all the way into the merits of the hearing. They forced opposing counsel to prepare evidentiary and legal defences to multiple claims that ultimately had no foundation whatsoever. The proper course and the course that is consistent with ADRIC Rule 1.1 would have been for the Grants to narrow their claims once realizing that many of the aspects of their allegations were unsupportable. They made a calculated decision not to do so.

[19] The Bill of Costs for Ms. Bourret includes substantial work by two counsel quite unfamiliar to the undersigned in this process. Counsel for the Grants objects to those fees being included in the assessment for reasons outlined in his submissions, and the undersigned agrees with him on this point.

Total Costs for Ms. Bourret's fees = **\$107,427.87 – (\$10,592.50 + \$11,732.50) x 90% = \$76,592.58**
+ hst @13% (9957.04) = \$86,549.62
Disbursements = \$15,255.00
\$86,549.62 + \$15,255.00 = \$101,804.61

Order

Costs in 21-105 are awarded to the Corporations in the total amount of **\$204,985.72**
(\$196,914.69 + \$8071.03).

Costs in 21-109 are awarded to Ms. Bourret in the amount of **\$101,804.61**.

Dated in Ottawa, this 21st day of February 2023

A handwritten signature in black ink, appearing to read 'J. Noonan', with a large loop at the start and a horizontal stroke extending to the right.

Elizabeth 'Joy' Noonan, Arbitrator

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at OTTAWA

ORDER

Conway Baxter Wilson LLP/s.r.l.
400-411 Roosevelt Avenue
Ottawa ON K2A 3X9

Chris Trivisonno LSO#: 73997C
ctrivisonno@conwaylitigation.ca
Kevin Droz LSO#: 82678N
kdroz@conwaylitigation.ca
Tel: (613) 288-0149

Lawyers for the Applicants

Email for parties served:
Danesh Rana: drana@kellysantini.com

CITATION: GRANT et al v. SEAWAY AUTO GROUP. INC. et al 2023 ONSC 3873
COURT FILE NO.: CV-22-00090804-0000
DATE: June 28, 2023

SUPERIOR COURT OF JUSTICE - ONTARIO

RE: CAMERON GRANT, 11678833 CANADA INC., and
CHRISTOPHER GRANT, Applicants

AND:

SEAWAY AUTO GROUP INC., OEM AUTOMOTIVE SOLUTIONS INC.
and CAROLINE BOURRET, Respondents

BEFORE: Justice Patrick Hurley

COUNSEL: Danesh Rana, for the Applicants

Chris Trivisonno and Kevin Droz, for the Respondents

Seaway Auto Group Inc. and OEM Automotive Solutions Inc.

Gabriel Poliquin, for the Respondent Caroline Bourret

HEARD: June 7, 2023

ENDORSEMENT

Overview

[1] This is an application under s. 46 of the *Arbitration Act 1991*, S. O. 1991, c.17 to set aside three arbitral awards of Joy Noonan, the first two dated November 3, 2022 and the third issued February 21, 2023. The respondents have brought an application to enforce the awards.

- [2] The arbitration stemmed from ongoing conflict over the operation of a Volkswagen dealership in Cornwall. A shareholders agreement required any dispute to be submitted to arbitration. An additional term stated that the decision of the arbitrator was final and binding and not subject to an appeal.
- [3] The applicants Cameron and Christopher Grant are brothers. Cameron is the sole shareholder of 11678833 Canada Inc. ("116"). This corporation, in turn, owns 49% of the respondent Seaway Auto Group Inc. ("Seaway"). The respondent Carolyn Bourett owns 51%. Seaway is the parent company of the respondent OEM Automotive Solutions Inc. ("OEM") which is the corporation that operates the Volkswagen dealership.
- [4] The Grants are corporate officers and directors as is Ms. Bourret. She is also responsible for the day-to-day management of the dealership.
- [5] Seaway and OEM commenced the arbitration process in February 2021. The Grants commenced one against Ms. Bourett the same month and in March made a counterclaim against the corporations and Ms. Bourett.
- [6] The parties agreed to the appointment of Ms. Noonan in November 2021 (the "Arbitrator"). All matters in dispute were heard together over the course of approximately three weeks in May 2022.

- [7] The Arbitrator released a lengthy written decision on November 3, 2022. She found that the applicants wrongfully interfered with the operation of the Volkswagen dealership by various obstructive acts and thereby failed to act in the best interests of the business; contravened the shareholders agreement; breached their fiduciary duties; and breached their duty of care as directors.
- [8] She awarded damages of \$348,278.73 under two headings: impairment of goodwill and lost revenue. She dismissed the counterclaim.
- [9] She requested written submissions on costs. In a decision dated February 21, 2023, the Arbitrator awarded costs on a substantial indemnity basis – \$204,985.72 in favour of Seaway and OEM and \$101,804.61 to Ms. Bourret.

The applicants position

- [10] The applicants do not challenge any of the liability findings. They do not contest the dismissal of the counterclaim. They acknowledge that, because of the shareholders agreement, the Arbitrator's decision is final and binding and cannot be appealed.
- [11] However, they submit that I can, and should, set aside the awards based on s. 46(1)6 of the *Arbitration Act* which provides that an award may be set aside if "The applicant was not treated equally and fairly, was not

given an opportunity to present a case or to respond to another party's case, or was not given proper notice of the arbitration or of the appointment of an arbitrator." They also rely on s. 38 which requires that an award be made in writing and state the reasons on which it is made.

[12] They focus on three aspects of her decision:

- i. The damages awarded for impairment of goodwill. According to the applicants, the Arbitrator relied on out-of-date financial information and accepted opinion evidence she should not have. Further, she did not adequately explain her quantification of the damages.
- ii. The damages awarded for loss of revenue. The Arbitrator did not explain why she rejected the applicants' submission that the correct measure of damages was loss of profit.
- iii. The Arbitrator did not allow the applicants to call one of their proposed witnesses, Neil Puri.

[13] In each of these rulings, the Arbitrator did not treat the applicants fairly and, because she did not, I have the authority to intervene and set aside the awards. If I agree that her decision should be set aside, it follows that the award of costs should also be set aside.

The respondents position

[14] Seaway and OEM assert that, for the applicants to be successful, they have to establish procedural unfairness and there was none. The parties knew the case they had to meet and were given ample opportunity to present their evidence and make submissions. There is no allegation that the Arbitrator was biased. They submit the Arbitrator's reasons were

grounded in the evidence and her legal conclusions sound. Even if they were not, the alleged flaws in her decision are legal errors that are immune from review.

- [15] Ms. Bourett concurs and adds that, with respect to the Arbitrator's decision concerning Mr. Puri's testimony, it was an evidentiary ruling made in the course of the arbitration and the court has no jurisdiction to intervene with respect to an interlocutory order of this nature.

The applicable legal principles

- [16] In *Tall Ships Developments Inc. v. Brockville (City)*, 2022 ONCA 861, Harvison Young, J.A. reiterated the proper judicial approach to arbitral decisions at paragraphs 2 – 3:

Central to this appeal is the fact that the parties agreed that the decision of the arbitrator was to be final, subject only to appeals on questions of law under s. 45(2) of the *Arbitration Act, 1991*, S.O. 1991, c. 17 (“*Arbitration Act*”). The application judge erred by characterizing questions of mixed fact and law as extricable questions of law. Moreover, in characterizing the same arguments as breaches of procedural fairness falling under s. 46 of the *Arbitration Act*, the application judge effectively bootstrapped the substantive arguments. This court has recently emphasized the narrow basis for setting aside an arbitral award under s. 46 of the *Arbitration Act*, which is not concerned with the substance of the parties' dispute and is not to be treated as an alternate appeal route: *Alectra Utilities Corporation v. Solar Power Network Inc.*, 2019 ONCA 254, 145 O.R. (3d) 481, at paras. 20-27, 40-44, leave to appeal refused, [2019] S.C.C.A. No. 202; *Mensula Bancorp Inc. v. Halton Condominium Corporation No. 137*, 2022 ONCA 769, at paras. 5, 40.

In this case, the parties selected an arbitrator to deal with a number of issues arising out of a large project with a number of

interrelated contracts and agreements. Moreover, they specifically chose to agree that only questions of law would be subject to appeal. As a matter of policy, and as the Supreme Court of Canada has stated repeatedly, judges exercising their appellate powers under s. 45 of the *Arbitration Act* should be cautious about extricating questions of law from the interpretation process: *Sattva Capital Corp. v. Creston Moly Corp.*, 2014 SCC 53, [2014] 2 S.C.R. 633, at paras. 54-55; *Teal Cedar Products Ltd. v. British Columbia*, 2017 SCC 32, [2017] 1 S.C.R. 688, at paras. 45-47. Failing to exercise such caution will result in the very inefficiencies, delays and added expense that choosing an arbitral process seeks to avoid. As I will explain in detail below, I conclude that none of the alleged errors made by the arbitrator could properly be considered extricable errors of law. Nor were there any breaches of procedural fairness that could attract review pursuant to s. 46 of the *Arbitration Act*.

- [17] I do not review the correctness or reasonableness of an Arbitrator's decision nor engage in a substantive review of it: *Aquanta v. Lightbox Enterprises Ltd*, 2023 ONSC 971 at paras. 16-17 and *Highbury Estates Inc. v. Bre-Ex Limited*, 2015 ONSC 4966 at paras. 21-25.
- [18] Pattillo, J. summarized the obligation to treat the parties equally and fairly in *Nasjiec Investments Ltd. v. Nuyork Investments Ltd.*, 2015 ONSC 4978 at paras. 38-40:

The obligation to treat the parties “equally and fairly” in both s. 19(1) and s. 46(1) 6 of the Act incorporates the requirements of natural justice and procedural fairness into arbitrations. See: *National Ballet of Canada v. Glasco* (2000), 2000 CanLII 22385 (ON SC), 49 O.R. (3d) 230 (S.C.J.). At a minimum, as provided by those sections, it includes the opportunity to present a case and respond to the other party's case as well as the right to have notice of the arbitration and the appointment of the arbitrator (s. 19(2) and s. 46(1) 6).

In *Hercus v. Hercus*, [2001] O.J. No. 534 (S.C.J.), which involved an application to set aside an award of a mediator/arbitrator in a family matter, the court addressed what the Act's requirement of treating the parties equally and fairly consists of. At para. 75 of the decision, the learned judge stated:

It is settled law that the right to a fair hearing is an independent and unqualified right. Arbitrators must listen fairly to both sides, give parties a fair opportunity to contradict or correct prejudicial statements, not receive evidence from one party behind the back of the other and ensure that the parties know the case they have to meet. An unbiased appearance is, in itself an essential component of procedural fairness.

While the requirements of natural justice extend beyond the basic principles set out in the Act, it is important to remember that an arbitration is a more informal process than a court proceeding. Furthermore, it is usually final. In such circumstances, the issue of fairness and equality must be considered having regard to the context of the proceeding. Furthermore, it is important to ensure that the integrity of the arbitration process is maintained.

- [19] As Akbarali, J. pithily noted in *Aquanta* at para. 28: "Section 46(1) 6 of the *Arbitration Act, 1991* is not a do-over to protect a party from its own choices, but rather to protect the party from unfair or inequitable conduct by an arbitrator."

Analysis

- [20] The applicants place substantial reliance on the decision of Perell, J. in *Alberta Cricket Association v. Alberta Cricket Council*, 2021 ONSC 8451. In that case, the arbitration award was set aside after Justice Perell found that the arbitrator's reasons were inadequate. He said at para. 54:

Written reasons show the parties that the adjudicator has paid attention to their arguments and treated them fairly and with due

process. Providing reasons for a decision removes the appearance of arbitrariness, makes the process transparent, and makes the decision-maker accountable because he or she is called on to explain and justify the decision. The question of the adequacy of reasons for decision is whether the reasons, viewed in light of the record and counsel's submissions on the live issues presented by the case, explain why the decision was reached, by establishing a logical connection between the evidence and the law on the one hand, and the decision on the other. The critical question is whether in the context of the record, the issues and the submissions of the parties, the judgment is sufficiently intelligible to show that the adjudicator understood the substance of the matter and addressed the necessary and critical issues. In the immediate case, the Arbitrator did not meet the standard.

- [21] The applicants submit that an arbitrator's statutory obligation to treat a party fairly and equally should be given a broad ambit to include not just the adequacy of reasons but also the failure to properly perform their "gatekeeper" function.
- [22] In this case, the Arbitrator failed to properly act as a gatekeeper because she accepted the evidence of Ms. Bourett and François Sanner about the amount of damages that should be ascribed to the impairment of goodwill. Mr. Sanner was OEM's financial controller. According to the applicants, it was unfair for the Arbitrator to accept their opinion and she did not explain why she assessed the damages at 80% of the amount claimed by the respondents. They point out that neither was qualified to express such an opinion and the information they were relying upon was out-of-date since it was based on OEM's 2020 financial statement.
- [23] The Arbitrator rejected their position, stating:
- Mr. Sanner as the Financial Controller walked all present at the hearing through how the calculation was reached, the lead up, the difficult decision and its practical long-term impact [i.e. that it is

now there and cannot be reversed until the business is sold]. He gave credible evidence of the value of the impairment was arrived at in consultation with the dealerships management and its accountants when the financial statements were prepared. Adding to the evidence of the Financial Controller, Caroline as the General Manager gave her added knowledge as the “the dealership’s management”. The Grants led no evidence to suggest this evidence was unreasonable.

Thus in making my assessment I have considered all the evidence [the line in the GBA statements, Mr. Sanner and Caroline] on the point. It is reasonable in my view to include that at least 80% of the impairment, so \$124,000, can be attributed to the actions of the Grants.

- [24] Goodwill is an intangible asset and its value (or loss in value) is controvertible. Expert opinion evidence can be helpful but is not necessary, particularly in an arbitration which is intended to be a more informal process than a trial, with less rigorous rules for the admissibility of evidence.
- [25] The applicants acknowledge that they knew the respondents were making this claim, had the opportunity to cross-examine their witnesses, to call their own witnesses and they made submissions to the Arbitrator about why she should reject the claim.
- [26] Another arbitrator might have come to a different conclusion. The applicants’ challenge to the claim was a cogent one. But, in the end, the Arbitrator accepted the respondents’ position. She gave reasons for why she did and treated the parties fairly and equally. If she was wrong in her

assessment of the damages under this heading, it was a legal error and that is not a ground to set aside the award.

[27] I next turn to damages for loss of revenue. The applicants' complaint is slightly different on this issue. They contend that the Arbitrator's failure to delineate why she rejected the applicants' position – that the appropriate measure of damages was loss of profit, not loss of revenue – is a fatal deficiency. Without an explanation, how do the applicants know that the Arbitrator even considered their submission and, just as importantly, why she preferred the respondents' position over theirs?

[28] A similar challenge was made in *Orion Travel Insurance Co. v. CMN Global Inc.*, 2023 ONSC 1527. In that case, the applicant described the arbitrator's reasons as "woefully inadequate" and "manifestly unfit".

Morgan, J. stated at paras. 40-42:

The question is whether, in the context of the evidentiary record, the Arbitrator's two interim decisions, his procedural orders and directions, the issues in dispute, and the submissions of the parties, the reasons for decision were sufficient to show that he understood the substance of the matter and addressed the key issues: *Hill v. Hamilton-Wentworth Regional Police Services Board*, 2007 SCC 41 (CanLII), [2007] 3 SCR 129, at para 101.

The courts have said that the applicable test is a functional one – i.e. do the reasons express enough to inform the parties of why the decision was made: *R. v. Sheppard*, 2002 SCC 26 (CanLII), [2002] 1 SCR 869, at para 55. The question is one of intelligibility, not exhaustiveness or eloquence of expression: *Ibid.*, at para 26.

Reading the Arbitrator's reasons as a whole, I do not find them unintelligible. They are relatively short, but when it comes to legal writing that is more of a blessing than a curse.

- [29] The parties presented distinct, competing arguments on this heading of damages. They had the opportunity to present whatever evidence they wanted and made detailed legal submissions at the conclusion of the hearing. It cannot be seriously argued that the Arbitrator was unaware of the applicants' position on the measure of damages and did not consider their argument. It might have been preferable if the Arbitrator explained why she accepted one theory of damages over the other but she was not obligated to do so: see *Orion* at paras. 45-47.
- [30] Her reasons are succinct but explain why she reached her conclusion on the damages caused by the applicants' wrongful conduct. Again, I do not intervene because the Arbitrator's assessment of the damages could be considered unreasonable or incorrect. The issue was properly before her and the requirements of procedural fairness were met.
- [31] The final objection of the applicants is the Arbitrator's ruling on Mr. Puri's testimony. Both sides made submissions to the Arbitrator on the relevance and materiality of the proposed evidence and she gave an oral ruling after hearing from them. Arguably, the exclusion of testimony from a key witness could be reviewable but Mr. Puri was far from that.
- [32] The application is dismissed. The parties filed costs outlines. If they are unable to reach an agreement on costs after making reasonable efforts to do so, the respondents may file written submissions not to exceed two

pages within 20 days of the release of this decision and the applicants have 10 days in which to respond with submissions of equal length. In addition to filing the submissions, copies of them should also be emailed to my judicial assistant at violet.kocevski-theriault@ontario.ca.

The applications to enforce the awards

[33] Counsel advised me at the hearing that they have reached an agreement in principle but were still working on the terms of the draft order. They were optimistic that there will be a consent order. As a result, I did not hear argument and I am not seized with the applications. However, given my familiarity with the case, counsel can request that the draft order be sent to me for my review and signature.

HURLEY, J.

Released: June 28, 2023

Fourth Report of the Proposal Trustee

Appendix “P”

OEM Automotive Solutions Inc. ("Solutions")

2024-03-25 to 2024-05-17 Cumulative				
	Projected	Actual	Variance	Comment
Receipts				
New Vehicle Sales	540,000	562,156	22,156	
Used Vehicle Sales	130,000	76,282	(53,718)	Permanent negative variance due to customers holding off on vehicle purchase amid news of dealership being sold.
Other Revenue	5,000	4,880	(120)	
Parts & Service Sales	220,000	290,068	70,068	Permanent positive variance largely due to increased effort on warranty claims.
To/(From) Intercompany	-	(2,000)	(2,000)	
HST Collected	116,350	121,340	4,990	
	<u>1,011,350</u>	<u>1,052,727</u>	<u>41,377</u>	
Operating Disbursements				
Lien Payouts	(8,000)	(102,717)	(94,717)	Permanent difference as a result of an audit don't prior to closing by the purchasers, which uncovered couple vehicles with lien outstanding, coupled with more vehicles traded in towards the purchase of new vehicles.
Used Vehicle Purchases	-	-	-	
Parts Purchases	(102,500)	(58,521)	43,979	Permanent positive variance due to slow down of parts purchases in anticipation of the sale of dealership.
Payroll (Including Taxes)	(206,636)	(189,865)	16,771	
Employee Benefits	(15,000)	(11,363)	3,637	
WSIB	(5,000)	(4,084)	916	
Corporate Credit Card Repayment	(15,000)	(17,310)	(2,310)	
Vendor Payments	(30,000)	(51,059)	(21,059)	
Repairs and Maintenance CAPEX	(2,500)	-	2,500	
Rent and Utilities - Property 1 OEM Automotive Cornwall Inc.	(14,527)	(13,827)	701	
Rent and Utilities - Property 2 OEM Automotive holdings Inc.	(19,013)	(18,455)	558	
Insurance Payments	(34,200)	-	34,200	Positive variance expected to partially reverse, as the Proposal Trustee is currently working with the insurance broker to waive a portion of the insurance instalment amid dealership being sold.
HST Paid	(64,602)	(54,582)	10,020	
HST Refund (Remittance)	(23,450)	-	23,450	
Debt Service				
Floor Plan Payments To/From BMO	(762,241)	(601,652)	160,589	Temporary difference due to increase in higher value vehicles traded in being added to the floor plan.
BMO Floor Plan Curtailments	(130,000)	(47,494)	82,506	Permanent difference due to curtailment being paused for the month of April and May.
BMO Floor Plan Interest	(44,000)	(45,364)	(1,364)	
BMO Goodwill Loan (Interest)	(24,000)	(22,316)	1,684	Temporary difference expected to reverse in the next week.
Proposal Trustee & its Counsel's Fees	(256,820)	(232,596)	24,223	Includes fees paid on behalf of Cornwall and Holdings.
Restructuring Costs	(36,576)	(31,726)	4,850	Includes fees paid on behalf of Cornwall and Holdings.
Sales Agent Work Fees	(7,500)	-	7,500	
DIP Facility Interest and fees	(25,000)	-	25,000	
Contingency	(12,500)	-	12,500	
Total Disbursements	<u>(1,839,064)</u>	<u>(1,502,930)</u>	<u>336,134</u>	
Cash Balance				
Opening Cash Position per Bank Statement	400,453	400,453	-	
Net Cash Flow	(827,714)	(450,203)	377,511	
Surplus/Shortfall	(427,262)	(49,751)	377,511	
Funding from DIP Facility	75,000	75,000	-	
Ending Cash Position	<u>\$ (352,262)</u>	<u>\$ 25,249</u>	<u>\$ 377,511</u>	
Cumulative Cash Flow	(827,714)	(450,203)	377,511	

OEM Automotive Cornwall Inc. ("Cornwall")

2024-03-25 to 2024-05-17 Cumulative				
	Projected	Actual	Variance	Comment
Receipts				
Rent	11,799	11,799	-	
Utilities Collected	2,728	-	(2,728)	
HST Collected	1,889	1,534	(355)	
Total Receipts	16,416	13,333	(3,083)	
Operating Disbursements				
Utilities Payments	(2,728)	(289)	2,439	
Property Tax	(7,341)	(7,341)	-	
From/ (To) Intercompany	-	-	-	
HST Paid	(2,305)	(38)	2,267	
HST Refund (Remittance)	4,000	-	(4,000)	Temporary difference expected to reverse when HST is filed.
Debt Service & Restructuring Costs				
Scheduled Principal & Interest Payment	(6,840)	(6,840)	-	
Proposal Trustee & its Counsel's Fees	(15,000)	-	15,000	Permanent positive variance as Solutions paid these fees on behalf of Cornwall.
Restructuring Costs	-	-	-	
Total Disbursements	(30,214)	(14,508)	15,706	
Cash Balance				
Opening Cash Position per Bank Statement	13,917	13,917	-	
Net Cash Flow	(13,798)	(1,175)	12,623	
Ending Cash Position	119	12,742	12,623	

OEM Automotive Holdings Inc. ("Holdings")

2024-03-25 to 2024-05-17 Cumulative				
	Projected	Actual	Variance	Comment
Receipts				
Rent	17,699	17,699	-	
Utilities Collected	1,314	-	(1,314)	
HST Collected	2,472	2,301	(171)	
Total Receipts	21,485	20,000	(1,485)	
Operating Disbursements				
Utilities Payments	(1,314)	(579)	734	
Property Tax	(13,906)	(13,906)	-	
From/(To) Intercompany	-	2,000	2,000	
HST Paid	(1,471)	(75)	1,395	
HST Refund (Remittance)	2,600	-	(2,600)	Temporary difference expected to reverse when HST is filed.
Debt Service & Restructuring Costs				
Scheduled Principal & Interest Payment	(12,703)	(12,703)	-	
Proposal Trustee & its Counsel's Fees	(10,000)	-	10,000	Permanent positive variance as Solutions paid these fees on behalf of Holdings.
Restructuring Costs	-	-	-	
Total Disbursements	(36,794)	(25,264)	11,530	
Cash Balance				
Opening Cash Position per Bank Statement	15,793	15,793	-	
Net Cash Flow	(15,309)	(5,264)	10,045	
Ending Cash Position	483	10,529	10,045	

Fourth Report of the Proposal Trustee
Appendix “Q”

Enquiry Result

File Currency: 24MAR 2024

Show All Pages

Note: All pages have been returned.

Type of Search	Business Debtor								
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757334907	1	7	1	24	06NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757334907		001	1		20191106 1120 5076 2452	P PPSA	10		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	10 FOURTH STREET EAST				CORNWALL	ON	K6H 2H8		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	BANK OF MONTREAL DEALERSHIP FINANCE								
	Address				City	Province	Postal Code		
	5750 EXPLORER DRIVE, 3RD FLOOR				MISSISSAUGA	ON	L4W 0B1		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								

Registering Agent	Registering Agent			
	MEROVITZ POTECHIN (17352 PM)			
	Address	City	Province	Postal Code
	300 - 1565 CARLING AVENUE	OTTAWA	ON	K1Z 8R1

CONTINUED

Type of Search	Business Debtor									
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.									
File Currency	24MAR 2024									
	File Number	Family	of Families	Page	of Pages					
	757334907	1	7	2	24					
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT										
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number			Registered Under		
		001	1		20240104 1430 1793 8927					
Record Referenced	File Number	Page Amended		No Specific Page Amended	Change Required		Renewal Years	Correct Period		
	757334907				A AMNDMNT					
Reference Debtor/ Transferor	First Given Name				Initial	Surname				
	Business Debtor Name									
	OEM AUTOMOTIVE SOLUTIONS INC.									
Other Change	Other Change									
Reason / Description	Reason / Description									
	AMENDED TO ADD A SECURED PARTY									
Debtor/ Transferee	Date of Birth	First Given Name			Initial		Surname			
	Business Debtor Name						Ontario Corporation Number			
	Address				City		Province	Postal Code		
Assignor Name	Assignor Name									
Secured Party	Secured party, lien claimant, assignee									
	BANK OF MONTREAL									
	Address				City		Province	Postal Code		
	5750 EXPLORER DRIVE, 3RD FLOOR				MISSISSAUGA		ON	L4W0B1		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or		No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.			
General Collateral Description	General Collateral Description									
Registering Agent	Registering Agent or Secured Party/ Lien Claimant									
	AIRD & BERLIS LLP									

	Address	City	Province	Postal Code
	181 BAY STREET, SUITE 1800, BOX# 754	TORONTO	ON	M5J2T9

315

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757443033	2	7	3	24	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757443033		001	3		20191108 1549 6083 6505	P PPSA	10		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	CHRISTINA GRANT								
	Address				City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X		1800000	08FEB2030	
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	GENERAL SECURITY AGREEMENT ON ALL PRESENT & FUTURE PROPERTY OF THE								
	DEBTOR								
Registering Agent	Registering Agent								
	POIRIER & ARTHUR								
	Address				City	Province	Postal Code		
	132 SECOND STREET W				CORNWALL	ON	K6J 1G5		

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757443033	2	7	4	24	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757443033		002	3		20191108 1549 6083 6505				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address					City	Province Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address					City	Province Postal Code		
Secured Party	Secured Party / Lien Claimant								
	SEAWAY TOYOTA (1990) INC.								
	Address				City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757443033	2	7	5	24	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757443033		003	3		20191108 1549 6083 6505				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	1921534 ONTARIO INC.								
	Address				City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

END OF FAMILY

Type of Search	Business Debtor							319	
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757444167	3	7	6	24	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757444167		001	001		20191108 1618 1862 1957	P PPSA	10		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	628-623 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	11678833 CANADA INC.								
	Address				City	Province	Postal Code		
	704 PITT STREET				CORNWALL	ON	K6J 3R9		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X	1800000	08FEB2030	
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	GENERAL SECURITY AGREEMENT ON ALL PRESENT & FUTURE PROPERTY OF THE								
	DEBTOR								
Registering Agent	Registering Agent								
	WISHART LAW FIRM LLP								
	Address				City	Province	Postal Code		
	390 BAY STREET, 5TH FLOOR				SAULT STE. MARIE	ON	P6A 1X2		

Type of Search	Business Debtor							320	
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757445076	4	7	7	24	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757445076		001	002		20191108 1628 1862 1962	P PPSA	10		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	628-623 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE CORNWALL INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Secured Party	Secured Party / Lien Claimant								
	11678833 CANADA INC.								
	Address				City	Province	Postal Code		
	704 PITT STREET				CORNWALL	ON	K6J 3R9		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X	1800000	08FEB2030	
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	GUARANTEE, INDEMNITY, ASSIGNMENT AND POSTPONEMENT								
Registering Agent	Registering Agent								
	WISHART LAW FIRM LLP								
	Address				City	Province	Postal Code		
	390 BAY STREET, 5TH FLOOR				SAULT STE. MARIE	ON	P6A 1X2		

CONTINUED

Type of Search	Business Debtor							321	
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757445076	4	7	8	24	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757445076		002	002		20191108 1628 1862 1962				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE HOLDINGS INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
	06JUL1970	CAROLINE				BOURRET			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
	10 FOURTH STREET E				CORNWALL	ON	K6H 2H6		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor										322		
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.												
File Currency	24MAR 2024												
	File Number	Family	of Families	Page	of Pages								
	757445076	4	7	9	24								
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT													
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number				Registered Under				
		001	001		20210212 1338 1862 1216								
Record Referenced	File Number	Page Amended		No Specific Page Amended	Change Required			Renewal Years	Correct Period				
	757445076			X	A AMNDMNT								
Reference Debtor/ Transferor	First Given Name				Initial		Surname						
	CAROLINE						BOURRET						
	Business Debtor Name												
Other Change	Other Change												
Reason / Description	Reason / Description												
	TO REMOVE CAROLINE BOURRET, DOB 06JUL1970, 10 FOURTH STREET E, CORNWALL, ON K6H 2H6, AS DEBTOR												
Debtor/ Transferee	Date of Birth		First Given Name				Initial		Surname				
	Business Debtor Name										Ontario Corporation Number		
	Address					City			Province	Postal Code			
Assignor Name	Assignor Name												
Secured Party	Secured party, lien claimant, assignee												
	Address					City			Province	Postal Code			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or		No Fixed Maturity Date			
Motor Vehicle Description	Year	Make				Model			V.I.N.				
General Collateral Description	General Collateral Description												
Registering Agent	Registering Agent or Secured Party/ Lien Claimant												
	HAZLO LAW PROFESSIONAL CORPORATION												

	Address	City	Province	Postal Code
	283 SUSSEX DRIVE	OTTAWA	ON	K1N 6Z1

323

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	766945224	5	7	10	24	21OCT 2026			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
766945224		01	003		20201021 1934 1531 2918	P PPSA	6		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	632 PITT ST				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.								
	Address				City	Province	Postal Code		
	3450 SUPERIOR COURT, UNIT 1				OAKVILLE	ON	L6L 0C4		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
			X	X	X				
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	ALL PERSONAL PROPERTY OF THE DEBTOR FINANCED BY THE SECURED PARTY,								
	WHEREVER SITUATED, CONSISTING OF 2020 MAHINDRA 1635H TRACTOR, SERIAL								
	35HX181030087, 2020 MAHINDRA 1635L LOADER, SERIAL 1907118624,								
Registering Agent	Registering Agent								
	D+H LIMITED PARTNERSHIP								
	Address				City	Province	Postal Code		
	SUITE 200, 4126 NORLAND AVENUE				BURNABY	BC	V5G 3S8		

CONTINUED

Type of Search	Business Debtor							325	
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	766945224	5	7	11	24	21OCT 2026			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
766945224		02	003		20201021 1934 1531 2918				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	TOGETHER WITH ALL PARTS AND ACCESSORIES RELATING THERETO, ALL								
	ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO OR THEREON, ALL								
	REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS OF ALL OR								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor							326	
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	766945224	5	7	12	24	21OCT 2026			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
766945224		03	003		20201021 1934 1531 2918				
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name						Ontario Corporation Number		
	Address				City		Province	Postal Code	
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name						Ontario Corporation Number		
	Address				City		Province	Postal Code	
Secured Party	Secured Party / Lien Claimant								
	Address				City		Province	Postal Code	
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	ANY PART OF THE FOREGOING AND ALL PROCEEDS IN ANY FORM DERIVED THEREFROM.								
Registering Agent	Registering Agent								
	Address				City		Province	Postal Code	

END OF FAMILY

Type of Search	Business Debtor							327	
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	769861296	6	7	13	24	12FEB 2030			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
769861296		001	003		20210212 1339 1862 1217	P PPSA	9		
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name						Ontario Corporation Number		
	SEAWAY AUTO GROUP INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name						Ontario Corporation Number		
	OEM AUTOMOTIVE SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Secured Party	Secured Party / Lien Claimant								
	CHRISTINA GRANT								
	Address				City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X		1800000	08FEB2030	
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	GUARANTEE, INDEMNITY, ASSIGNMENT AND POSTPONEMENT								
Registering Agent	Registering Agent								
	HAZLO LAW PROFESSIONAL CORPORATION								
	Address				City	Province	Postal Code		
	283 SUSSEX DRIVE				OTTAWA	ON	K1N 6Z1		

CONTINUED

Type of Search	Business Debtor							328	
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	769861296	6	7	14	24	12FEB 2030			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
769861296		002	003		20210212 1339 1862 1217				
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE HOLDINGS INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE CORNWALL INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Secured Party	Secured Party / Lien Claimant								
	SEAWAY TOYOTA (1990) INC.								
	Address				City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor							329	
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	769861296	6	7	15	24	12FEB 2030			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
769861296		003	003		20210212 1339 1862 1217				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	1921534 ONTARIO LTD.								
	Address				City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

END OF FAMILY

Type of Search	Business Debtor							330	
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	782836407	7	7	16	24	10MAY 2027			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
782836407		001	9		20220510 1152 1532 4242	P PPSA	05		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	632 PITT STREET				CORNWALL	ON	K6J3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	THE BANK OF NOVA SCOTIA								
	Address				City	Province	Postal Code		
	120 KING ST W, SUITE 500				HAMILTON	ON	L8P 4V2		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
				X	X	X			
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	ALL OF THE DEBTOR'S RIGHT, TITLE AND INTEREST IN, TO AND UNDER THE								
	ACCOUNTS AND CHATTEL PAPER ASSIGNED BY THE DEBTOR TO THE SECURED								
	PARTY FROM TIME TO TIME, INCLUDING, WITHOUT LIMITATION, ALL OF THE								
Registering Agent	Registering Agent								
	D + H LIMITED PARTNERSHIP								
	Address				City	Province	Postal Code		
	2 ROBERT SPECK PARKWAY, 15TH FLOOR				MISSISSAUGA	ON	L4Z 1H8		

CONTINUED

Type of Search	Business Debtor							331		
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.									
File Currency	24MAR 2024									
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status			
	782836407	7	7	17	24	10MAY 2027				
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN										
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period			
782836407		002	9		20220510 1152 1532 4242					
Individual Debtor	Date of Birth	First Given Name				Initial		Surname		
Business Debtor	Business Debtor Name						Ontario Corporation Number			
	Address					City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name				Initial		Surname		
Business Debtor	Business Debtor Name						Ontario Corporation Number			
	Address					City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant									
	Address					City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make				Model		V.I.N.		
General Collateral Description	General Collateral Description									
	DEBTOR'S PRESENT AND AFTER-ACQUIRED RIGHT, TITLE AND INTEREST IN (A)									
	ALL RIGHTS AND BENEFITS ACCRUING, AND AUTHORIZATIONS PROVIDED, UNDER									
	SUCH ACCOUNTS AND CHATTEL PAPER, (B) ALL PAYMENTS OF ANY NATURE AND									
Registering Agent	Registering Agent									
	Address					City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor							332		
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.									
File Currency	24MAR 2024									
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status			
	782836407	7	7	18	24	10MAY 2027				
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN										
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period			
782836407		003	9		20220510 1152 1532 4242					
Individual Debtor	Date of Birth	First Given Name				Initial	Surname			
Business Debtor	Business Debtor Name						Ontario Corporation Number			
	Address					City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name				Initial	Surname			
Business Debtor	Business Debtor Name						Ontario Corporation Number			
	Address					City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant									
	Address					City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make				Model	V.I.N.			
General Collateral Description	General Collateral Description									
	KIND, GUARANTEES, PROMISSORY NOTES AND INDEMNITY PAYMENTS RELATED TO									
	SUCH ACCOUNTS AND CHATTEL PAPER, (C) ALL GOODS RELATING TO SUCH									
	ACCOUNTS AND CHATTEL PAPER (INCLUDING WITHOUT LIMITATION MOTOR									
Registering Agent	Registering Agent									
	Address					City	Province	Postal Code		

Type of Search	Business Debtor							333	
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	782836407	7	7	19	24	10MAY 2027			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
782836407		004	9		20220510 1152 1532 4242				
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	VEHICLES) AND THE BENEFIT OF ALL COVENANTS AND INDEMNITIES WITH								
	RESPECT TO SUCH GOODS, (D) ALL CLAIMS, DEMANDS, ACTIONS, DAMAGES AND								
	INDEMNITIES OF ANY NATURE AND KIND UNDER SUCH ACCOUNTS AND CHATTEL								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor							334	
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	782836407	7	7	20	24	10MAY 2027			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
782836407		005	9		20220510 1152 1532 4242				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	PAPER, (E) THE RIGHT TO ASK, DEMAND, SUE FOR, COLLECT, RECEIVE AND								
	ENFORCE ANY AND ALL SUMS PAYABLE UNDER SUCH ACCOUNTS AND CHATTEL								
	PAPER AND TO ENFORCE ALL OTHER COVENANTS, OBLIGATIONS, RIGHTS AND								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor							335		
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.									
File Currency	24MAR 2024									
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status			
	782836407	7	7	21	24	10MAY 2027				
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN										
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period			
782836407		006	9		20220510 1152 1532 4242					
Individual Debtor	Date of Birth	First Given Name				Initial	Surname			
Business Debtor	Business Debtor Name						Ontario Corporation Number			
	Address					City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name				Initial	Surname			
Business Debtor	Business Debtor Name						Ontario Corporation Number			
	Address					City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant									
	Address					City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make				Model	V.I.N.			
General Collateral Description	General Collateral Description									
	REMEDIES THEREUNDER, AND (F) ALL CONTRACTS, BOOKS, RECORDS, REPORTS									
	AND OTHER DOCUMENTS AND INFORMATION PERTAINING TO SUCH ACCOUNTS AND									
	CHattel PAPER, TOGETHER IN EACH CASE WITH (I) ALL ATTACHMENTS,									
Registering Agent	Registering Agent									
	Address					City	Province	Postal Code		

Type of Search	Business Debtor							336		
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.									
File Currency	24MAR 2024									
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status			
	782836407	7	7	22	24	10MAY 2027				
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN										
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period			
782836407		007	9		20220510 1152 1532 4242					
Individual Debtor	Date of Birth	First Given Name				Initial	Surname			
Business Debtor	Business Debtor Name						Ontario Corporation Number			
	Address					City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name				Initial	Surname			
Business Debtor	Business Debtor Name						Ontario Corporation Number			
	Address					City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant									
	Address					City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make				Model	V.I.N.			
General Collateral Description	General Collateral Description									
	ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND									
	IMPROVEMENTS TO THE FOREGOING, (II) ALL PROCEEDS IN ANY FORM DERIVED									
	DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH ANY OR ALL OF THE									
Registering Agent	Registering Agent									
	Address					City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor							337	
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	782836407	7	7	23	24	10MAY 2027			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
782836407		008	9		20220510 1152 1532 4242				
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	FOREGOING AND (III) ALL INSURANCE PROCEEDS AND ALL RIGHTS TO AN								
	INSURANCE PAYMENT OR ANY OTHER PAYMENT THAT INDEMNIFIES OR								
	COMPENSATES FOR LOSS OR DAMAGE TO THE FOREGOING OR PROCEEDS OF THE								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor							338	
Search Conducted On	OEM AUTOMOTIVE SOLUTIONS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	782836407	7	7	24	24	10MAY 2027			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
782836407		009	9		20220510 1152 1532 4242				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	FOREGOING.								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

LAST PAGE

Note: All pages have been returned.

[BACK TO TOP](#)

Show All Pages

Enquiry Result

File Currency: 24MAR 2024

All Pages

◀◀

▶▶

Show All Pages

Note: All pages have been returned.

Type of Search	Business Debtor								
Search Conducted On	OEM AUTOMOTIVE CORNWALL INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757334709	1	5	1	12	06NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757334709		001	1		20191106 1117 5076 2451	P PPSA	10		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE CORNWALL INC.								
	Address				City	Province	Postal Code		
	10 FOURTH STREET EAST				CORNWALL	ON	K6H 2H8		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE CORNWALL INC.								
	Address				City	Province	Postal Code		
	628 PITT STREET				CORNWALL	ON	K6J 3R7		
Secured Party	Secured Party / Lien Claimant								
	BANK OF MONTREAL DEALERSHIP FINANCE								
	Address				City	Province	Postal Code		
	5750 EXPLORER DRIVE, 3RD FLOOR				MISSISSAUGA	ON	L4W 0B1		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								

Registering Agent	Registering Agent			
	MEROVITZ POTECHIN (17352 PM)			
	Address	City	Province	Postal Code
	300 - 1565 CARLING AVENUE	OTTAWA	ON	K1Z 8R1

CONTINUED

Type of Search	Business Debtor									
Search Conducted On	OEM AUTOMOTIVE CORNWALL INC.									
File Currency	24MAR 2024									
	File Number	Family	of Families	Page	of Pages					
	757334709	1	5	2	12					
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT										
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number			Registered Under		
		001	1		20240108 1411 1793 9183					
Record Referenced	File Number	Page Amended		No Specific Page Amended	Change Required		Renewal Years	Correct Period		
	757334709				A AMNDMNT					
Reference Debtor/ Transferor	First Given Name				Initial	Surname				
	Business Debtor Name									
	OEM AUTOMOTIVE CORNWALL INC.									
Other Change	Other Change									
Reason / Description	Reason / Description									
	TO ADD AN ADDITIONAL SECURED PARTY									
Debtor/ Transferee	Date of Birth	First Given Name			Initial		Surname			
	Business Debtor Name						Ontario Corporation Number			
	Address				City		Province	Postal Code		
Assignor Name	Assignor Name									
Secured Party	Secured party, lien claimant, assignee									
	BANK OF MONTREAL									
	Address				City		Province	Postal Code		
	5750 EXPLORER DRIVE, 3RD FLOOR				MISSISSAUGA		ON	L4W0B1		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or		No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.			
General Collateral Description	General Collateral Description									
Registering Agent	Registering Agent or Secured Party/ Lien Claimant									
	AIRD & BERLIS LLP									

	Address	City	Province	Postal Code
	181 BAY STREET, SUITE 1800, BOX# 754	TORONTO	ON	M5J2T9

343

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	OEM AUTOMOTIVE CORNWALL INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757443087	2	5	3	12	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757443087		001	3		20191108 1551 6083 6507	P PPSA	10		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE CORNWALL INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	CHRISTINA GRANT								
	Address				City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X		1800000	08FEB2030	
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	GENERAL SECURITY AGREEMENT ON ALL PRESENT & FUTURE PROPERTY OF THE								
	DEBTOR								
Registering Agent	Registering Agent								
	POIRIER & ARTHUR								
	Address				City	Province	Postal Code		
	132 SECOND STREET W				CORNWALL	ON	K6J 1G5		

CONTINUED

Type of Search	Business Debtor							345		
Search Conducted On	OEM AUTOMOTIVE CORNWALL INC.									
File Currency	24MAR 2024									
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status			
	757443087	2	5	4	12	08NOV 2029				
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN										
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule		Registration Number		Registered Under	Registration Period	
757443087		002	3			20191108 1551 6083 6507				
Individual Debtor	Date of Birth		First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name							Ontario Corporation Number		
	Address					City		Province	Postal Code	
Individual Debtor	Date of Birth		First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name							Ontario Corporation Number		
	Address					City		Province	Postal Code	
Secured Party	Secured Party / Lien Claimant									
	SEAWAY TOYOTA (1990) INC.									
	Address					City		Province	Postal Code	
	16108 EAST ISLAND CAUSEWAY					LONG SAULT		ON	K0C 1P0	
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make				Model		V.I.N.		
General Collateral Description	General Collateral Description									
Registering Agent	Registering Agent									
	Address					City		Province	Postal Code	

CONTINUED

Type of Search	Business Debtor							346	
Search Conducted On	OEM AUTOMOTIVE CORNWALL INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757443087	2	5	5	12	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757443087		003	3		20191108 1551 6083 6507				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	1921534 ONTARIO LTD.								
	Address				City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	OEM AUTOMOTIVE CORNWALL INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757445013	3	5	6	12	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757445013		001	001		20191108 1627 1862 1960	P PPSA	10		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE CORNWALL INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	11678833 CANADA INC.								
	Address				City	Province	Postal Code		
	704 PITT STREET				CORNWALL	ON	K6J 3R9		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X	1800000	08FEB2030	
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	GENERAL SECURITY AGREEMENT ON ALL PRESENT & FUTURE PROPERTY OF THE								
	DEBTOR								
Registering Agent	Registering Agent								
	WISHART LAW FIRM LLP								
	Address				City	Province	Postal Code		
	390 BAY STREET, 5TH FLOOR				SAULT STE. MARIE	ON	P6A 1X2		

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	OEM AUTOMOTIVE CORNWALL INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757445076	4	5	7	12	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757445076		001	002		20191108 1628 1862 1962	P PPSA	10		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	628-623 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE CORNWALL INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Secured Party	Secured Party / Lien Claimant								
	11678833 CANADA INC.								
	Address				City	Province	Postal Code		
	704 PITT STREET				CORNWALL	ON	K6J 3R9		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X	1800000	08FEB2030	
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	GUARANTEE, INDEMNITY, ASSIGNMENT AND POSTPONEMENT								
Registering Agent	Registering Agent								
	WISHART LAW FIRM LLP								
	Address				City	Province	Postal Code		
	390 BAY STREET, 5TH FLOOR				SAULT STE. MARIE	ON	P6A 1X2		

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	OEM AUTOMOTIVE CORNWALL INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757445076	4	5	8	12	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757445076		002	002		20191108 1628 1862 1962				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE HOLDINGS INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
	06JUL1970	CAROLINE				BOURRET			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
	10 FOURTH STREET E				CORNWALL	ON	K6H 2H6		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor										350
Search Conducted On	OEM AUTOMOTIVE CORNWALL INC.										
File Currency	24MAR 2024										
	File Number	Family	of Families	Page	of Pages						
	757445076	4	5	9	12						
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT											
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number				Registered Under		
		001	001		20210212 1338 1862 1216						
Record Referenced	File Number	Page Amended		No Specific Page Amended	Change Required			Renewal Years	Correct Period		
	757445076			X	A AMNDMNT						
Reference Debtor/ Transferor	First Given Name				Initial	Surname					
	CAROLINE					BOURRET					
	Business Debtor Name										
Other Change	Other Change										
Reason / Description	Reason / Description										
	TO REMOVE CAROLINE BOURRET, DOB 06JUL1970, 10 FOURTH STREET E, CORNWALL, ON K6H 2H6, AS DEBTOR										
Debtor/ Transferee	Date of Birth	First Given Name				Initial	Surname				
	Business Debtor Name										Ontario Corporation Number
	Address					City		Province	Postal Code		
Assignor Name	Assignor Name										
Secured Party	Secured party, lien claimant, assignee										
	Address					City		Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or		No Fixed Maturity Date	
Motor Vehicle Description	Year	Make				Model		V.I.N.			
General Collateral Description	General Collateral Description										
Registering Agent	Registering Agent or Secured Party/ Lien Claimant										
	HAZLO LAW PROFESSIONAL CORPORATION										

	Address	City	Province	Postal Code
	283 SUSSEX DRIVE	OTTAWA	ON	K1N 6Z1

351

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	OEM AUTOMOTIVE CORNWALL INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	769861296	5	5	10	12	12FEB 2030			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
769861296		001	003		20210212 1339 1862 1217	P PPSA	9		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	SEAWAY AUTO GROUP INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Secured Party	Secured Party / Lien Claimant								
	CHRISTINA GRANT								
	Address				City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X		1800000	08FEB2030	
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	GUARANTEE, INDEMNITY, ASSIGNMENT AND POSTPONEMENT								
Registering Agent	Registering Agent								
	HAZLO LAW PROFESSIONAL CORPORATION								
	Address				City	Province	Postal Code		
	283 SUSSEX DRIVE				OTTAWA	ON	K1N 6Z1		

CONTINUED

Type of Search	Business Debtor							353	
Search Conducted On	OEM AUTOMOTIVE CORNWALL INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	769861296	5	5	11	12	12FEB 2030			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
769861296		002	003		20210212 1339 1862 1217				
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name						Ontario Corporation Number		
	OEM AUTOMOTIVE HOLDINGS INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name						Ontario Corporation Number		
	OEM AUTOMOTIVE CORNWALL INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Secured Party	Secured Party / Lien Claimant								
	SEAWAY TOYOTA (1990) INC.								
	Address				City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor							354	
Search Conducted On	OEM AUTOMOTIVE CORNWALL INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	769861296	5	5	12	12	12FEB 2030			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
769861296		003	003		20210212 1339 1862 1217				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	1921534 ONTARIO LTD.								
	Address				City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

LAST PAGE

Note: All pages have been returned.

[BACK TO TOP](#)

355

Enquiry Result

File Currency: 24MAR 2024

Show All Pages

Note: All pages have been returned.

Type of Search	Business Debtor								
Search Conducted On	OEM AUTOMOTIVE HOLDINGS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757334448	1	5	1	12	06NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757334448		001	1		20191106 1114 5076 2450	P PPSA	10		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE HOLDINGS INC.								
	Address				City	Province	Postal Code		
	10 FOURTH STREET EAST				CORNWALL	ON	K6H 2H8		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE HOLDINGS INC.								
	Address				City	Province	Postal Code		
	632 PITT STREET				CORNWALL	ON	K6J 3R7		
Secured Party	Secured Party / Lien Claimant								
	BANK OF MONTREAL DEALERSHIP FINANCE								
	Address				City	Province	Postal Code		
	5750 EXPLORER DRIVE, 3RD FLOOR				MISSISSAUGA	ON	L4W 0B1		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								

Registering Agent	Registering Agent			
	MEROVITZ POTECHIN (17352 PM)			
	Address	City	Province	Postal Code
	300 - 1565 CARLING AVENUE	OTTAWA	ON	K1Z 8R1

CONTINUED

Type of Search	Business Debtor										358
Search Conducted On	OEM AUTOMOTIVE HOLDINGS INC.										
File Currency	24MAR 2024										
	File Number	Family	of Families	Page	of Pages						
	757334448	1	5	2	12						
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT											
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number				Registered Under		
		001	1		20240108 1412 1793 9184						
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period					
	757334448			A AMNDMNT							
Reference Debtor/ Transferor	First Given Name				Initial	Surname					
	Business Debtor Name										
	OEM AUTOMOTIVE HOLDINGS INC.										
Other Change	Other Change										
Reason / Description	Reason / Description										
	TO ADD AN ADDITIONAL SECURED PARTY										
Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname					
	Business Debtor Name									Ontario Corporation Number	
	Address				City		Province	Postal Code			
Assignor Name	Assignor Name										
Secured Party	Secured party, lien claimant, assignee										
	BANK OF MONTREAL										
	Address				City		Province	Postal Code			
	5750 EXPLORER DRIVE, 3RD FLOOR				MISSISSAUGA		ON	L4W0B1			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or		No Fixed Maturity Date	
Motor Vehicle Description	Year	Make			Model		V.I.N.				
General Collateral Description	General Collateral Description										
Registering Agent	Registering Agent or Secured Party/ Lien Claimant										
	AIRD & BERLIS LLP										

	Address	City	Province	Postal Code
	181 BAY STREET, SUITE 1800, BOX# 754	TORONTO	ON	M5J2T9

359

END OF FAMILY

Type of Search	Business Debtor							360		
Search Conducted On	OEM AUTOMOTIVE HOLDINGS INC.									
File Currency	24MAR 2024									
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status			
	757443051	2	5	3	12	08NOV 2029				
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN										
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period			
757443051		001	3		20191108 1550 6083 6506	P PPSA	10			
Individual Debtor	Date of Birth	First Given Name			Initial		Surname			
Business Debtor	Business Debtor Name						Ontario Corporation Number			
	OEM AUTOMOTIVE HOLDINGS INC.									
	Address				City		Province	Postal Code		
	628-632 PITT STREET				CORNWALL		ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial		Surname			
Business Debtor	Business Debtor Name						Ontario Corporation Number			
	Address				City		Province	Postal Code		
Secured Party	Secured Party / Lien Claimant									
	CHRISTINA GRANT									
	Address				City		Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT		ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
		X	X	X	X		1800000	08FEB2030		
Motor Vehicle Description	Year	Make			Model		V.I.N.			
General Collateral Description	General Collateral Description									
	GENERAL SECURITY AGREEMENT ON ALL PRESENT & FUTURE PROPERTY OF THE									
	DEBTOR.									
Registering Agent	Registering Agent									
	POIRIER & ARTHUR									
	Address				City		Province	Postal Code		
	132 SECOND STREET W				CORNWALL		ON	K6J 1G5		

CONTINUED

Type of Search	Business Debtor							361		
Search Conducted On	OEM AUTOMOTIVE HOLDINGS INC.									
File Currency	24MAR 2024									
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status			
	757443051	2	5	4	12	08NOV 2029				
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN										
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule		Registration Number	Registered Under	Registration Period		
757443051		002	3			20191108 1550 6083 6506				
Individual Debtor	Date of Birth		First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name							Ontario Corporation Number		
	Address					City		Province	Postal Code	
Individual Debtor	Date of Birth		First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name							Ontario Corporation Number		
	Address					City		Province	Postal Code	
Secured Party	Secured Party / Lien Claimant									
	SEAWAY TOYOTA (1990) INC.									
	Address					City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY					LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make				Model		V.I.N.		
General Collateral Description	General Collateral Description									
Registering Agent	Registering Agent									
	Address					City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor							362		
Search Conducted On	OEM AUTOMOTIVE HOLDINGS INC.									
File Currency	24MAR 2024									
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status			
	757443051	2	5	5	12	08NOV 2029				
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN										
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period			
757443051		003	3		20191108 1550 6083 6506					
Individual Debtor	Date of Birth	First Given Name			Initial	Surname				
Business Debtor	Business Debtor Name					Ontario Corporation Number				
	Address				City	Province	Postal Code			
Individual Debtor	Date of Birth	First Given Name			Initial	Surname				
Business Debtor	Business Debtor Name					Ontario Corporation Number				
	Address				City	Province	Postal Code			
Secured Party	Secured Party / Lien Claimant									
	1921534 ONTARIO LTD.									
	Address				City	Province	Postal Code			
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make			Model		V.I.N.			
General Collateral Description	General Collateral Description									
Registering Agent	Registering Agent									
	Address				City	Province	Postal Code			

END OF FAMILY

Type of Search	Business Debtor							363	
Search Conducted On	OEM AUTOMOTIVE HOLDINGS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757445004	3	5	6	12	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757445004		001	001		20191108 1626 1862 1959	P PPSA	10		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE HOLDINGS INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	11678833 CANADA INC.								
	Address				City	Province	Postal Code		
	704 PITT STREET				CORNWALL	ON	K6J 3R9		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X	1800000	08FEB2030	
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	GENERAL SECURITY AGREEMENT ON ALL PRESENT & FUTURE PROPERTY OF THE								
	DEBTOR.								
Registering Agent	Registering Agent								
	WISHART LAW FIRM LLP								
	Address				City	Province	Postal Code		
	390 BAY STREET, 5TH FLOOR				SAULT STE. MARIE	ON	P6A 1X2		

Type of Search	Business Debtor							364	
Search Conducted On	OEM AUTOMOTIVE HOLDINGS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757445076	4	5	7	12	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757445076		001	002		20191108 1628 1862 1962	P PPSA	10		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	628-623 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE CORNWALL INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Secured Party	Secured Party / Lien Claimant								
	11678833 CANADA INC.								
	Address				City	Province	Postal Code		
	704 PITT STREET				CORNWALL	ON	K6J 3R9		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X	1800000	08FEB2030	
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	GUARANTEE, INDEMNITY, ASSIGNMENT AND POSTPONEMENT								
Registering Agent	Registering Agent								
	WISHART LAW FIRM LLP								
	Address				City	Province	Postal Code		
	390 BAY STREET, 5TH FLOOR				SAULT STE. MARIE	ON	P6A 1X2		

CONTINUED

Type of Search	Business Debtor							365	
Search Conducted On	OEM AUTOMOTIVE HOLDINGS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757445076	4	5	8	12	08NOV 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757445076		002	002		20191108 1628 1862 1962				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE HOLDINGS INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
	06JUL1970	CAROLINE				BOURRET			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
	10 FOURTH STREET E				CORNWALL	ON	K6H 2H6		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor										366
Search Conducted On	OEM AUTOMOTIVE HOLDINGS INC.										
File Currency	24MAR 2024										
	File Number	Family	of Families	Page	of Pages						
	757445076	4	5	9	12						
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT											
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number				Registered Under		
		001	001		20210212 1338 1862 1216						
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period					
	757445076		X	A AMNDMNT							
Reference Debtor/ Transferor	First Given Name	Initial	Surname								
	CAROLINE		BOURRET								
	Business Debtor Name										
Other Change	Other Change										
Reason / Description	Reason / Description										
	TO REMOVE CAROLINE BOURRET, DOB 06JUL1970, 10 FOURTH STREET E, CORNWALL, ON K6H 2H6, AS DEBTOR										
Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname					
	Business Debtor Name										Ontario Corporation Number
	Address				City		Province	Postal Code			
Assignor Name	Assignor Name										
Secured Party	Secured party, lien claimant, assignee										
	Address				City		Province	Postal Code			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or		No Fixed Maturity Date	
Motor Vehicle Description	Year	Make			Model			V.I.N.			
General Collateral Description	General Collateral Description										
Registering Agent	Registering Agent or Secured Party/ Lien Claimant										
	HAZLO LAW PROFESSIONAL CORPORATION										

	Address	City	Province	Postal Code
	283 SUSSEX DRIVE	OTTAWA	ON	K1N 6Z1

367

END OF FAMILY

Type of Search	Business Debtor							368	
Search Conducted On	OEM AUTOMOTIVE HOLDINGS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	769861296	5	5	10	12	12FEB 2030			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
769861296		001	003		20210212 1339 1862 1217	P PPSA	9		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	SEAWAY AUTO GROUP INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Secured Party	Secured Party / Lien Claimant								
	CHRISTINA GRANT								
	Address				City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X		1800000	08FEB2030	
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	GUARANTEE, INDEMNITY, ASSIGNMENT AND POSTPONEMENT								
Registering Agent	Registering Agent								
	HAZLO LAW PROFESSIONAL CORPORATION								
	Address				City	Province	Postal Code		
	283 SUSSEX DRIVE				OTTAWA	ON	K1N 6Z1		

CONTINUED

Type of Search	Business Debtor							369	
Search Conducted On	OEM AUTOMOTIVE HOLDINGS INC.								
File Currency	24MAR 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	769861296	5	5	11	12	12FEB 2030			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
769861296		002	003		20210212 1339 1862 1217				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE HOLDINGS INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	OEM AUTOMOTIVE CORNWALL INC.								
	Address				City	Province	Postal Code		
	628-632 PITT STREET				CORNWALL	ON	K6J 3R7		
Secured Party	Secured Party / Lien Claimant								
	SEAWAY TOYOTA (1990) INC.								
	Address				City	Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT	ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor							370		
Search Conducted On	OEM AUTOMOTIVE HOLDINGS INC.									
File Currency	24MAR 2024									
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status			
	769861296	5	5	12	12	12FEB 2030				
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN										
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period			
769861296		003	003		20210212 1339 1862 1217					
Individual Debtor	Date of Birth	First Given Name			Initial		Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number				
	Address				City		Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial		Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number				
	Address				City		Province	Postal Code		
Secured Party	Secured Party / Lien Claimant									
	1921534 ONTARIO LTD.									
	Address				City		Province	Postal Code		
	16108 EAST ISLAND CAUSEWAY				LONG SAULT		ON	K0C 1P0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make			Model		V.I.N.			
General Collateral Description	General Collateral Description									
Registering Agent	Registering Agent									
	Address				City		Province	Postal Code		

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION:PT LT 16 S/S SEVENTH ST PL CORNWALL PT 2 52R2252; CORNWALL

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

FIRST CONVERSION FROM BOOK

PIN CREATION DATE:

2006/08/21

OWNERS' NAMES

OEM AUTOMOTIVE CORNWALL INC.

CAPACITY

SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT	INCLUDES ALL	DOCUMENT TYPES AND	DELETED INSTRUMENTS	SINCE 2006/08/18 **		
**SUBJECT,	ON FIRST REGISTRATION	UNDER THE LAND TITLES ACT,	TO:			
**	SUBSECTION 44(1) OF THE LAND TITLES ACT,	EXCEPT PARAGRAPH 11,	PARAGRAPH 14,	PROVINCIAL SUCCESSION DUTIES	*	
**	AND ESCHEATS OR FORFEITURE TO THE CROWN.					
**	THE RIGHTS OF ANY PERSON WHO WOULD,	BUT FOR THE LAND TITLES ACT,	BE ENTITLED TO THE LAND OR ANY PART OF			
**	IT THROUGH LENGTH OF ADVERSE POSSESSION,	PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY				
**	CONVENTION.					
**	ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.					
**DATE OF CONVERSION TO	LAND TITLES:	2006/08/21 **				
PLCORNWAL1	1847/10/01	PLAN SUBDIVISION				C
S61404	1968/02/14	LEASE		*** DELETED AGAINST THIS PROPERTY ***	ST.LAWRENCE DRIVE-INS LIMITED	
	REMARKS: SKETCH	ATTACHED.				
S61446	1968/02/19	ASSIGNMENT LEASE		*** DELETED AGAINST THIS PROPERTY ***	THE BANK OF MONTREAL	
S66916	1969/05/08	NOTICE OF LEASE		*** COMPLETELY DELETED ***	RITCHIE, GEORGE O'CONNOR, KENNETH JAMES	
S112213	1977/01/04	AGREEMENT		*** COMPLETELY DELETED ***		
	REMARKS: & LEASE					
S122298	1978/04/20	NO ASSG LESSEE INT		*** DELETED AGAINST THIS PROPERTY ***	MINDY'S LIMITED	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
52R2252	1984/08/22	PLAN REFERENCE				C
S180477	1986/07/31	TRANSFER		*** COMPLETELY DELETED ***	JACK MACDONELL MOTOR SALES LIMITED	
S180478	1986/07/31	ASSIGNMENT LEASE		*** COMPLETELY DELETED ***	JACK MACDONELL MOTOR SALES LTD.	
REMARKS: S112213						
S259323	1994/12/05	CHARGE		*** COMPLETELY DELETED ***	CANADIAN IMPERIAL BANK OF COMMERCE	
ST31415	2010/09/07	APL (GENERAL)		*** COMPLETELY DELETED *** JACK MACDONELL MOTOR SALES LIMITED		
REMARKS: DELETE INSTRUMENT NOS. S61404, S61446, S66916, S112213, S122298 & S180478						
ST31416	2010/09/07	APL CH NAME OWNER		*** COMPLETELY DELETED *** JACK MACDONELL MOTOR SALES LIMITED	MACDONELL FAMILY HOLDINGS INC.	
ST32204	2010/10/06	DISCH OF CHARGE		*** COMPLETELY DELETED *** CANADIAN IMPERIAL BANK OF COMMERCE		
REMARKS: S259323.						
ST109060	2019/11/12	TRANSFER	\$742,145	MACDONELL FAMILY HOLDINGS INC.	OEM AUTOMOTIVE CORNWALL INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
ST109061	2019/11/12	CHARGE	\$560,000	OEM AUTOMOTIVE CORNWALL INC.	BANK OF MONTREAL	C
ST109062	2019/11/12	NO ASSGN RENT GEN		OEM AUTOMOTIVE CORNWALL INC.	BANK OF MONTREAL	C
REMARKS: ST109061.						
ST109067	2019/11/12	CHARGE	\$1,000,000	OEM AUTOMOTIVE CORNWALL INC.	MACDONELL, GLENN JOSEPH	C
ST149429	2024/01/19	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	BDO CANADA LIMITED	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

PROPERTY DESCRIPTION: PART LOT 16 SOUTH SIDE SEVENTH STREET PLAN CORNWALL, PARTS 1 AND 2, 52R4375; CITY OF CORNWALL

PROPERTY REMARKS: SUBJECT TO EXECUTION NUMBER 07-0000367 - MACDONELL, RICHARD ALLAN , IF APPLICABLE, AS IN ST109063.

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
RE-ENTRY FROM 60180-0066

PIN CREATION DATE:
2019/05/03

OWNERS' NAMES
OEM AUTOMOTIVE HOLDINGS INC.

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2019/05/03 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN.						
THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION.						
ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2019/05/03 **						
52R4375	1991/09/10	PLAN REFERENCE				C
S359118	2011/12/14	TRANSFER		*** DELETED AGAINST THIS PROPERTY *** MACDONELL, DOROTHY RITA	MACDONELL, MICHAEL ALLAN MACDONELL, GLENN JOSEPH	
ST109063	2019/11/12	TRANSFER	\$1,378,270	MACDONELL, MICHAEL ALLAN MACDONELL, GLENN JOSEPH	OEM AUTOMOTIVE HOLDINGS INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
ST109064	2019/11/12	CHARGE	\$1,040,000	OEM AUTOMOTIVE HOLDINGS INC.	BANK OF MONTREAL	C
ST109065	2019/11/12	NO ASSGN RENT GEN		OEM AUTOMOTIVE HOLDINGS INC.	BANK OF MONTREAL	C
REMARKS: ST109064.						
ST109066	2019/11/12	CHARGE	\$1,000,000	OEM AUTOMOTIVE HOLDINGS INC.	MACDONELL, GLENN JOSEPH	C
ST149429	2024/01/19	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	BDO CANADA LIMITED	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

Fourth Report of the Proposal Trustee

Appendix “R”



Fogler, Rubinoff LLP
Lawyers

77 King Street West
Suite 3000, PO Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
t: 416.864.9700 | f: 416.941.8852
foglers.com

February 15, 2024

Reply To: Vern W. DaRe
Direct Dial: 416.941.8842
E-mail: vdare@foglers.com
Our File No. 236535

VIA EMAIL: CLONERGAN@BDO.CA

BDO Canada Limited
Licensed Insolvency Trustees
20 Wellington E., Suite 500
Toronto, Ontario
M5E 1C5
Attention: Clark Lonergan

Dear Sir:

Re: Bank of Montreal ("BMO") credit facilities to OEM Automotive Solutions Inc. ("Solutions"), OEM Automotive Cornwall Inc. ("Cornwall") and OEM Automotive Holdings Inc. ("Holdings") (collectively, the "Companies")

On December 22, 2023, each of the Companies filed a Notice of Intention to Make a Proposal (collectively, the "**NOIs**") pursuant to the *Bankruptcy and Insolvency Act* (the "**BIA**"). In your capacity as proposal trustee under the NOIs (the "**Proposal Trustee**"), you have requested our opinion regarding the validity and enforceability of the security held by BMO in relation to the credit facilities or loans provided in favour of the Companies. In this regard, we have reviewed the following documents in the course of formulating our opinion:

Solutions

- (a) the operative term sheet dated April 21, 2023 between BMO and Solutions, in which BMO established five (5) facilities in favour of Solutions in a maximum aggregate principal amount of \$6,413,640, regarding the following credit facilities: (i) a \$300,000 Demand Operating Loan; (ii) a \$4,000,000 Demand Wholesale Flooring (New) Facility; (iii) a \$300,000 Demand Wholesale Flooring (Used) Facility; (iv) a \$1,763,640 Goodwill Loan and Working Cap Loan; and (v) a \$50,000 Corporate Master Card Facility (collectively, the "**Solutions Credit Facilities**");
- (b) BMO holds, *inter alia*, the following security, as security for the Solutions Credit Facilities: (i) Security Agreement from Solutions dated November 6, 2019 ("**Solutions GSA**"); (ii) various limited and unlimited Guarantees of Solutions' indebtedness to BMO including a guarantee from Seaway Toyota 1990 Inc. dated November 7, 2019 in the limited amount of \$850,000; a guarantee from Caroline Bourret dated November 6, 2019 in the limited amount of \$1,000,000; a guarantee from Caroline Bourret and Cameron Grant dated November, 2019 in

the limited amount of \$1,000,000; an unlimited guarantee from Cornwall dated November 6, 2019; and an unlimited guarantee from Holdings dated November 6, 2019 (collectively, the "**Guarantees of Solutions' Debt to BMO**"); and (iii) Cross-Default Agreement from Cornwall, Holdings and Solutions to BMO dated November 6, 2019 (the "**Cross Default Agreement**") (collectively, "**Solutions Security**");

Holdings

- (c) a predecessor term sheet dated October 31, 2019 between BMO and Holdings, in which BMO established a term loan in favour of Holdings in the amount of \$1,040,000, and the operative term sheet signed July 20, 2021, in which BMO established a term loan in favour of Holdings in the amount of \$1,003,702 (the "**Holdings Credit Facility**");
- (d) BMO holds, *inter alia*, the following security, as security for the Holdings Credit Facility: (i) Security Agreement from Holdings dated November 6, 2019 ("**Holdings GSA**"); (ii) an unlimited guarantee of Holdings' indebtedness to BMO from Cornwall and Solutions dated November 6, 2019 (the "**Guarantee of Holdings' Debt to BMO**"); (iii) Cross-Default Agreement; (iv) Charge/Mortgage of Land from Holdings to BMO, in the principal amount of \$1,040,000, registered as instrument number ST109064 on November 12, 2019 (the "**Holdings Mortgage**") over title to the real property municipally known as 632 Pitt Street, Cornwall, Ontario, legally described as: Part Lot 16 South Side Seventh Street Plan Cornwall, Parts 1 and 2, 52R4375; City of Cornwall (PIN 60180 - 0282 LT) ("**632 Pitt Street**"), as governed by Standard Charge Terms 200821 ("**SCTs 200821**"); and (v) Notice of Assignment of Rents from Holdings to BMO, including General Assignment of Rents signed by Holdings on November 6, 2019, registered as instrument number ST109065 on November 12, 2019 (the "**Holdings Rent Assignment**") over title to 632 Pitt Street (collectively, the "**Holdings Security**");

Cornwall

- (e) a predecessor term sheet dated October 31, 2019 intended to be between BMO and Cornwall, in which BMO established a term loan in favour of Cornwall in the amount of \$560,000, and the operative term sheet signed July 20, 2021, in which BMO established a term loan in favour of Cornwall in the amount of \$540,455 (the "**Cornwall Credit Facility**");
- (f) BMO holds, *inter alia*, the following security, as security for the Cornwall Credit Facility: (i) Security Agreement from Cornwall dated November 6, 2019 ("**Cornwall GSA**"); (ii) an unlimited guarantee of Cornwall's indebtedness to BMO from Holdings and Solutions dated November 6, 2019 (the "**Guarantee of Cornwall's Debt to BMO**"); (iii) Cross-Default Agreement; (iv) Charge/Mortgage of Land from Cornwall to BMO, in the principal amount of \$560,000, registered as instrument number ST109061 on November 12, 2019 (the "**Cornwall Mortgage**") over title to the real property municipally known as 628 Pitt Street,

Cornwall, Ontario, legally described as: Part Lot 16 South Side Seventh Street Plan Cornwall, Part 2, 52R2252; Cornwall (PIN 60180 - 0067 LT) ("**628 Pitt Street**"), as governed by SCTs 200821; and (v) Notice of Assignment of Rents from Cornwall to BMO, including General Assignment of Rents signed by Cornwall on November 6, 2019, registered as instrument number ST109062 on November 12, 2019 (the "**Cornwall Rent Assignment**") over title to 628 Pitt Street (collectively, the "**Cornwall Security**") (the Solutions Security, the Holdings Security and the Cornwall Security are hereinafter referred to, collectively, as, the "**Security**" and the Security shall also include the Cross Collateralization Acknowledgement Agreement signed November 6, 2019 by Cornwall, Holdings and Solutions in favour of BMO (the "**Cross Collateralization Agreement**"); and the Solutions Credit Facilities, the Holdings Credit Facility and the Cornwall Credit Facility are hereinafter referred to, collectively, as, the "**Credit Facilities**").

As set out below and subject to certain assumptions and qualifications, we are of the opinion that BMO's Security is valid and enforceable.

A. Standard Assumptions and Qualifications

In rendering our opinion concerning BMO's Security, we have made the following standard assumptions:

1. The genuineness of all signatures, the legal capacity of natural persons, the conformity to original documents of all documents submitted to us as copies and the authenticity of all of the originals of such copies;
2. That all necessary corporate proceedings were taken to authorize the execution and delivery of BMO's Security documentation;
3. That we have been provided with all documentation affecting the validity or enforceability of BMO's Security documentation, and there are no verbal agreements varying the terms of BMO's Security documentation;
4. That valuable consideration was given by BMO to the Companies;
5. That the Companies had the corporate power and capacity to borrow money in Ontario, to provide BMO's Security documentation, to execute and deliver BMO's Security documentation and to perform the covenants contained in BMO's Security documentation on their part to be performed;
6. That there are no laws other than those of Ontario and those of Canada applicable in Ontario that would limit or affect the enforceability of BMO's Security documentation;
7. That the Companies owned the collateral, property or equipment over which BMO was granted a security interest;

8. We express no opinion as to whether BMO's Security can be attacked under the *Bankruptcy and Insolvency Act* (Canada) or any other federal or provincial legislation as a fraudulent conveyance, transfer at undervalue, preference or otherwise;
9. We express no opinion as to the priority of BMO's Security as against unregistered statutory trusts or liens; and
10. We express no opinion as to the validity of any security interest in any contractual rights or crown debts, which, by their terms, cannot be the subject of a security interest without the consent, authorization or approval of third parties.

B. The Credit Facilities

Subject to the assumptions and qualifications made above and the comments made under this section, the Credit Facilities appear to be valid and enforceable as per their terms, and binding on the parties. One qualification concerns the Cornwall Credit Facility regarding the predecessor October 31, 2019 facility with respect to the term loan in favour of Cornwall in the amount of \$560,000: it was not signed and accepted by Cornwall but rather was signed and accepted by Holdings as the borrower. This is an error as the Cornwall Credit Facility regarding the predecessor October 31, 2019 facility with respect to the term loan in favour of Cornwall in the amount of \$560,000 should have been signed and accepted by Cornwall as the borrower. Notwithstanding, we are of the opinion that Cornwall agreed to be bound to the Cornwall Credit Facility as borrower for the following reasons: (1) the operative July 20, 2021 facility with respect to the term loan in favour of Cornwall in the amount of \$540,455 was signed and accepted by Cornwall as borrower (and Holdings and Solutions as corporate guarantors); and (2) Cornwall (and Holdings and Solutions) also signed a Debt Servicing Undertaking and Agreement on November 8, 2019 in respect of BMO's predecessor \$560,000 credit facility to Cornwall, in which, among other things, Cornwall agreed to make all payments of principal and interest to BMO regarding the \$560,000 credit facility on a prompt and timely basis.

The Solutions Credit Facilities document was signed by Solutions as borrower, Holdings and Cornwall as corporate guarantors and Caroline Bourret as personal guarantor but it was not signed by Cameron Grant despite a signature line set out for his signature. As borrower and signatory to the Solutions Credit Facilities, Solutions is bound to the terms of the Solutions Credit Facilities.

C. GSAs

In accordance with the Credit Facilities, the Companies each granted and signed separate security agreements in favour of BMO: the Solutions GSA, the Holdings GSA and the Cornwall GSA (collectively, the "**GSAs**"). The GSAs are valid and enforceable as per their written terms. The GSAs grant BMO, among other things, a security interest in all of the Companies' present and after acquired personal property.

D. Rent Assignments

The Holdings Rent Assignment and Cornwall Rent Assignment appear to be valid and enforceable as per their written terms. The Holdings Rent Assignment to BMO is registered as instrument number ST109065 on November 12, 2019 over title to 632 Pitt Street; and the Cornwall Rent Assignment to BMO is registered as instrument number ST109062 on November 12, 2019 over title to 628 Pitt Street.

E. PPSA Review

BMO has registered financing statements against the Companies under the Ontario *Personal Property Security Act* (the "**PPSA**") to perfect its security interest in the personal property secured under the GSAs. The PPSA search results, as of January 1, 2024, confirm that BMO has a perfected security interest in the personal property of the Companies secured under the GSAs. In particular, BMO's financing statement against Solutions has registration number 20191106 1120 5076 2452. The registration period is 10 years, expiring on November 6, 2029. The PPSA registration checks-off the following collateral: inventory, equipment, accounts, other and motor vehicle included.

BMO's financing statement against Holdings has registration number 20191106 1114 5076 2450. The registration period is 10 years, expiring on November 6, 2029. The PPSA registration checks-off the following collateral: inventory, equipment, accounts, other and motor vehicle included.

BMO's financing statement against Cornwall has registration number 20191106 1117 5076 2451. The registration period is 10 years, expiring on November 6, 2029. The PPSA registration checks-off the following collateral: inventory, equipment, accounts, other and motor vehicle included.

Regarding the Holdings Rent Assignment and the Cornwall Rent Assignment, BMO does not appear to have registered a specific financing statement under the PPSA for the assignments.

BMO's PPSA registrations against the Companies are "first in time" and prior registrations at this time. As of January 1, 2024, the following were subsequent registrations under the PPSA against all or some of the Companies subject to any PMSIs: Christina Grant; Seaway Toyota (1990) Inc.; 1921534 Ontario Inc. (Ltd.); 11678833 Canada Inc.; De Lage Landen Financial Services Canada Inc; and The Bank of Nova Scotia.

F. Mortgages

BMO's interest in 632 Pitt Street is secured by the first-ranking registered Holdings Mortgage, and BMO's interest in 628 Pitt Street is secured by the first-ranking Cornwall Mortgage, as each are governed by SCTs 200821. We reviewed the parcel registers, current to January 5, 2024, for 632 Pitt Street and 628 Pitt Street. The Holdings Mortgage granted to BMO, in the principal amount of \$1,040,000, is registered as instrument number ST109064 on November 12, 2019 over title to the real property municipally known as 632 Pitt Street, Cornwall, Ontario. The Cornwall Mortgage granted to BMO, in the principal amount of \$560,000, is registered as

instrument number ST109061 on November 12, 2019 over title to the real property municipally known as 628 Pitt Street, Cornwall, Ontario.

The Holdings Mortgage and Cornwall Mortgage are valid and enforceable as per their terms. The legal descriptions indicated in the parcel registers are correctly identified on the Holdings Mortgage and Cornwall Mortgage. Pursuant to the SCTs 200821, the Holdings Mortgage secures the Holdings Credit Facility and the Cornwall Mortgage secures the Cornwall Credit Facility. As of January 5, 2024, these are first-ranking mortgages registered on title of the real properties in favour of BMO subject to any priority claims.

The land titles search against 632 Pitt Street and 628 Pitt Street, as of January 5, 2024, show a subsequent registration against title to each of the real properties on November 12, 2019 in favour of Glenn Joseph Macdonell by way of a charge or mortgage granted by Holdings over 632 Pitt Street in the principal amount of \$1,000,000 and by way of a charge or mortgage granted by Cornwall over 628 Pitt Street in the principal amount of \$1,000,000.

G. Guarantees

BMO's Security includes the Guarantees of Solutions' Debt to BMO, the Guarantee of Holdings' Debt to BMO and the Guarantee of Cornwall's Debt to BMO (collectively, the "**Guarantees**"). Subject to the above assumptions and qualifications, the Guarantees appear to be valid and enforceable as per their written terms.

H. Cross Default Agreement and Cross Collateralization Agreement

Generally, under the Cross Default Agreement, any default by one or more of the Companies of any of the Security is deemed to be a default by any or all of the Companies of the Security, and which will allow BMO to exercise any remedy available to it after the default under its Security in relation to the Credit Facilities. Also, generally, under the Cross Collateralization Agreement, Solutions, Holdings and Cornwall agreed with BMO that all of the Security secures payment of all indebtedness and liability of the Companies under the Credit Facilities whether direct or indirect, absolute or contingent, revolving or non-revolving, whether incurred by one or more of the Companies.

I. Other Searches

In addition to the above PPSA and land titles searches, we have conducted corporate profile searches in relation to the Companies, current to January 4, 2024. The Companies are incorporated pursuant to the laws of Canada and Caroline Bourret is shown as the chief officer, manager and director of each of the Companies.

As you know, on January 17, 2024, the Court granted an Order (the "**Court Order**") in the NOI or BIA proceedings of the Companies, including the following relief: administratively consolidating the estates of the Companies; extending the stay of proceedings to March 5, 2024; approving the first report of the Proposal Trustee and its activities as set out in the first report; approving a sale and investment solicitation process including the engagement of a

sales agent; enhancing the powers of the Proposal Trustee; approving interim financing for the Companies; and granting certain super-priority charges. As per your instructions, we registered the Court Order on title of 628 Pitt Street and 632 Pitt Street on January 19, 2024.

J. Opinion

We are of the opinion that the Credit Facilities constitute legal, valid and binding obligations of the Companies to BMO. These obligations are enforceable against the Companies in accordance with the terms of the Credit Facilities. We are also of the opinion that BMO's Security is valid and enforceable against the Companies and that proper registrations have been made regarding BMO's Security. This opinion is subject to the above assumptions, qualifications and comments.

If you have any questions, please do not hesitate to contact the undersigned.

Yours truly,

FOGLER, RUBINOFF LLP

"Vern W. DaRe"

Vern W. DaRe

Fourth Report of the Proposal Trustee
Appendix “S”



Fogler, Rubinoff LLP
Lawyers

77 King Street West
Suite 3000, PO Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
t: 416.864.9700 | f: 416.941.8852
foglers.com

May 8, 2024

Reply To: Vern W. DaRe
Direct Dial: 416.941.8842
E-mail: vdare@foglers.com
Our File No. 236535

VIA EMAIL: CLONERGAN@BDO.CA

BDO Canada Limited
Licensed Insolvency Trustees
20 Wellington E., Suite 500
Toronto, Ontario
M5E 1C5
Attention: Clark Lonergan

Dear Sir:

Re: Glenn Joseph Macdonell ("Macdonell") advance to OEM Automotive Cornwall Inc. ("Cornwall") and OEM Automotive Holdings Inc. ("Holdings") (collectively, with OEM Automotive Solutions Inc., the "Companies")

On December 22, 2023, each of the Companies filed a Notice of Intention to Make a Proposal (collectively, the "**NOIs**") pursuant to the *Bankruptcy and Insolvency Act* (the "**BIA**"). In your capacity as proposal trustee under the NOIs (the "**Proposal Trustee**"), you have requested our opinion regarding the validity and enforceability of certain mortgages held by Macdonell in relation to a vendor takeback dated on or about November 12, 2019 (the "**VTB**"), in which Macdonell allegedly advanced one million dollars to Holdings and Cornwall to purchase the premises at 632 Pitt Street, Cornwall, Ontario.

In relation to the VTB, the Companies granted various security, including a collateral mortgage from Holdings dated November 12, 2019 in the principal amount of one million dollars, as registered against title as instrument number ST109066 to the real property municipally known as 632 Pitt Street ("**632 Pitt Street**"), Cornwall, Ontario (the "**Holdings Mortgage**"), and a collateral mortgage from Cornwall dated November 12, 2019 in the principal amount of one million dollars, as registered against title as instrument number ST109067 to the real property municipally known as 628 Pitt Street ("**628 Pitt Street**"), Cornwall, Ontario (the "**Cornwall Mortgage**", together with the Holdings Mortgage, the "**Mortgages**").

As set out below and subject to certain assumptions and qualifications, we are of the opinion that the Mortgages are valid and enforceable.

Standard Assumptions and Qualifications

In rendering our opinion concerning the Mortgages, we have made the following standard assumptions:

1. The genuineness of all signatures, the legal capacity of natural persons, the conformity to original documents of all documents submitted to us as copies and the authenticity of all of the originals of such copies;
2. That all necessary corporate proceedings were taken to authorize the execution and delivery of the Mortgages;
3. That we have been provided with all documentation affecting the validity or enforceability of the Mortgages, and there are no verbal agreements varying the terms of the Mortgages;
4. That valuable consideration was given by Macdonell to any of the Companies;
5. That Cornwall and Holdings had the corporate power and capacity to borrow money in Ontario, to provide the Mortgages, to execute and deliver the Mortgages and to perform the covenants contained in the Mortgages on their part to be performed;
6. That there are no laws other than those of Ontario and those of Canada applicable in Ontario that would limit or affect the enforceability of the Mortgages;
7. That Cornwall and Holdings owned the respective collateral, property or real property over which Macdonell was granted a security interest or charge pursuant to the Mortgages;
8. We express no opinion as to whether the Mortgages can be attacked under the *Bankruptcy and Insolvency Act* (Canada) or any other federal or provincial legislation as a fraudulent conveyance, transfer at undervalue, preference or otherwise;
9. We express no opinion as to the priority of the Mortgages as against unregistered statutory trusts or liens; and
10. We express no opinion as to the validity of any security interest in any contractual rights or crown debts, which, by their terms, cannot be the subject of a security interest without the consent, authorization or approval of third parties.

A. Mortgages

Macdonell's interest in 632 Pitt Street was secured by the Holdings Mortgage, and Macdonell's interest in 628 Pitt Street was secured by the Cornwall Mortgage. We reviewed the applicable parcel registers, current to April 23, 2024, before the sale of 632 Pitt Street and 628 Pitt Street by the Proposal Trustee on or about April 30, 2024, which confirmed that the Holdings Mortgage and Cornwall Mortgage were registered on title of the respective property. After the said sale by the Proposal Trustee and the registration of the applicable Approval and Vesting Order on title, the Holdings Mortgage and Cornwall Mortgage were deleted, removed or expunged from title and under the applicable Approval and Vesting Order, generally the net proceeds from the sale of 632 Pitt Street and 628 Pitt Street shall stand in the place of the respective real property, and

the Mortgages shall attach to the net proceeds with the same priority as they had with respect to 632 Pitt Street and 628 Pitt Street respectively immediately prior to the sale.

B. Other Searches

In addition to the above land titles searches, we have conducted corporate profile searches in relation to the Companies, current to January 4, 2024 (before the above sale by the Proposal Trustee). The Companies are incorporated pursuant to the laws of Canada and Caroline Bourret was shown at that time as the chief officer, manager and director of each of the Companies.

C. Opinion

We are of the opinion that the Mortgages are valid and enforceable, and are valid charges, mortgages or claims against the respective net proceeds from the sale of 632 Pitt Street and 628 Pitt Street. This opinion is subject to the above assumptions, qualifications and comments.

If you have any questions, please do not hesitate to contact the undersigned.

Yours truly,

FOGLER, RUBINOFF LLP

"Vern W. DaRe"

Vern W. DaRe

Fourth Report of the Proposal Trustee
Appendix “T”



Fogler, Rubinoff LLP
Lawyers

77 King Street West
Suite 3000, PO Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
t: 416.864.9700 | f: 416.941.8852
foglers.com

March 1, 2024

Reply To: Vern W. DaRe
Direct Dial: 416.941.8842
E-mail: vdare@foglers.com
Our File No. 236535

VIA EMAIL: CLONERGAN@BDO.CA

BDO Canada Limited
Licensed Insolvency Trustees
20 Wellington E., Suite 500
Toronto, Ontario
M5E 1C5
Attention: Clark Lonergan

Dear Sir:

Re: Grant and 116 loans allegedly guaranteed and secured by OEM Automotive Solutions Inc. ("Solutions"), OEM Automotive Cornwall Inc. ("Cornwall") and OEM Automotive Holdings Inc. ("Holdings") (collectively, the "Companies")

On December 22, 2023, each of the Companies filed a Notice of Intention to Make a Proposal (collectively, the "**NOIs**") pursuant to the *Bankruptcy and Insolvency Act* (the "**BIA**"). In your capacity as proposal trustee under the NOIs (the "**Proposal Trustee**"), you have requested our opinion regarding the validity and enforceability of the security held by the Grants and/or related companies (as described below) in relation to certain alleged loans provided by them as guaranteed and secured by the Companies.

The Companies are each wholly owned subsidiaries of Seaway Auto Group Inc. ("**Seaway**"). Seaway is owned by the following shareholders: 51% by Caroline Bourret ("**Bourret**") and 49% by 11678833 Canada Inc. (which is beneficially owned by Cameron Grant) ("**116**").

By way of background to this opinion letter, pursuant to a loan agreement dated November 8, 2019 (the "**Grant Loan Agreement**"), the related lenders, Christina Grant, 1921534 Ontario Ltd. and Seaway Toyota (1990) Inc. (collectively, the "**Grants**") allegedly provided a loan to 116 in the amount of \$1.8 million (the "**Grant Loan**"). The security for the Grant Loan included a guarantee, indemnity, assignment and postponement dated November 8, 2019 from the Companies and others (the "**Companies' Guarantee of the Grant Loan**") and separate security agreements including from each of the Companies respectively dated November 8, 2019 (collectively, the "**Companies' GSAs regarding the Grant Loan**").

In turn, 116 allegedly lent the funds to Seaway (the owner or sole shareholder of the Companies) pursuant to a loan and option agreement dated November 8, 2019 (the "**116 Loan Agreement**") in the amount of \$1.8 million (the "**116 Loan**"). The security for the 116 Loan included a guarantee, indemnity, assignment and postponement dated November 8, 2019 from the Companies and others (the "**Companies' Guarantee of the 116 Loan**") and separate

security agreements including from each of the Companies respectively dated November 8, 2019 (collectively, the "**Companies' GSAs regarding the 116 Loan**").

In this regard, we have reviewed the following documents in the course of formulating our opinion:

Grant Loan

- (a) the Grant Loan Agreement;
- (b) the Companies' GSAs regarding the Grant Loan (collectively, the "**Grants' Security**"); and
- (c) the Companies' Guarantee of the Grant Loan;

116 Loan

- (d) the 116 Loan Agreement;
- (e) the Companies' GSAs regarding the 116 Loan (collectively, "**116's Security**"); and
- (f) the Companies' Guarantee of the 116 Loan.

As set out below and subject to certain assumptions and qualifications, we are of the opinion that the Grants' Security and 116's Security (collectively, the "**Security**") are valid, perfected and enforceable.

A. Standard Assumptions and Qualifications

In rendering our opinion concerning the Security, we have made the following standard assumptions:

1. The genuineness of all signatures, the legal capacity of natural persons, the conformity to original documents of all documents submitted to us as copies and the authenticity of all of the originals of such copies;
2. That all necessary corporate proceedings were taken to authorize the execution and delivery of the Security documentation;
3. That we have been provided with all documentation affecting the validity or enforceability of the Security documentation, and there are no verbal agreements varying the terms of the Security documentation;
4. That valuable consideration was given by the Grants to 116 and by 116 to Seaway;

5. That 116 and Seaway had the corporate power and capacity to borrow money in Ontario, to execute and deliver the respective Loan Agreements (as defined below) and to perform the covenants contained in the respective Loan Agreements;
6. That the Companies had the corporate power and capacity to grant the Security documentation, to execute and deliver the Security documentation and to perform the covenants contained in the Security documentation on their part to be performed;
7. That the Companies had the corporate power and capacity to grant the Guarantees (as defined below), to execute and deliver the Guarantees and to perform the covenants contained in the Guarantees on their part to be performed;
8. That there are no laws other than those of Ontario and those of Canada applicable in Ontario that would limit or affect the enforceability of the Security and Guarantees;
9. That the Companies owned the collateral, property or equipment over which the Grants and 116 were granted a security interest under the respective Security;
10. We express no opinion as to whether the Security and Guarantees can be attacked under the *Bankruptcy and Insolvency Act* (Canada) or any other federal or provincial legislation as a fraudulent conveyance, transfer at undervalue, preference or otherwise;
11. We express no opinion as to the priority of the Security as against unregistered statutory trusts or liens; and
12. We express no opinion as to the validity of any security interest in any contractual rights or crown debts, which, by their terms, cannot be the subject of a security interest without the consent, authorization or approval of third parties.

B. Grant Loan Agreement and 116 Loan Agreement (collectively, the "Loan Agreements")

Subject to the assumptions and qualifications made above, the Loan Agreements appear to be valid and enforceable as per their terms, and binding on the parties. Under the Loan Agreements, the Companies agreed, among other things, to grant the respective Security and Guarantees.

C. GSAs

In accordance with the Loan Agreements, the Companies each granted and signed separate security agreements: (i) in favour of the Grants: the Companies' GSAs regarding the Grant Loan or the Grants' Security, and (ii) in favour of 116: the Companies' GSAs regarding the 116 Loan or 116's Security. These GSAs appear to be valid and enforceable as per their written terms. Also, these GSAs respectively grant the Grants and 116, among other things, a security interest in the Companies' personal property.

D. PPSA Review

The Grants and 116 have registered financing statements against the Companies under the Ontario *Personal Property Security Act* (the "**PPSA**") to perfect their security interest in the personal property secured under their respective Security. The PPSA search results, as of January 1, 2024, confirm that the Grants and 116 have a perfected security interest in the personal property of the Companies secured under their respective Security.

Regarding Solutions, the Grants' financing statement against Solutions has registration number 20191108 1549 6083 6505. The registration period is 10 years, expiring on November 8, 2029. The PPSA registration checks-off the following collateral: inventory, equipment, accounts, and other in the amount of \$1.8 million. The general collateral description refers to a General Security Agreement on all present and future property of Solutions. There is one minor typing error in the registration, in that one of the Grants or secured parties, is identified or registered as 1921534 Ontario Inc. when in fact the correct name of the secured party is 1921534 Ontario Ltd. A reasonable person would not be misled by this minor typing error and it does not invalidate the registration.

116's financing statement against Solutions has registration number 20191108 1618 1862 1957. The registration period is 10 years, expiring on November 8, 2029. The PPSA registration checks-off the following collateral: inventory, equipment, accounts, other and motor vehicle included, in the amount of \$1.8 million. The general collateral description refers to a General Security Agreement on all present and future property of Solutions.

Regarding Holdings, the Grants' financing statement against Holdings has registration number 20191108 1550 6083 6506. The registration period is 10 years, expiring on November 8, 2029. The PPSA registration checks-off the following collateral: inventory, equipment, accounts, and other in the amount of \$1.8 million. The general collateral description refers to a General Security Agreement on all present and future property of Holdings.

116's financing statement against Holdings has registration number 20191108 1626 1862 1959. The registration period is 10 years, expiring on November 8, 2029. The PPSA registration checks-off the following collateral: inventory, equipment, accounts, other and motor vehicle included, in the amount of \$1.8 million. The general collateral description refers to a General Security Agreement on all present and future property of Holdings.

Regarding Cornwall, the Grants' financing statement against Cornwall has registration number 20191108 1551 6083 6507. The registration period is 10 years, expiring on November 8, 2029. The PPSA registration checks-off the following collateral: inventory, equipment, accounts, and other in the amount of \$1.8 million. The general collateral description refers to a General Security Agreement on all present and future property of Cornwall.

116's financing statement against Cornwall has registration number 20191108 1627 1862 1960. The registration period is 10 years, expiring on November 8, 2029. The PPSA registration checks-off the following collateral: inventory, equipment, accounts, other and motor vehicle included, in the amount of \$1.8 million. The general collateral description refers to a General Security Agreement on all present and future property of Cornwall.

Regarding the Companies' Guarantee of the Grant Loan and the Companies Guarantee of the 116 Loan, each of which include a guarantee, indemnity, assignment and postponement (collectively, the "**Guarantees**"), the Grants and 116 appear to have registered specific financing statements against the Companies under the PPSA.

Regarding the Companies' Guarantee of the Grant Loan, the Grants' financing statement against the Companies (and Seaway) has registration number 20210212 1339 1862 1217. The registration period is 9 years, expiring on February 12, 2030. The PPSA registration checks-off the following collateral: inventory, equipment, accounts, and other in the amount of \$1.8 million. The general collateral description refers to a Guarantee, Indemnity, Assignment and Postponement. We note that the Companies' Guarantee of the Grant Loan is dated November 8, 2019 but that the applicable PPSA registration was made on February 12, 2021, more than a year later.

Regarding the Companies' Guarantee of the 116 Loan, 116's financing statement against the Companies has registration number 20191108 1628 1862 1962. The registration period is 10 years, expiring on November 8, 2029. The PPSA registration checks-off the following collateral: inventory, equipment, accounts, other and motor vehicle included, in the amount of \$1.8 million. The general collateral description refers to a Guarantee, Indemnity, Assignment and Postponement.

Subject to the above assumptions and comments, the Security and Guarantees appear to be validly perfected pursuant to the above PPSA registrations.

E. Guarantees

The Guarantees appear to be properly signed and valid as per their written terms. We raise one minor technical issue. Each of the signed Guarantees has on the top of the title page, the word or words: Schedule "A". We would have preferred a clean signed version of the Guarantees without the reference to Schedule "A" on the top of the title pages.

F. Other Searches

In addition to the above PPSA searches, we have conducted corporate profile searches in relation to the Companies, current to January 4, 2024. The Companies are incorporated pursuant to the laws of Canada and Caroline Bourret is shown as the chief officer, manager and director of each of the Companies.

G. Opinion

We are of the opinion that the Loan Agreements give rise to legal, valid and binding obligations of the Companies respectively to the Grants and 116. These obligations are enforceable against the Companies in accordance with the terms of the Loan Agreements. We are also of the opinion that the Security is valid and enforceable against the Companies and that proper registrations under the PPSA have been made regarding the Security. Finally, the Guarantees

appear to be valid as per their terms, and registrations have been made under the PPSA. This opinion is subject to the above assumptions, qualifications and comments.

If you have any questions, please do not hesitate to contact the undersigned.

Yours truly,

FOGLER, RUBINOFF LLP

"Vern W. DaRe"

Vern W. DaRe

Fourth Report of the Proposal Trustee
Appendix “U”

REPLY MAYA POLIAK
 TO:
 FILE NO.: 83593
 DIRECT: 416-218-1161
 FAX: 416-218-1161
 EMAIL: maya@chaitons.com

May 16, 2024

VIA EMAIL to vdare@foglers.com

Vern DaRe
 Fogler, Rubinoff LLP
 77 King Street West, Suite 3000
 TD Centre North Tower
 Toronto, ON, M5K1G8

Re: Loan by Christina Grant et. al. to 11678833 Canada Inc. ("116") and Loan by 116 to Seaway Auto Group Inc. ("Seaway Auto") et. al.

Dear Sir,

We are lawyers for Christina Grant, 1921534 Ontario Ltd., and Seaway Toyota (1990) Inc. (collectively the "**192 Lenders**") and 116.

As you are aware pursuant to a Loan Agreement dated November 8, 2019 (the "**192 Loan Agreement**"), the 192 Lenders made a loan to 116 in the principal amount of \$1,800,000 (the "**First Loan**"). The amounts owing by 116 to the 192 Lenders were guaranteed by, among others, Seaway Auto, OEM Automotive Solutions Inc., OEM Automotive Holdings Inc. and OEM Automotives Cornwall Inc. (collectively, "**Seaway**"). Seaway's obligations under their guarantees are secured by General Security Agreements each dated November 8, 2019, copies of which have been previously provided to BDO Canada Limited in its capacity as the proposal trustee of Seaway.

As you are also aware, the amounts advanced by the 192 Lenders under the 192 Loan Agreement to 116 were reloaned to Seaway Auto as borrower (the "**Second Loan**") pursuant to the terms of the Loan and Option Agreement dated November 8, 2019 (the "**Second Loan Agreement**"). Seaway Auto's obligations to 116 were also secured by unlimited guarantees from OEM Automotive Solutions Inc., OEM Automotive Holdings Inc. and OEM Automotives Cornwall Inc.

Pursuant to the above referenced agreements, all funds repaid under the Second Loan were used by 116 to repay its obligations to the 192 Lenders.

On behalf of 116 and the 192 Lenders, the following amounts are required to pay as of May 16, 2024 to discharge the obligations of Seaway under the Second Loan and the obligation of 116 as guaranteed by Seaway under the First Loan:

Principal	\$882,000
Accrued Interest to May 16, 2024	\$54,198.98
Legal Fees	\$47,048.48
Total	\$983,247.46

Per diem interest rate of: \$153.73

Payment of all amounts is to be sent by wire transfer drawn on your law firm's trust account payable to **Chaitons LLP, in trust**, and sent to our office.

To complete a wire transfer to our account and since the wire is being sent from your law firm's trust account which is at a Canadian location and funds are in CAD, particulars to complete same are noted below:

Chaitons LLP In Trust

5000 Yonge Street, 10th Floor

Toronto, ON M2N 7E9

Bank of Montreal

4841 Yonge Street

Toronto, Ontario M2N 5X2

Bank ID: 001

Transit #: 24892

Account No.: 1029662

SWIFT CODE (if needed) BOFMCAM2

Please notify our office immediately when the wire is completed and provide a copy of the wire confirmation so that we may advise our accounting department.

Should you have any questions or wish to discuss this matter with us, please contact the undersigned.

Yours truly,
CHAITONS LLP

MAYA POLIAK

Maya Poliak
PARTNER
CC: BDO CANADA LIMITED

Fourth Report of the Proposal Trustee
Appendix “V”

Court File No. **BK-33-03025642**

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

(IN BANKRUPTCY & INSOLVENCY)

**IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C.,
1985, C. B-3, AS AMENDED**

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF OEM AUTOMOTIVE SOLUTIONS INC., OEM AUTOMOTIVE
CORNWALL INC. AND OEM AUTOMOTIVE HOLDINGS INC.**

**AFFIDAVIT OF CLARK LONERGAN
(Sworn May 21, 2024)**

I, **CLARK LONERGAN**, of the City of Toronto, in the Province of Ontario, **MAKE
OATH AND SAY** that:

1. I am a Partner of BDO Canada Limited, and as such have personal knowledge of the matters referred to herein.
2. On December 22, 2023 (the “**Filing Date**”), OEM Automotive Solutions Inc. (“**Solutions**”), OEM Automotive Cornwall Inc. (“**Cornwall**”), and OEM Automotive Holdings Inc. (“**Holdings**”, collectively with Solutions and Cornwall, the “**Companies**”) each filed a Notice of Intention to Make a Proposal (“**NOI(s)**”) pursuant to section 50.4 of the Bankruptcy & Insolvency Act, R.S.C. 1985, c. B-3 (the “**BIA**”). BDO Canada Limited (“**BDO**”), a Licensed Insolvency Trustee, was named proposal trustee (the “**Proposal Trustee**”) in each of the Companies’ proposal proceedings (collectively, the “**Proposal Proceedings**”).
3. On January 11, 2024, the Proposal Trustee finalized its First Report to the Court in which it outlined its activities with respect to Proposal Proceedings.

4. On February 22, 2024, the Proposal Trustee finalized its Second Report to the Court in which it outlined additional activities undertaken with respect to the Proposal Proceedings, as well as provided information with respect to the Proposal Trustee's fees and disbursements for the period of December 22, 2023, to January 19, 2024, and those of its legal counsel.
5. On March 27, 2024, the Proposal Trustee finalized its Third Report to the Court in which it outlined additional activities undertaken with respect to the Proposal Proceedings, as well as provided information with respect to the Proposal Trustee's fees and disbursements for the period of January 20, 2024, to March 22, 2024, and those of its legal counsel.
6. On May 22, 2024, the Proposal Trustee finalized its Fourth Report to the Court in which it outlined additional activities undertaken with respect to the Proposal Proceedings, as well as provided information with respect to the Proposal Trustee's fees and disbursements for the period of March 23, 2024, to May 16, 2024, (the "**Period**") and those of its legal counsel.
7. The Proposal Trustee commenced its activities on the Filing Date, the Proposal Trustee has been engaged in carrying out the administration of the Proposal Proceedings and the Court approved sales process.
8. The Proposal Trustee has provided services and incurred disbursements, in the amount of \$151,853.00 and \$2,371.36 (all excluding HST), during the Period with respect to services provided. Attached hereto and marked as **Exhibit "A"** and **Exhibit "B"** to this Affidavit is a summary of all invoices, courtesy discounts, and disbursements, respectively, rendered by the Proposal Trustee, on a periodic basis during the Period (the "**Proposal Trustee's Accounts**").

9. True copies of the Proposal Trustee's Accounts, which include a fair and accurate description of the services provided, along with hours and applicable rates claimed by the Proposal Trustee, are attached as **Exhibit "C"** to this my Affidavit.
10. In the course of performing its duties as set out above at paragraph 7, the Proposal Trustee's staff expended a total of 344.2 hours during the Period. Attached as **Exhibit "D"** to this my affidavit is a schedule setting out a summary of the individual staff involved in the administration of the Proposal Trustee's appointment and the hours and applicable rates claimed by the Proposal Trustee for the Period. The average hourly rate billed by the Proposal Trustee during this Period is \$441.18.
11. The Proposal Trustee requests that this Court approve its Proposal Trustee's Accounts for the Period, in the total amount of \$154,224.36 (excluding HST) for services rendered and recorded during the Period.
12. The time and amounts shown in the detailed account attached as Exhibits A-D are a fair and accurate description of the services provided and the amounts charged by the Proposal Trustee, which reflect the Proposal Trustee's time as billed at the standard billing rates.
13. Fogler, Rubinoff LLP ("**Fogler**"), as independent legal counsel to the Proposal Trustee, has provided legal services to the Proposal Trustee throughout the Proposal Proceedings in a manner consistent with the instructions of the Proposal Trustee and has prepared an affidavit with respect to the services rendered in the period from March 26, 2024, to May 15, 2024, (the "**Counsel's Period**"). The Proposal Trustee has reviewed the invoices rendered by Fogler during the Counsel's Period.
14. To the best of my knowledge, the rates charged by the Proposal Trustee and Fogler are comparable to the rates charged for the provision of similar services by other accounting and law firms in downtown Toronto.

- 4 -

15. I verily believe that the fees and disbursements incurred by BDO, in its respective capacity as Proposal Trustee, and Fogler are fair and reasonable in the circumstances
16. This affidavit is sworn in support of the Companies' motion for, among other things, approval of the Proposal Trustee's fees and disbursements and those of its legal representatives and for no other or improper purpose.

SWORN before me at the City of)
Toronto, in the Province)
of Ontario this 21st day of May)
2024)



A commissioner, etc.

Sabrina Santolanni, a Commissioner, etc.,
City of Toronto, for Fogler, Rubinoff LLP,
Barristers and Solicitors.
Expires February 12, 2027.



CLARK LONERGAN

This is Exhibit "A" referred to in the Affidavit of Clark Lonergan, sworn before me this 21st day of May, 2024.



A Commissioner for Taking Affidavits

SABRINA SANTOIANNI

**Sabrina Santoianni, a Commissioner, etc.,
City of Toronto, for Fogler, Rubinoff LLP,
Barristers and Solicitors.
Expires February 12, 2027.**

EXHIBIT "A"

BDO CANADA LIMITED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
OEM AUTOMOTIVE SOLUTIONS INC., OEM AUTOMOTIVE CORNWALL INC., AND OEM AUTOMOTIVE HOLDINGS INC.
FEES SUMMARY FROM MARCH 23, 2024 TO MAY 16, 2024

Invoice #	Entity	Period	Fees Incurred	Courtesy Discount	Disbursements	HST	Total
CINV2889200	OEM Automotive Solutions Inc.	March 23, 2024 to May 3, 2024	\$ 90,646.00	-\$ 10,000.00	\$ 2,186.55	\$ 10,768.23	\$ 93,600.78
CINV2889139	OEM Automotive Cornwall Inc.	March 23, 2024 to May 3, 2024	19,741.50	- 5,000.00	-	1,916.40	16,657.90
CINV2889199	OEM Automotive Holdings Inc.	March 23, 2024 to May 3, 2024	19,741.50	- 5,000.00	-	1,916.40	16,657.90
CINV2892589	OEM Automotive Solutions Inc.	May 4, 2024 to May 16, 2024	34,652.00	- 5,000.00	184.81	3,878.79	33,715.60
CINV2892590	OEM Automotive Cornwall Inc.	May 4, 2024 to May 16, 2024	7,536.00	- 1,500.00	-	784.68	6,820.68
CINV2892591	OEM Automotive Holdings Inc.	May 4, 2024 to May 16, 2024	7,536.00	- 1,500.00	-	784.68	6,820.68
			<u>\$ 179,853.00</u>	<u>-\$ 28,000.00</u>	<u>\$ 2,371.36</u>	<u>\$ 20,049.17</u>	<u>\$ 174,273.53</u>

This is Exhibit “B” referred to in the Affidavit of Clark Lonergan, sworn before me this 21st day of May, 2024.



A Commissioner for Taking Affidavits

SABRINA SANTOIANNI

**Sabrina Santoianni, a Commissioner, etc.,
City of Toronto, for Fogler, Rubinoff LLP,
Barristers and Solicitors.
Expires February 12, 2027.**

EXHIBIT "B"

BDO CANADA LIMITED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
 OEM AUTOMOTIVE SOLUTIONS INC., OEM AUTOMOTIVE CORNWALL INC., AND OEM
 AUTOMOTIVE HOLDINGS INC.

DISBURSEMENTS SUMMARY FROM MARCH 23, 2024 TO MAY 16, 2024

Travel, Meals, and Lodging	1,956.16
IT Equipment	230.39
Miscellaneous	184.81
Total	\$ 2,371.36

This is Exhibit "C" referred to in the Affidavit of Clark Lonergan, sworn before me this 21st day of May, 2024.



A Commissioner for Taking Affidavits

SABRINA SANTOIANNI

Sabrina Santoianni, a Commissioner, etc.,
City of Toronto, for Fogler, Rubinoff LLP,
Barristers and Solicitors.
Expires February 12, 2027.



Tel: 416 865 0210
 Fax: 416 865 0904
www.bdo.ca

BDO Canada Limited
 20 Wellington Street E, Suite 500
 Toronto ON M5E 1C5 Canada

Strictly Private & Confidential

OEM Solutions Inc
 c/o BDO Canada Limited
 20 Wellington Street E, Suite 500
 Toronto, ON M5E 1C5

Date	Invoice
May 13, 2024	CINV2889200

RE: OEM Automotive Solutions - NOI

TO OUR FEE FOR PROFESSIONAL SERVICES rendered in connection with our engagement as Trustee in the above noted matter for the period March 23, 2024 to May 3, 2024 as per the details below.

Our Fee	\$ 90,646.00
Courtesy Discount	\$ (10,000.00)
Disbursements: Meal, Lodging	1,956.16
Disbursements: IT Equipment	230.39
Sub Total	82,832.55
HST - 13.00% (#R101518124)	10,768.23
TOTAL	\$ 93,600.78

Summary of Time Charges:

	Hours	Rate	Amount
C. Lonergan, Partner	62.6	735.00	46,011.00
H. Yin, Analyst	113.0	395.00	44,635.00
Total	175.6		\$ 90,646.00

BANK WIRE TRANSFER/EFT PAYMENTS: Payment can be made online in Canadian funds. Please ensure you email your online payment confirmations including invoice #, amount paid and payment date) to EFTPayments@bdo.ca

The banking information for BDO Canada Limited is as follows for Canadian Funds

CIBC Main Branch
 Commerce Court
 199 Bay Street
 Toronto, ON M5L 1G9
 Account Name: BDO Canada Limited

Bank: Canadian Imperial Bank of Commerce
 Bank Institution #: 010
 Transit #: 00002
 Account #: 91-26910
 Swift Reference #: CIBCCATT

Staff	Date	Comments	Hours
C. Lonergan	25-Mar-24	Drafting Third Report, review and negotiation of the APA, various discussion with Sales Agent, Purchaser and Counsels re: the same, review of cash flow variance analysis, review and discussion re: Revised Cash Flows, Pinchin environmental update, review of fee affidavit from Counsel, review of SISP process, EOI and LOI summaries, discussion with Company and Bank's counsel re: upcoming motion and timing of distribution motion, various discussions with the BDO team, etc.	5.0
H. Yin	25-Mar-24	Correspondence with C. Lonergan re: Third Court Report; Correspondence with J. Raymond and purchaser re: due diligence materials, environmental reports, etc.; Email V. Dare re environmental reports; Call with C. Wolf re various accounting matters and update to the cash flow forecast; Conduct cash flow variance analysis of the previous week; Draft new cash flow projection for the Third Court Report, etc.	2.6
C. Lonergan	26-Mar-24	Various discussions and correspondence with Counsel re: orders and motion materials, drafting Third Report, review of Revised Cash Flows and discussions with BDO team re: the same, various calls and revisions to the Third Report with Counsel, review of environmental reports, various calls with Sales Agent and Purchaser re: APA, update with Counsels re: the same, cash flow variance analysis review, Confidential Supplementary Report framework set up, review of BDO fee schedules, etc.	4.0
H. Yin	26-Mar-24	Call with M. Paquette re update to the sales figures on revised cash flow forecast; Conduct cash flow variance analysis for the period up to March 24, 2024 for the Third Court Report; Continue new revised cash flow projection for the Third Court Report, correspondence with C. Bourret re: revised cash flows for signatures. Review draft BDO professional fees and send to C. Lonergan for review.	5.8
C. Lonergan	27-Mar-24	Drafting and Finalizing the Third Report and Confidential Supplementary Report, review and negotiation of the APA, various discussion with Sales Agent, Purchaser and Counsels re: the same, review of cash flow variance analysis, review and discussion re: Revised Cash Flows, Pinchin environmental update, review of fee affidavits of Proposal Trustee and its counsel, review of SISP process, EOI and LOI summaries, etc.	6.0
H. Yin	27-Mar-24	Finalize BDO professional fees invoices; Draft fee affidavit and exhibits for C. Lonergan to review and sign off; Compile appendices for the Third Court Report and Confidential Supplementary Report; Correspondence with City of Cornwall re: work order search; Correspondence with Pinchin re: status of the remediation report; Correspondence with J. Raymond re: various items related to the purchase agreement; Correspondence with V. Dare re: purchase agreement and the Third Court Report and its supplementary; Review of Third Court Report and Confidential Supplementary Report, finalize re: same and send to Counsel, etc.	6.2
C. Lonergan	28-Mar-24	Finalizing APA, finalizing Third Report and Confidential Supplementary Report, respond to the Shareholder email, follow up re: city work orders and Pinchin re: environmental report, various	1.2

Staff	Date	Comments	Hours
		discussion with Counsel and BDO team re: the same and next steps, etc.	
H. Yin	28-Mar-24	Draft DIP funding request letter for C. Bourret's signature; Correspondence with C. Lonergan re: next steps and review correspondence from shareholder re: vehicles sales, WIP, etc.; Draft response to shareholders re: the same, etc.	0.4
C. Lonergan	01-Apr-24	Critical vendor email to Company and stakeholders, Review of APA, review of Court materials, update correspondence with Bank's counsel re: the same, set up APA preliminary waterfall framework for BDO team, follow up with APA items including work orders and environmental reports, pre-filing vendors payments review and discussion with BDO team re: the same, etc.	1.4
H. Yin	01-Apr-24	Review all pre-filing payments made to date and summarize, draft email re: same for C. Lonergan; Review email correspondence receive from the Company re: various items; Correspondence with C. Wolf re: payments to be made; Correspondence with C. Bourret re: DIP financing request, sales process update, etc.; Correspondence with Aird and Berlis re: invoice payment status; Correspondence with City of Cornwall re: open work order follow up; Correspondence with Pinchin re:status of remediation report, etc.	2.0
C. Lonergan	02-Apr-24	Update call with the Company and BDO team re: Court process, sales process, APA, next steps to close, critical vendor update, outstanding vehicles AR to collect, various correspondence with shareholder's counsel re: confidential summary, review and update on preliminary APA waterfall analysis, review of BMO monthly reporting, etc.	2.3
H. Yin	02-Apr-24	Review prior week's cash activities and conduct variance analysis; Prepare monthly reporting package to BMO and draft email re: same; Call with D. Poirier re disbursements, etc.; Call with J. Raymond re: next steps, closing checklist, etc.; Call with G. Macdonell re: sales process, distributions, etc.; Meeting with C. Lonergan and C. Bourret re: various items, sales process, closing process, next steps, etc.; Correspondence with BMO re: current balance owed on various indebtedness, prepare preliminary waterfall analysis for C. Lonergan to review.	5.0
C. Lonergan	03-Apr-24	Preparation and review of materials for Court, attendance at Court for the extension hearing, Third Report approval and sale approval, call with Shareholders counsel re: the same, update call with Bank and counsel following Court, etc.	2.3
H. Yin	03-Apr-24	Correspondence with C. Wolf re: separating HST filing to month to month, finalize figures for filing, professional fees payments, etc.; Review C. Wolf's email re: floor plan repayments, etc.; Call with C. Bourret re: deal closing; Correspondence with DSMA re: next steps, time sheets update, etc.; Correspondence with the purchaser re: information requests; Correspondence with vendors re: outstanding payments, etc.	1.5

Staff	Date	Comments	Hours
C. Lonergan	08-Apr-24	Call with Sales Agent, Company, BDO team and Purchaser re: next steps re: closing, employee meeting, critical parts purchases, review of closing item checklist, etc.	1.4
H. Yin	08-Apr-24	Correspondence with Pinchin re: environmental remediation update; Correspondence with C. Wolf re: disbursements, various accounting matters, professional fees, cash flow, etc.; Meet with DSMA and purchaser re: next steps; Correspond with C. Lonergan re: next steps; Call with C. Bourret re: next steps, professional fees, pre-filing invoices, missing vehicle payments, etc.; Review emails received from Purchaser re: due diligence; Draft email to C. Lonergan re: closing checklist. Review previous week's bank activities and cash flow variance analysis; Review various emails received from the Company, etc.	4.0
C. Lonergan	10-Apr-24	Review of closing agreements, updating closing item check list, correspondence with Volkswagen, etc.	0.8
H. Yin	10-Apr-24	Compiling court materials and corresponding with IT team to update website with latest documents, etc.	0.4
C. Lonergan	12-Apr-24	Finalize closing item checklist, Update call with Mark Motors, Sales Agent and BDO team re: IT, vehicle and parts inventories, employees, ownership and other closing items, etc.	1.7
H. Yin	12-Apr-24	Call with C. Lonergan and J. Raymond re: meeting with Purchaser, updates, steps forward/closing items, etc.; Meeting with Purchaser team re: previous week onsite work, IT needs, steps forward/closing items, etc.; Correspond with Purchaser re: IT migration plan; Call with C. Bourret re: payments, vendor issues, redacted APA, etc.	1.8
C. Lonergan	16-Apr-24	Update with BDO team re: Purchaser closing items, and DSMA billings and assistance with closing the APA, cash flows/cash position, etc.	0.8
H. Yin	16-Apr-24	Correspondence with N. Rajewski re IT, inventory count, supplier continuity, and various other closing items; Call with J. Raymond re: DSMA billing and next steps; Call with S. Tourangeau re SERTI contract, etc.; Conduct cash flow variance analysis, Update call with C. Lonergan re: Purchaser closing items, DSMA assistance and next steps, cash flow variance, etc.	2.6
H. Yin	17-Apr-24	Correspondence with C. Wolf re: vehicle repayments, floor plan status, accounting matters, HST remittance, etc.; Review email received from N. Rajewski re: various IT concerns and questions, etc.	1.6
C. Lonergan	18-Apr-24	Update on closing items, review of environmental report and BDO team summary re: the same, update email to Company and Counsel re: cash flows and vehicle payment letters, etc.	1.6
H. Yin	18-Apr-24	Receive and review Pinchin remediation report, draft summary email to C. Lonergan for review; Correspondence with C. Lonergan re: closing items, next steps, Pinchin report, and outstanding Company information/requirements, etc.; Correspondence with V. Dare re: Pinchin report and closing items, next steps, etc.; Call with	2.5

Staff	Date	Comments	Hours
		M. Paquette re: vehicles sales variance, trade in and lien payouts, inventory report, etc.	
C. Lonergan	19-Apr-24	Follow up with Purchaser re: closing items, IT update, employee update, VW agreement and OMVIC status, discussion with BDO team and Counsel re: closing items, etc.	1.0
H. Yin	19-Apr-24	Review IT discovery report from Purchaser, correspondence with N. Rajewski re: the same and plan forward on IT items; Correspondence with C. Lonergan re: update to the Purchaser; Meeting with C. Lonergan and V. Dare re next steps and environmental.	1.1
C. Lonergan	22-Apr-24	Follow-up with Volkswagen Canada re: remaining closing items, parts and warranty cut-off and Purchaser approval, environmental assesment on APA, etc.	0.7
C. Lonergan	23-Apr-24	Update call with Sales Agent, BDO team, and Purchaser re: OMVIC and other closing items, update discussions with VW Canada re: outstanding items, review of APA for outstanding items and follow-up with BDO team on inventory count, employee status, additionally discussions surrounding the Environmental report, etc.	2.4
H. Yin	23-Apr-24	Review various emails received from C. Wolf and M. Paquette re: floor line repayments, payroll, lien payout, etc.; Conduct variance analysis and cash flow monitoring of previous week's cash flow; Correspondence with S. Tourangeau re: Clover service agreement, IT questions, etc.; Review emails received from Purchaser; Call with V. Dare re: purchase agreement, etc.; Prepare for and meet with Purchaser, DSMA and C. Lonergan re: next steps and ongoing questions, concerns re: environmental, tasks, etc.; Follow-up discussion with C. Lonergan re: next steps, progress update, inventory count plan, etc.; Call with J. Raymond re: OMVIC approval, billing, etc.; Call with G. Paquette re IT systems; Draft email to BMO re: floor line balance; Correspondence with N. Rajewski on inventory count plan, etc. Draft email to OMVIC re: Court approval of the sale; Draft email to shareholders re: changes to access to services after April 30 closing, etc.	5.4
C. Lonergan	24-Apr-24	Purchaser update call and closing items, APA review with Purchaser re: employment requirements, update call with BDO team re: the same, cash flow and post-fling payment update and review, etc.	1.0
H. Yin	24-Apr-24	Meeting with C. Lonergan re: status update, next step, prepare for call with purchaser; Prepare for and meet with purchaser re: next steps, pending items before close, etc.; Correspondence with Cushman & Wakefield re: issuing a reliance letter to purchaser for appraisal on real properties; Correspondence with J. Wingrove re: various closing action items for Volkswagen prior to closing; Draft email to M. Ayache re: warranty receivables amount for purchaser to assume; Draft email to S. Yakovenko re: parts statements and payment cycle; Correspondence with BMO re: floor line, draft email to B. Bertram from VCI re: floor line status; Correspondence with Pinchin re: environmental remediation report; Correspondence with Purchaser and C. Wolf re payroll continuity plan and transition; Call with G. Paquette re: various IT related items and back up of Keyloop system, correspondence with Keyloop re: the same; Correspondence	7.3

Staff	Date	Comments	Hours
		with N. Rajewski re: inventory count plan and other closing items, etc.	
C. Lonergan	25-Apr-24	Closing framework, call with BDO team and plan for upcoming parts and vehicle inventory count; Volkswagen Credit update on BMO Floor-line amount, wires instructions and cut-off, Sales Agent update on potential valuation issues including the environment remediation report, Volkswagen Canada update re: vehicle cut-off and vehicles in transit/parts and warranty update, etc. Employee discussion re: dealer principal with Purchaser and consulting agreement vs. Volkswagen engaging, etc.	4.0
H. Yin	25-Apr-24	Call with C. Lonergan re: various outstanding items prior to close, plan forward, etc.; Call with V. Dare re: closing items, transition agreement, statement of adjustments, etc.; Meeting with Pinchin to finalize remediation letter and reliance letter; Draft email to purchaser re finalized Pinchin remediation letter, Phase I report, discussion with Pinchin, etc.; Call with J. Raymond re remediation letter, status of closing, plan for going forward, etc.; Correspondence with B. Bertram re floor plan payout, floor line status, etc., correspondence with C. Prem from BMO re same; Call with J. Wingrove re various VW related items, warranty, pausing vehicle delivery and parts delivery, etc.; Call with G. Paquette and email correspondence with Keyloop re system backup.	5.3
C. Lonergan	26-Apr-24	Update call and planning discussions with BDO team re: weekend closing items, status of cash and post-filing payments, review of vehicles sales and BMO repayments re: the same, update discussion with Purchaser re: closing items and environmental issues, etc.	2.4
H. Yin	26-Apr-24	Call with C. Lonergan re: plan ahead of closing and weekend closing items (existence and valuation of assets) plan; Correspondence with N. Rajewski re: various tasks to be performed onsite in preparation of closing the sales transaction, including inventory counts to be performed, etc.; Correspondence with C. Bourret re: next steps; Correspondence with Purchaser's transition team onsite re: parts inventory count approach, perform reviews of count sheet by recounting judgmentally selected parts, etc.	6.8
C. Lonergan	27-Apr-24	Update with BDO team and Purchaser regarding asset methodology/framework for existence and valuation, update on employees and consulting agreements for excluded employees, updating the transition services agreement and discussion with BDO team and Counsel re: the same, vehicle inventory update, etc.	3.3
H. Yin	27-Apr-24	Correspondence with N. Rajewski and C. Bourret re: progress update; Correspondence with C. Lonergan to determine inventory count strategy for existence and valuation, and establish course of action for count staff and dealership staff to perform the on-site inventory count for parts, etc.; Perform parts count for OEM parts under 12 months with large monetary amounts and judgmentally sample count sheet numbers by Purchaser from previous day's inventory counts, etc.	8.5
C. Lonergan	28-Apr-24	Update with BDO team/Purchaser and Company re: inventory counts, HST, Volkswagen Credit and Canada switch over steps and	3.7

Staff	Date	Comments	Hours
		funding, parts inventory update, purchase price framework, update calls with Purchaser re: closing items, employees, day 1 transition items/cut-off, Pinchin update, etc.	
H. Yin	28-Apr-24	Continue to perform parts count for OEM parts, enter count sheet data into Excel and extrapolate results to finalize parts inventory valuation. Draft email to all parties re: parts inventory value, etc.; Perform preliminary used vehicle count, document condition of each vehicles, and perform valuation of used vehicles in preparation for next day; Correspondence with N. Rajewski, C. Lonergan and C. Bourret re: status update on inventory counts, next steps, Volkswagen Credit and Volkswagen Canada requirements, vehicle HST analysis, etc.	9.5
C. Lonergan	29-Apr-24	Meet with BDO team to update vehicle inventory and parts inventory analysis, HST analysis re: vehicles, employee update with Purchaser, environmental update with Purchaser, call with Pinchin re: clarifications with regards to the remediation report, update call with Company re: excluded assets, updating the purchase price analysis, follow up with Counsels, re: closing items, calls with Volkswagen Credit and Volkswagen Canada re: closing items, warranty analysis, review of cash position, identification of potential cut-off issues, post-filing obligations, and other cash related items, multiple calls with BDO team and Purchaser re: the same, etc.	5.2
H. Yin	29-Apr-24	Meet with Purchaser and C. Lonergan re: progress of inventory count, go forward plan, vehicle HST adjustments, etc.; Correspondence with C. Lonergan and VW Financial Services re: floor plan audit and results, etc.; Work with Purchaser's transition team to agree on valuation of all used vehicles, parts valuations, etc.; Perform analysis of vehicle inventory valuation and allocation of payment from VW and the Purchaser, reconcile payment to be received from VW Financial Services floorplan to vehicle inventory; Multiple correspondence with VW Canada and the Company re: warranty receivable, perform analysis over warranty receivable and create ledger to present to Purchaser; Finalize all valuations for new and used vehicles, parts, and warranty receivables; Present finalized vehicle valuation to C. Lonergan, purchaser, VW Finance, and C. Bourret; Perform purchase price analysis and draft email to all parties; Multiple correspondences with VW Canada amid closing the transaction for April 30, 2024.	10.2
C. Lonergan	30-Apr-24	Review of closing documentation, executing closing documentation, finalizing inventory listing for new vehicles, finalizing inventory listing of used vehicles, finalizing parts inventory listing, finalizing employee lists, review of employee contract, follow up with Purchaser, Company and BDO team re: excluded employees, benefits, excluded assets, etc., finalize purchase price with BDO team, update call with Counsels re: closing items, update call the Purchaser regarding final purchase price calculation and negotiations re: the same including environmental issues, follow up with Counsel re: wire amounts and closing certificates, follow up with Sales Agent re: close, warranty analysis, calls with Volkswagen Credit and Volkswagen Canada re: closing items, warranty, switch-	6.5

Staff	Date	Comments	Hours
		over to new dealer, review of Volkswagen release and discussion with Counsel re: the same, update call with Company Counsel and Banks counsel re: the close, etc.	
H. Yin	30-Apr-24	Call with C. Lonergan and update on purchase price analysis, etc.; Work with C. Lonergan re: vehicle purchase price allocation adjustments, etc.; Meeting with all parties to finalize purchase price; Review multiple correspondence from counsel and purchaser's counsel amid anticipated deal close.; Correspondence with C. Bourret re: various outstanding to-do items for the Company prior and after the close of the transaction, etc; Correspondence with Purchaser re: cut off issues and plan forward, multiple discussions with employees and C. Bourret, etc.	7.9
C. Lonergan	01-May-24	Post closing follow up calls with BDO team/Purchaser, warranty follow re: plan to submit outstanding claims, IT switch-over, call with VW Canada re: outstanding items, etc.	1.4
H. Yin	01-May-24	Meet with Purchaser and C. Lonergan re: post closing items and plan forward, access for C. Bourret, etc.; Meet with employees not hired by purchaser re: next steps; Correspondence with VW Canada re: various post close items, etc.; Multiple correspondence with the Company, Purchaser, C. Lonergan re: post closing items; Investigate cut off issues; Correspondence with C. Wolf re: floor plan repayment analysis, outstanding invoices, next steps for HST returns, post filing obligations, etc.	7.4
C. Lonergan	02-May-24	Update correspondence to stakeholders regarding the sale transaction, update calls with BDO team and Purchaser re: employee matters, parts and vehicles inventories, transition service agreement items, update call with Pinchin, etc.	1.2
H. Yin	02-May-24	Correspondence with various personnel from the Purchaser's transition team to sort out cut off issues, plan forward, etc.; Correspondence with C. Lonergan and Purchaser re: various matters related to employees, adjustments to parts and vehicle inventories, Multiple discussion with C. Bourret and Company/Purchaser employees, etc.	4.4
C. Lonergan	03-May-24	Follow up with BDO team regarding cut-off items - vehicles sales, chattels not paid off, deposits received, remaining cash requirements analysis, review of Volkswagen correspondence, etc.	1.3
H. Yin	03-May-24	Review emails and follow ups from Purchaser; Correspondence with N. Rajewski re: status of employees, access for C. Bourret onsite and for Serti, and various matters regarding post closing adjustments; Correspondence with C. Lonergan and M. Brunet re: vehicle cut off issues; Draft email to M. Paquette re outstanding lien on a vehicle sold to purchaser; Draft email to J. Wingrove re: various items including outstanding Trade Assist case, etc.; Call with C. Lonergan re: next steps and current updates; Call with C. Bourret re: update and next steps; Call with K. Plunkett re: outstanding invoices owed by the Company; Email to the Company's counsel and BDO's counsel for updates on outstanding invoices owed by the Company.	2.8



Tel: 416 865 0210
 Fax: 416 865 0904
 www.bdo.ca

BDO Canada Limited
 20 Wellington Street E, Suite 500
 Toronto ON M5E 1C5 Canada

Strictly Private & Confidential

OEM Automotive Cornwall Inc.
 c/o BDO Canada Limited
 20 Wellington Street E, Suite 500
 Toronto, ON M5E 1C5

Date	Invoice
May 13, 2024	CINV2889139

RE: OEM Automotive Cornwall Inc. - NOI

TO OUR FEE FOR PROFESSIONAL SERVICES rendered in connection with our engagement as Trustee in the above noted matter for the period March 23, 2024 to May 3, 2024 as per the details below.

Our Fee	\$ 19,741.50
Courtesy Discount	(5,000.00)
Sub Total	14,741.50
HST - 13.00% (#R101518124)	1,916.40
TOTAL	<u>\$ 16,657.90</u>

Summary of Time Charges:

	Hours	Rate	Amount
C. Lonergan, Partner	13.8	735.00	10,143.00
H. Yin, Analyst	24.3	395.00	9,598.50
Total	38.1		<u>\$ 19,741.50</u>

BANK WIRE TRANSFER/EFT PAYMENTS: Payment can be made online in Canadian funds. Please ensure you email your online payment confirmations including invoice #, amount paid and payment date) to EFTPayments@bdo.ca

The banking information for BDO Canada Limited is as follows for Canadian Funds

CIBC Main Branch
 Commerce Court
 199 Bay Street
 Toronto, ON M5L 1G9
 Account Name: BDO Canada Limited

Bank: Canadian Imperial Bank of Commerce
 Bank Institution #: 010
 Transit #: 00002
 Account #: 91-26910
 Swift Reference #: CIBCCATT

Staff	Date	Comments	Hours
C. Lonergan	25-Mar-24	Drafting Third Report, review and negotiation of the APA, various discussion with Sales Agent, Purchaser and Counsels re: the same, review of cash flow variance analysis, review and discussion re: Revised Cash Flows, Pinchin environmental update, review of fee affidavit from Counsel, review of SISP process, EOI and LOI summaries, discussion with Company and Bank's counsel re: upcoming motion and timing of distribution motion, various discussions with the BDO team, etc.	1.0
H. Yin	25-Mar-24	Correspondence with C. Lonergan re: Third Court Report; Correspondence with J. Raymond and purchaser re: due diligence materials, environmental reports, etc.; Email V. Dare re environmental reports; Call with C. Wolf re various accounting matters and update to the cash flow forecast; Conduct cash flow variance analysis of the previous week; Draft new cash flow projection for the Third Court Report, etc.	0.6
C. Lonergan	26-Mar-24	Various discussions and correspondence with Counsel re: orders and motion materials, drafting Third Report, review of Revised Cash Flows and discussions with BDO team re: the same, various calls and revisions to the Third Report with Counsel, review of environmental reports, various calls with Sales Agent and Purchaser re: APA, update with Counsels re: the same, cash flow variance analysis review, Confidential Supplementary Report framework set up, review of BDO fee schedules, etc.	0.9
H. Yin	26-Mar-24	Call with M. Paquette re update to the sales figures on revised cash flow forecast; Conduct cash flow variance analysis for the period up to March 24, 2024 for the Third Court Report; Continue new revised cash flow projection for the Third Court Report, correspondence with C. Bourret re: revised cash flows for signatures. Review draft BDO professional fees and send to C. Lonergan for review.	1.2
C. Lonergan	27-Mar-24	Drafting and Finalizing the Third Report and Confidential Supplementary Report, review and negotiation of the APA, various discussion with Sales Agent, Purchaser and Counsels re: the same, review of cash flow variance analysis, review, and discussion re: Revised Cash Flows, Pinchin environmental update, review of fee affidavits of Proposal Trustee and its counsel, review of SISP process, EOI and LOI summaries, etc.	1.3
H. Yin	27-Mar-24	Finalize BDO professional fees invoices; Draft fee affidavit and exhibits for C. Lonergan to review and sign off; Compile appendices for the Third Court Report and Confidential Supplementary Report; Correspondence with City of Cornwall re: work order search; Correspondence with Pinchin re: status of the remediation report; Correspondence with J. Raymond re: various items related to the purchase agreement; Correspondence with V. Dare re: purchase agreement and the Third Court Report and its supplementary; Review of Third Court Report and Confidential Supplementary Report, finalize re: same and send to Counsel, etc.	1.3
C. Lonergan	28-Mar-24	Finalizing APA, finalizing Third Report and Confidential Supplementary Report, respond to the Shareholder email, follow up re: city work	0.3

Staff	Date	Comments	Hours
		orders and Pinchin re: environmental report, various discussion with Counsel and BDO team re: the same and next steps, etc.	
H. Yin	28-Mar-24	Draft DIP funding request letter for C. Bourret's signature; Correspondence with C. Lonergan re: next steps and review correspondence from shareholder re: vehicles sales, WIP, etc.; Draft response to shareholders re: the same, follow up with APA items including work orders and environmental reports, etc., etc.	0.1
C. Lonergan	01-Apr-24	Critical vendor email to Company and stakeholders, Review of APA, review of Court materials, update correspondence with Bank's counsel re: the same, set up APA preliminary waterfall framework for BDO team, follow up with APA items including work orders and environmental reports, pre-filing vendors payments review and discussion with BDO team re: the same, etc.	0.3
H. Yin	01-Apr-24	Review all pre-filing payments made to date and summarize, draft email re: same for C. Lonergan; Review email correspondence receive from the Company re: various items; Correspondence with C. Wolf re: payments to be made; Correspondence with C. Bourret re: DIP financing request, sales process update, etc.; Correspondence with Aird and Berlis re: invoice payment status; Correspondence with City of Cornwall re: open work order follow up; Correspondence with Pinchin re: status of remediation report, etc.	0.4
C. Lonergan	02-Apr-24	Update call with the Company and BDO team re: Court process, sales process, APA, next steps to close, critical vendor update, outstanding vehicles AR to collect, various correspondence with shareholder's counsel re: confidential summary, review and update on preliminary APA waterfall analysis, review of BMO monthly reporting, etc.	0.5
H. Yin	02-Apr-24	Review prior week's cash activities and conduct variance analysis; Prepare monthly reporting package to BMO and draft email re: same; Call with D. Poirier re disbursements, etc.; Call with J. Raymond re: next steps, closing checklist, etc.; Call with G. Macdonell re: sales process, distributions, etc.; Meeting with C. Lonergan and C. Bourret re: various items, sales process, closing process, next steps, etc.; Correspondence with BMO re: current balance owed on various indebtedness, prepare preliminary waterfall analysis for C. Lonergan to review.	1.1
C. Lonergan	03-Apr-24	Preparation and review of materials for Court, attendance at Court for the extension hearing, Third Report approval and sale approval, call with Shareholders counsel re: the same, update call with Bank and counsel following Court, etc.	0.6
H. Yin	03-Apr-24	Correspondence with C. Wolf re: separating HST filing to month to month, finalize figures for filing, professional fees payments, etc.; Review C. Wolf's email re: floor plan repayments, etc.; Call with C. Bourret re: deal closing; Correspondence with DSMA re: next steps, time sheets update, etc.; Correspondence with the purchaser re: information requests; Correspondence with vendors re: outstanding payments, etc.	0.4

Staff	Date	Comments	Hours
C. Lonergan	08-Apr-24	Call with Sales Agent, Company, BDO team and Purchaser re: next steps re: closing, employee meeting, critical parts purchases, review of closing item checklist, etc.	0.3
H. Yin	08-Apr-24	Correspondence with Pinchin re: environmental remediation update; Correspondence with C. Wolf re: disbursements, various accounting matters, professional fees, cash flow, etc.; Meet with DSMA and purchaser re: next steps; Correspond with C. Lonergan re: next steps; Call with C. Bourret re: next steps, professional fees, pre-filing invoices, missing vehicle payments, etc.; Review emails received from Purchaser re: due diligence; Draft email to C. Lonergan re: closing checklist. Review previous week's bank activities and cash flow variance analysis; Review various emails received from the Company, etc.	0.8
C. Lonergan	10-Apr-24	Review of closing agreements, updating closing item check list, correspondence with Volkswagen, etc.	0.1
H. Yin	10-Apr-24	Compiling court materials and corresponding with IT team to update website with latest documents, etc.	0.1
C. Lonergan	12-Apr-24	Finalize closing item checklist, Update call with Mark Motors, Sales Agent and BDO team re: IT, vehicle and parts inventories, employees, ownership, and other closing items, etc.	0.4
H. Yin	12-Apr-24	Call with C. Lonergan and J. Raymond re: meeting with Purchaser, updates, steps forward/closing items, etc.; Meeting with Purchaser team re: previous week onsite work, IT needs, steps forward/closing items, etc.; Correspond with Purchaser re: IT migration plan; Call with C. Bourret re: payments, vendor issues, redacted APA, etc.	0.3
C. Lonergan	16-Apr-24	Update with BDO team re: Purchaser closing items, and DSMA billings and assistance with closing the APA, cash flows/cash position, etc.	0.1
H. Yin	16-Apr-24	Correspondence with N. Rajewski re IT, inventory count, supplier continuity, and various other closing items; Call with J. Raymond re: DSMA billing and next steps; Call with S. Tourangeau re SERTI contract, etc.; Conduct cash flow variance analysis, Update call with C. Lonergan re: Purchaser closing items, DSMA assistance and next steps, cash flow variance, etc.	0.6
H. Yin	17-Apr-24	Correspondence with C. Wolf re: vehicle repayments, floor plan status, accounting matters, HST remittance, etc.; Review email received from N. Rajewski re: various IT concerns and questions, etc.	0.3
C. Lonergan	18-Apr-24	Update on closing items, review of environmental report and BDO team summary re: the same, update email to Company and Counsel re: cash flows and vehicle payment letters, etc.	0.4
H. Yin	18-Apr-24	Receive and review Pinchin remediation report, draft summary email to C. Lonergan for review; Correspondence with C. Lonergan re: closing items, next steps, Pinchin report, and outstanding Company information/requirements, etc.; Correspondence with V. Dare re: Pinchin report and closing items, next steps, etc.; Call with M. Paquette re: vehicles sales variance, trade in and lien payouts, inventory report, etc.	0.5

Staff	Date	Comments	Hours
C. Lonergan	19-Apr-24	Follow up with Purchaser re: closing items, IT update, employee update, VW agreement and OMVIC status, discussion with BDO team and Counsel re: closing items, etc.	0.2
H. Yin	19-Apr-24	Review IT discovery report from Purchaser, correspondence with N. Rajewski re: the same and plan forward on IT items; Correspondence with C. Lonergan re: update to the Purchaser; Meeting with C. Lonergan and V. Dare re next steps and environmental.	0.3
C. Lonergan	22-Apr-24	Follow-up with Volkswagen Canada re: remaining closing items, parts and warranty cut-off and Purchaser approval, environmental assessment on APA, etc.	0.2
C. Lonergan	23-Apr-24	Update call with Sales Agent, BDO team, and Purchaser re: OMVIC and other closing items, update discussions with VW Canada re: outstanding items, review of APA for outstanding items and follow-up with BDO team on inventory count, employee status, additionally discussions surrounding the Environmental report, etc.	0.5
H. Yin	23-Apr-24	Review various emails received from C. Wolf and M. Paquette re: floor line repayments, payroll, lien payout, etc.; Conduct variance analysis and cash flow monitoring of previous week's cash flow; Correspondence with S. Tourangeau re: Clover service agreement, IT questions, etc.; Review emails received from Purchaser; Call with V. Dare re: purchase agreement, etc.; Prepare for and meet with Purchaser, DSMA and C. Lonergan re: next steps and ongoing questions, concerns re: environmental, tasks, etc.; Follow-up discussion with C. Lonergan re: next steps, progress update, inventory count plan, etc.; Call with J. Raymond re: OMVIC approval, billing, etc.; Call with G. Paquette re IT systems; Draft email to BMO re: floor line balance; Correspondence with N. Rajewski on inventory count plan, etc. Draft email to OMVIC re: Court approval of the sale; Draft email to shareholders re: changes to access to services after April 30 closing, etc.	1.1
C. Lonergan	24-Apr-24	Purchaser update call and closing items, APA review with Purchaser re: employment requirements, update call with BDO team re: the same, cash flow and post-fling payment update and review, etc.	0.2
H. Yin	24-Apr-24	Meeting with C. Lonergan re: status update, next step, prepare for call with purchaser; Prepare for and meet with purchaser re: next steps, pending items before close, etc.; Correspondence with Cushman & Wakefield re: issuing a reliance letter to purchaser for appraisal on real properties; Correspondence with J. Wingrove re: various closing action items for Volkswagen prior to closing; Draft email to M. Ayache re: warranty receivables amount for purchaser to assume; Draft email to S. Yakovenko re: parts statements and payment cycle; Correspondence with BMO re: floor line, draft email to B. Bertram from VCI re: floor line status; Correspondence with Pinchin re: environmental remediation report; Correspondence with Purchaser and C. Wolf re payroll continuity plan and transition; Call with G. Paquette re: various IT related items and back up of Keyloop system, correspondence with Keyloop re: the same; Correspondence with N. Rajewski re: inventory count plan and other closing items, etc.	1.6

Staff	Date	Comments	Hours
C. Lonergan	25-Apr-24	Closing framework, call with BDO team and plan for upcoming parts and vehicle inventory count; Volkswagen Credit update on BMO Floor-line amount, wires instructions and cut-off, Sales Agent update on potential valuation issues including the environment remediation report, Volkswagen Canada update re: vehicle cut-off and vehicles in transit/parts and warranty update, etc. Employee discussion re: dealer principal with Purchaser and consulting agreement vs. Volkswagen engaging, etc.	0.9
H. Yin	25-Apr-24	Call with C. Lonergan re various outstanding items prior to close, plan forward, etc.; Call with V. Dare re closing items, transition agreement, statement of adjustments, etc.; Meeting with Pinchin to finalize remediation letter and reliance letter; Draft email to purchaser re finalized Pinchin remediation letter, Phase I report, discussion with Pinchin, etc.; Call with J. Raymond re remediation letter, status of closing, plan for going forward, etc.; Correspondence with B. Bertram re floor plan payout, floor line status, etc., correspondence with C. Prem from BMO re same; Call with G. Paquette and email correspondence with Keyloop re system backup.	1.1
C. Lonergan	26-Apr-24	Update call and planning discussions with BDO team re: weekend closing items, status of cash and post-filing payments, review of vehicles sales and BMO repayments re: the same, update discussion with Purchaser re: closing items and environmental issues, etc.	0.5
H. Yin	26-Apr-24	Call with C. Lonergan re: plan ahead of closing and weekend closing items (existence and valuation of assets) plan; Correspondence with N. Rajewski re: various tasks to be performed onsite in preparation of closing the sales transaction, including inventory counts to be performed, etc.; Correspondence with C. Bourret re: next steps; Correspondence with Purchaser's transition team onsite re: parts inventory count approach, perform reviews of count sheet by recounting judgmentally selected parts, etc.	1.5
C. Lonergan	27-Apr-24	Update with BDO team and Purchaser regarding asset methodology/framework for existence and valuation, update on employees and consulting agreements for excluded employees, updating the transition services agreement and discussion with BDO team and Counsel re: the same, vehicle inventory update, etc.	0.7
H. Yin	27-Apr-24	Correspondence with N. Rajewski and C. Bourret re: progress update; Correspondence with C. Lonergan to determine inventory count strategy for existence and valuation, and establish course of action for count staff and dealership staff to perform the on-site inventory count for parts, etc.; Perform parts count for OEM parts under 12 months with large monetary amounts and judgementally sample count sheet numbers by Purchaser from previous day's inventory counts, etc.	2.0
C. Lonergan	28-Apr-24	Update with BDO team/Purchaser and Company re: inventory counts, HST, Volkswagen Credit and Canada switch over steps and funding, parts inventory update, purchase price framework, update calls with Purchaser re: closing items, employees, day 1 transition items/cut-off, Pinchin update, etc.	0.8

Staff	Date	Comments	Hours
H. Yin	28-Apr-24	Continue to perform parts count for OEM parts, enter count sheet data into Excel and extrapolate results to finalize parts inventory valuation. Draft email to all parties re: parts inventory value, etc.; Perform preliminary used vehicle count, document condition of each vehicle, and perform valuation of used vehicles in preparation for next day; Correspondence with N. Rajewski, C. Lonergan and C. Bourret re: status update on inventory counts, next steps, Volkswagen Credit and Volkswagen Canada requirements, vehicle HST analysis, etc.	2.0
C. Lonergan	29-Apr-24	Meet with BDO team to update vehicle inventory and parts inventory analysis, HST analysis re: vehicles, employee update with Purchaser, environmental update with Purchaser, call with Pinchin re: clarifications with regards to the remediation report, update call with Company re: excluded assets, updating the purchase price analysis, follow up with Counsels, re: closing items, calls with Volkswagen Credit and Volkswagen Canada re: closing items, warranty analysis, review of cash position, identification of potential cut-off issues, post-filing obligations, and other cash related items, multiple calls with BDO team and Purchaser re: the same, etc.	1.2
H. Yin	29-Apr-24	Meet with Purchaser and C. Lonergan re: progress of inventory count, go forward plan, vehicle HST adjustments, etc.; Correspondence with C. Lonergan and VW Financial Services re: floor plan audit and results, etc.; Work with Purchaser's transition team to agree on valuation of all used vehicles, parts valuations, etc.; Perform analysis of vehicle inventory valuation and allocation of payment from VW and the Purchaser, reconcile payment to be received from VW Financial Services floorplan to vehicle inventory; Multiple correspondence with VW Canada and the Company re: warranty receivable, perform analysis over warranty receivable and create ledger to present to Purchaser; Finalize all valuations for new and used vehicles, parts, and warranty receivables; Present finalized vehicle valuation to C. Lonergan, purchaser, VW Finance, and C. Bourret; Perform purchase price analysis and draft email to all parties; Multiple correspondences with VW Canada amid closing the transaction for April 30, 2024.	2.0
C. Lonergan	30-Apr-24	Review of closing documentation, executing closing documentation, finalizing inventory listing for new vehicles, finalizing inventory listing of used vehicles, finalizing parts inventory listing, finalizing employee lists, review of employee contract, follow up with Purchaser, Company and BDO team re: excluded employees, benefits, excluded assets, etc., finalize purchase price with BDO team, update call with Counsels re: closing items, update call the Purchaser regarding final purchase price calculation and negotiations re: the same including environmental issues, follow up with Counsel re: wire amounts and closing certificates, follow up with Sales Agent re: close, etc.	1.5
H. Yin	30-Apr-24	Call with C. Lonergan and update on purchase price analysis, etc.; Work with C. Lonergan re: vehicle purchase price allocation adjustments, etc.; Meeting with all parties to finalize purchase price; Review multiple correspondence from counsel and purchaser's counsel amid anticipated deal close.; Correspondence with C. Bourret re: various outstanding to-do items for the Company prior and after the close of the transaction, etc.; Correspondence with Purchaser re: cut	1.8

Staff	Date	Comments	Hours
		off issues and plan forward, multiple discussions with employees and C. Bourett, etc.	
C. Lonergan	01-May-24	Post closing follow up calls with BDO team/Purchaser, warranty follow re: plan to submit outstanding claims, IT switch-over, call with VW Canada re: outstanding items, etc.	0.3
H. Yin	01-May-24	Meet with Purchaser and C. Lonergan re: post closing items and plan forward, access for C. Bourret, etc.; Meet with employees not hired by purchaser re: next steps; Correspondence with VW Canada re: various post close items, etc.; Multiple correspondence with the Company, Purchaser, C. Lonergan re: post closing items; Investigate cut off issues; Correspondence with C. Wolf re: floor plan repayment analysis, outstanding invoices, next steps for HST returns, post filing obligations, etc.	1.6
C. Lonergan	02-May-24	Update correspondence to stakeholders regarding the sale transaction, update calls with BDO team and Purchaser re: employee matters, parts and vehicles inventories, transition service agreement items, update call with Pinchin, etc.	0.3
H. Yin	02-May-24	Correspondence with various personnel from the Purchaser's transition team to sort out cut off issues, plan forward, etc.; Correspondence with C. Lonergan and Purchaser re: various matters related to employees, adjustments to parts and vehicle inventories, Multiple discussion with C. Bourret and Company/Purchaser employees, etc.	0.9
C. Lonergan	03-May-24	Follow up with BDO team regarding cut-off items - vehicles sales, chattels not paid off, deposits received, remaining cash requirements analysis, review of Volkswagen correspondence, etc.	0.3
H. Yin	03-May-24	Review emails and follow ups from Purchaser; Correspondence with N. Rajewski re: status of employees, access for C. Bourret onsite and for Serti, and various matters regarding post closing adjustments; Correspondence with C. Lonergan and M. Brunet re: vehicle cut off issues; Draft email to M. Paquette re outstanding lien on a vehicle sold to purchaser; Draft email to J. Wingrove re: various items including outstanding Trade Assist case, etc.; Call with C. Lonergan re: next steps and current updates; Call with C. Bourret re: update and next steps; Call with K. Plunkett re: outstanding invoices owed by the Company; Email to the Company's counsel and BDO's counsel for updates on outstanding invoices owed by the Company.	0.7



Tel: 416 865 0210
 Fax: 416 865 0904
 www.bdo.ca

BDO Canada Limited
 20 Wellington Street E, Suite 500
 Toronto ON M5E 1C5 Canada

Strictly Private & Confidential

OEM Automotive Holdings Inc.
 c/o BDO Canada Limited
 20 Wellington Street E, Suite 500
 Toronto, ON M5E 1C5

Date

May 13, 2024

Invoice

CINV2889199

RE: OEM Automotive Holdings Inc. - NOI

TO OUR FEE FOR PROFESSIONAL SERVICES rendered in connection with our engagement as Trustee in the above noted matter for the period March 23, 2024 to May 3, 2024 as per the details below.

Our Fee	\$ 19,741.50
Courtesy Discount	(5,000.00)
Sub Total	14,741.50
HST - 13.00% (#R101518124)	1,916.40
TOTAL	\$ 16,657.90

Summary of Time Charges:

	Hours	Rate	Amount
C. Lonergan, Partner	13.8	735.00	10,143.00
H. Yin, Analyst	24.3	395.00	9,598.50
Total	38.1		\$ 19,741.50

BANK WIRE TRANSFER/EFT PAYMENTS: Payment can be made online in Canadian funds. Please ensure you email your online payment confirmations including invoice #, amount paid and payment date) to EFTPayments@bdo.ca

The banking information for BDO Canada Limited is as follows for Canadian Funds

CIBC Main Branch
 Commerce Court
 199 Bay Street
 Toronto, ON M5L 1G9
 Account Name: BDO Canada Limited

Bank: Canadian Imperial Bank of Commerce
 Bank Institution #: 010
 Transit #: 00002
 Account #: 91-26910
 Swift Reference #: CIBCCATT

Staff	Date	Comments	Hours
C. Lonergan	25-Mar-24	Drafting Third Report, review and negotiation of the APA, various discussion with Sales Agent, Purchaser and Counsels re: the same, review of cash flow variance analysis, review, and discussion re: Revised Cash Flows, Pinchin environmental update, review of fee affidavit from Counsel, review of SISP process, EOI and LOI summaries, discussion with Company and Bank's counsel re: upcoming motion and timing of distribution motion, various discussions with the BDO team, etc.	1.0
H. Yin	25-Mar-24	Correspondence with C. Lonergan re: Third Court Report; Correspondence with J. Raymond and purchaser re: due diligence materials, environmental reports, etc.; Email V. Dare re environmental reports; Call with C. Wolf re various accounting matters and update to the cash flow forecast; Conduct cash flow variance analysis of the previous week; Draft new cash flow projection for the Third Court Report, etc.	0.6
C. Lonergan	26-Mar-24	Various discussions and correspondence with Counsel re: orders and motion materials, drafting Third Report, review of Revised Cash Flows and discussions with BDO team re: the same, various calls and revisions to the Third Report with Counsel, review of environmental reports, various calls with Sales Agent and Purchaser re: APA, update with Counsels re: the same, cash flow variance analysis review, Confidential Supplementary Report framework set up, review of BDO fee schedules, etc.	0.9
H. Yin	26-Mar-24	Call with M. Paquette re update to the sales figures on revised cash flow forecast; Conduct cash flow variance analysis for the period up to March 24, 2024 for the Third Court Report; Continue new revised cash flow projection for the Third Court Report, correspondence with C. Bourret re: revised cash flows for signatures. Review draft BDO professional fees and send to C. Lonergan for review.	1.2
C. Lonergan	27-Mar-24	Drafting and Finalizing the Third Report and Confidential Supplementary Report, review and negotiation of the APA, various discussion with Sales Agent, Purchaser and Counsels re: the same, review of cash flow variance analysis, review, and discussion re: Revised Cash Flows, Pinchin environmental update, review of fee affidavits of Proposal Trustee and its counsel, review of SISP process, EOI and LOI summaries, etc.	1.3
H. Yin	27-Mar-24	Finalize BDO professional fees invoices; Draft fee affidavit and exhibits for C. Lonergan to review and sign off; Compile appendices for the Third Court Report and Confidential Supplementary Report; Correspondence with City of Cornwall re: work order search; Correspondence with Pinchin re: status of the remediation report; Correspondence with J. Raymond re: various items related to the purchase agreement; Correspondence with V. Dare re: purchase agreement and the Third Court Report and its supplementary; Review of Third Court Report and Confidential Supplementary Report, finalize re: same and send to Counsel, etc.	1.3
C. Lonergan	28-Mar-24	Finalizing APA, finalizing Third Report and Confidential Supplementary Report, respond to the Shareholder email, follow up re: city work	0.3

Staff	Date	Comments	Hours
		orders and Pinchin re: environmental report, various discussion with Counsel and BDO team re: the same and next steps, etc.	
H. Yin	28-Mar-24	Draft DIP funding request letter for C. Bourret's signature; Correspondence with C. Lonergan re: next steps and review correspondence from shareholder re: vehicles sales, WIP, etc.; Draft response to shareholders re: the same, follow up with APA items including work orders and environmental reports, etc., etc.	0.1
C. Lonergan	01-Apr-24	Critical vendor email to Company and stakeholders, Review of APA, review of Court materials, update correspondence with Bank's counsel re: the same, set up APA preliminary waterfall framework for BDO team, follow up with APA items including work orders and environmental reports, pre-filing vendors payments review and discussion with BDO team re: the same, etc.	0.3
H. Yin	01-Apr-24	Review all pre-filing payments made to date and summarize, draft email re: same for C. Lonergan; Review email correspondence receive from the Company re: various items; Correspondence with C. Wolf re: payments to be made; Correspondence with C. Bourret re: DIP financing request, sales process update, etc.; Correspondence with Aird and Berlis re: invoice payment status; Correspondence with City of Cornwall re: open work order follow up; Correspondence with Pinchin re: status of remediation report, etc.	0.4
C. Lonergan	02-Apr-24	Update call with the Company and BDO team re: Court process, sales process, APA, next steps to close, critical vendor update, outstanding vehicles AR to collect, various correspondence with shareholder's counsel re: confidential summary, review and update on preliminary APA waterfall analysis, review of BMO monthly reporting, etc.	0.5
H. Yin	02-Apr-24	Review prior week's cash activities and conduct variance analysis; Prepare monthly reporting package to BMO and draft email re: same; Call with D. Poirier re disbursements, etc.; Call with J. Raymond re: next steps, closing checklist, etc.; Call with G. Macdonell re: sales process, distributions, etc.; Meeting with C. Lonergan and C. Bourret re: various items, sales process, closing process, next steps, etc.; Correspondence with BMO re: current balance owed on various indebtedness, prepare preliminary waterfall analysis for C. Lonergan to review.	1.1
C. Lonergan	03-Apr-24	Preparation and review of materials for Court, attendance at Court for the extension hearing, Third Report approval and sale approval, call with Shareholders counsel re: the same, update call with Bank and counsel following Court, etc.	0.6
H. Yin	03-Apr-24	Correspondence with C. Wolf re: separating HST filing to month to month, finalize figures for filing, professional fees payments, etc.; Review C. Wolf's email re: floor plan repayments, etc.; Call with C. Bourret re: deal closing; Correspondence with DSMA re: next steps, time sheets update, etc.; Correspondence with the purchaser re: information requests; Correspondence with vendors re: outstanding payments, etc.	0.4

Staff	Date	Comments	Hours
C. Lonergan	08-Apr-24	Call with Sales Agent, Company, BDO team and Purchaser re: next steps re: closing, employee meeting, critical parts purchases, review of closing item checklist, etc.	0.3
H. Yin	08-Apr-24	Correspondence with Pinchin re: environmental remediation update; Correspondence with C. Wolf re: disbursements, various accounting matters, professional fees, cash flow, etc.; Meet with DSMA and purchaser re: next steps; Correspond with C. Lonergan re: next steps; Call with C. Bourret re: next steps, professional fees, pre-filing invoices, missing vehicle payments, etc.; Review emails received from Purchaser re: due diligence; Draft email to C. Lonergan re: closing checklist. Review previous week's bank activities and cash flow variance analysis; Review various emails received from the Company, etc.	0.8
C. Lonergan	10-Apr-24	Review of closing agreements, updating closing item check list, correspondence with Volkswagen, etc.	0.1
H. Yin	10-Apr-24	Compiling court materials and corresponding with IT team to update website with latest documents, etc.	0.1
C. Lonergan	12-Apr-24	Finalize closing item checklist, Update call with Mark Motors, Sales Agent and BDO team re: IT, vehicle and parts inventories, employees, ownership and other closing items, etc.	0.4
H. Yin	12-Apr-24	Call with C. Lonergan and J. Raymond re: meeting with Purchaser, updates, steps forward/closing items, etc.; Meeting with Purchaser team re: previous week onsite work, IT needs, steps forward/closing items, etc.; Correspond with Purchaser re: IT migration plan; Call with C. Bourret re: payments, vendor issues, redacted APA, etc.	0.3
C. Lonergan	16-Apr-24	Update with BDO team re: Purchaser closing items, and DSMA billings and assistance with closing the APA, cash flows/cash position, etc.	0.1
H. Yin	16-Apr-24	Correspondence with N. Rajewski re IT, inventory count, supplier continuity, and various other closing items; Call with J. Raymond re: DSMA billing and next steps; Call with S. Tourangeau re SERTI contract, etc.; Conduct cash flow variance analysis, Update call with C. Lonergan re: Purchaser closing items, DSMA assistance and next steps, cash flow variance, etc.	0.6
H. Yin	17-Apr-24	Correspondence with C. Wolf re: vehicle repayments, floor plan status, accounting matters, HST remittance, etc.; Review email received from N. Rajewski re: various IT concerns and questions, etc.	0.3
C. Lonergan	18-Apr-24	Update on closing items, review of environmental report and BDO team summary re: the same, update email to Company and Counsel re: cash flows and vehicle payment letters, etc.	0.4
H. Yin	18-Apr-24	Receive and review Pinchin remediation report, draft summary email to C. Lonergan for review; Correspondence with C. Lonergan re: closing items, next steps, Pinchin report, and outstanding Company information/requirements, etc.; Correspondence with V. Dare re: Pinchin report and closing items, next steps, etc.; Call with M. Paquette re: vehicles sales variance, trade in and lien payouts, inventory report, etc.	0.5

Staff	Date	Comments	Hours
C. Lonergan	19-Apr-24	Follow up with Purchaser re: closing items, IT update, employee update, VW agreement and OMVIC status, discussion with BDO team and Counsel re: closing items, etc.	0.2
H. Yin	19-Apr-24	Review IT discovery report from Purchaser, correspondence with N. Rajewski re: the same and plan forward on IT items; Correspondence with C. Lonergan re: update to the Purchaser; Meeting with C. Lonergan and V. Dare re next steps and environmental.	0.3
C. Lonergan	22-Apr-24	Follow-up with Volkswagen Canada re: remaining closing items, parts and warranty cut-off and Purchaser approval, environmental assessment on APA, etc.	0.2
C. Lonergan	23-Apr-24	Update call with Sales Agent, BDO team, and Purchaser re: OMVIC and other closing items, update discussions with VW Canada re: outstanding items, review of APA for outstanding items and follow-up with BDO team on inventory count, employee status, additionally discussions surrounding the Environmental report, etc.	0.5
H. Yin	23-Apr-24	Review various emails received from C. Wolf and M. Paquette re: floor line repayments, payroll, lien payout, etc.; Conduct variance analysis and cash flow monitoring of previous week's cash flow; Correspondence with S. Tourangeau re: Clover service agreement, IT questions, etc.; Review emails received from Purchaser; Call with V. Dare re: purchase agreement, etc.; Prepare for and meet with Purchaser, DSMA and C. Lonergan re: next steps and ongoing questions, concerns re: environmental, tasks, etc.; Follow-up discussion with C. Lonergan re: next steps, progress update, inventory count plan, etc.; Call with J. Raymond re: OMVIC approval, billing, etc.; Call with G. Paquette re IT systems; Draft email to BMO re: floor line balance; Correspondence with N. Rajewski on inventory count plan, etc. Draft email to OMVIC re: Court approval of the sale; Draft email to shareholders re: changes to access to services after April 30 closing, etc.	1.1
C. Lonergan	24-Apr-24	Purchaser update call and closing items, APA review with Purchaser re: employment requirements, update call with BDO team re: the same, cash flow and post-filing payment update and review, etc.	0.2
H. Yin	24-Apr-24	Meeting with C. Lonergan re: status update, next step, prepare for call with purchaser; Prepare for and meet with purchaser re: next steps, pending items before close, etc.; Correspondence with Cushman & Wakefield re: issuing a reliance letter to purchaser for appraisal on real properties; Correspondence with J. Wingrove re: various closing action items for Volkswagen prior to closing; Draft email to M. Ayache re: warranty receivables amount for purchaser to assume; Draft email to S. Yakovenko re: parts statements and payment cycle; Correspondence with BMO re: floor line, draft email to B. Bertram from VCI re: floor line status; Correspondence with Pinchin re: environmental remediation report; Correspondence with Purchaser and C. Wolf re payroll continuity plan and transition; Call with G. Paquette re: various IT related items and back up of Keyloop system, correspondence with Keyloop re: the same; Correspondence with N. Rajewski re: inventory count plan and other closing items, etc.	1.6

Staff	Date	Comments	Hours
C. Lonergan	25-Apr-24	Closing framework, call with BDO team and plan for upcoming parts and vehicle inventory count; Volkswagen Credit update on BMO Floor-line amount, wires instructions and cut-off, Sales Agent update on potential valuation issues including the environment remediation report, Volkswagen Canada update re: vehicle cut-off and vehicles in transit/parts and warranty update, etc. Employee discussion re: dealer principal with Purchaser and consulting agreement vs. Volkswagen engaging, etc.	0.9
H. Yin	25-Apr-24	Call with C. Lonergan re various outstanding items prior to close, plan forward, etc.; Call with V. Dare re closing items, transition agreement, statement of adjustments, etc.; Meeting with Pinchin to finalize remediation letter and reliance letter; Draft email to purchaser re finalized Pinchin remediation letter, Phase I report, discussion with Pinchin, etc.; Call with J. Raymond re remediation letter, status of closing, plan for going forward, etc.; Correspondence with B. Bertram re floor plan payout, floor line status, etc., correspondence with C. Prem from BMO re same; Call with G. Paquette and email correspondence with Keyloop re system backup.	1.1
C. Lonergan	26-Apr-24	Update call and planning discussions with BDO team re: weekend closing items, status of cash and post-filing payments, review of vehicles sales and BMO repayments re: the same, update discussion with Purchaser re: closing items and environmental issues, etc.	0.5
H. Yin	26-Apr-24	Call with C. Lonergan re: plan ahead of closing and weekend closing items (existence and valuation of assets) plan; Correspondence with N. Rajewski re: various tasks to be performed onsite in preparation of closing the sales transaction, including inventory counts to be performed, etc.; Correspondence with C. Bourret re: next steps; Correspondence with Purchaser's transition team onsite re: parts inventory count approach, perform reviews of count sheet by recounting judgmentally selected parts, etc.	1.5
C. Lonergan	27-Apr-24	Update with BDO team and Purchaser regarding asset methodology/framework for existence and valuation, update on employees and consulting agreements for excluded employees, updating the transition services agreement and discussion with BDO team and Counsel re: the same, vehicle inventory update, etc.	0.7
H. Yin	27-Apr-24	Correspondence with N. Rajewski and C. Bourret re: progress update; Correspondence with C. Lonergan to determine inventory count strategy for existence and valuation, and establish course of action for count staff and dealership staff to perform the on-site inventory count for parts, etc.; Perform parts count for OEM parts under 12 months with large monetary amounts and judgementally sample count sheet numbers by Purchaser from previous day's inventory counts, etc.	2.0
C. Lonergan	28-Apr-24	Update with BDO team/Purchaser and Company re: inventory counts, HST, Volkswagen Credit and Canada switch over steps and funding, parts inventory update, purchase price framework, update calls with Purchaser re: closing items, employees, day 1 transition items/cut-off, Pinchin update, etc.	0.8

Staff	Date	Comments	Hours
H. Yin	28-Apr-24	Continue to perform parts count for OEM parts, enter count sheet data into Excel and extrapolate results to finalize parts inventory valuation. Draft email to all parties re: parts inventory value, etc.; Perform preliminary used vehicle count, document condition of each vehicle, and perform valuation of used vehicles in preparation for next day; Correspondence with N. Rajewski, C. Lonergan and C. Bourret re: status update on inventory counts, next steps, Volkswagen Credit and Volkswagen Canada requirements, vehicle HST analysis, etc.	2.0
C. Lonergan	29-Apr-24	Meet with BDO team to update vehicle inventory and parts inventory analysis, HST analysis re: vehicles, employee update with Purchaser, environmental update with Purchaser, call with Pinchin re: clarifications with regards to the remediation report, update call with Company re: excluded assets, updating the purchase price analysis, follow up with Counsels, re: closing items, calls with Volkswagen Credit and Volkswagen Canada re: closing items, warranty analysis, review of cash position, identification of potential cut-off issues, post-filing obligations, and other cash related items, multiple calls with BDO team and Purchaser re: the same, etc.	1.2
H. Yin	29-Apr-24	Meet with Purchaser and C. Lonergan re: progress of inventory count, go forward plan, vehicle HST adjustments, etc.; Correspondence with C. Lonergan and VW Financial Services re: floor plan audit and results, etc.; Work with Purchaser's transition team to agree on valuation of all used vehicles, parts valuations, etc.; Perform analysis of vehicle inventory valuation and allocation of payment from VW and the Purchaser, reconcile payment to be received from VW Financial Services floorplan to vehicle inventory; Multiple correspondence with VW Canada and the Company re: warranty receivable, perform analysis over warranty receivable and create ledger to present to Purchaser; Finalize all valuations for new and used vehicles, parts, and warranty receivables; Present finalized vehicle valuation to C. Lonergan, purchaser, VW Finance, and C. Bourret; Perform purchase price analysis and draft email to all parties; Multiple correspondences with VW Canada amid closing the transaction for April 30, 2024.	2.0
C. Lonergan	30-Apr-24	Review of closing documentation, executing closing documentation, finalizing inventory listing for new vehicles, finalizing inventory listing of used vehicles, finalizing parts inventory listing, finalizing employee lists, review of employee contract, follow up with Purchaser, Company and BDO team re: excluded employees, benefits, excluded assets, etc., finalize purchase price with BDO team, update call with Counsels re: closing items, update call the Purchaser regarding final purchase price calculation and negotiations re: the same including environmental issues, follow up with Counsel re: wire amounts and closing certificates, follow up with Sales Agent re: close, etc.	1.5
H. Yin	30-Apr-24	Call with C. Lonergan and update on purchase price analysis, etc.; Work with C. Lonergan re: vehicle purchase price allocation adjustments, etc.; Meeting with all parties to finalize purchase price; Review multiple correspondence from counsel and purchaser's counsel amid anticipated deal close.; Correspondence with C. Bourret re: various outstanding to-do items for the Company prior and after the close of the transaction, etc.; Correspondence with Purchaser re: cut	1.8

Staff	Date	Comments	Hours
		off issues and plan forward, multiple discussions with employees and C. Bourett, etc.	
C. Lonergan	01-May-24	Post closing follow up calls with BDO team/Purchaser, warranty follow re: plan to submit outstanding claims, IT switch-over, call with VW Canada re: outstanding items, etc.	0.3
H. Yin	01-May-24	Meet with Purchaser and C. Lonergan re: post closing items and plan forward, access for C. Bourret, etc.; Meet with employees not hired by purchaser re: next steps; Correspondence with VW Canada re: various post close items, etc.; Multiple correspondence with the Company, Purchaser, C. Lonergan re: post closing items; Investigate cut off issues; Correspondence with C. Wolf re: floor plan repayment analysis, outstanding invoices, next steps for HST returns, post filing obligations, etc.	1.6
C. Lonergan	02-May-24	Update correspondence to stakeholders regarding the sale transaction, update calls with BDO team and Purchaser re: employee matters, parts and vehicles inventories, transition service agreement items, update call with Pinchin, etc.	0.3
H. Yin	02-May-24	Correspondence with various personnel from the Purchaser's transition team to sort out cut off issues, plan forward, etc.; Correspondence with C. Lonergan and Purchaser re: various matters related to employees, adjustments to parts and vehicle inventories, Multiple discussion with C. Bourret and Company/Purchaser employees, etc.	0.9
C. Lonergan	03-May-24	Follow up with BDO team regarding cut-off items - vehicles sales, chattels not paid off, deposits received, remaining cash requirements analysis, review of Volkswagen correspondence, etc.	0.3
H. Yin	03-May-24	Review emails and follow ups from Purchaser; Correspondence with N. Rajewski re: status of employees, access for C. Bourret onsite and for Serti, and various matters regarding post closing adjustments; Correspondence with C. Lonergan and M. Brunet re: vehicle cut off issues; Draft email to M. Paquette re outstanding lien on a vehicle sold to purchaser; Draft email to J. Wingrove re: various items including outstanding Trade Assist case, etc.; Call with C. Lonergan re: next steps and current updates; Call with C. Bourret re: update and next steps; Call with K. Plunkett re: outstanding invoices owed by the Company; Email to the Company's counsel and BDO's counsel for updates on outstanding invoices owed by the Company.	0.7



Tel: 416 865 0210
Fax: 416 865 0904
www.bdo.ca

BDO Canada Limited
20 Wellington Street E, Suite 500
Toronto ON M5E 1C5 Canada

Strictly Private & Confidential

OEM Solutions Inc
c/o BDO Canada Limited
20 Wellington Street E, Suite 500
Toronto, ON M5E 1C5

Date

May 16, 2024

Invoice

CINV2892589

RE: OEM Automotive Solutions - NOI

TO OUR FEE FOR PROFESSIONAL SERVICES rendered in connection with our engagement as Trustee in the above noted matter for the period May 4, 2024 to May 16, 2024 as per the details below.

Our Fee	\$ 34,652.00
Courtesy Discount	\$ (5,000.00)
Disbursements: miscellaneous	184.81
Sub Total	29,836.81
HST - 13.00% (#R101518124)	3,878.79
TOTAL	\$ 33,715.60

Summary of Time Charges:

	Hours	Rate	Amount
C. Lonergan, Partner	27.1	735.00	19,918.50
H. Yin, Analyst	37.3	395.00	14,733.50
Total	64.4		\$ 34,652.00

BANK WIRE TRANSFER/EFT PAYMENTS: Payment can be made online in Canadian funds. Please ensure you email your online payment confirmations including invoice #, amount paid and payment date) to EFTPayments@bdo.ca

The banking information for BDO Canada Limited is as follows for Canadian Funds

CIBC Main Branch
Commerce Court
199 Bay Street
Toronto, ON M5L 1G9
Account Name: BDO Canada Limited

Bank: Canadian Imperial Bank of Commerce
Bank Institution #: 010
Transit #: 00002
Account #: 91-26910
Swift Reference #: CIBCCATT

Staff	Date	Comments	Hours
C. Lonergan	06-May-24	Call with BDO team re: next steps, payroll, accounting items, etc.; Call with Company and BDO team re: payroll and other matters, plan going forward, etc.; review of email correspondence with BMO; Review various emails from Counsel, review of employee AR, payroll, commissions and other items, etc.	2.0
H. Yin	06-May-24	Call with C. Lonergan re: next steps; Call with C. Wolf re: upcoming payroll and other outstanding accounting items; Email correspondence with M. Beaudoin re: Keyloop system back up for Serti; Call with C. Lonergan and C. Bourret re: payroll and other matters, plan going forward, etc.; Review of bank activities, draft email correspondence with BMO re: same; Revise waterfall analysis for C. Lonergan to review; Review various emails from counsel; Various correspondence with VCI re: outstanding payments not received, call with M. Paquette re: same; Review payroll email from C. Wolf, etc.	2.9
C. Lonergan	07-May-24	Drafting and updating of waterfall analysis; Call with BDO team re: waterfall analysis; Meeting with BDO team and Counsels re: next steps; review of Company correspondence, review of vehicle sales and funding with Volkswagen Credit; correspondence with Volkswagen Canada; review of professional fee analysis, various discussion with Purchaser re: transition items, review of Company's banking transactions, etc.	2.5
H. Yin	07-May-24	Call with C. Lonergan re: waterfall analysis; Review various emails received from the Company; Review Company's daily cash activities; Update professional fees disbursement schedule and reconciliation for C. Lonergan to review; Call with B. Smith re: outstanding vehicle payment not received from VCI, draft email to VCI re: same, update C. Lonergan; Correspondence with J. Wingrove re: IT issues purchaser is experiencing; Call with T. Rohmer re: trade assist issue on a vehicle delivered to customer, draft email to Volkswagen and C. Bourret re: same; Review of BDO invoices; Meeting with C. Lonergan, G. Phoenix, V. Dare re options for next steps, etc.	3.8
C. Lonergan	08-May-24	Review of post-filing obligations, Follow with BDO team re: Company follow-up items (AR, Warranty, etc.) and other next steps. Follow up with Volkswagen Canada and Volkswagen Credit re: transition items and vehicles fundings, drafting stakeholder update correspondence framework/email and discussion with BDO team and Counsel re: the same, incorporate their changes as required, etc.; Review Counsel enhanced powers narrative; Call with BDO team re: the same, etc.	2.8
H. Yin	08-May-24	Review various emails received from Counsel re: Proposal Trustee's enhanced powers, next steps options, distribution of proceeds, post-filing obligations, etc. Correspondence with C. Lonergan re: same; Correspondence with VCI re: outstanding documentation for vehicle fundings; Correspondence with C. Wolf re: EFT set up, post-filing obligations, HST obligations, etc.; Call with C. Bourret re: various matters, including CEBA loan, warranty claims, etc. Update C. Lonergan re: same; Review payroll submitted for period ending April 30, 2024; Review and suggest changes on OEM Update email from C. Lonergan, combine changes suggested by counsel and send to C. Lonergan for final review; Draft list of outstanding items to be	5.3

Staff	Date	Comments	Hours
		completed for C. Bourret; Draft email update to Volkswagen Canada and correspond with J. Wingrove re: in progress items; Call with G. MacDonell re: current situation and provide update on sales process, etc.	
C. Lonergan	09-May-24	Finalizing draft waterfall analysis, review of remaining asset realizations, review security documents re: the same, review of APA and asset allocations, employee status and other potential transition costs. Call with the Company and BDO team re: waterfall analysis, next steps, vendor payments, AR collections, employee matters and other outstanding items, etc.; Call with BDO and Counsel regarding post-closing matters, updates, next steps, etc.; Finalize email re: Company stakeholders re: waterfall analysis and potential next steps, etc.	3.7
H. Yin	09-May-24	Call with C. Lonergan re updates to waterfall analysis, next steps, etc.; Call with C. Bourret and C. Lonergan re vendor payments, outstanding items, AR collections, employee matters, etc.; Correspondence with T. Montesano re setting up Proposal Trustee's bank account and moving sales proceeds/deposit out of in-transit account; Correspondence with S. Yakovenko re receivable from VW Canada; Correspondence with K. Blackburn re parts rebilling to purchaser; Correspondence with S. Taneja re parts account after closing; Draft email to counsel re professional fees paid; Call with C. Lonergan and V. Dare re various post-closing matters, updates, next steps, etc.; Call with C. Bourret re employee issues, professional fees, etc.; Correspondence with Volkswagen Canada re warranty claims window extension request, draft email to J. Wingrove re same; Review various emails received from counsel re distribution motion for BMO, next steps, etc.; Receive email from BMO re 2023 floor line activities and start analysis on vehicle sales for pre-filing HST; Start performing post-filing HST obligations calculation and correspondence with C. Wolf re: the same.	5.3
C. Lonergan	10-May-24	Review of Purchaser correspondence re: previous owner transition interference, transition items and employees; Conference call with Purchaser and BDO team re: the same; Review of cash disbursement and banking protocols; Update call with Bank's counsel re: waterfall analysis and Court update; Update call with Company and BDO team re: outstanding items, next steps and other items; Review of invoice analysis and other professional fees, etc.; Review of Bank counsel correspondence; Review of VW correspondence, etc.	2.3
H. Yin	10-May-24	Continue to work on post-filing HST calculation working paper; Call with C. Lonergan and C. Bourret re: updates, outstanding items, and next steps; Finalize BDO professional fees and invoice analysis for C. Lonergan's review; Correspondence with Counsels re: overpayment on professional fees, correspondence with C. Bourret re: same; Draft email to J. Wingrove re: warranty extension; Meeting with C. Lonergan and Purchaser re: transition items, previous owner's interruption to the business, employee status, etc.; Review emails from Purchaser re: the same, etc.	4.0
C. Lonergan	12-May-24	Review correspondence from shareholder's Counsel, Respond to Counsel re: the same; Review of distribution schedule, etc.	0.2

Staff	Date	Comments	Hours
C. Lonergan	13-May-24	Update calls and correspondence with Counsel and BDO team re: next steps, Court timing, Court report and relief being sought; Update call with Company and BDO team re: remaining activities to complete including vehicle AR, warranty claims, shareholder purchased assets, drafting framework of the Fourth Report; Update with VW and BMO re: new vehicle floor lines, etc.	1.4
H. Yin	13-May-24	Call with C. Lonergan re: next steps, outstanding items, remaining collection activities, etc. Call with C. Bourret re: the same; Call with Counsel and C. Lonergan re: next steps, next court date, court report outline, etc.; Correspondence with Purchaser re: purchase price adjustment for parts, access issues for C. Bourret, etc.; Correspondence with BMO re: recalling duplicate payment error; Call with P. Hoosain re: outstanding invoice to A&B; Email correspondence with VW Canada re: warranty access issues experienced by the Company, request for extension, etc.; Follow up on Trade Assist pending amount with VW Canada; Email correspondence with D. Poirier re: information provided on AR/AP, etc.; Correspondence with C. Bourret re: detailed parts listing, purchase price workbook questions, etc.; Correspondence with S. Martel re: business insurance instalments owed, options for cancelling business insurance, and reducing auto insurance, etc.; Call with B. Bertram from VCI re: vehicle chattel issues, call with P. Smulski from BMO re: same; Review Holdco HST filing information, draft email to C. Wolf re the same, etc.	3.6
C. Lonergan	14-May-24	Call with Company, Counsel and the BDO team re: employee layoffs, IT, outstanding items, etc.; review of correspondence to the Purchaser re: various requests made by the Company; call with Purchaser re: Company issues and transition items, review of remaining items listing; review of usage of remaining cash schedule, professional fee update, post-filing obligations; Update with professional fee payments, etc.	2.2
H. Yin	14-May-24	Call with C. Bourret, C. Lonergan, G. Phoenix re: employee layoffs, outstanding items, etc.; Call with C. Bourret re: issues with IT, VW Canada, and requests; Draft email to the Purchaser re: various requests made by the Company; Call with N. Rajewski and F. Swayty re: the same; Call with Counsels re: forwarding duplicate invoice payments to BDO; Receive emails from the Company re: vendor invoices, issues, etc.; Correspondence with S. Martel re: business insurance; Receive and review emails received from V. Dare re: next Court appearance, motion, etc.; Call with V. Dare re: same; Draft email to C. Bourret re: professional fees duplicate payment, etc.	3.1
C. Lonergan	15-May-24	Drafting Fourth Court Report, review of draft orders, update call with BDO re: IT, transition items, AR collection letters; Discussions with the Bank re: DIP repayment, floor line facilities, etc.; Follow up with Purchaser re: remaining matters (employees, IT, etc.); Review correspondence from shareholder's legal counsel; Review of email correspondence with G. MacDonell, discussion with BDO team and Counsel re: the same, etc.	4.0
H. Yin	15-May-24	Call with C. Bourret re: next steps and current issues related to IT, transition items, etc.; Update call with C. Lonergan; Call with N.	4.0

Staff	Date	Comments	Hours
		Rajewski re: assistance needed; Email correspondence with the Purchaser, F. Swayty, N. Rajewski re: various issues requiring the Purchaser's assistance; Draft email to M. Brunet re: vehicle issue; Call with G. Macdonell re: proceeding updates and distributions, draft email re: the same; Call with C. Bourret re: bill of sales needed, AR letters needed, IT issues, etc.; Correspondence with C. Wolf re: various accounting matters including HST, post-filing invoices, insurance, etc.; Call with D. Poirier re: AR/AP related matters and vehicle sales/purchase information; Review BMO payout statement for DIP and draft cheque requisition for payout; Review DSMA invoices and draft cheque requisition for payment etc.	
C. Lonergan	16-May-24	Continue to draft the Fourth Court Report; Review of fee affidavits; Update invoice; Review of motion materials and draft orders; Update waterfall analysis; Review remaining asset monetization plan; Follow up with Purchaser re: transition services agreement and remaining matters (employees, IT, etc.); Discussions with BDO team and Counsel re: the same, Review of updated Payout statements, etc.	6.0
H. Yin	16-May-24	Correspondence with C. Wolf re: cash flow variance analysis; Conduct cash flow variance analysis for the Fourth Court Report; Draft Fourth Court Report activities section, make appendices, assist C. Lonergan in drafting the Fourth Court Report; Draft R&D schedules; Draft invoices and fee affidavit; etc.	5.3



Tel: 416 865 0210
 Fax: 416 865 0904
 www.bdo.ca

BDO Canada Limited
 20 Wellington Street E, Suite 500
 Toronto ON M5E 1C5 Canada

Strictly Private & Confidential

OEM Automotive Cornwall Inc.
 c/o BDO Canada Limited
 20 Wellington Street E, Suite 500
 Toronto, ON M5E 1C5

Date	Invoice
May 16, 2024	CINV2892590

RE: OEM Automotive Cornwall Inc. - NOI

TO OUR FEE FOR PROFESSIONAL SERVICES rendered in connection with our engagement as Trustee in the above noted matter for the period May 4, 2024 to May 16, 2024 as per the details below.

Our Fee	\$ 7,536.00
Courtesy Discount	(1,500.00)
Sub Total	6,036.00
HST - 13.00% (#R101518124)	784.68
TOTAL	\$ 6,820.68

Summary of Time Charges:

	Hours	Rate	Amount
C. Lonergan, Partner	5.9	735.00	4,336.50
H. Yin, Analyst	8.1	395.00	3,199.50
Total	14.0		\$ 7,536.00

BANK WIRE TRANSFER/EFT PAYMENTS: Payment can be made online in Canadian funds. Please ensure you email your online payment confirmations including invoice #, amount paid and payment date) to EFTPayments@bdo.ca

The banking information for BDO Canada Limited is as follows for Canadian Funds

CIBC Main Branch
 Commerce Court
 199 Bay Street
 Toronto, ON M5L 1G9
 Account Name: BDO Canada Limited

Bank: Canadian Imperial Bank of Commerce
 Bank Institution #: 010
 Transit #: 00002
 Account #: 91-26910
 Swift Reference #: CIBCCATT

Staff	Date	Comments	Hours
C. Lonergan	06-May-24	Call with BDO team re: next steps, payroll, accounting items, etc.; Call with Company and BDO team re: payroll and other matters, plan going forward, etc.; review of email correspondence with BMO; Review various emails from Counsel, review of employee AR, payroll, commissions and other items, etc.	0.4
H. Yin	06-May-24	Call with C. Lonergan re: next steps; Call with C. Wolf re: upcoming payroll and other outstanding accounting items; Email correspondence with M. Beaudoin re: Keyloop system back up for Serti; Call with C. Lonergan and C. Bourret re: payroll and other matters, plan going forward, etc.; Review of bank activities, draft email correspondence with BMO re: same; Revise waterfall analysis for C. Lonergan to review; Review various emails from counsel; Various correspondence with VCI re: outstanding payments not received, call with M. Paquette re: same; Review payroll email from C. Wolf, etc.	0.7
C. Lonergan	07-May-24	Drafting and updating of waterfall analysis; Call with BDO team re: waterfall analysis; Meeting with BDO team and Counsels re: next steps; review of Company correspondence, review of vehicle sales and funding with Volkswagen Credit; correspondence with Volkswagen Canada; review of professional fee analysis, various discussion with Purchaser re: transition items, review of Company's banking transactions, etc.	0.5
H. Yin	07-May-24	Call with C. Lonergan re: waterfall analysis; Review various emails received from the Company; Review Company's daily cash activities; Update professional fees disbursement schedule and reconciliation for C. Lonergan to review; Call with B. Smith re: outstanding vehicle payment not received from VCI, draft email to VCI re: same, update C. Lonergan; Correspondence with J. Wingrove re: IT issues purchaser is experiencing; Call with T. Rohmer re: trade assist issue on a vehicle delivered to customer, draft email to Volkswagen and C. Bourret re: same; Review of BDO invoices; Meeting with C. Lonergan, G. Phoenix, V. Dare re options for next steps, etc.	0.7
C. Lonergan	08-May-24	Review of post-filing obligations, Follow with BDO team re: Company follow-up items (AR, Warranty, etc.) and other next steps. Follow up with Volkswagen Canada and Volkswagen Credit re: transition items and vehicles fundings, drafting stakeholder update correspondence framework/email and discussion with BDO team and Counsel re: the same, incorporate their changes as required, etc.; Review Counsel enhanced powers narrative; Call with BDO team re: the same, etc.	0.6
H. Yin	08-May-24	Review various emails received from Counsel re: Proposal Trustee's enhanced powers, next steps options, distribution of proceeds, post-filing obligations, etc. Correspondence with C. Lonergan re: same; Correspondence with VCI re: outstanding documentation for vehicle fundings; Correspondence with C. Wolf re: EFT set up, post-filing obligations, HST obligations, etc.; Call with C. Bourret re: various matters, including CEBA loan, warranty claims, etc. Update C.	1.2

Staff	Date	Comments	Hours
		Loneragan re: same; Review payroll submitted for period ending April 30, 2024; Review and suggest changes on OEM Update email from C. Lonergan, combine changes suggested by counsel and send to C. Lonergan for final review; Draft list of outstanding items to be completed for C. Bourret; Draft email update to Volkswagen Canada and correspond with J. Wingrove re: in progress items; Call with G. MacDonell re: current situation and provide update on sales process, etc.	
C. Lonergan	09-May-24	Finalizing draft waterfall analysis, review of remaining asset realizations, review security documents re: the same, review of APA and asset allocations, employee status and other potential transition costs. Call with the Company and BDO team re: waterfall analysis, next steps, vendor payments, AR collections, employee matters and other outstanding items, etc.; Call with BDO and Counsel regarding post-closing matters, updates, next steps, etc.; Finalize email re: Company stakeholders re: waterfall analysis and potential next steps, etc.	0.8
H. Yin	09-May-24	Call with C. Lonergan re updates to waterfall analysis, next steps, etc.; Call with C. Bourret and C. Lonergan re vendor payments, outstanding items, AR collections, employee matters, etc.; Correspondence with T. Montesano re setting up Proposal Trustee's bank account and moving sales proceeds/deposit out of in-transit account; Correspondence with S. Yakovenko re receivable from VW Canada; Correspondence with K. Blackburn re parts rebilling to purchaser; Correspondence with S. Taneja re parts account after closing; Draft email to counsel re professional fees paid; Call with C. Lonergan and V. Dare re various post-closing matters, updates, next steps, etc.; Call with C. Bourret re employee issues, professional fees, etc.; Correspondence with Volkswagen Canada re warranty claims window extension request, draft email to J. Wingrove re same; Review various emails received from counsel re distribution motion for BMO, next steps, etc.; Receive email from BMO re 2023 floor line activities and start analysis on vehicle sales for pre-filing HST; Start performing post-filing HST obligations calculation and correspondence with C. Wolf re: the same.	1.1
C. Lonergan	10-May-24	Review of Purchaser correspondence re: previous owner transition interference, transition items and employees; Conference call with Purchaser and BDO team re: the same; Review of cash disbursement and banking protocols; Update call with Bank's counsel re: waterfall analysis and Court update; Update call with Company and BDO team re: outstanding items, next steps and other items; Review of invoice analysis and other professional fees, etc.; Review of Bank counsel correspondence; Review of VW correspondence, etc.	0.5
H. Yin	10-May-24	Continue to work on post-filing HST calculation working paper; Call with C. Lonergan and C. Bourret re: updates, outstanding items, and next steps; Finalize BDO professional fees and invoice analysis for C. Lonergan's review; Correspondence with Counsels re: overpayment on professional fees, correspondence with C. Bourret re: same; Draft email to J. Wingrove re: warranty extension; Meeting with C. Lonergan and Purchaser re: transition items, previous owner's	0.9

Staff	Date	Comments	Hours
		interruption to the business, employee status, etc.; Review emails from Purchaser re: the same, etc.	
C. Lonergan	12-May-24	Review correspondence from shareholder's Counsel, Respond to Counsel re: the same; Review of distribution schedule, etc.	0.1
C. Lonergan	13-May-24	Update calls and correspondence with Counsel and BDO team re: next steps, Court timing, Court report and relief being sought; Update call with Company and BDO team re: remaining activities to complete including vehicle AR, warranty claims, shareholder purchased assets, drafting framework of the Fourth Report; Update with VW and BMO re: new vehicle floor lines, etc.	0.3
H. Yin	13-May-24	Call with C. Lonergan re: next steps, outstanding items, remaining collection activities, etc. Call with C. Bourret re: the same; Call with Counsel and C. Lonergan re: next steps, next court date, court report outline, etc.; Correspondence with Purchaser re: purchase price adjustment for parts, access issues for C. Bourret, etc.; Correspondence with BMO re: recalling duplicate payment error; Call with P. Hoosain re: outstanding invoice to A&B; Email correspondence with VW Canada re: warranty access issues experienced by the Company, request for extension, etc.; Follow up on Trade Assist pending amount with VW Canada; Email correspondence with D. Poirier re: information provided on AR/AP, etc.; Correspondence with C. Bourret re: detailed parts listing, purchase price workbook questions, etc.; Correspondence with S. Martel re: business insurance instalments owed, options for cancelling business insurance, and reducing auto insurance, etc.; Call with B. Bertram from VCI re: vehicle chattel issues, call with P. Smulski from BMO re: same; Review Holdco HST filing information, draft email to C. Wolf re the same, etc.	0.8
C. Lonergan	14-May-24	Call with Company, Counsel and the BDO team re: employee layoffs, IT, outstanding items, etc.; review of correspondence to the Purchaser re: various requests made by the Company; call with Purchaser re: Company issues and transition items, review of remaining items listing; review of usage of remaining cash schedule, professional fee update, post-filing obligations; Update with professional fee payments, etc.	0.5
H. Yin	14-May-24	Call with C. Bourret, C. Lonergan, G. Phoenix re: employee layoffs, outstanding items, etc.; Call with C. Bourret re: issues with IT, VW Canada, and requests; Draft email to the Purchaser re: various requests made by the Company; Call with N. Rajewski and F. Swayty re: the same; Call with Counsels re: forwarding duplicate invoice payments to BDO; Receive emails from the Company re: vendor invoices, issues, etc.; Correspondence with S. Martel re: business insurance; Receive and review emails received from V. Dare re: next Court appearance, motion, etc.; Call with V. Dare re: same; Draft email to C. Bourret re: professional fees duplicate payment, etc.	0.7
C. Lonergan	15-May-24	Drafting Fourth Court Report, review of draft orders, update call with BDO re: IT, transition items, AR collection letters; Discussions with the Bank re: DIP repayment, floor line facilities, etc.; Follow up with Purchaser re: remaining matters (employees, IT, etc.); Review	0.9

Staff	Date	Comments	Hours
		correspondence from shareholder's legal counsel; Review of email correspondence with G. MacDonell, discussion with BDO team and Counsel re: the same, etc.	
H. Yin	15-May-24	Call with C. Bourret re: next steps and current issues related to IT, transition items, etc.; Update call with C. Lonergan; Call with N. Rajewski re: assistance needed; Email correspondence with the Purchaser, F. Swayty, N. Rajewski re: various issues requiring the Purchaser's assistance; Draft email to M. Brunet re: vehicle issue; Call with G. Macdonell re: proceeding updates and distributions, draft email re: the same; Call with C. Bourret re: bill of sales needed, AR letters needed, IT issues, etc.; Correspondence with C. Wolf re: various accounting matters including HST, post-filing invoices, insurance, etc.; Call with D. Poirier re: AR/AP related matters and vehicle sales/purchase information; Review BMO payout statement for DIP and draft cheque requisition for payout; Review DSMA invoices and draft cheque requisition for payment etc.	0.9
C. Lonergan	16-May-24	Continue to draft the Fourth Court Report; Review of fee affidavits; Update invoice; Review of motion materials and draft orders; Update waterfall analysis; Review remaining asset monetization plan; Follow up with Purchaser re: transition services agreement and remaining matters (employees, IT, etc.); Discussions with BDO team and Counsel re: the same, Review of updated Payout statements, etc.	1.3
H. Yin	16-May-24	Correspondence with C. Wolf re: cash flow variance analysis; Conduct cash flow variance analysis for the Fourth Court Report; Draft Fourth Court Report activities section, make appendices, assist C. Lonergan in drafting the Fourth Court Report; Draft R&D schedules; Draft invoices and fee affidavit; etc.	1.1



Tel: 416 865 0210
 Fax: 416 865 0904
 www.bdo.ca

BDO Canada Limited
 20 Wellington Street E, Suite 500
 Toronto ON M5E 1C5 Canada

Strictly Private & Confidential

OEM Automotive Holdings Inc.
 c/o BDO Canada Limited
 20 Wellington Street E, Suite 500
 Toronto, ON M5E 1C5

Date	Invoice
May 16, 2024	CINV2892591

RE: OEM Automotive Holdings Inc. - NOI

TO OUR FEE FOR PROFESSIONAL SERVICES rendered in connection with our engagement as Trustee in the above noted matter for the period May 4, 2024 to May 16, 2024 as per the details below.

Our Fee	\$ 7,536.00
Courtesy Discount	(1,500.00)
Sub Total	6,036.00
HST - 13.00% (#R101518124)	784.68
TOTAL	\$ 6,820.68

Summary of Time Charges:

	Hours	Rate	Amount
C. Loneragan, Partner	5.9	735.00	4,336.50
H. Yin, Analyst	8.1	395.00	3,199.50
Total	14.0		\$ 7,536.00

BANK WIRE TRANSFER/EFT PAYMENTS: Payment can be made online in Canadian funds. Please ensure you email your online payment confirmations including invoice #, amount paid and payment date) to EFTPayments@bdo.ca

The banking information for BDO Canada Limited is as follows for Canadian Funds

CIBC Main Branch
 Commerce Court
 199 Bay Street
 Toronto, ON M5L 1G9
 Account Name: BDO Canada Limited

Bank: Canadian Imperial Bank of Commerce
 Bank Institution #: 010
 Transit #: 00002
 Account #: 91-26910
 Swift Reference #: CIBCCATT

Staff	Date	Comments	Hours
C. Lonergan	06-May-24	Call with BDO team re: next steps, payroll, accounting items, etc.; Call with Company and BDO team re: payroll and other matters, plan going forward, etc.; review of email correspondence with BMO; Review various emails from Counsel, review of employee AR, payroll, commissions and other items, etc.	0.4
H. Yin	06-May-24	Call with C. Lonergan re: next steps; Call with C. Wolf re: upcoming payroll and other outstanding accounting items; Email correspondence with M. Beaudoin re: Keyloop system back up for Serti; Call with C. Lonergan and C. Bourret re: payroll and other matters, plan going forward, etc.; Review of bank activities, draft email correspondence with BMO re: same; Revise waterfall analysis for C. Lonergan to review; Review various emails from counsel; Various correspondence with VCI re: outstanding payments not received, call with M. Paquette re: same; Review payroll email from C. Wolf, etc.	0.7
C. Lonergan	07-May-24	Drafting and updating of waterfall analysis; Call with BDO team re: waterfall analysis; Meeting with BDO team and Counsels re: next steps; review of Company correspondence, review of vehicle sales and funding with Volkswagen Credit; correspondence with Volkswagen Canada; review of professional fee analysis, various discussion with Purchaser re: transition items, review of Company's banking transactions, etc.	0.5
H. Yin	07-May-24	Call with C. Lonergan re: waterfall analysis; Review various emails received from the Company; Review Company's daily cash activities; Update professional fees disbursement schedule and reconciliation for C. Lonergan to review; Call with B. Smith re: outstanding vehicle payment not received from VCI, draft email to VCI re: same, update C. Lonergan; Correspondence with J. Wingrove re: IT issues purchaser is experiencing; Call with T. Rohmer re: trade assist issue on a vehicle delivered to customer, draft email to Volkswagen and C. Bourret re: same; Review of BDO invoices; Meeting with C. Lonergan, G. Phoenix, V. Dare re options for next steps, etc.	0.7
C. Lonergan	08-May-24	Review of post-filing obligations, Follow with BDO team re: Company follow-up items (AR, Warranty, etc.) and other next steps. Follow up with Volkswagen Canada and Volkswagen Credit re: transition items and vehicles fundings, drafting stakeholder update correspondence framework/email and discussion with BDO team and Counsel re: the same, incorporate their changes as required, etc.; Review Counsel enhanced powers narrative; Call with BDO team re: the same, etc.	0.6
H. Yin	08-May-24	Review various emails received from Counsel re: Proposal Trustee's enhanced powers, next steps options, distribution of proceeds, post-filing obligations, etc. Correspondence with C. Lonergan re: same; Correspondence with VCI re: outstanding documentation for vehicle fundings; Correspondence with C. Wolf re: EFT set up, post-filing obligations, HST obligations, etc.; Call with C. Bourret re: various matters, including CEBA loan, warranty claims, etc. Update	1.2

Staff	Date	Comments	Hours
		C. Lonergan re: same; Review payroll submitted for period ending April 30, 2024; Review and suggest changes on OEM Update email from C. Lonergan, combine changes suggested by counsel and send to C. Lonergan for final review; Draft list of outstanding items to be completed for C. Bourret; Draft email update to Volkswagen Canada and correspond with J. Wingrove re: in progress items; Call with G. MacDonell re: current situation and provide update on sales process, etc.	
C. Lonergan	09-May-24	Finalizing draft waterfall analysis, review of remaining asset realizations, review security documents re: the same, review of APA and asset allocations, employee status and other potential transition costs. Call with the Company and BDO team re: waterfall analysis, next steps, vendor payments, AR collections, employee matters and other outstanding items, etc.; Call with BDO and Counsel regarding post-closing matters, updates, next steps, etc.; Finalize email re: Company stakeholders re: waterfall analysis and potential next steps, etc.	0.8
H. Yin	09-May-24	Call with C. Lonergan re updates to waterfall analysis, next steps, etc.; Call with C. Bourret and C. Lonergan re vendor payments, outstanding items, AR collections, employee matters, etc.; Correspondence with T. Montesano re setting up Proposal Trustee's bank account and moving sales proceeds/deposit out of in-transit account; Correspondence with S. Yakovenko re receivable from VW Canada; Correspondence with K. Blackburn re parts rebilling to purchaser; Correspondence with S. Taneja re parts account after closing; Draft email to counsel re professional fees paid; Call with C. Lonergan and V. Dare re various post-closing matters, updates, next steps, etc.; Call with C. Bourret re employee issues, professional fees, etc.; Correspondence with Volkswagen Canada re warranty claims window extension request, draft email to J. Wingrove re same; Review various emails received from counsel re distribution motion for BMO, next steps, etc.; Receive email from BMO re 2023 floor line activities and start analysis on vehicle sales for pre-filing HST; Start performing post-filing HST obligations calculation and correspondence with C. Wolf re: the same.	1.1
C. Lonergan	10-May-24	Review of Purchaser correspondence re: previous owner transition interference, transition items and employees; Conference call with Purchaser and BDO team re: the same; Review of cash disbursement and banking protocols; Update call with Bank's counsel re: waterfall analysis and Court update; Update call with Company and BDO team re: outstanding items, next steps and other items; Review of invoice analysis and other professional fees, etc.; Review of Bank counsel correspondence; Review of VW correspondence, etc.	0.5
H. Yin	10-May-24	Continue to work on post-filing HST calculation working paper; Call with C. Lonergan and C. Bourret re: updates, outstanding items, and next steps; Finalize BDO professional fees and invoice analysis for C. Lonergan's review; Correspondence with Counsels re: overpayment on professional fees, correspondence with C. Bourret re: same; Draft email to J. Wingrove re: warranty extension; Meeting with C. Lonergan and Purchaser re: transition items,	0.9

Staff	Date	Comments	Hours
		previous owner's interruption to the business, employee status, etc.; Review emails from Purchaser re: the same, etc.	
C. Lonergan	12-May-24	Review correspondence from shareholder's Counsel, Respond to Counsel re: the same; Review of distribution schedule, etc.	0.1
C. Lonergan	13-May-24	Update calls and correspondence with Counsel and BDO team re: next steps, Court timing, Court report and relief being sought; Update call with Company and BDO team re: remaining activities to complete including vehicle AR, warranty claims, shareholder purchased assets, drafting framework of the Fourth Report; Update with VW and BMO re: new vehicle floor lines, etc.	0.3
H. Yin	13-May-24	Call with C. Lonergan re: next steps, outstanding items, remaining collection activities, etc. Call with C. Bourret re: the same; Call with Counsel and C. Lonergan re: next steps, next court date, court report outline, etc.; Correspondence with Purchaser re: purchase price adjustment for parts, access issues for C. Bourret, etc.; Correspondence with BMO re: recalling duplicate payment error; Call with P. Hoosain re: outstanding invoice to A&B; Email correspondence with VW Canada re: warranty access issues experienced by the Company, request for extension, etc.; Follow up on Trade Assist pending amount with VW Canada; Email correspondence with D. Poirier re: information provided on AR/AP, etc.; Correspondence with C. Bourret re: detailed parts listing, purchase price workbook questions, etc.; Correspondence with S. Martel re: business insurance instalments owed, options for cancelling business insurance, and reducing auto insurance, etc.; Call with B. Bertram from VCI re: vehicle chattel issues, call with P. Smulski from BMO re: same; Review Holdco HST filing information, draft email to C. Wolf re the same, etc.	0.8
C. Lonergan	14-May-24	Call with Company, Counsel and the BDO team re: employee layoffs, IT, outstanding items, etc.; review of correspondence to the Purchaser re: various requests made by the Company; call with Purchaser re: Company issues and transition items, review of remaining items listing; review of usage of remaining cash schedule, professional fee update, post-filing obligations; Update with professional fee payments, etc.	0.5
H. Yin	14-May-24	Call with C. Bourret, C. Lonergan, G. Phoenix re: employee layoffs, outstanding items, etc.; Call with C. Bourret re: issues with IT, VW Canada, and requests; Draft email to the Purchaser re: various requests made by the Company; Call with N. Rajewski and F. Swayty re: the same; Call with Counsels re: forwarding duplicate invoice payments to BDO; Receive emails from the Company re: vendor invoices, issues, etc.; Correspondence with S. Martel re: business insurance; Receive and review emails received from V. Dare re: next Court appearance, motion, etc.; Call with V. Dare re: same; Draft email to C. Bourret re: professional fees duplicate payment, etc.	0.7
C. Lonergan	15-May-24	Drafting Fourth Court Report, review of draft orders, update call with BDO re: IT, transition items, AR collection letters; Discussions with the Bank re: DIP repayment, floor line facilities, etc.; Follow	0.9

Staff	Date	Comments	Hours
		up with Purchaser re: remaining matters (employees, IT, etc.); Review correspondence from shareholder's legal counsel; Review of email correspondence with G. MacDonell, discussion with BDO team and Counsel re: the same, etc.	
H. Yin	15-May-24	Call with C. Bourret re: next steps and current issues related to IT, transition items, etc.; Update call with C. Lonergan; Call with N. Rajewski re: assistance needed; Email correspondence with the Purchaser, F. Swayty, N. Rajewski re: various issues requiring the Purchaser's assistance; Draft email to M. Brunet re: vehicle issue; Call with G. Macdonell re: proceeding updates and distributions, draft email re: the same; Call with C. Bourret re: bill of sales needed, AR letters needed, IT issues, etc.; Correspondence with C. Wolf re: various accounting matters including HST, post-filing invoices, insurance, etc.; Call with D. Poirier re: AR/AP related matters and vehicle sales/purchase information; Review BMO payout statement for DIP and draft cheque requisition for payout; Review DSMA invoices and draft cheque requisition for payment etc.	0.9
C. Lonergan	16-May-24	Continue to draft the Fourth Court Report; Review of fee affidavits; Update invoice; Review of motion materials and draft orders; Update waterfall analysis; Review remaining asset monetization plan; Follow up with Purchaser re: transition services agreement and remaining matters (employees, IT, etc.); Discussions with BDO team and Counsel re: the same, Review of updated Payout statements, etc.	1.3
H. Yin	16-May-24	Correspondence with C. Wolf re: cash flow variance analysis; Conduct cash flow variance analysis for the Fourth Court Report; Draft Fourth Court Report activities section, make appendices, assist C. Lonergan in drafting the Fourth Court Report; Draft R&D schedules; Draft invoices and fee affidavit; etc.	1.1

This is Exhibit “D” referred to in the Affidavit of Clark Lonergan, sworn before me this 21st day of May, 2024.



A Commissioner for Taking Affidavits

SABRINA SANTOIANNI

Sabrina Santoianni, a Commissioner, etc.,
City of Toronto, for Fogler, Rubinoff LLP,
Barristers and Solicitors.
Expires February 12, 2027.

EXHIBIT "D"

BDO CANADA LIMITED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
OEM AUTOMOTIVE SOLUTIONS INC., OEM AUTOMOTIVE CORNWALL INC., AND
OEM AUTOMOTIVE HOLDINGS INC.

TIME SUMMARY FROM MARCH 23, 2024 TO MAY 16, 2024

	Hours	Rate	Amount
Clark Lonergan, Partner	129.10	\$ 735.00	94,888.50
Heron Yin, Senior Analyst	215.10	395.00	84,964.50
Subtotal	<u>344.20</u>		<u>179,853.00</u>
Less: Courtesy Discount			<u>- 28,000.00</u>
Total			<u>151,853.00</u>
 Average Hourly Amount			 <u><u>\$ 441.18</u></u>

Fourth Report of the Proposal Trustee

Appendix “W”

District of Ontario
Division No. 12 - Ottawa
Court File No. BK-23-03025642-0033
Bankruptcy Estate File No. 33-3025642

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY ACT, R.S.C., 1985, C. B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF OEM AUTOMOTIVE
SOLUTIONS INC., OEM AUTOMOTIVE CORNWALL INC.
AND OEM AUTOMOTIVE HOLDINGS INC.

AFFIDAVIT OF SCOTT R. VENTON
SWORN May 15, 2024

I, Scott R. Venton, of the City of Toronto, in the Province of Ontario, Barrister and
Solicitor, MAKE OATH AND SAY AS FOLLOWS:

1. I am a lawyer with the law firm of Fogler, Rubino LLP ("FR") and have knowledge of the matters hereinafter deposed to.
2. Attached hereto as **Exhibit "A"** is a true copy of the interim account dated April 17, 2024, rendered for the work done from March 26, 2024 to April 3, 2024, by FR to BDO Canada Limited, in its capacity as the Proposal Trustee of OEM Automotive Solutions Inc., OEM Automotive Cornwall Inc. and OEM Automotive Holdings Inc. (in such capacity, the "**Proposal Trustee**"), which account sets out the particulars of the work performed by FR with respect to this matter.

3. Attached hereto as **Exhibit "B"** is a true copy of the interim account dated May 3, 2024, rendered for the work done from April 1, 2024 to May 2, 2024 by FR to the Proposal Trustee, which account sets out the particulars of the work performed by FR with respect to this matter. A courtesy discount of approximately \$7,000.00 was provided in this invoice to the Proposal Trustee.

4. Attached hereto as **Exhibit "C"** is a true copy of the interim account dated May 15, 2024, rendered for the work done from April 30, 2024 to May 15, 2024 by FR to the Proposal Trustee, which account sets out the particulars of the work performed by FR with respect to this matter.

5. The total of the fees, disbursements and applicable taxes from March 26, 2024 to May 15, 2024 is the sum of \$66,794.47.

6. The said accounts by FR to the Proposal Trustee are summarized as follows:

Date	Fees	Disbursements	HST	Total
April 17, 2024	\$26,980.00	\$744.27	\$3,604.16	\$31,328.43
May 3, 2024	\$23,384.60	\$294.03	\$3,071.72	\$26,750.35
May 15, 2024	\$7,688.00	\$25.00	\$1,002.69	\$8,715.69
TOTAL	\$58,052.60	\$1,063.30	\$7,678.57	\$66,794.47

7. The following are the billing rates of the lawyers who have worked upon the matter together with their year of call.

Timekeeper	Hourly Rate	Year of Call
Vern W. DaRe	\$710.00 (2024; Normal Hourly Rate)	1991
Shirley Bai	\$365.58 (2024; Discounted Rate)	2014
Roberto De Pasquale	\$330.93 (2024; Discounted Rate)	2019
Sahar Sayyad	\$292.45 (2024; Discounted Rate)	2021
Paniz Rahdari	\$277.06 (2024; Discounted Rate)	2022
Julien Cohen	\$500.00 (2024; Normal Hourly Rate)	2023

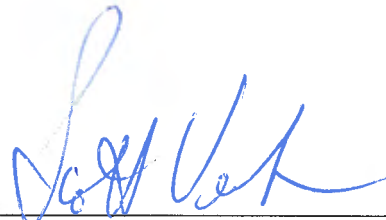
8. The hourly billing rates applied are FR's normal hourly rates as well as discounted rates for this client.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario on May 15, 2024



Commissioner for Taking Affidavits
(or as may be)

Robert Timothy Duncan



SCOTT R. VENTON

This is Exhibit "A" referred to in the Affidavit of Scott R. Venton sworn May 15, 2024.

A handwritten signature in black ink, consisting of a stylized 'E' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

Invoice Num: 22406037

April 17, 2024

BDO Canada Limited
 20 Wellington Street East, Suite 500
 Toronto ON
 M5E 1C5
 Attention: Clark Lonergan
 Partner / Senior Vice President

IN ACCOUNT WITH
 Fogler, Rubinoff LLP
 77 King Street West, Suite 3000
 TD Centre North Tower
 P.O. Box 95
 Toronto, ON
 M5K 1G8
 Telephone: 416-864-9700
 Fax: 416-941-8852
 www.foglers.com

**fogler
rubinoff**

Our File: B3169 / 236535
BDO Canada Limited as Proposal Trustee for OEM Automotive Holdings Inc.,
OEM Automotive Solutions Inc. and OEM Automotive Cornwall Inc.

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter to April 17, 2024, including:

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Fees</u>
Mar-26-24	VWD	Finalize notice of motion, draft Approval and Vesting Order, draft Ancillary Order, Factum; review draft Third Report of Proposal Trustee and propose revisions; emails to Purchaser's lawyer regarding draft Sale Agreement; emails to and from client regarding same.	10.60	7,526.00
Mar-27-24	VWD	Review emails from BMO's lawyer regarding draft Approval and Vesting Order; reply to same; revise draft Approval and Vesting Order; emails to and from Purchaser's lawyer regarding same; emails from and to Companies' counsel; review revised draft Agreement of Purchase and Sale by Purchaser's lawyer; telephone conversations with client regarding same; several email exchanges with Purchaser's lawyer regarding her proposed revisions to draft Agreement of Purchase and Sale.	4.20	2,982.00
Mar-27-24	VWD	Review next version of the draft Third Report; review the Confidential Supplementary Report; consider further proposed changes by Purchaser's lawyer to the draft Agreement of Purchase and Sale; further email exchanges with BMO's lawyer.	3.20	2,272.00

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Fees</u>
Mar-28-24	VWD	Revise, finalize and have executed Agreement of Purchase and Sale in light of proposed revisions by Purchaser or Purchaser's counsel; revise Third Report of the Proposal Trustee; revise Confidential Supplementary Report of Proposal Trustee; revise draft Ancillary Order and Approval and Vesting Order; email and telephone communications with client; email exchanges with counsel for BMO and the Companies.	10.20	7,242.00
Apr-01-24	VWD	Email exchanges with BMO's lawyer.	0.30	213.00
Apr-02-24	VWD	For tomorrow's motion, review motion materials including notice of motion, Third Report and Confidential Supplementary Report including Appendices, draft Ancillary Order and Approval and Vesting Order and Factum; emails from and to client.	4.20	2,982.00
Apr-03-24	VWD	Prepare for today's attendance before Justice Kershman by reviewing Motion Record and Supplementary Motion Record including draft Orders, Third Report and appendices; review Factum; prepare submissions; attend Motion; communications with client and Grants' lawyer.	5.30	3,763.00
TOTAL FEES:				\$26,980.00
OUR FEE HEREIN:				\$26,980.00

Disbursements

Taxable	Courier & Delivery	\$52.77	
Taxable	Prints	\$691.50	
Total Disbursements			\$744.27
Total Fees and Disbursements			\$27,724.27
HST @ 13% on Fees and Taxable Disbursements			\$3,604.16
Total Fees, Disbursements and Taxes this Bill			\$31,328.43
Balance Due:			\$31,328.43

fogler
rubinoff

**THIS IS OUR ACCOUNT HEREIN
FOGLER, RUBINOFF LLP**

Vern W. DaRe

(electronically-generated signature)

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 5.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E.

GST/HST No : R119420859

Please return a copy of this account with your payment. Thank you.

per: **Scott R. Venton**

For your convenience, we have the following payment options:

- Online banking using the Bill Payment Service at most Canadian chartered banks. Please reference your file or account number in the notes box.
- Direct Deposits at a TD Branch (please provide your Fogler, Rubinoff lawyer with a copy of the cheque and deposit receipt).
- Wire transfer (please reference your file or account number).
- Electronic Funds Transfer (EFT).
- Cheque by mail or courier.

Should you require assistance, please contact our Accounts Receivable Department at 416.864.9700 x152 or by e-mail accountsreceivable@foglers.com.

This is Exhibit "B" referred to in the Affidavit of Scott R. Venton sworn May 15, 2024.

A handwritten signature in black ink, consisting of a stylized 'S' followed by a horizontal line and a small flourish.

Commissioner for Taking Affidavits (or as may be)

Invoice Num: 22407649

May 3, 2024

BDO Canada Limited
 20 Wellington Street East, Suite 500
 Toronto ON
 M5E 1C5
 Attention: Clark Lonergan
 Partner / Senior Vice President

IN ACCOUNT WITH
 Fogler, Rubinoff LLP
 77 King Street West, Suite 3000
 TD Centre North Tower
 P.O. Box 95
 Toronto, ON
 M5K 1G8
 Telephone: 416-864-9700
 Fax: 416-941-8852
 www.foglers.com

**fogler
rubinoff**

Our File: B3169 / 236535
BDO Canada Limited as Proposal Trustee for OEM Automotive Holdings Inc.,
OEM Automotive Solutions Inc. and OEM Automotive Cornwall Inc.

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter to May 3, 2024, including:

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Fees</u>
Apr-01-24	VWD	Teams call with client.	0.30	163.93
Apr-04-24	SB	Review AVO; review APS; prepare closing agenda.	1.20	438.70
Apr-04-24	KP	Commission Affidavit of Service of M. Pham.	0.10	28.46
Apr-05-24	RDP	Brief review of purchase agreement and order, meeting with FR team to discuss transaction and next steps.	1.00	330.93
Apr-05-24	PR	Meeting with S. Bai and V. DaRe re: file; reviewing excel spreadsheet; reviewed APS.	2.75	761.94
Apr-05-24	SB	Phone call with V. DaRe; R. De Pasquale; P. Rahdari; discussion with P. Rahdari.	0.70	255.89
Apr-08-24	PR	Reviewing APS.	1.17	324.18
Apr-09-24	RDP	Meeting with S. Bai to discuss transaction and next steps, correspondence.	0.15	49.64
Apr-09-24	PR	Drafting closing agenda; reviewing and highlighting APS.	3.33	922.62
Apr-09-24	SB	Correspondence to purchaser's solicitor; phone call discussion with R. De Pasquale.	0.31	113.32
Apr-10-24	RDP	Meeting with S. Sayyad to provide transaction background and instructions re: preparation of closing documents.	0.15	49.64
Apr-10-24	SS	Reviewing emails; meeting with R. De Pasquale to discuss matter and next steps.	0.20	58.49
Apr-10-24	PR	Preparing closing agenda.	2.67	739.76
Apr-11-24	PR	Reviewing closing agenda; email re: next steps.	2.10	581.84
Apr-11-24	SB	Review and comment on closing agenda; discussion with P. Rahdari re: closing matters.	0.82	299.76

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Fees</u>
Apr-12-24	SB	Review revised closing agenda.	0.30	109.67
Apr-16-24	RDP	Review authorization letter, various correspondence.	0.30	99.28
Apr-16-24	SS	Reviewing emails and draft acknowledgement; email to R. De Pasquale re: same; call with R. De Pasquale re: same; email to S. Bai re: same; reviewing APS and emails; reviewing and revising draft closing agenda.	1.20	350.94
Apr-16-24	SB	Correspondence from purchaser's solicitor; look up HST numbers of debtors; revise authorization re: off-titles.	0.40	146.22
Apr-17-24	RDP	Call with S. Sayyad to provide guidance re closing agenda, correspondence.	0.05	16.54
Apr-17-24	SS	Reviewing and revising draft closing agenda; call with R. De Pasquale re: same; email to P. Rahdari re: same.	1.00	292.44
Apr-17-24	PR	Revising closing agenda; drafting closing documents.	2.82	781.31
Apr-17-24	SB	Correspondence from purchaser's solicitor; correspondence to BDO; phone call with V. DaRe; phone call with C. Lonegan.	0.30	109.67
Apr-18-24	RDP	Various correspondence, call with S. Bai to discuss transaction matters.	0.10	33.11
Apr-18-24	PR	Call with S. Bai and V. DaRe re: remediation report.	0.50	138.54
Apr-18-24	SB	Discussion with V. DaRe; correspondence from purchaser's lawyer; review report.	0.30	109.67
Apr-19-24	VWD	Call with client regarding closing the sale transaction.	0.30	163.93
Apr-19-24	RDP	Review of draft agenda, various correspondence.	0.30	99.28
Apr-19-24	SS	Drafting ancillary closing documents; email to P. Rahdari re: same.	0.30	87.73
Apr-19-24	PR	Finalizing of closing documents; discussion with S. Bai re: same.	3.80	1,052.84
Apr-19-24	SB	Review and finalize closing agenda; correspondence to purchaser's solicitor; discussion with P. Rahdari re: closing documents.	0.50	182.80
Apr-20-24	PR	Review of closing documents.	1.50	415.61
Apr-22-24	RDP	Call with S. Sayyad re: transaction matters, correspondence.	0.15	49.64
Apr-22-24	SS	Update call with R. De Pasquale.	0.10	29.23
Apr-22-24	PR	Preparing statement of adjustments.	1.17	324.18
Apr-22-24	PR	Discussions with S. Bai re: closing documents.	1.33	368.51
Apr-22-24	SB	Review revised closing agenda from purchaser's solicitor; correspondence re: closing matters; review and revise closing documents.	1.80	658.01
Apr-23-24	VWD	Deal with AVO and closing issue by discussing same with Shirley Bai and client; email exchanges with client and Graham Phoenix.	1.20	655.70
Apr-23-24	RDP	Review of various file related correspondence.	0.10	33.11

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Fees</u>
Apr-23-24	PR	Preparing statement of adjustments; discussions with S. Bai re: same.	2.45	678.82
Apr-23-24	SB	Review and revise undertaking to readjust; various correspondence re: closing matters; phone call with V. DaRe; review and revise SOA.	1.30	475.24
Apr-24-24	SS	Attention to emails; reviewing purchaser's draft resolutions; email to P. Rahdari with comments re: same.	0.50	146.22
Apr-24-24	PR	Email correspondences to and from purchaser's lawyer re: closing documents; review of draft documents prepared by purchaser's counsel; revising assignment and assumption agreement.	2.10	581.84
Apr-24-24	SB	Various correspondence re: Assignment of Warranties; review draft application for vesting order.	0.55	201.07
Apr-25-24	VWD	Telephone conversations with client regarding issues regarding next week's closing; email exchanges with client regarding same; review final Pinchin remediation letter.	1.30	710.36
Apr-25-24	RDP	Review of various correspondence.	0.10	33.11
Apr-25-24	SS	Reviewing revised resolutions; email to P. Rahdari re: same; reviewing draft tax election form; message to P. Rahdari re: same.	0.50	146.22
Apr-25-24	PR	Email correspondences to and from purchaser's lawyer re: closing documents.	1.17	324.18
Apr-25-24	SB	Review Pinchin report; phone call with V. DaRe; review revised closing documents from purchasers' solicitor.	0.60	219.35
Apr-26-24	PR	Emails re: closing and next steps; sending statement of adjustments; revising closing agenda.	1.80	498.73
Apr-26-24	SB	Various correspondence re: closing matters; review and revise DRA, SOA.	1.20	438.70
Apr-27-24	RDP	Review of various correspondence, review of outstanding items on agenda and consent requirement in purchase agreement, correspondence with FR team.	0.35	115.82
Apr-29-24	VWD	Review and revise draft Transition Services Agreement.	1.30	710.36
Apr-29-24	VWD	Telephone conversations with client regarding tomorrow's scheduled closing; review VW Canada letter of consent; email to client regarding same.	1.30	710.36
Apr-29-24	SS	Attention to emails.	0.20	58.49
Apr-29-24	PR	Email correspondences to and from purchaser's lawyer and client re: outstanding items; closing documents.	3.93	1,088.85
Apr-29-24	SB	Various correspondence, attend to closing matters.	1.00	365.57

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Fees</u>
Apr-30-24	VWD	Telephone conversation with VW Canada's lawyer; Teams call with client, Purchaser and Purchaser's lawyer; telephone conversations with client; assist with today's closing regarding several closing issues.	3.20	1,748.57
Apr-30-24	PR	Closing day; email correspondences to and from purchaser's lawyer; discussions with S. Bai; calls with client; preparing letter re: change of ownership.	4.89	1,354.84
Apr-30-24	SB	Phone call discussion with V. DaRe; various correspondence, phone calls; prepare acknowledgement re excluded assets; review SOA; attend to closing matters.	1.90	694.59
May-01-24	VWD	Deal with post-closing matters.	0.60	327.85
May-01-24	PR	Arranging for letter re: change of ownership to be sent by fax.	0.33	91.37
May-01-24	SB	Post-closing matters.	0.10	36.55
May-02-24	VWD	Review and revise draft email from Proposal Trustee to various stakeholders regarding the closing of the sale and potential distribution.	0.30	163.93
May-02-24	SB	Various correspondence; discussion with V. DaRe re: email.	0.10	36.55
TOTAL FEES:				\$23,384.60
OUR FEE HEREIN - Reduced from \$30,384.60 as a courtesy to you:				\$23,384.60

Disbursements

Taxable	Agents' Fees	\$60.00
Taxable	Binding Supplies	\$41.70
Taxable	Copies of Instruments	\$3.00
Taxable	Courier & Delivery	\$76.50
Taxable	Faxes	\$3.35
Exempt	Filing Fee	\$50.00
Taxable	Postage/Registered Mail	\$6.38
Taxable	Prints	\$0.90
Taxable	Search of Title	\$52.20

Total Disbursements	\$294.03
Total Fees and Disbursements	\$23,678.63
HST @ 13% on Fees and Taxable Disbursements	\$3,071.72
Total Fees, Disbursements and Taxes this Bill	\$26,750.35

fogler
rubinoff

Balance Due: \$26,750.35

**THIS IS OUR ACCOUNT HEREIN
FOGLER, RUBINOFF LLP**

Vern W. DaRe

(electronically-generated signature)

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 5.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E.

GST/HST No : R119420859

Please return a copy of this account with your payment. Thank you.

per: **Scott R. Venton**

For your convenience, we have the following payment options:

- Online banking using the Bill Payment Service at most Canadian chartered banks. Please reference your file or account number in the notes box.
- Direct Deposits at a TD Branch (please provide your Fogler, Rubinoff lawyer with a copy of the cheque and deposit receipt).
- Wire transfer (please reference your file or account number).
- Electronic Funds Transfer (EFT).
- Cheque by mail or courier.

Should you require assistance, please contact our Accounts Receivable Department at 416.864.9700 x152 or by e-mail accountsreceivable@foglers.com.

This is Exhibit "C" referred to in the Affidavit of Scott R. Venton sworn May 15, 2024.

A handwritten signature in black ink, consisting of a stylized 'E' followed by a large 'S' and a horizontal line extending to the right.

Commissioner for Taking Affidavits (or as may be)

Invoice Num: 22407992

May 15, 2024

BDO Canada Limited
 20 Wellington Street East, Suite 500
 Toronto ON
 M5E 1C5
 Attention: Clark Lonergan
 Partner / Senior Vice President

IN ACCOUNT WITH
 Fogler, Rubinoff LLP
 77 King Street West, Suite 3000
 TD Centre North Tower
 P.O. Box 95
 Toronto, ON
 M5K 1G8
 Telephone: 416-864-9700
 Fax: 416-941-8852
 www.foglers.com

**fogler
 rubinoff**

Our File: B3169 / 236535
BDO Canada Limited as Proposal Trustee for OEM Automotive Holdings Inc.,
OEM Automotive Solutions Inc. and OEM Automotive Cornwall Inc.

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter to May 15, 2024, including:

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Fees</u>
Apr-30-24	JCC	Receipt of question from V. DaRe; call with V. DaRe.	0.75	375.00
May-07-24	VWD	Teams call with client and counsel for Companies.	1.00	710.00
May-08-24	VWD	Review VTB mortgages and prepare opinion letter for Proposal Trustee regarding their validity and enforceability; review emails from client regarding distribution issues and reply to same.	3.30	2,343.00
May-09-24	VWD	Email and telephone communications with client regarding distribution issues.	0.50	355.00
May-14-24	VWD	Begin drafting notice of motion for motion returnable May 28, 2024; telephone call with BMO's lawyer regarding motion; email exchanges with client.	1.30	923.00
May-15-24	VWD	Complete first draft of notice of motion and draft Orders for May 28 motion; email exchanges with client.	4.20	2,982.00
TOTAL FEES:				\$7,688.00
OUR FEE HEREIN:				\$7,688.00

Disbursements

Taxable	Wired Funds Charge	\$25.00	
	Total Disbursements		\$25.00
	Total Fees and Disbursements		\$7,713.00

fogler
rubinoff

HST @ 13% on Fees and Taxable Disbursements	\$1,002.69
---	------------

Total Fees, Disbursements and Taxes this Bill	\$8,715.69
--	-------------------

Balance Due:	\$8,715.69
---------------------	-------------------

**THIS IS OUR ACCOUNT HEREIN
FOGLER, RUBINOFF LLP**

Vern W. DaRe

(electronically-generated signature)

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 5.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E.

GST/HST No : R119420859

Please return a copy of this account with your payment. Thank you.

per: **Scott R. Venton**

For your convenience, we have the following payment options:

- Online banking using the Bill Payment Service at most Canadian chartered banks. Please reference your file or account number in the notes box.
- Direct Deposits at a TD Branch (please provide your Fogler, Rubinoff lawyer with a copy of the cheque and deposit receipt).
- Wire transfer (please reference your file or account number).
- Electronic Funds Transfer (EFT).
- Cheque by mail or courier.

Should you require assistance, please contact our Accounts Receivable Department at 416.864.9700 x152 or by e-mail accountsreceivable@foglers.com.

THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C., 1985, C. B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF OEM AUTOMOTIVE SOLUTIONS INC.,
OEM AUTOMOTIVE CORNWALL INC. AND OEM AUTOMOTIVE HOLDINGS INC.

District of Ontario
Division No. 12 - Ottawa
Court File No. BK-23-03025642-0033
Bankruptcy Estate File No. 33-3025642

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

Proceedings commenced at Ottawa

FEE AFFIDAVIT

FOGLER, RUBINOFF LLP

Toronto-Dominion Centre
77 King Street West
Suite 3000, PO Box 95
Toronto, ON M5K 1G8

Vern W. DaRe (LSO# 32591E)

Tel: 416.941.8842
Fax: 416.941.8852
Email: vdare@foglers.com

Lawyers for BDO Canada Limited,
in its capacity as the Proposal Trustee

TAB 3

District of Ontario
 Division No. 12 - Ottawa
 Court File No. BK-23-03025642-0033
 Bankruptcy Estate File No. 33-3025642

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

THE HONOURABLE REGIONAL)
)
 SENIOR JUSTICE MACLEOD)

TUESDAY, THE 28TH
 DAY OF MAY, 2024

IN THE MATTER OF THE BANKRUPTCY AND
 INSOLVENCY ACT, R.S.C., 1985, C. B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO
 MAKE A PROPOSAL OF OEM AUTOMOTIVE SOLUTIONS
 INC., OEM AUTOMOTIVE CORNWALL INC. AND OEM
 AUTOMOTIVE HOLDINGS INC.

ANCILLARY ORDER

THIS MOTION, made by BDO Canada Limited (“**BDO**”), in its capacity as proposal trustee (in such capacity, the “**Proposal Trustee**”) of OEM Automotive Solutions Inc. (“**Solutions**”), OEM Automotive Cornwall Inc. (“**Cornwall**”) and OEM Automotive Holdings Inc. (“**Holdings**”, and collectively with Solutions and Cornwall, the “**Companies**”), each of which Companies filed a Notice of Intention to Make a Proposal (an “**NOI**”) pursuant to the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, as amended (the “**BIA**”), for an ancillary order (this “**Order**”) in these NOI proceedings (the “**NOI Proceedings**”) including, among other things:

- (a) if necessary, abridging the time for service and filing of the notice of motion and the motion record in these NOI Proceedings or, in the alternative, dispensing with same;

- (b) extending the time for the Companies to file proposals under section 50.4(9) of the BIA to and including June 21, 2024;
- (c) approving the fourth report of the Proposal Trustee in these NOI Proceedings, dated May 22, 2024 (the “**Fourth Report**”), and approving the actions and activities of the Proposal Trustee described in the Fourth Report;
- (d) approving the Proposal Trustee's final statement of receipts and disbursements included in the Fourth Report;
- (e) approving the fees and disbursements of the Proposal Trustee and its counsel, as set out in the Fourth Report and the fee affidavits appended to the Fourth Report (the “**Fee Affidavits**”);
- (f) approving the estimated fees and disbursements of the Proposal Trustee and its counsel, as set out in the Fourth Report, for the completion of the remaining activities in connection with these NOI Proceedings (the “**Remaining Matters**”);
- (g) authorizing BDO to act as trustee in bankruptcy or licensed insolvency trustee (the “**Trustee**”) of the Companies upon the deemed bankruptcies of the Companies pursuant to the BIA (the “**Deemed Bankruptcies**”); and
- (h) authorizing the Trustee, upon or after the Deemed Bankruptcies of the Companies, to administer the bankruptcy estates of Holdings and Cornwall as a single bankruptcy estate,

was heard by this Honourable Court (the “**Court**”) on this day by way of judicial video conference in Ottawa, Ontario.

ON READING the Fourth Report and the Fee Affidavits of the Proposal Trustee and its counsel, and on hearing the submissions of counsel for the Proposal Trustee, counsel for the Companies, counsel for the Bank of Montreal, counsel for 11678833 Canada Inc. and the other parties listed on the participant information form, no one else appearing although properly served as appears from the affidavit of service of Michelle Pham, sworn May 23, 2024, filed:

SERVICE

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

EXTENSION OF TIME

2. **THIS COURT ORDERS** that the time for the filing of proposals by the Companies is hereby extended in accordance with section 50.4(9) of the BIA up to and including June 21, 2024.

APPROVAL OF FOURTH REPORT, ACTIONS & FEES

3. **THIS COURT ORDERS** that the Fourth Report and the actions, activities and conduct of the Proposal Trustee described therein be and are hereby approved; provided, however, that only the Proposal Trustee, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

4. **THIS COURT ORDERS** that the fees and disbursements of the Proposal Trustee and its counsel, as set out in the Fourth Report and the Fee Affidavits, be and are hereby taxed and approved.

5. **THIS COURT ORDERS** that the estimated fees and disbursements of the Proposal Trustee and its counsel for the Remaining Matters, as set out in the Fourth Report, are hereby approved.

RECEIPTS AND DISBURSEMENTS

6. **THIS COURT ORDERS** that the Proposal Trustee's final statement of receipts and disbursements, as set out in the Fourth Report, is hereby approved.

DEEMED BANKRUPTCIES

7. **THIS COURT ORDERS** that, from and after the Deemed Bankruptcies of the Companies, BDO is hereby authorized and empowered, but not obligated, to act as Trustee in respect of the Companies.

PROCEDURAL CONSOLIDATION OF HOLDINGS AND CORNWALL

8. **THIS COURT ORDERS** that, upon the Deemed Bankruptcies of the Companies, the Trustee may administer the bankruptcy estates of Cornwall and Holdings as follows: (a) a single court file number and title of proceeding of "In the Matter of the Bankruptcy of OEM Automotive Cornwall Inc. and OEM Automotive Holdings Inc."; (b) The Trustee is authorized to administer the bankrupt estates of Cornwall and Holdings as if such estates were a single bankrupt estate for the purpose of carrying out its administrative duties and responsibilities as trustee under the BIA

with respect to the administration of bankrupt estates generally, including without limitation as follows: (i) the Trustee is authorized to send a notice of the first meeting of creditors (the “**Notice**”) in the manner prescribed by section 102 of the BIA by sending a consolidated Notice for all of Cornwall and Holdings, together with directions to download documents to accompany the Notice set out in section 102(2) of the BIA (the “**Forms**”); (ii) meetings of creditors and inspectors, if applicable, in the bankrupt estates of Cornwall and Holdings may be convened through one combined advertisement and conducted jointly provided that the results of any creditors' vote shall be separately tabulated for each such bankrupt estate; (iii) the Trustee is authorized to use a consolidated form of proof of claim that directs creditors to identify the bankrupt estate in which a claim is made for voting and for distribution purposes; (iv) the Trustee is authorized to maintain a consolidated bank account with respect to the bankruptcy estates of Cornwall and Holdings; (v) the Trustee is authorized to issue consolidated reports in respect of the bankruptcy estates of Cornwall and Holdings; (vi) the Trustee is authorized to perform a consolidated making, filing, advertising and distribution of all filings and notices in the bankrupt estates of Cornwall and Holdings required under the BIA; and (vii) a single group of inspectors shall be the inspectors, if appointed, for the consolidated bankruptcy estates of Cornwall and Holdings.

9. **THIS COURT ORDERS** that this procedural consolidation of the bankrupt estates of Cornwall and Holdings is not a substantive consolidation of the bankrupt estates of Cornwall and Holdings and will automatically terminate if the Trustee is replaced as licensed insolvency trustee of any, but not all, of the estates of the Companies.

GENERAL

10. **THIS COURT ORDERS** that this Order is effective as of 12:01 a.m. from today's date and is enforceable without the need for entry and filing.

THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C., 1985, C. B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF OEM AUTOMOTIVE SOLUTIONS INC., OEM AUTOMOTIVE CORNWALL INC. AND OEM AUTOMOTIVE HOLDINGS INC.

Court File No. BK-23-03025642-0033
Bankruptcy Estate File No. 33-3025642

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

Proceedings commenced at Ottawa

ANCILLARY ORDER

FOGLER, RUBINOFF LLP

Toronto-Dominion Centre
77 King Street West
Suite 3000, PO Box 95
Toronto, ON M5K 1G8

Vern W. DaRe (LSO# 32591E)

Tel: 416.941.8842
Fax: 416.941.8852
Email: vdare@foglers.com

Lawyers for BDO Canada Limited,
in its capacity as the Proposal Trustee

TAB 4

District of Ontario
 Division No. 12 - Ottawa
 Court File No. BK-23-03025642-0033
 Bankruptcy Estate File No. 33-3025642

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

THE HONOURABLE REGIONAL)
)
 SENIOR JUSTICE MACLEOD)

TUESDAY, THE 28TH
 DAY OF MAY, 2024

IN THE MATTER OF THE BANKRUPTCY AND
 INSOLVENCY ACT, R.S.C., 1985, C. B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO
 MAKE A PROPOSAL OF OEM AUTOMOTIVE SOLUTIONS
 INC., OEM AUTOMOTIVE CORNWALL INC. AND OEM
 AUTOMOTIVE HOLDINGS INC.

INTERIM DISTRIBUTION ORDER

THIS MOTION, made by BDO Canada Limited (“**BDO**”), in its capacity as proposal trustee (in such capacity, the “**Proposal Trustee**”) of OEM Automotive Solutions Inc. (“**Solutions**”), OEM Automotive Cornwall Inc. (“**Cornwall**”) and OEM Automotive Holdings Inc. (“**Holdings**”, and collectively with Solutions and Cornwall, the “**Companies**”), each of which Companies filed a Notice of Intention to Make a Proposal (an “**NOI**”) pursuant to the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, as amended (the “**BIA**”), for an interim distribution order (this “**Order**”) in these NOI proceedings (the “**NOI Proceedings**”) including, among other things:

- (a) if necessary, abridging the time for service and filing of the notice of motion and the motion record or, in the alternative, dispensing with same;

(b) authorizing and directing the Proposal Trustee to make an interim distribution (the “**Interim Distributions**”) during the NOI Proceedings to fully pay Bank of Montreal (“**BMO**”), to fully pay Glenn Joseph MacDonell (“**MacDonell**”), and to partly pay Christina Grant, 1921534 Ontario Ltd., Seaway Toyota (1990) Inc. and/or 11678833 Canada Inc. (collectively, “**GrantCo**”) at this time, in the amounts set out in the Fourth Report of the Proposal Trustee dated May 22, 2024 (the “**Fourth Report**”), from the available or remaining net proceeds, subject to the Holdbacks (as defined below), from the sale of the “Purchased Assets” described in the Agreement of Purchase and Sale dated March 27, 2024 between Mark Motors of Ottawa (1987) Limited, Mrak Holdings Inc. and the Proposal Trustee, including the real property located at 628 Pitt Street, Cornwall, Ontario and 632 Pitt Street, Cornwall, Ontario and any other ancillary asset realizations or recoveries related to the Companies (the “**Sale Proceeds**”);

(c) authorizing and directing the Proposal Trustee to make such subsequent distributions from the Sale Proceeds (the “**Subsequent Distributions**”) during the NOI Proceedings to BMO, MacDonell and GrantCo (the “**Secured Creditors**”) if the Companies are still legally indebted to the Secured Creditors after the Interim Distributions and as the Proposal Trustee determines appropriate, without further order of this Court, provided that any such Subsequent Distributions to the respective Secured Creditors shall be limited to the outstanding amount of principal, interest and costs under its provable secured claim against the Companies, and shall be subject to and before making any Subsequent Distributions, the Proposal Trustee shall maintain sufficient reserves or holdbacks from the Sale Proceeds (the “**Holdbacks**”) to satisfy the Charges, Accrued

Obligations and the Remaining Costs set out and defined in the Fourth Report (collectively, the “**Outstanding Disbursements**”);

(d) Authorizing and directing the Proposal Trustee to pay the Outstanding Disbursements from the Holdbacks or to maintain the Holdbacks in the amount of the Outstanding Disbursements before making the Interim Distributions and any Subsequent Distributions;

(e) Authorizing the Companies and/or Proposal Trustee during the NOI Proceedings to pay any outstanding Accrued Obligations and Remaining Costs from the available cash on hand and any subsequent cash receipts regarding the Companies, without further approval of this Court;

(f) Declaring that, notwithstanding any deemed bankruptcies of the Companies, the Interim Distributions, any Subsequent Distributions, Holdbacks and payment of Outstanding Disbursements shall be binding on any licensed insolvency trustee in respect of the Companies and shall not be void or voidable by creditors of the Companies, nor shall they constitute nor be deemed to be a fraudulent preference, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation; and

(g) Declaring that, upon the full payment or satisfaction of the outstanding debt, liability or obligations secured by the Charges (as defined in the Fourth Report) or if there is no debt, liability or obligations secured by the Charges, the termination, release and discharge of the Charges without any further act or formality,

was heard by this Honourable Court (the “**Court**”) on this day by way of judicial video conference in Ottawa, Ontario.

ON READING the Fourth Report, and on hearing the submissions of counsel for the Proposal Trustee, counsel for the Companies, counsel for BMO, counsel for GrantCo and the other parties listed on the participant information form, no one else appearing although properly served as appears from the affidavit of service of Michelle Pham, sworn May 23, 2024, filed:

SERVICE

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

INTERIM DISTRIBUTIONS

2. **THIS COURT ORDERS** that the proposed Interim Distributions by the Proposal Trustee from the Sale Proceeds during the NOI Proceedings to fully pay BMO, to fully pay MacDonell and to partly pay GrantCo at this time, in the amounts set out in the Fourth Report, are hereby approved and that subject to paragraph 5 of this Order, the Proposal Trustee is authorized and directed to make or pay the said Interim Distributions.

SUBSEQUENT DISTRIBUTIONS

3. **THIS COURT ORDERS** that subject to paragraph 5 of this Order, the Proposal Trustee is authorized and directed to make any Subsequent Distributions from the Sale Proceeds during the NOI Proceedings to BMO, MacDonell and GrantCo (the “**Secured Creditors**”) if the

Companies are still legally indebted to the Secured Creditors after the Interim Distributions and as the Proposal Trustee determines appropriate, without further order of this Court, provided that any such Subsequent Distributions to the respective Secured Creditors shall be limited to the outstanding amount of principal, interest and costs under its provable secured claim against the Companies.

HOLDBACKS

4. **THIS COURT ORDERS** that the Proposal Trustee is authorized and directed during the NOI Proceedings to maintain or preserve the Holdbacks from the Sale Proceeds to satisfy or pay the Outstanding Disbursements.

5. **THIS COURT ORDERS** that before making any Interim Distributions and Subsequent Distributions, the Proposal Trustee is authorized and directed to pay the Outstanding Disbursements from the Holdbacks or to maintain or preserve the Holdbacks in the amount of the Outstanding Disbursements.

6. **THIS COURT ORDERS** that the Companies and/or Proposal Trustee during the NOI Proceedings are authorized to pay any outstanding Accrued Obligations and Remaining Costs from the available cash on hand and any subsequent cash receipts regarding the Companies, without further approval of this Court.

DEEMED BANKRUPTCIES

7. **THIS COURT ORDERS** that, notwithstanding any deemed bankruptcies of the Companies, the Interim Distributions, any Subsequent Distributions, the Holdbacks and the payment of the Outstanding Disbursements shall be binding on any licensed insolvency trustee in

respect of the Companies and shall not be void or voidable by creditors of the Companies, nor shall they constitute nor be deemed to be a fraudulent preference, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT ORDERS** that, upon the full payment or satisfaction of the outstanding debt, liability or obligations secured by the Charges or if there is no debt, liability or obligations secured by the Charges, the Charges shall be terminated, released and discharged without any further act or formality.

GENERAL

9. **THIS COURT ORDERS** that this Order is effective as of 12:01 a.m. from today's date and is enforceable without the need for entry and filing.

THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C., 1985, C. B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF OEM AUTOMOTIVE SOLUTIONS INC., OEM AUTOMOTIVE CORNWALL INC. AND OEM AUTOMOTIVE HOLDINGS INC.

Court File No. BK-23-03025642-0033
Bankruptcy Estate File No. 33-3025642

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

Proceedings commenced at Ottawa

INTERIM DISTRIBUTION ORDER

FOGLER, RUBINOFF LLP

Toronto-Dominion Centre
77 King Street West
Suite 3000, PO Box 95
Toronto, ON M5K 1G8

Vern W. DaRe (LSO# 32591E)

Tel: 416.941.8842
Fax: 416.941.8852
Email: vdare@foglers.com

Lawyers for BDO Canada Limited,
in its capacity as the Proposal Trustee

THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C., 1985, C. B-3, AS AMENDED

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
OEM AUTOMOTIVE SOLUTIONS INC., OEM AUTOMOTIVE CORNWALL INC. AND OEM
AUTOMOTIVE HOLDINGS INC.**

Court File No. BK-23-03025642-0033
Bankruptcy Estate File No. 33-3025642

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
Proceedings commenced at Ottawa

MOTION RECORD
(RETURNABLE MAY 28, 2024)

VOLUME 2 OF 2

FOGLER, RUBINOFF LLP

Toronto-Dominion Centre
77 King Street West
Suite 3000, PO Box 95
Toronto, ON M5K 1G8

Vern W. DaRe (LSO# 32591E)

Tel: 416.941.8842
Fax: 416.941.8852
Email: vdare@foglers.com

Lawyers for BDO Canada Limited,
in its capacity as the Proposal Trustee