

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

INGRAM MICRO INC.

Applicant

- and -

MANAGING INFORMATION SYSTEMS 3 INC.

Respondent

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, RSC 1985, c. B-3, AS AMENDED; AND
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, RSO 1990, c. C.43, AS
AMENDED**

**APPLICATION RECORD
(Returnable December 19, 2023)
(Appointing Receiver)**

November 17, 2023

Cassels Brock & Blackwell LLP
Suite 3200, Bay Adelaide Centre –
North Tower
40 Temperance St.
Toronto, ON M5H 0B4

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SECTION 101 OF THE COURTS OF JUSTICE ACT, RSO 1990, c. C.43, AS
AMENDED**

SERVICE LIST (as of November 17, 2023)	
CASSELS BROCK & BLACKWELL LLP Suite 3200, Bay Adelaide Centre – North Tower 40 Temperance Street Toronto, ON M5H 0B4 <i>Lawyers for the Applicant</i>	Jeremy Bornstein, LSO #: 65425C Tel: 416 869 5386 Email: jbornstein@cassels.com William Onyeaju, LSO #: 81919E Tel: 416 869 5498 Email: wonyeaju@cassels.com
BDO CANADA LIMITED 1 City Centre Dr. Suite 1700 Mississauga, ON L5B 1M2 <i>Proposed Receiver</i>	Peter Naumis Tel: 905 615 6207 Email: PNaumis@bdo.ca

MANAGING INFORMATION SYSTEMS 3 INC. 227 Stormont Trail Vaughan, ON L4L 1A6 AND 100 King Street West, Suite 5700 Toronto, ON M5X 1C7 <i>Debtor</i>	Nilesh (Neil) Mistry Email: neil@mis3.ca
SYNNEX CANADA LIMITED 700-200 Ronson Drive Toronto, ON M9W 5Z9 AND 6911 Creditview Road Mississauga, ON L5N 8G1 <i>Creditor</i>	
ROYAL BANK OF CANADA 36 York Mills Road, 4th Floor Toronto, ON M2P 0A4 <i>Creditor</i>	
ON DECK CAPITAL CANADA, INC. 1100 Rene-Levesque W, Suite 1825 Montreal, QC H3B 4N4 <i>Creditor</i>	
9859870 CANADA INC 250-5101 Buchan Montreal, QC H4P 2R9 <i>Creditor</i>	
NORTHPOINT COMMERCIAL FINANCE CANADA INC. 5035 South Service Road, Suite 500 Burlington, ON L7L 6M9 <i>Creditor</i>	

VAULT CREDIT CORPORATION 41 Scarsdale Road, Unit 5 Toronto, ON M3B 2R2 <i>Creditor</i>	
THE BANK OF NOVA SCOTIA 10 Wright Boulevard Stratford, ON N5A 7X9 <i>Creditor</i>	
11302078 CANADA LTD. O/A SHEAVES CAPITAL 201 Bridgeland Avenue Toronto, ON M6A 1Y7 <i>Creditor</i>	
EFSA CAPITAL INC. 200-2800 Skymark Ave. Mississauga, ON L4W 4A6 <i>Creditor</i>	
ATTORNEY GENERAL OF CANADA Department of Justice of Canada Ontario Regional Office, Tax Law Section 120 Adelaide Street West, Suite 400 Toronto, ON M5H 1T1	Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca
ONTARIO MINISTRY OF FINANCE INSOLVENCY UNIT 6th Floor, 33 King Street West Oshawa, ON L1H 8H5	Email: Insolvency.Unit@ontario.ca

**EMAIL SERVICE LIST
(As of November 17, 2023)**

jbornstein@cassels.com; wonyeaju@cassels.com; PNamumis@bdo.ca; neil@mis3.ca; AGC-
PGC.Toronto-Tax-Fiscal@justice.gc.ca; Insolvency.Unit@ontario.ca;

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TAB 1



Court File No.

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

B E T W E E N:

(Court Seal)

INGRAM MICRO INC.

Applicant

- and -

MANAGING INFORMATION SYSTEMS 3 INC.

Respondent

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, RSC 1985, c. B-3, AS AMENDED; AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, RSO 1990, c. C.43, AS
AMENDED**

NOTICE OF APPLICATION

TO THE RESPONDENT:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Ingram Micro Inc. (the
“Applicant”). The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing

- ☐ In writing
- ☐ In person
- ☐ By telephone conference
- ☒ By video conference

at the Court at 330 University Avenue, Toronto, Ontario via video conference, on December 19, 2023 at 10:30 a.m., before a judge presiding over the Commercial List.

For the video conference details to attend the application, please refer to the service email circulating the application record and advise if you intend to join the application by emailing wonyeaju@cassels.com.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date _____ Issued by _____
Local Registrar

Address of court office: Superior Court of Justice
330 University Avenue
Toronto ON
M5G 1R7

TO: **SERVICE LIST**

APPLICATION

1. The Applicant, Ingram Micro Inc. ("**Ingram**"), as a creditor, makes an application for an order substantially in the form attached hereto as Schedule "A", pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended and section 101 of the *Courts of Justice Act*, RSO 1990, c. C 43, as amended, among other things:

- (a) if necessary, abridging the time or service and filing of this notice of application and application record or, in the alternative, dispensing with same;
- (b) appointing BDO Canada Limited ("**BDO**") as receiver and manager, without security, over all of the assets, undertakings, and properties, and in all proceeds arising therefrom (the "**Property**") of Managing Information Systems 3 Inc. ("**MIS 3**"); and,
- (c) such further and other relief as may be requested by the Applicant and as this Honourable Court considers just.

2. The grounds for the application are:

Background

- (a) Ingram is an information technology products and services company based in Irvine, California with operations throughout the world, including Canada. Ingram's customers include hardware and/or software resellers and enterprise end-users.
- (b) The Respondent, MIS 3, is a privately held company with its headquarters located in Toronto, Ontario. MIS 3 provides business consulting and technology services to assist customers with their information technology modernization efforts.

- (c) Nilesh (Neil) Mistry (“**Mistry**”) is the founder and Chief Executive Officer and the sole officer and director of MIS 3.
- (d) Ingram established a trade credit line for MIS 3 in the principal amount of \$1,000,000 (the “**Credit Line**”) to finance products purchased by MIS 3 from Ingram in accordance with the terms of a Canadian Credit Application and Agreement dated October 4, 2022 (the “**Credit Agreement**”).
- (e) As security for the Credit Line, MIS 3 granted to Ingram: (a) a general security agreement (the “**GSA**”) in respect of all present and after acquired personal property of MIS 3; and (b) a personal guarantee (the “**Guarantee**”) by Mistry of all obligations and indebtedness due and owing by MIS 3 to Ingram under the Credit Agreement.

Defaults and Demands for Payment

- (f) Events of default by MIS 3 occurred and are continuing to occur in respect of the Credit Line. Beginning in January 2023, MIS 3 failed to pay when due certain amounts outstanding under the Credit Line.
- (g) Following unsuccessful attempts by Ingram to settle MIS 3’s outstanding indebtedness, in May 2023, Ingram put all pending orders of MIS 3 on hold and advised MIS 3 that it would not process any future orders until MIS 3 paid in full all outstanding amounts.
- (h) Thereafter, despite Ingram’s continued efforts to remedy matters, MIS 3’s indebtedness remained outstanding. On June 23, 2023, Ingra’s legal counsel delivered correspondence to MIS 3 proposing MIS 3 comply with certain payment milestones and reporting obligations, and, if those obligations were complied with,

Ingram would forbear from taking steps to enforce its security until payment of the Indebtedness (as defined below) in full.

- (i) MIS 3 did not expressly accept the letter and it neglected or failed to comply with certain payment milestones and reporting obligations set out therein.
- (j) Accordingly, on July 7, 2023, Ingram issued a demand letter and notice of intention to enforce security to MIS 3 and a demand letter to Mistry.
- (k) Thereafter, MIS 3 promised to pay the Indebtedness in full by the end of August 2023, which it failed or neglected to do.
- (l) In October 2023, Ingram retained a bailiff to attend MIS 3's registered head office and its Toronto headquarters to enforce the terms of the GSA and take possession of Ingram's collateral located on those premises. The bailiff was not able to collect any of Ingram's collateral because, on the bailiff's attendance, it did not appear there were any assets of MIS 3 at those locations.

Other Creditors and Stakeholders

- (m) A search conducted against MIS 3 pursuant to the *Personal Property Security Act* (the "**PPSA**") in Ontario disclosed the following registrations:
 - (i) a first priority registration in favour of Ingram;
 - (ii) a registration in favour of Synnex Canada Limited;
 - (iii) a registration in favour of Royal Bank of Canada;
 - (iv) a registration in favour of On Deck Capital Canada, Inc.;

- (v) a registration in favour of Northpoint Commercial Finance Canada Inc.;
 - (vi) a registration in favour of Vault Credit Corporation;
 - (vii) a registration in favour of EFSA Capital Inc.;
 - (viii) a registration in favour of 11302078 Canada Ltd. O/A Sheaves Capital;
 - (ix) a registration in favour of Bank of Nova Scotia; and
 - (x) a registration in favour of 9859870 Canada Inc.
- (n) There are no other registrations under the Ontario PPSA in respect of MIS 3.
- (o) From a balance sheet provided by MIS 3 to Ingram as of July 24, 2023, if appears MIS 3 owes taxes to Canada Revenue Agency, including harmonized sales tax remittances.

Receivership

- (p) As of November 7, 2023, the amount owing in respect of the Credit Line was \$445,936.01 (the “**Indebtedness**”). Ingram has lost confidence in MIS 3 and its ability to repay the Indebtedness. As a result, Ingram is seeking to appoint BDO as receiver.
- (q) Appointment of a receiver is within Ingram’s rights under the security granted by MIS 3.
- (r) It is in the best interests of Ingram and MIS 3’s other creditors that a receiver be appointed to realize on the Property in a manner that is efficient, open and

transparent. The proposed receiver, BDO, would be required to seek court approval for the sale of all or any of the Property on notice to all interested parties.

- (s) It is just and convenient in the circumstances to appoint a receiver over the Property with the power to market and sell the Property for the benefit of Ingram and MIS 3's other creditors.
- (t) BDO is qualified and is prepared to act as receiver if so appointed.
- (u) Section 101 of the *Courts of Justice Act*, RSO, c. C.43, as amended.
- (v) Section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended.
- (w) Rules 1.04, 1.05, 3.02, 16.08 and 38 of the *Rules of Civil Procedure*, RRO 1990, c. C.43.
- (x) Such further and other grounds as counsel may advise and this Honourable Court may permit.

3. The following documentary evidence will be used at the hearing of the application:

- (a) The affidavit of Ada de Michele sworn November ●, 2023;
- (b) The consent of BDO to act as receiver; and
- (c) Such other materials as counsel may advise and this Honourable Court may permit.

November 10, 2023

Cassels Brock & Blackwell LLP

Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4

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William Onyeaju LSO #: 81919E

Tel: 416.869.5498
wonyeaju@cassels.com

Lawyers for the Applicant

Schedule “A”

Form of Receivership Order

Attached.

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

●, THE ●

JUSTICE ●

)

)

DAY OF NOVEMBER, 2023

INGRAM MICRO INC.

Applicant

- and -

MANAGING INFORMATION SYSTEMS 3 INC.

Respondent

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, RSC 1985, c. B-3, AS AMENDED; AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, RSO 1990, c. C.43, AS
AMENDED**

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended (the “BIA”) and section 101 of the *Courts of Justice Act*, RSO 1990, c. C.43, as amended (the “CJA”) appointing BDO Canada Limited (“BDO”) as receiver and manager (in such capacities, the “Receiver”) without security, of all of the assets, undertakings, and properties, and in all proceeds arising therefrom (the “Property”) of Managing Information Systems 3 Inc. (the “Debtor”), was heard this day by judicial teleconference via Zoom at Toronto, Ontario.

ON READING the affidavit of Ada de Michele sworn November ●, 2023 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, counsel for the Respondent and such other parties listed on the Counsel Slip, no one appearing although

duly served as appears from the affidavits of service of William Onyeaju sworn November ●, 2023 and November ●, 2023, and on reading the consent of BDO to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, BDO is hereby appointed Receiver, without security, of the Property of the Debtor.

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, including without limitation the Debtor's bank accounts wherever located;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform or disclaim any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

- (i) without the approval of this Court in respect of any transaction not exceeding \$●, provided that the aggregate consideration for all such transactions does not exceed \$●; and
- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to consult with the Applicant on all matters relating to the Property and the receivership, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor and any computer programs, computer tapes,

computer disks, or other data storage media containing any such information (the foregoing, collectively, the “Records”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

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

such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

8. THIS COURT ORDERS that all Persons, including without limitation, the Debtor and all entities affiliated (as such term is defined in the *Business Corporations Act* (Ontario) with the Debtor, and each of them, shall be required to cooperate, and share information, with the Receiver, in connection with all books and records, contracts, agreements, permits, licenses and insurance policies and other documents in respect of the Debtor and the Property.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

11. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any

registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

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

from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or

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

LIMITATION ON THE RECEIVER’S LIABILITY

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

RECEIVER’S ACCOUNTS

19. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “Receiver’s Charge”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver’s Charge shall form a first charge on the Property in priority to all security

interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

20. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

21. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

22. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$● (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, fees, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

23. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

24. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

25. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

26. THIS COURT ORDERS that The Guide Concerning Commercial List E-Service (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ●.

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

shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

28. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor. For greater certainty, the Property shall remain subject to the terms of this Order including without limitation paragraph 3 hereof and, subject to further Court Order, shall not vest in BDO as trustee in bankruptcy of the Debtor.

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

31. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. THIS COURT ORDERS that the Applicant shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor with such priority and at such time as this Court may determine.

33. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that BDO Canada Limited, the receiver and manager (the "Receiver") of the assets, undertakings, and properties, and in all proceeds arising therefrom, acquired for, or used in relation to a business carried on by Managing Information Systems 3 Inc. (the "Debtor"), including all proceeds thereof (the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ____ day of _____, 20__ (the "Order") made in an application having Court file number CV-●, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

BDO Canada Limited, solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

INGRAM MICRO INC.

- and -

MANAGING INFORMATION SYSTEMS 3 INC.

Applicant

Respondent

Court File No.

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

PROCEEDING COMMENCED AT
TORONTO

**ORDER
(APPOINTING RECEIVER)**

Cassels Brock & Blackwell LLP

Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4

Jeremy Bornstein LSO #: 65425C
Tel: 416.869.5386
jbornstein@cassels.com

William Onyeaju LSO #: 81919E
Tel: 416.869.5498
wonyeaju@cassels.com

Lawyers for the Applicant

INGRAM MICRO INC.

- and -

MANAGING INFORMATION SYSTEMS 3 INC.

Applicant

Respondent

Court File No.

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

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF APPLICATION

Cassels Brock & Blackwell LLP

Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4

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Tel: 416.869.5386
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Tel: 416.869.5498
wonyeaju@cassels.com

Lawyers for the Applicant

TAB 2

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

B E T W E E N:

INGRAM MICRO INC.

Applicant

- and -

MANAGING INFORMATION SYSTEMS 3 INC.

Respondent

**AFFIDAVIT OF ADA DE MICHELE
(sworn November 15, 2023)**

I, Ada de Michele, of Georgetown, in the Province of Ontario, MAKE OATH AND SAY:

1. I am the Director of Credit & Financial Solutions at Ingram Micro Inc. ("**Ingram**"), the applicant in this proceeding. I have personal knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information and, in all such cases, believe it to be true.

I. BACKGROUND

2. I swear this affidavit in support of an application brought by Ingram to appoint BDO Canada Limited ("**BDO**") as receiver and manager over all of the present and after acquired personal property (collectively, the "**Collateral**") of Managing Information Systems 3 Inc. ("**MIS 3**").

3. Ingram is seeking to appoint BDO as receiver because, among other things, MIS 3 has and continues to fail to pay the Indebtedness (as defined below). Ingram has engaged in discussions with MIS 3 regarding payment of the Indebtedness since May 2023 or earlier; however, the Indebtedness remains outstanding.

4. Ingram has a right to the appointment of a receiver pursuant to the terms of its security. In addition, Ingram is the first-priority perfected secured creditor of MIS 3.

5. It is in the best interest of Ingram and the other economic stakeholders of MIS 3 that a receiver be appointed to realize on the Collateral in a manner that is efficient, open, and transparent. The proposed receiver, BDO, would be required to seek court approval for the sale of the Collateral on notice to all interested parties.

II. PARTIES

6. Ingram is a privately held information technology products and services company based in Irvine, California and has operations throughout the world, including Canada. Ingram's customers include hardware and/or software resellers and enterprise end-users.

7. MIS 3 is a privately held company incorporated under the *Business Corporations Act* (Ontario). MIS 3 provides business consulting and technology services to assist customers with their information technology modernization efforts. MIS 3 is also a reseller of computer software and hardware to enterprise and government customers.

8. Nileshe (Neil) Mistry ("**Mistry**") is the founder and Chief Executive Officer and the sole officer and director of MIS 3.

III. INDEBTEDNESS AND SECURITY

9. MIS 3 is indebted to Ingram in the amount of \$445,936.01, exclusive of legal fees and expenses, as of November 7, 2023 (the “**Indebtedness**”). The Indebtedness arises from software purchased by MIS 3 and financed by Ingram (as described below).

10. Pursuant to the Canadian Credit Application and Agreement dated October 4, 2022 (the “**Credit Agreement**”), Ingram established a trade credit line for MIS 3 in the principal amount of \$1,000,000 (the “**Credit Line**”). The Credit Line provides a mechanism for Ingram to finance goods purchased by MIS 3 without payment in advance. Upon delivery of the goods, Ingram issues an invoice to MIS 3 with 30-day payment terms. Interest accrues on the outstanding balance of the Credit Line at the rate of 1.5% per month on amounts owing in respect of overdue invoices. A copy of the Credit Agreement is attached hereto as **Exhibit “A”**.

11. As security for the Credit Line, Ingram was granted (a) a general security agreement (the “**GSA**”) in respect of all present and after acquired personal property of MIS 3 and (b) a personal guarantee (the “**Guarantee**”) by Mistry of all obligations and indebtedness due and owing by MIS 3 to Ingram under the Credit Agreement. A copy of the GSA and Guarantee is attached hereto as **Exhibit “B”** and **Exhibit “C”**.

12. The GSA and Guarantee were originally provided as security in respect of an earlier trade credit line established by Ingram pursuant to a Canadian Credit Application and Agreement dated on June 21, 2018, which was replaced by the Credit Agreement and the Credit Line. The GSA and Guarantee continue to secure the Indebtedness.

III. EVENTS OF DEFAULT AND DEMANDS FOR PAYMENT

13. Beginning in January 2023, MIS 3 failed to pay when due certain amounts outstanding under the Credit Line. By the end of April 2023, MIS 3 had balances owing under 20 invoices in

the aggregate amount of more than \$600,000 (inclusive of interest). During the period between January and April 2023, Ingram unsuccessfully made several attempts to work cooperative with MIS 3 to settle MIS 3's outstanding accounts. As a result, by mid May 2023, Ingram put all pending orders of MIS 3 on hold and advised MIS 3 that it would not process any future orders until MIS 3 paid in full all outstanding amounts. As of the date of swearing this affidavit, six overdue invoices remain outstanding and make up the Indebtedness.

14. Between mid May 2023 and early July 2023, in an effort to remedy matters, Ingram and/or its legal counsel, Cassels Brock & Blackwell LLP ("**Cassels**"), and MIS 3 engaged in telephone and email discussions regarding payment of the amounts owed to Ingram. Through those exchanges, among other things, MIS 3's assured Ingram that it would make a significant paydown of the Indebtedness no later than the end of May 2023 (which MIS 3 later unilaterally extended to the end of June 2023).

15. On June 23, 2023, Cassels delivered correspondence to MIS 3 proposing MIS 3 comply with certain payment milestones and reporting obligations, and, if those obligations were complied with, Ingram would forbear from taking steps to enforce its security until payment of the Indebtedness in full (the "**Payment Plan Letter**"). A copy of certain email correspondence with MIS 3 between May and July 2023 is attached hereto as **Exhibit "D"**. A copy of the Payment Plan Letter is attached hereto as **Exhibit "E"**.

16. MIS 3 did not expressly accept the Payment Plan Letter and neglected or failed to comply with certain payments milestones and reporting obligations set out in the Payment Plan Letter. Accordingly, Ingram issued a demand letter and notice of intention to enforce security (the "**NITES**") to MIS 3 on July 7, 2023. Ingram also issued a demand letter to Mistry on the same date. A copy of the demand letters and NITES is attached hereto as **Exhibit "F"**.

17. Thereafter, Ingram and Cassels engaged in further correspondence with MIS 3 regarding, among other things, the period of time MIS 3 was required to pay the Indebtedness in full. During those discussions, MIS 3 promised payment in full of the Indebtedness no later than August 31, 2023. A copy of certain of that correspondence is attached hereto as **Exhibit “G”**.

18. In addition, in the course of that correspondence, MIS 3 provided Ingram a balance sheet as of July 24, 2023, which disclosed MIS 3 having current assets in excess of \$1.9 million and accounts receivable in excess of \$1.8 million. A copy of the balance sheet is attached hereto as **Exhibit “H”**.

19. MIS 3’s promise to pay the Indebtedness in full by the end of August 2023 did not materialize. In light of the significant amounts that are apparently available to MIS 3 to pay Ingram as reflected on the balance sheet, I am concerned that MIS 3 has used funds for the benefit of stakeholders other than Ingram (MIS 3’s first in priority secured creditor).

20. Since engaging with MIS 3 to pay the Indebtedness, MIS 3 made four payments in May 2023 and one on June 2, 2023 in the aggregate amount of approximately \$147,000. Since then, the only payments made by MIS 3 were (a) a payment in the amount of \$7,785.46 on July 28, 2023 and (b) a payment in the amount of \$7,709.77 on August 15, 2023.

21. After MIS 3 failed to pay the Indebtedness in full by the end of August 2023, Ingram retained a bailiff to attend MIS 3’s registered head office and its Toronto office (as listed as its headquarters on its website and in Mistry’s email signature) to collect any Collateral located at those premises in accordance with the terms of the GSA. I understand from Jeremy Bornstein, a partner at Cassels, that the bailiff advised Cassels that (a) he attended MIS 3’s registered head office on October 12, 2023 and its Toronto office address on October 13, 2023, (b) MIS 3’s registered head office appeared to be Mistry’s personal residence and there did not appear to be

any assets of MIS 3 at that location and (c) from his observations, it was not apparent that MIS 3 has a physical office at the address it holds out as its Toronto headquarters.

22. Mistry (from his MIS 3 email address) emailed Cassels on October 19, 2023 an email with the subject line "Payment \$200,000 end of month" with no text in the body of the email other than an email signature. As of the date of swearing this affidavit, MIS 3 has not paid any amounts in respect of the Indebtedness since the time of that email. A copy of that correspondence is attached hereto as **Exhibit "I"**.

IV. OTHER SECURED CREDITORS

23. A search conducted against MIS 3 under the Ontario personal property registry system (the "**PPR**") with the currency date as of November 2, 2023 discloses the following registrations:

- a. a first priority registration in favour of Ingram,
- b. a registration in favour of Synnex Canada Limited,
- c. a registration in favour of Royal Bank of Canada,
- d. a registration in favour of On Deck Capital Canada, Inc.,
- e. a registration in favour of Northpoint Commercial Finance Canada Inc.,
- f. a registration in favour of Vault Credit Corporation,
- g. a registration in favour of EFSA Capital Inc.,
- h. a registration in favour of 11302078 Canada Ltd. O/A Sheaves Capital;
- i. a registration in favour of Bank of Nova Scotia, and

j. a registration in favour of 9859870 Canada Inc.

24. The PPR search results did not disclose registrations in favour of any other secured party. I do not have direct knowledge of any of the other security delivered by MIS 3 in respect of the above noted PPR registrations (other than the security delivered to Ingram).

25. A summary of the PPR search results are attached hereto as **Exhibit “J”**.

V. OTHER CREDITORS AND STAKEHOLDERS

26. From the balance sheet provided by MIS 3 (which is as of July 24, 2023), it appears MIS 3 owes certain amounts in respect of (a) taxes, including harmonized sales tax remittances, to Canada Revenue Agency, (b) accounts payable (which presumably includes the amounts owed to Ingram), (c) credit card balances, and (d) long term borrowings. I am not aware of whether MIS 3 has any employees (other than Mistry).

VI. RECEIVERSHIP

27. As of November 7, 2023, the Indebtedness was \$445,936.01 (exclusive of legal fees and expenses).

28. Ingram has lost confidence in MIS 3's ability to perform its obligations under the Credit Agreement. MIS 3 has failed to pay its obligations when due under the Credit Agreement beginning in January 2023 and has repeatedly missed self-imposed deadlines for payment of the Indebtedness.

29. I am also concerned with the possibility that (a) MIS 3 has not paid Ingram to date because it has been using funds for other purposes at Ingram's expense and (b) because of that diversion of funds, the value obtainable upon monetization of MIS 3's assets may be less than the amount of the Indebtedness.

30. I believe that the appointment of a receiver is necessary and appropriate in the circumstances considering Ingram's lack of visibility into the management of MIS 3, including when Ingram can reasonably anticipate being repaid. A receiver will also allow Ingram to realize on its security in an efficient, transparent, and orderly manner for its benefit and for the benefit of any other creditors of MIS 3.

31. In accordance with the terms of the GSA, Ingram is entitled to seek the appointment of a court-appointed receiver in the event MIS 3 defaults on its obligations under the Credit Agreement. Specifically, section 12(h) of the GSA provides that Ingram may enforce its rights by commencing:

“(h) proceedings in any court of competent jurisdiction for the appointment of a receiver or a receiver and manager or for the sale of the Collateral”

32. It is just and convenient in the circumstances to appoint a receiver over the Collateral with the power to market and sell the Collateral for the benefit of Ingram and any other creditors.

33. BDO is prepared to act as receiver if so appointed. BDO has significant experience acting as a court-officer in restructuring proceedings. A copy of BDO's consent to act as receiver is attached hereto as **Exhibit “K”**.

IV. CONCLUSION

34. I swear this affidavit in support of the application brought by Ingram to appoint BDO as receiver over the Collateral.

SWORN BEFORE ME

by videoconference on this 15th day of November 2023. The deponent was located in the City of Mississauga in the Province of Ontario. I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



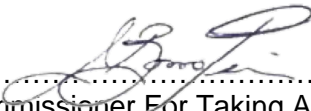
Commissioner for Taking Affidavits



Ada de Michele

Commissioner Name: Jeremy Bornstein
Law Society of Ontario Number: 65425C

This is **Exhibit "A"** referred to in the affidavit of Ada de Michele sworn on November 15, 2023. The deponent was located in the City of Mississauga in the Province of Ontario. I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.


.....
A Commissioner For Taking Affidavits

Commissioner Name: Jeremy Bornstein
Law Society of Ontario Number: 65425C

APPLICANT INFORMATION

Company Legal Name: _____

Company Trade Name: _____ Web Address: _____

How long have you been doing business? _____ Have you previously done business with Ingram Micro? ☐ Yes ☐ No. If yes, _____

Under what company name? _____ Account No(s): _____

ADDRESS INFORMATION
1. Business Address

Street Address: _____ Suite / Unit # _____ Tel#: _____

City: _____ Province: _____ Postal Code: _____ Fax #: _____

2. Billing Address
☐ Check if same as above

Street Address: _____ Suite / Unit # _____ Tel#: _____

City: _____ Province: _____ Postal Code: _____ Fax #: _____

3. Shipping Address
☐ Check if same as above

Street Address: _____ Suite / Unit # _____ Tel#: _____

City: _____ Province: _____ Postal Code: _____ Fax #: _____

CONTACTS - * Please include an Accounts Payable Contact and an email address for e-invoicing services (required).

Please Note: Ingram does not provide paper invoices; Ingram uses an alpha-numeric sequence invoicing system

	Company Contacts		Title	Email Address	Direct Tel or Ext
1 - A/P					
2					
3					

Authorized Company Online Purchaser *Please provide an authorized purchaser for your company who will be designated to receive a Web ID

	Full Name		Title	Email Address	Direct Tel or Ext

COMPANY INFORMATION

Private or Public: ☐ Private ☐ Public Stock Symbol: _____

Company Type: ☐ Incorporated ☐ Limited Company ☐ Partnership ☐ Limited Partnership

☐ Sole Proprietorship ☐ Other, Describe: _____

Incorporation or Company Start Date: _____

If Subsidiary, provide Parent Company: _____

Incorporation Jurisdiction: ☐ Federal Country of Incorporation: _____ ☐ Provincial Province of Incorporation: _____

OWNERS / OFFICERS *List owners with 25% ownership or greater

	Owner / Officer Name(s)	Title	Email Address	% of Ownership
1				%
2				%
3				%
4				%

ACCOUNT TYPE REQUESTED

☐ Net Terms: Credit Line Requested: \$ _____ Please provide: (1) Articles of Incorporation, (2) Void Cheque,
(3) Financial Statements – Optional: (If you choose to have your company financial statements used in the credit limit decision, please also attach.

☐ Credit Card: (Visa and MasterCard only; or Prepay Wire Transfer. Please provide: (1) Articles of Incorporation, (2) Void Cheque
(Canadian credit cards only)

FINANCE INFORMATION

Do you currently finance any of your purchases through flooring or leasing programs? ☐ Yes ☐ No. If yes,

Provide Finance Company Name: _____ Dealer #: _____

Telephone #: _____ Account #: _____ Contact Name: _____

OTHER

Is your company currently under Bankruptcy Protection, including Commercial or Consumer Proposal Proceedings, Restructuring or CCAA (Companies' Creditor Arrangement Act or any other type of insolvency? ☐ Yes ☐ No. If yes, please provide Trustee / Restructuring firm: _____

Will any of your purchases be for export? ☐ Yes ☐ No. Products are intended for resale and use in Canada. Any exportation of products by Customer will require prior authorization and additional documentation from Ingram Micro Canada.

By checking this box ☐ I explicitly agree to receive communications from Ingram Micro related to Ingram Micro business updates, manufacturer business updates, product announcements, promotional offers, training offers, event announcements and registration, and other business related announcements. I have read the Ingram Micro Canada Customer Marketing Promotion Terms and Conditions, and Privacy Policy at <https://ca.ingrammicro.com/>

TAX AND ENVIRONMENTAL REGISTRATION INFORMATION

Province/Territory	Tax Registration No.	Environmental Registration No.	Province/Territory	Tax Registration No.	Environmental Registration
Federal GST/HST			Nova Scotia		N
Ontario			New Brunswick		
British Columbia			Newfoundland		
Quebec			Prince Edward Island		
Saskatchewan			Nunavut		
Alberta			Yukon		
Manitoba			Northwest Territories		

TRADE INFORMATION

	Supplier 1	Supplier 2	Supplier 3	Supplier 4
Company Name:				
Account #:				
Credit Terms / Credit Line:	/ \$	/ \$	/ \$	/ \$
Contact Name:				
Contact Email Address:				
Contact Tel No:				
Contact Fax No:				

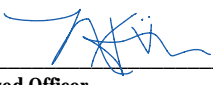
BANK INFORMATION

Name of Bank: _____ Account # _____ Transit # _____
 Address: _____ City: _____ Province: _____ Postal Code: _____
 Web Address: _____ Tel #: _____ Fax #: _____ Credit Line: \$ _____
 Account Manager: _____ Contact Tel #: _____

AGREEMENT AND SIGNATURE

This application and agreement is submitted by applicant to Ingram Micro Inc. an Ontario corporation ("Ingram") to obtain trade credit. Ingram reserves the right to decline credit to any applicant. In the event credit is extended to applicant, Ingram reserves the right at any time thereafter to change or revoke such credit for any reason, including but not limited to, credit policy changes by Ingram, applicant's financial condition, applicant's payment record, applicant's failure to meet sales volume requirements established by Ingram, and/or applicant's utilization of such credit limit. Ingram charges interest at a rate of 18% per annum / 1.5% per month on all past due invoices. A service fee of \$50.00 will be applied to applicant's account for any returned, unpaid cheque. Should applicant default in any payment(s), Ingram Micro shall have the right, without notice to applicant, to declare all invoice amounts due and payable. In the event Ingram should commence any action or actions, or otherwise seek to enforce this agreement against applicant, applicant agrees to pay collection costs and all reasonable attorney fees, court costs and other expenses incurred by Ingram, whether or not a suit is filed. The applicant agrees to notify Ingram within ten (10) days of any change of name or ownership. This agreement and all product sales by Ingram to applicant will be subject to Ingram standard Sales Terms and Conditions as published on Ingram's website at www.ingrammicro.ca at the time of sale which are hereby incorporated by reference. The applicant hereby authorizes Ingram to obtain credit information about the applicant's business from any source, including but not limited to all references and banks listed in this application and any credit reporting agencies. The applicant authorizes Ingram to obtain personal and credit information. Any account that does not exceed aggregate net purchases of \$10,000.00 annually may be reviewed and/or deleted. Applicant certifies that if any property or service so purchased tax free is used or consumed by the firm as to make it subject to any sales taxes, applicant will pay the taxes due directly to the proper taxing authority when provincial law so provides. This certification shall be a part of each order, which we may hereafter give to you, unless otherwise specified, and shall be valid until cancelled by us in writing or revoked by any province.

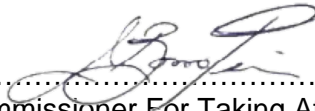
Company Legal Name: _____ Trade Name: _____

Signature:  _____
 Authorized Officer _____ Print Name / Title _____ Date (mm/dd/yy) _____

Signature: _____
 Authorized Officer _____ Print Name / Title _____ Date (mm/dd/yy) _____

1 www.ingrammicro.com 1 New Accounts Email Address: NewAccounts@IngramMicro.ca 1 New Accounts Fax Number: 905-755-1398
 1 55 Standish Court, Mississauga, ON, L5R 4A1, Tel 905-755-5000 1 7451 Nelson Road, Richmond, BC, V6W 1L6, Tel 604-276-8357
 1 2600 Alfred Nobel, Ste. 204, St-Laurent, QC, H4S 0A9, Tel 514-334-9785

This is **Exhibit "B"** referred to in the affidavit of Ada de Michele sworn on November 15, 2023. The deponent was located in the City of Mississauga in the Province of Ontario. I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read 'Bornstein', is written over a horizontal dotted line.

A Commissioner For Taking Affidavits

Commissioner Name: Jeremy Bornstein
Law Society of Ontario Number: 65425C

GENERAL SECURITY AGREEMENT

BETWEEN: INGRAM MICRO INC. and MANAGING INFORMATION SYSTEMS 3 INC

1. **Consideration** For valuable consideration, the receipt and sufficiency of which are acknowledged by each party, **MANAGING INFORMATION SYSTEMS 3 INC** (hereinafter called the "Debtor") enters into this security agreement with Ingram Micro Inc. of 55 Standish Court, Mississauga, Ontario L5R 4A1 (hereinafter called "Ingram Micro").
2. **Obligations Secure** The Security Interest (as hereinafter defined) is granted to Ingram Micro by the Debtor as continuing security for the payment of all present and future indebtedness and liabilities of the Debtor to Ingram Micro, including interest thereon, and for the payment and performance of all other present and future obligations of the Debtor to Ingram Micro, whether direct or indirect, contingent or absolute (including obligations under this security agreement); and without limiting the generality of the foregoing, specifically including the obligations of the Debtor under any guarantee given by the Debtor to Ingram Micro in respect of the obligations of any other party, and any bill of exchange issued, accepted or endorsed by the Debtor of which Ingram Micro is the holder (collectively, the "Obligations").
3. **Creation of Security Interest** The Debtor hereby grants, mortgages, charges, transfers, assigns and creates to and in favour of Ingram Micro a security interest in the following:
 - (a) **Equipment** all present and future equipment of the Debtor, including all machinery, fixtures, plant, tools, furniture, vehicles of any kind or description, all spare parts, accessories installed in or affixed or attached to any of the foregoing, and all drawings, specifications, plans and manuals relating thereto ("Equipment");
 - (b) **Inventory** all present and future inventory of the Debtor, including all raw materials, materials used or consumed in the business of the Debtor, work-in-progress, finished goods, goods used for packing, materials used in the business of the Debtor not intended for sale, and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service ("Inventory");
 - (c) **Accounts** all present and future debts, demands and amounts due or accruing due to the Debtor whether or not earned by performance, including without limitation its book debts, accounts receivable, and claims under policies of insurance; and all contracts, security interests and other rights and benefits in respect thereof ("Accounts");
 - (d) **Intangibles** all present and future intangible personal property of the Debtor, including all contract rights, goodwill, patents, trade marks, copyrights and other intellectual property, and all other choses in action of the Debtor of every kind, whether due at the present time or hereafter to become due or owing ("Intangibles");
 - (e) **Documents of Title** all present and future documents of title of the Debtor, whether negotiable or otherwise including all warehouse receipts and bills of lading ("Documents of Title");
 - (f) **Chattel Paper** all present and future agreements made between the Debtor as secured party and others which evidence both a monetary obligation and a security interest in or a lease of specific goods ("Chattel Paper");

- (g) Instruments all present and future bills, notes and cheques (as such are defined pursuant to the *Bills of Exchange Act* (Canada)), and all other writings that evidence a right to the payment of money and are of a type that in the ordinary course of business are transferred by delivery without any necessary endorsement or assignment ("Instruments");
- (h) Money all present and future money of the Debtor, whether authorized or adopted by the Parliament of Canada as part of its currency or any foreign government as part of its currency ("Money");
- (i) Securities all present and future securities held by the Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of the Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; and including an uncertificated security within the meaning of Part VI (Investment Securities) of the *Business Corporations Act* (Ontario) and all substitutions therefor and dividends and income derived therefrom ("Securities");
- (j) Documents all books, accounts, invoices, letters, papers, documents and other records in any form evidencing or relating to collateral subject to the Security Interest ("Documents");
- (k) Undertaking all present and future real and personal property, business, and undertaking of the Debtor not being Inventory, Equipment, Accounts, Intangibles, Documents of Title, Chattel Paper, Instruments, Money, Securities or Documents ("Undertaking"); and
- (l) Proceeds all personal property in any form derived directly or indirectly from any dealing with collateral subject to the Security Interest or the proceeds therefrom, including insurance proceeds and any other payment representing indemnity or compensation for loss of or damage thereto or the proceeds therefrom ("Proceeds").

The Inventory, Equipment, Accounts, Intangibles, Documents of Title, Chattel Paper, Instruments, Money, Securities, Documents, Undertaking and Proceeds are collectively called the "Collateral". Any reference in this security agreement to Collateral shall mean Collateral or any part thereof, unless the context otherwise requires.

Without limiting the generality of the description of Collateral as set out in this paragraph, for greater certainty the Collateral shall include all present and future real and personal property of the Debtor located on or about or in transit to or from the address of the Debtor set out on this security agreement and the location(s) set out in any Schedule "A" attached hereto, and all present and future personal property of the Debtor comprised of all inventory which may be sold to the Debtor by Ingram Micro from time to time, specifically including the types of inventory described in any schedule "B" attached hereto.

The grants, mortgages, charges, transfers, assignments and security interests herein created are collectively called the "Security Interest". In addition to the grant of the Security Interest, Ingram Micro hereby retains title to all inventory sold to the Debtor by Ingram Micro to secure payment of the purchase price thereof. For convenience, references in this security agreement to the "Security Interest" shall include the reservation of title in favour of Ingram Micro contained herein.

4. **Attachment** The parties acknowledge that value has been given; the Debtor has rights in the Collateral; and the parties have not agreed to postpone the time for attachment of the Security Interest. In respect of Collateral in which the Debtor obtains an interest after the execution and delivery of this security agreement, the Security Interest shall attach thereto immediately upon the Debtor obtaining such rights.

5. **Dealings with Collateral** Until demand, the Debtor may sell its Inventory and collect its Accounts in the ordinary course of its business; provided that after the issuance by Ingram Micro of a demand for payment of the Obligations, all Accounts collected by the Debtor shall be immediately remitted to Ingram Micro. Until remitted all receipts shall be held by the Debtor as agent and in trust for Ingram Micro

6. **Notification to Account Customers Before Demand** Ingram Micro may, before as well as after demand, notify any person obligated to the Debtor in respect of an Account, Chattel Paper or an Instrument to make payment to Ingram Micro of all such present and future amounts due thereon.

7. **Exception re Leasehold Interests and Contractual Rights** The last day of the term of any lease, sublease or agreement therefor is specifically excepted from the Security Interest, but the Debtor agrees to stand possessed of such last day in trust for any person acquiring such interest of the Debtor. To the extent that the creation of the Security Interest would constitute a breach or cause the acceleration of any agreement right, licence or permit to which the Debtor is a party, the Security Interest shall not attach thereto but the Debtor shall hold its interest therein in trust for Ingram Micro, and shall assign such agreement, right, license or permit to Ingram Micro forthwith upon obtaining the consent of the other party thereto.

8. **Representations and Warranties** The Debtor hereby represents and warrants as follows to Ingram Micro and acknowledges that Ingram Micro is relying thereon:

- (a) the Debtor has the capacity and authority to incur the Obligations, create the Security Interest and generally perform its obligations under this security agreement;
- (b) the execution and delivery of this security agreement and the performance by the Debtor of its obligations hereunder has been duly authorized by all necessary proceedings;
- (c) except for the Security Interest, and except as disclosed by the Debtor in writing to Ingram Micro, the Collateral is owned by the Debtor free from any mortgage, lien, charge, encumbrance, pledge, security interest or other claim whatsoever;
- (d) the chief executive office of the Debtor is located at the address of the Debtor set out in this security agreement;
- (e) the Collateral is located at the places warranted herein and at no other place; and
- (f) the Collateral does not include any goods which are used or acquired by the Debtor primarily for personal, family or household purposes.

9. **Covenants of Debtor** The Debtor covenants and agrees as follows:

- (a) to pay or satisfy the Obligations when due;

- (b) to keep the Collateral free and clear of all taxes, assessments, liens, mortgages, charges, claims, encumbrances and security interests whatsoever, except for the Security Interest and except as disclosed in writing by the Debtor to Ingram Micro;
- (c) not to sell, exchange, transfer, assign, lease or otherwise dispose of or deal in any way with the Collateral or any interest therein, or enter into any agreement or undertaking to do so; except as may be permitted in this security agreement;
- (d) to keep the Collateral in good condition, and to keep the Collateral located at the places warranted herein;
- (e) to obtain from financially responsible insurance companies and maintain insurance in respect of such risks and in such amounts as Ingram Micro may reasonably require from time to time, and shall include a standard mortgage clause approved by the Insurance Bureau of Canada, and the Debtor agrees to cause the interest of Ingram Micro to be noted as its interest might appear on such policies of insurance (except public liability insurance), and to furnish Ingram Micro with certificates of insurance and certified copies of such policies;
- (f) to promptly notify Ingram Micro of any loss or damage to the Collateral, any change in any information provided in this security agreement;
- (g) to promptly pay all taxes, assessments, rates, levies, payroll deductions, vacation pay, workers' compensation assessments, and any other charges which could result in the creation of a statutory lien or deemed trust in respect of the Collateral;
- (h) to deliver to Ingram Micro such information concerning the Collateral or the Debtor as Ingram Micro may reasonably request from time to time including aged lists of Inventory and Accounts and annual and monthly financial statements of the Debtor;
- (i) to allow Ingram Micro to have access to all premises of the Debtor at which Collateral may be located and to inspect the Collateral and all records of the Debtor pertaining thereto from time to time; and,
- (j) to do, make, execute and deliver such further and other assignments, transfers, deeds, security agreements and other documents as may be required by Ingram Micro to establish in favour of Ingram Micro the Security Interest intended to be created hereby and to accomplish the intention of this security agreement.

10. **Events of Default** The Debtor shall be in default under this security agreement upon the occurrence of any one or more of the following events (an "Event of Default"):

- (a) the Debtor fails to satisfy or perform any of the Obligations when due;
- (b) any representation or warranty made by the Debtor herein is or becomes incorrect or untrue, or the Debtor breaches or fails to comply with any term of this security agreement or any other agreement or undertaking now or hereafter given by the Debtor to Ingram Micro;

- (c) the Debtor becomes insolvent or bankrupt or makes a proposal under the *Bankruptcy and Insolvency Act* or the *Companies' Creditors Arrangement Act*; a petition in bankruptcy is filed against the Debtor; the Debtor makes an assignment for the benefit of creditors; a trustee or receiver or manager is appointed in respect of the Debtor or any of its assets; or steps are taken by or against the Debtor for any other formal or informal type of proceeding for the settlement of claims against the Debtor, or for the dissolution, liquidation, or winding-up of the affairs of the Debtor;
- (d) the Debtor ceases or threatens to cease to carry on business, or makes or agrees to make a bulk sale of its assets;
- (e) an execution or any similar process of any court becomes enforceable against the Debtor, or a distress or any similar process is levied upon any property of the Debtor;
- (f) any encumbrance affecting the Collateral becomes enforceable; or
- (g) Ingram Micro in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance of the Obligations is or is about to be impaired or that the Collateral is or is about to be placed in jeopardy.

11. **Acceleration Upon Default; Obligation to Advance** Upon the occurrence of an Event of Default, the Obligations shall be immediately due and payable.

12. **Remedies** Upon the occurrence of an Event of Default, the Security Interest shall immediately become enforceable, and Ingram Micro shall have the following remedies in addition to any other remedies available at law or equity or contained in any other agreement between the Debtor and Ingram Micro, all of which remedies shall be independent and cumulative:

- (a) entry of any premises where Collateral may be located;
- (b) possession of Collateral by any method permitted by law;
- (c) the sale or lease of Collateral;
- (d) the collection of any rents, income, and profits received in connection with the business of the Debtor or the Collateral;
- (e) the collection, realization, sale or other dealing with any Accounts;
- (f) the appointment by instrument in writing of a receiver, or a receiver and manager (each of which is herein called a "Receiver") of the Collateral;
- (g) the exercise by Ingram Micro of any of the powers set out in paragraph 13, without the appointment of a receiver;
- (h) proceedings in any court of competent jurisdiction for the appointment of a receiver or a receiver and manager or for the sale of the Collateral; and

- (i) the filing of proofs of claim and other documents in order to have the claims of Ingram Micro lodged in any bankruptcy, winding-up, or other judicial proceeding relating to the Debtor.

13. **Powers of Receiver** Any Receiver appointed by Ingram Micro may be any person or persons, and Ingram Micro may remove any Receiver so appointed and appoint another or others instead. Any Receiver appointed shall act as agent for Ingram Micro for the purposes of taking possession of the Collateral, and (except as provided below) as agent for the Debtor for all other purposes, including without limitation the occupation of any premises of the Debtor and in carrying on the Debtor's business. For the purposes of realizing upon the Security Interest, the Receiver may sell, lease, or otherwise dispose of Collateral as agent for the Debtor or as agent for Ingram Micro as it may determine in its discretion. The Debtor agrees to ratify and confirm all actions of the Receiver acting as agent for the Debtor, and to release and indemnify the Receiver in respect of all such actions. Any Receiver so appointed shall have the following powers:

- (a) to enter upon, use, and occupy all premises owned or occupied by the Debtor;
- (b) to take possession of the Collateral;
- (c) to carry on the business of the Debtor;
- (d) to borrow money required for the maintenance, preservation or protection of the Collateral or for the carrying on of the business of the Debtor, and in the discretion of such Receiver, to charge and grant further security interests in the Collateral in priority to the Security Interest, as security for the money so borrowed;
- (e) to sell, lease, or otherwise dispose of the Collateral or any part thereof on such terms and conditions and in such manner as the Receiver shall determine in its discretion;
- (f) to demand, commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession or payment of the Collateral, and to give valid and effectual receipts and discharges therefor and to compromise or give time for the payment or performance of all or any part of the Accounts or any other obligation of any third party to the Debtor; and
- (g) to exercise any rights or remedies which could have been exercised by Ingram Micro against the Debtor or the Collateral.

14. **Standards of Sale** The Debtor agrees that it shall be commercially reasonable for Ingram Micro to dispose of the Collateral by private sale, including sale by Ingram Micro to its customers in the ordinary course of its business, or public sale. If the Collateral is disposed of by public sale, the sale may be held following one advertisement in a newspaper having general circulation in the location of the Collateral to be sold at least seven days prior to such sale, and Ingram Micro may establish a reserve bid in respect of all or any portion of the Collateral. The Collateral may be disposed of in whole or in part, for cash or credit, or part cash and part credit. The purchaser or lessee of such Collateral may be a customer of Ingram Micro.

15. **Failure of Ingram Micro to Exercise Remedies** Ingram Micro shall not be liable for any delay or failure to enforce any remedies available to it or to institute any proceedings for such purposes.

16. **Application of Payments** All payments made in respect of the Obligations and all monies received by Ingram Micro or any Receiver appointed by Ingram Micro in respect of the enforcement of the Security Interest (including the receipt of any Money) may be held as security for the Obligations or applied in such manner as may be determined in the discretion of Ingram Micro or the Receiver, as the case may be, and Ingram Micro may at any time apply or change any such appropriation of such payments or monies to such part or parts of the Obligations as Ingram Micro may determine in its discretion. The Debtor shall remain liable to Ingram Micro for any deficiency; and any surplus funds realized after the satisfaction of all Obligations shall be paid in accordance with applicable law.
17. **Dealings by Ingram Micro** Ingram Micro may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, and otherwise deal with the Collateral, the Debtor, customers of the Debtor, sureties of the Debtor, and others as Ingram Micro may see fit, without prejudice to the Obligations and the rights of Ingram Micro to hold and realize upon the Security Interest. Ingram Micro has no obligation to keep Collateral identifiable, or to preserve rights against prior secured creditors in respect of any Collateral which includes Chattel Paper or Instruments.
18. **Notice** Without prejudice to any other method of giving notice, any notice required or permitted to be given hereunder to any party shall be conclusively deemed to have been received by such party on the date following the sending thereof by fax or by prepaid private courier to such party at its last known address.
19. **Separate Security** This security agreement and the Security Interest are in addition to and not in substitution for any other security now or hereafter held by Ingram Micro in respect of the Debtor, the Obligations or the Collateral.
20. **Ingram Micro Not Obligated to Advance** Nothing in this security agreement shall obligate Ingram Micro to advance credit to the Debtor, or extend the time for payment or satisfaction of any Obligations.
21. **Severability** If any provision of this security agreement shall be deemed by any court of competent jurisdiction to be invalid or void, the remaining provisions shall remain in full force and effect.
22. **Time of Essence** Time shall be of the essence of this security agreement.
23. **Grammatical Changes** This security agreement is to be read as if all changes in grammar, number and gender rendered necessary by the context had been made, specifically including a reference to a person as a corporation and vice-versa.
24. **Entire Agreement** This security agreement, including any schedules attached hereto, constitutes the entire agreement between the Debtor and Ingram Micro relating to the subject-matter hereof, and no amendment shall be effective unless made in writing. There are no representations, warranties condition or collateral agreements in effect between the Debtor and Ingram Micro relating to the subject-matter hereof; and possession of an executed copy of this security agreement by Ingram Micro constitutes conclusive evidence that it was executed and delivered by the Debtor free of all conditions.
25. **Governing Law; Attornment** This security agreement shall be interpreted in accordance with the laws of the Province of Ontario, and without prejudice to the ability of Ingram Micro to enforce this security agreement in any other proper jurisdiction, the Debtor hereby irrevocably submits and attorns to the jurisdiction of the courts of the Province of Ontario.

26. **Power of Attorney** The Debtor hereby constitutes and appoints Ingram Micro or any officer thereof as its true, lawful and irrevocable attorney, with full power of substitution, to execute all documents and take all actions as may be necessary or desirable to perform any obligations of the Debtor arising pursuant to this security agreement, and in executing such documents and taking such actions, to use the name of the Debtor whenever and wherever it may be considered necessary or expedient.

27. **Successors and Assigns** This security agreement and the Obligations may be assigned in whole or in part by Ingram Micro to any person, firm or corporation without notice to or the consent of the Debtor. This security agreement may not be assigned by the Debtor without the prior written consent of Ingram Micro. This security agreement is binding upon the parties hereto, and their respective heirs, executors, administrators, legal personal representatives, successors and permitted assigns.

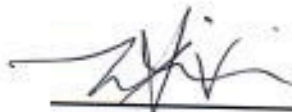
28. **Amalgamation of Debtor** If the Debtor amalgamates with any other corporation or corporations, this security agreement shall continue in full force and effect and shall be binding upon the amalgamated corporation.

29. **Copy of Agreement** The Debtor acknowledges receipt of an executed copy of this security agreement.

30. **Counterparts** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

In witness whereof, this security agreement has been executed, sealed and delivered by the Debtor under the hands of its proper officers duly authorized in that behalf, this 2 day of August, 2018.

MANAGING INFORMATION SYSTEMS 3 INC
227 STORMONT TRAIL
VAUGHAN ON L4L1A6



Authorized Signature

Print Name: NILESH MISTRY

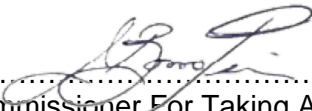
Title: *Founder & CEO*

I HAVE AUTHORITY TO BIND THE CORPORATION

Note – PLEASE PROVIDE Schedules to be Attached

“A” - Additional Places where Collateral may be located

This is **Exhibit “C”** referred to in the affidavit of Ada de Michele sworn on November 15, 2023. The deponent was located in the City of Mississauga in the Province of Ontario. I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.


.....
A Commissioner For Taking Affidavits

Commissioner Name: Jeremy Bornstein
Law Society of Ontario Number: 65425C

AGREEMENT WITH RESPECT TO GUARANTEE, INDEMNITY AND POSTPONEMENT OF CLAIMS

WHEREAS MANAGING INFORMATION SYSTEMS 3 INC. (the "Customer") is now indebted or liable and may hereafter become further indebted or liable to Ingram Micro Inc. ("Ingram Micro");

AND WHEREAS the undersigned, **NILESH A MISTRY** (the "Guarantor"), has agreed to guarantee the Obligations (as hereinafter defined) of the Customer to Ingram Micro;

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agrees and covenants with Ingram Micro as follows:

1. Guarantee The undersigned, Guarantor, hereby unconditionally and irrevocably guarantees payment to Ingram Micro and its successors and assigns, forthwith upon demand, of all present and future indebtedness, liabilities and obligations, direct or indirect, contingent or absolute, matured or unmatured, now or at any time and from time to time hereafter due or owing to Ingram Micro by, the Customer, whether incurred by the Customer alone or jointly with any other corporation, person or persons or otherwise howsoever (the "Obligations").

2. Indemnity In addition to the guarantee provided in paragraph 1, and as a separate and distinct obligation, the undersigned hereby agrees to indemnify and save harmless Ingram Micro, forthwith on demand by Ingram Micro, from and against all direct and indirect claims, demands, losses, damages, liabilities, charges, obligations, payments and expenses of any nature or kind, howsoever or whenever arising, which Ingram Micro may suffer or incur in any way relating to or arising from:

(a) the failure of the Customer to pay and satisfy the Obligations; or

(b) the Obligations or any agreement creating or relating to any or all Obligations in any way being or becoming for any reason whatsoever, in whole or in part, void, voidable, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable or released or discharged by operation of law or otherwise;

provided that any payment actually made by the Guarantor to Ingram Micro under paragraph 1 shall reduce the liability of the Guarantor under this paragraph 2 by the same amount.

3. Limitation of Liability; Interest The liability of the Guarantor under this Agreement is unlimited. Interest will be charged on all amounts due under this Agreement from the date Ingram Micro demands payment thereof, at the rate of eighteen percent (18%) per annum.

4. Continuing Guarantee The guarantee contained herein shall be a continuing guarantee and shall secure the Obligations and any ultimate balance thereof, notwithstanding that the Customer may from time to time satisfy the Obligations in whole or in part and thereafter incur further Obligations. This Agreement shall continue in full force and effect regardless of whether any of the undersigned (if more than one) or any other party responsible for the payment of the Obligations or any portion thereof shall cease to be so liable for any reason whatsoever, including without limitation by reason of prescription, operation of law or release by Ingram Micro.

5. Assignment and Postponement of Indebtedness Payment of all present and future obligations of the Customer to the Guarantor (the "Postponed Indebtedness") is hereby postponed to payment of the Obligations. For greater certainty, the Guarantor agrees that it shall not receive any payments of principal, interest or any other amounts in respect of the Postponed Indebtedness until the Obligations have been paid and satisfied in full. If any portion of the Postponed Indebtedness is paid in contravention of this Agreement, the Guarantor agrees to hold such amount in trust for Ingram Micro and immediately paid such

amount to Ingram Micro. If the Guarantor now or in the future holds any security for the Postponed Indebtedness (the "Postponed Security"), the security interests constituted thereby shall be postponed to all present and future security interests held by Ingram Micro in respect of the Obligations, notwithstanding the order of execution, delivery, registration or perfection of the said security interests, the order of advancement of funds, the order of crystallization of security, or any other matter which may affect the relative priorities of such security interests. The Guarantor may not initiate or take any action to enforce the Postponed Security without the prior written consent of Ingram Micro. As additional security for the obligations of the Guarantor to Ingram Micro under this Agreement, the Guarantor hereby assigns to Ingram Micro the Postponed Indebtedness and the Postponed Security.

6. Customer's Status and Authority All monies, advances, renewals or credits in fact borrowed or obtained from Ingram Micro by the Customer or by persons purporting to act on behalf of the Customer shall be deemed to form part of the Obligations, notwithstanding any lack or limitation of status or power, incapacity or disability of the Customer or its directors, officers, employees or agents, or that the Customer may not be a legal entity or that such borrowing or obtaining of monies, advances, renewals or credits or the execution and delivery of any agreement or document by or on behalf of the Customer is in excess of the powers of the Customer or any of its directors, officers, employees or agents or is in any way irregular, defective, fraudulent or informal. Ingram Micro has no obligation to enquire into the powers of the Customer or any of its directors, officers, employees or agents acting or purporting to act on its behalf, and shall be entitled to rely on this provision notwithstanding any actual or imputed knowledge regarding any of the foregoing matters.

7. Guarantee Absolute The liability of the undersigned hereunder shall be absolute and unconditional irrespective of, and shall not be released, discharged, limited or otherwise affected by anything done, suffered or permitted by Ingram Micro in connection with the Customer, the Obligations or any security held by or granted to Ingram Micro to secure payment or performance of the Obligations.

8. No Obligation to Exercise Other Remedies Ingram Micro shall not be obliged to demand payment from or exhaust its recourse against the Customer, guarantors of the Customer or other parties or enforce any security held in respect of the Obligations or take any other action or legal proceeding before being entitled to payment from the undersigned under this Agreement. The undersigned hereby waives all benefits of discussion and division.

9. Accounts Settled Any account stated by Ingram Micro to be due to it by the Customer shall be accepted by the undersigned as conclusive evidence that the said amount is so due, in the absence of manifest error.

10. Waivers No delay on the part of Ingram Micro in exercising any of its options, powers or rights, or any partial or single exercise thereof, shall constitute a waiver thereof. No waiver of any of Ingram Micro's rights hereunder, and no modification or amendment of this Agreement, shall be deemed to be made by Ingram Micro unless made in writing signed by an authorized officer of Ingram Micro, and any such waiver shall apply only with respect to the specific instance involved, and shall in no way impair the rights of Ingram Micro or the liabilities of the undersigned hereunder in any other respect or at any other time.

11. Foreign Currency Obligations If any portion of the Obligations is payable by the Customer to Ingram Micro in a currency other than Canadian dollars (the "Required Currency"), the liability of the undersigned in respect of such portion of the Obligations shall be to pay such amount in the Required Currency. If the undersigned makes payment in respect of such portion of the Obligations in any other currency, such as Canadian dollars (the "Payment Currency"), such payment shall constitute satisfaction of the said liability of the undersigned only to the extent that Ingram Micro is able to purchase Required Currency with the amount of the Payment Currency received from the undersigned on the date of receipt, in accordance

with Ingram Micro's normal practice, and the undersigned shall remain liable to Ingram Micro for any deficiency.

12. Withholding Taxes Except as otherwise required by law, each payment by the Guarantor hereunder shall be made without withholding for or on account of any present or future tax imposed by or within the jurisdiction in which the Guarantor is domiciled, any jurisdiction from which the Guarantor makes any payment or any other jurisdiction, or (in each case) any political subdivision or taxing authority thereof or therein. If any such withholding is required by law, the Guarantor shall make the withholding, pay the amount withheld to the appropriate governmental authority before penalties attach thereto or interest accrues thereon and forthwith pay to Ingram Micro such additional amount as may be necessary to ensure that the net amount actually received by Ingram Micro (after payment of such taxes including any taxes on such additional amount paid) is equivalent to the amount which Ingram Micro would have received if no amounts had been withheld.

13. Representations and Warranties The undersigned represents and warrants to Ingram Micro as follows, and acknowledges that Ingram Micro is relying upon the said representations and warranties as a basis for extending credit to the Customer:

- (a) If the undersigned is a corporation: it is duly incorporated, existing and in good standing under the laws of its jurisdiction of incorporation; it has full corporate power, authority and capacity to enter into and perform its obligations hereunder; all necessary action has been taken to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder; there are no provisions in any unanimous shareholder agreement which restrict or limit its powers to enter into and perform its obligations under this Agreement; and neither the execution and delivery of this Agreement, nor compliance with the terms, provisions and conditions hereof will conflict with, result in a breach of, or constitute a default under its charter documents or by-laws;
- (b) If the undersigned is an individual, he or she has all necessary capacity to enter into and perform all his or her obligations contemplated by this Agreement;
- (c) Neither the execution and delivery to Ingram Micro of this Agreement, nor compliance with the terms, provisions and conditions of this Agreement will conflict with, result in a breach of, or constitute a default under any agreement or instrument to which the undersigned is a party or by which the property and assets of the undersigned may be bound or affected, and does not require the consent or approval of any other party; and
- (d) the delivery of this guarantee is absolute and is not subject to any precondition, escrow or understanding.

15. Expenses The undersigned shall from time to time forthwith upon demand pay to Ingram Micro all expenses (including legal fees on a solicitor and his own client basis) incurred by Ingram Micro in the preservation or enforcement of any of its rights hereunder.

16. Entire Agreement; Conclusive Delivery This Agreement constitutes the entire agreement between the undersigned and Ingram Micro relating to the subject-matter hereof, and there are no representations, conditions, warranties or collateral agreements relating hereto except as set out herein in writing and there shall be no amendment waiver or release of this guarantee unless made in writing signed by Ingram Micro.

17. Additional Guarantee This Agreement is in addition to and not in substitution for any other guarantees or agreements which may have previously been given to Ingram Micro by the Guarantor in connection with the Customer or any Obligations, and is in addition to and

without prejudice to any security or guarantee now or hereafter held by Ingram Micro in respect of any Obligations, and any other rights or remedies which Ingram Micro might have.

18. Combination of Accounts and Set-Off Ingram Micro may from time to time combine accounts and set off and apply any liabilities it may have to the Guarantor (including liabilities in respect of any monies deposited by the Guarantor with Ingram Micro) against any and all of the obligations of the Guarantor to Ingram Micro now or hereafter existing under this agreement, whether or not Ingram Micro has made any demand hereunder and whether or not any of such obligations may be unliquidated, contingent or unmatured.

19. Notice Any notice, direction or other communication required or permitted to be given to a party under this Agreement may be given by:

- (a) registered mail to the address of such party noted on the last page of this agreement, in which event the notice shall be deemed to have been received by the party to whom it is addressed on the 3rd business day following the sending thereof (except in the case of actual or apprehended postal interruption);
- (b) private courier to the address of such party noted on the last page of this Agreement, in which event the notice shall be deemed to have been received by the party to whom it is addressed on the business day following the sending thereof; or
- (c) any other method, provided that the party sending the notice shall have the burden of proving that such notice was received by the party to whom it was sent.

Any party may change its address for service by notice given in the foregoing manner.

21. Severability If any provision of this Agreement shall be deemed by any court of competent jurisdiction to be invalid or void, the remaining provisions shall remain in full force and effect.

22. Grammatical Changes This Agreement is to be read as if all changes in grammar, number and gender rendered necessary by the context had been made, specifically including a reference to a person as a corporation and vice-versa. If this Agreement has been executed by more than one party, their obligations hereunder shall be joint and several, and all references to the "undersigned" herein shall refer to any and all signatories hereto, as the context requires.

23. Amalgamation of Customer If the Customer amalgamates with any other corporation or corporations, the undersigned acknowledges that the Obligations shall include all obligations of the amalgamating corporations (including the Customer) to Ingram Micro in existence at the time of such amalgamation and all obligations of the amalgamated corporation to Ingram Micro incurred or arising after such amalgamation; and all defined terms and other provisions of this agreement shall be deemed to have been amended to reflect such amalgamation to the extent required by the context.

24. Further Assurances The undersigned agrees, at its own expense, to promptly execute and deliver or cause to be executed and delivered to Ingram Micro upon request from time to time all such other and further documents, agreements, opinions, certificates and instruments as are required under this agreement or as may be reasonably requested by Ingram Micro if necessary or desirable to more fully record or evidence the obligations intended to be entered into herein.

25. Governing Law This guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. Without prejudice to the right of Ingram Micro to commence any proceedings with respect to this

guarantee in any other proper jurisdiction, the undersigned hereby irrevocably attorneys and submits to the jurisdiction of the courts of the Province of Ontario.

26. Successors and Assigns This Agreement shall enure to the benefit of Ingram Micro and its successors and assigns, and shall be binding upon the undersigned and the personal representatives, successors and assigns of the undersigned; "successors" includes any corporation resulting from the amalgamation of a corporation with any other corporation.

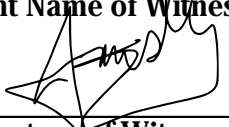
27. Receipt of Copy of Agreement The undersigned hereby acknowledges receipt of a copy of this Agreement.


28. Counterparts This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

In witness whereof this Agreement has been executed, sealed and delivered by the undersigned, this 12th day of December, 2019.

MIS3 INC
MANAGING INFORMATION SYSTEMS 3 INC
227 STORMONT TRAIL

VAUGHAN ON L4L1A6

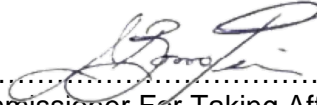
Angeline R Mistry
Print Name of Witness

Signature of Witness

NILESH A MISTRY
Name of Guarantor

Signature of Guarantor

Guarantor's Address for Service:
227 STORMONT TRAIL
WOODBIDGE, ON L4H 4P6

Ingram Micro Inc. Address for Service:
55 Standish Court, 2nd Floor
Mississauga, Ontario L5R 4A1

This is **Exhibit "D"** referred to in the affidavit of Ada de Michele sworn on November 15, 2023. The deponent was located in the City of Mississauga in the Province of Ontario. I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



.....
A Commissioner For Taking Affidavits

Commissioner Name: Jeremy Bornstein
Law Society of Ontario Number: 65425C

From: Bornstein, Jeremy
Sent: Thursday, July 06, 2023 3:15 PM
To: Neil Mistry
Cc: Warsi, Rizwan
Subject: RE: [EXTERNAL]Re: Follow up Note 5.30.2023

Thanks for confirming Neil. Can you please make a payment as soon as possible today and provide confirmation once the payment has been initiated?

Notwithstanding any partial payment, Ingram continues to reserve all its rights.



Cassels Brock & Blackwell LLP | cassels.com
Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4 Canada

From: Neil Mistry <neil@mis3.ca>
Sent: Thursday, July 06, 2023 3:07 PM
To: Bornstein, Jeremy <jbornstein@cassels.com>
Cc: Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com>
Subject: Re: [EXTERNAL]Re: Follow up Note 5.30.2023

CAUTION: External Email

Jeremy,

I received your letter. We are looking to pay the balance in full with Ingram due to new revenues being generated by MIS3 and AR that is finally coming in.

Thanks



Neil Mistry | Founder & CEO/CTO
Managing Information Systems 3 Inc. | First Canadian Place
100 King Street West Suite 5700 Toronto ON M5X 1C7
Office: 289.304.1296 | Mobile: 647.209.3303 | Email: neil@mis3.ca | Meeting link: <https://calendly.com/mis3inc>



From: Bornstein, Jeremy <jbornstein@cassels.com>
Date: Thursday, July 6, 2023 at 2:53 PM
To: Neil Mistry <neil@mis3.ca>
Cc: Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com>
Subject: RE: [EXTERNAL]Re: Follow up Note 5.30.2023

Neil; I noticed you cancelled our meeting at 4:30pm today. Are you going to call me earlier or should we schedule time for tomorrow to speak?

Jeremy



Cassels Brock & Blackwell LLP | cassels.com
Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4 Canada

From: Bornstein, Jeremy
Sent: Thursday, July 06, 2023 10:07 AM
To: 'Neil Mistry' <neil@mis3.ca>
Cc: 'Warsi, Rizwan' <Rizwan.Warsi@ingrammicro.com>
Subject: RE: [EXTERNAL]Re: Follow up Note 5.30.2023

Neil,

I tried you on your cell and office this morning. Please return my call as soon as you can. In case we're not able to connect earlier today, I booked a meeting for us at 4:30pm this afternoon through your Calendly. Thanks.

Jeremy



Cassels Brock & Blackwell LLP | cassels.com
Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4 Canada

From: Bornstein, Jeremy
Sent: Tuesday, July 04, 2023 5:01 PM
To: Neil Mistry <neil@mis3.ca>
Cc: Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com>
Subject: RE: [EXTERNAL]Re: Follow up Note 5.30.2023

Neil,

In light of MIS 3's failure to satisfy the Payment Milestones and Reporting Obligations set out in our letter from June 23 (attached), I am contacting you in connection with Ingram's potential enforcement action against MIS 3 pursuant to Ingram's security and against you personally pursuant to your guarantee of MIS 3's indebtedness to Ingram.

Please let me know who counsel for you and/or MIS 3 is so I can contact that person. If you and/or MIS 3 do not want to retain counsel at this time, please let me know your availability for a call this week. I am flexible tomorrow noon-4pm or Thursday between 10am-noon or 2:30-5pm.

Jeremy



Cassels Brock & Blackwell LLP | cassels.com
Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4 Canada

From: Bornstein, Jeremy
Sent: Friday, June 23, 2023 12:30 PM
To: Neil Mistry <neil@mis3.ca>
Cc: Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com>
Subject: RE: [EXTERNAL]Re: Follow up Note 5.30.2023

Neil, see attached correspondence.



Cassels Brock & Blackwell LLP | cassels.com

WE'VE MOVED! As of May 29, our Toronto address is:

Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4 Canada

From: Neil Mistry <neil@mis3.ca>
Sent: Friday, June 23, 2023 10:11 AM
To: Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com>
Cc: Bornstein, Jeremy <jbornstein@cassels.com>
Subject: Re: [EXTERNAL]Re: Follow up Note 5.30.2023

CAUTION: External Email

No payment update at this time we are now aiming for next week.



Neil Mistry | Founder & CEO/CTO
Managing Information Systems 3 Inc. | First Canadian Place
100 King Street West Suite 5700 Toronto ON M5X 1C7
Office: 289.304.1296 | Mobile: 647.209.3303 | Email: neil@mis3.ca | Meeting link: <https://calendly.com/mis3inc>



From: Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com>
Date: Friday, June 23, 2023 at 9:26 AM
To: Neil Mistry <neil@mis3.ca>
Cc: Bornstein, Jeremy <jbornstein@cassels.com>
Subject: RE: [EXTERNAL]Re: Follow up Note 5.30.2023

Hi Neil, pls kindly advise on update
Regards

From: Neil Mistry <neil@mis3.ca>
Sent: Wednesday, June 21, 2023 10:49 AM
To: Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com>
Cc: Bornstein, Jeremy <jbornstein@cassels.com>
Subject: Re: [EXTERNAL]Re: Follow up Note 5.30.2023

Riz,

We will aim for a payment this week I will advise the amount once paid.



Neil Mistry | Founder & CEO/CTO
Managing Information Systems 3 Inc. | First Canadian Place
100 King Street West Suite 5700 Toronto ON M5X 1C7
Office: 289.304.1296 | Mobile: 647.209.3303 | Email: neil@mis3.ca | Meeting link: <https://calendly.com/mis3inc>



From: Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com>
Date: Wednesday, June 21, 2023 at 10:39 AM
To: Neil Mistry <neil@mis3.ca>
Cc: Bornstein, Jeremy <jbornstein@cassels.com>
Subject: RE: [EXTERNAL]Re: Follow up Note 5.30.2023

Hi Neil, we do require a payment update for this week – please advise. A payment plan is to follow

Regards

From: Neil Mistry <neil@mis3.ca>
Sent: Friday, June 16, 2023 5:50 PM
To: Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com>

Cc: Macinnis, Maria <Maria.Macinnis@ingrammicro.com>; de Michele, Ada <Ada.deMichele@ingrammicro.com>;
Bornstein, Jeremy <jbornstein@cassels.com>
Subject: Re: [EXTERNAL]Re: Follow up Note 5.30.2023

No payment update yet

Neil Mistry | Founder and CEO / CTO
MIS3 Inc. | 100 King Street West Suite 5700
Toronto ON M5X 1C7
e: neil@mis3.ca | o: 289-304-1296 | m: [647.209.3303](tel:647.209.3303)

Canadian Secure Digital Transformation Leader

On Jun 16, 2023, at 4:04 PM, Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com> wrote:

Hi Neil, please kindly provide an update as we have not received a further payment since June 2nd

Also adding in Jeremy who will be reaching out to you next week around a payment plan structure

Regards,

Rizwan Warsi
Sr. Credit Development Manager
Office: 905-755-5000 ext. 55547
Toll Free: 1-800-668-3450
Rizwan.Warsi@ingrammicro.ca
<image001.png>

From: Neil Mistry <neil@mis3.ca>
Sent: Tuesday, June 6, 2023 1:24 PM
To: Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com>
Cc: Macinnis, Maria <Maria.Macinnis@ingrammicro.com>; de Michele, Ada <Ada.deMichele@ingrammicro.com>
Subject: Re: [EXTERNAL]Re: Follow up Note 5.30.2023

We are still aiming to clear the balance by end of month but at a minimum by end of month \$125k will be addressed.

Neil Mistry | Founder and CEO / CTO
MIS3 Inc. | 100 King Street West Suite 5700
Toronto ON M5X 1C7
e: neil@mis3.ca | o: 289-304-1296 | m: [647.209.3303](tel:647.209.3303)

Canadian Secure Digital Transformation Leader

On Jun 6, 2023, at 12:53 PM, Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com> wrote:

Hi Neil, we need to provide our Counsel with an update around additional payments. Please kindly advise at your earliest. Outstanding balance as of today is \$460,775.35 – per attached statement
Regards

From: Neil Mistry <neil@mis3.ca>
Sent: Friday, June 2, 2023 10:17 AM
To: Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com>
Cc: Macinnis, Maria <Maria.Macinnis@ingrammicro.com>; de Michele, Ada <Ada.deMichele@ingrammicro.com>
Subject: [EXTERNAL]Re: Follow up Note 5.30.2023

Payment made today for \$17k we are aiming for end of June to close the account in full.

May was not possible.

Neil Mistry | Founder and CEO / CTO
MIS3 Inc. | 100 King Street West Suite 5700
Toronto ON M5X 1C7
e: neil@mis3.ca | o: 289-304-1296 | m: [647.209.3303](tel:647.209.3303)

Canadian Secure Digital Transformation Leader

On Jun 2, 2023, at 10:14 AM, Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com> wrote:

Hi Neil, can you please provide an update – last payment received was on the 24th of April. The balance as of today is \$478,647.71 with additional interest just recently being billed

Regards,

Rizwan Warsi
Sr. Credit Development Manager
Office: 905-755-5000 ext. 55547
Toll Free: 1-800-668-3450
Rizwan.Warsi@ingrammicro.ca
<image001.png>

From: de Michele, Ada <Ada.deMichele@ingrammicro.com>
Sent: Tuesday, May 30, 2023 9:13 AM
To: Niles Mistry <neil@mis3.ca>
Cc: Macinnis, Maria <Maria.Macinnis@ingrammicro.com>; Warsi, Rizwan <Rizwan.Warsi@ingrammicro.com>
Subject: Follow up Note 5.30.2023

Hi Neil,

Thanks for the call last Wednesday. To recap our discussion, you said you anticipate that MIS 3 will pay all outstanding

amounts owed to Ingram by May 31, and in any event all such amounts will be paid by June 30. In circumstances where all outstanding amounts are not repaid by May 31, Ingram will not hesitate to take steps to enforce its security.

As of today, the amount of principal and interest owed by MIS 3 to Ingram is \$471,984.49.

Ingram reserves all its rights.

Thank you,

Ada de Michele

Director, Credit & Financial Solutions

Ingram Micro Inc. | 55 Standish Ct, Mississauga, ON L5R 4A1

Mobile: 647-835-2242

Email: ada.demichele@ingrammicro.com

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Ingram Micro Inc.

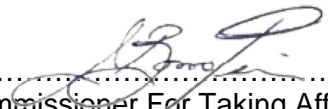
Corporate Headquarters, 3351 Michelson Drive, Suite 100, Irvine, CA 92612

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<MIS3 060623.xlsx>

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This is **Exhibit “E”** referred to in the affidavit of Ada de Michele sworn on November 15, 2023. The deponent was located in the City of Mississauga in the Province of Ontario. I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



.....
A Commissioner For Taking Affidavits

Commissioner Name: Jeremy Bornstein
Law Society of Ontario Number: 65425C



June 23, 2023

By Email

jbornstein@cassels.com

MANAGING INFORMATION SYSTEMS 3 INC.

227 Stormont Trail
Vaughan, ON L4L 1A6

tel: +1 416 869 5386

fax: +1 416 360 8877

and

100 King Street West, Suite 5700
Toronto, ON M5X 1C7

Attention: Nilesh Mistry
Email: neil@mis3.ca

Dear Mr. Mistry:

Re: Credit made available by Ingram Micro Inc. ("Ingram") to Managing Information Systems 3 Inc. ("MIS 3")

And Re: General Security Agreement by MIS 3 in favour of Ingram dated August 2, 2018 (the "GSA")

And Re: Agreement with respect to Guarantee, Indemnity and Postponement of Claims by Nilesh Mistry in favour of Ingram dated December 12, 2019 (the "Guarantee")

We are counsel to Ingram. We refer you to the Canadian Credit Application and Agreement by MIS 3 in favour of Ingram dated October 4, 2022 (the "**Credit Agreement**"). Pursuant to the Credit Agreement, Ingram established a trade credit line for MIS 3 in the principal amount of \$1,000,000 (the "**Credit Line**"). Prior to entering into the Credit Agreement, Ingram had previously established a trade credit line in the principal amount of \$250,000 pursuant to the Canadian Credit Application and Agreement by MIS 3 in favour of Ingram dated June 21, 2018.

The Credit Line is in default because MIS 3 failed to make certain payments when due. Specifically, MIS 3 has failed to pay Ingram in respect of amounts due under certain invoices requiring payment on certain dates between December 27, 2022 and May 3, 2023.

As a result of the defaults in respect of the Credit Agreement, in accordance with the terms of the GSA, all Obligations (as defined in the GSA), including without limitation all amounts due and owing by MIS 3 to Ingram in respect of the Credit Agreement, are immediately due and

payable in accordance with the terms of the Credit Agreement and GSA, including, specifically, the outstanding principal amount of the Credit Line, all applicable interest thereon and all fees and expenses incurred by Ingram (including without limitation all legal fees and disbursements) to the date of repayment in full (collectively, the “**Outstanding Indebtedness**”). For certainty, the amount of the Outstanding Indebtedness as at June 6, 2023, is \$460,775.35, which sum includes principal and interest properly due and owing as at June 6, 2023, but excludes other fees, charges and expenses (including legal fees).

As of May 10, 2023 or earlier, Ingram has put all pending orders from MIS 3 on hold and will not resume processing those orders or any future orders until the Outstanding Indebtedness has been paid in full.

We hereby request on behalf of Ingram that MIS 3 comply with the payment milestones set forth below (the “**Payment Milestones**”) and provide to Ingram by 4:00 p.m. Eastern Time on Tuesday of each week following the date of this letter until payment of the Outstanding Indebtedness in full detailed accounts payable and accounts receivable reports (updated to the end of the prior week) consistent with MIS 3’s practice for such reports in the ordinary course, supplemented with any additional information requested by Ingram, by email to Rizwan Warsi at rizwan.warsi@ingrammicro.com (the “**Reporting Obligations**”).

Payment Milestones

Payment Date	Payment Amount
June 30, 2023	\$125,000.00
July 7, 2023	\$83,943.83
July 14, 2023	\$83,943.84
July 21, 2023	\$83,943.84
July 28, 2023	\$83,943.84, plus additional interest incurred after June 6 and all other fees, charges and expenses (including legal fees) incurred to July 28

Ingram expressly reserves all rights, remedies and claims with respect to the Credit Agreement, the GSA and the Guarantee, and the transactions contemplated thereby, any of which rights, remedies and claims may be exercised or pursued at any time and from time to time and without further notice, in the sole discretion of Ingram. Without limiting the forgoing, in the event MIS 3 does not strictly comply with the Payment Milestones and Reporting Obligations set out above, Ingram will not hesitate to take whatever steps it deems necessary or appropriate to enforce its rights under the Credit Agreement, the GSA and the Guarantee.

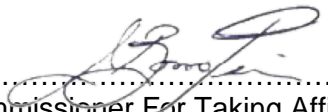
Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in blue ink, appearing to read "Bornstein", written in a cursive style.

Jeremy Bornstein
Partner

This is **Exhibit “F”** referred to in the affidavit of Ada de Michele sworn on November 15, 2023. The deponent was located in the City of Mississauga in the Province of Ontario. I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.


.....
A Commissioner For Taking Affidavits

Commissioner Name: Jeremy Bornstein
Law Society of Ontario Number: 65425C



July 7, 2023

By Email and Courier

MANAGING INFORMATION SYSTEMS 3 INC.
227 Stormont Trail
Vaughan, ON L4L 1A6

jbornstein@cassels.com

tel: +1 416 869 5386

fax: +1 416 360 8877

and

100 King Street West, Suite 5700
Toronto, ON M5X 1C7

Attention: Nilesh Mistry
Email: neil@mis3.ca

Dear Mr. Mistry:

Re: Credit made available by Ingram Micro Inc. ("Ingram") to Managing Information Systems 3 Inc. ("MIS 3")

And Re: General Security Agreement by MIS 3 in favour of Ingram dated August 2, 2018 (the "GSA")

And Re: Agreement with respect to Guarantee, Indemnity and Postponement of Claims by Nilesh Mistry in favour of Ingram dated December 12, 2019 (the "Guarantee")

As you know, we are counsel to Ingram. Further to our letter to you dated June 23, 2023, we refer you to the Canadian Credit Application and Agreement by MIS 3 in favour of Ingram dated October 4, 2022 (the "**Credit Agreement**"). Pursuant to the Credit Agreement, Ingram established a trade credit line for MIS 3 in the principal amount of \$1,000,000 (the "**Credit Line**"). Prior to entering into the Credit Agreement, Ingram had previously established a trade credit line in the principal amount of \$250,000 pursuant to the Canadian Credit Application and Agreement by MIS 3 in favour of Ingram dated June 21, 2018.

The Credit Line is in default because MIS 3 failed to make certain payments when due. Specifically, MIS 3 has failed to pay Ingram in respect of amounts due under approximately 20 invoices requiring payment on certain dates between December 27, 2022 and May 3, 2023.

As a result of the defaults in respect of the Credit Agreement, in accordance with the terms of the GSA, all Obligations (as defined in the GSA), including without limitation all amounts due and owing by MIS 3 to Ingram in respect of the Credit Agreement, are immediately due and payable in accordance with the terms of the Credit Agreement and GSA, including, specifically, the outstanding principal amount of the Credit Line, all applicable interest thereon and all fees and expenses incurred by Ingram (including without limitation all legal fees and disbursements) to the date of repayment in full (collectively, the “**Outstanding Indebtedness**”).

Our June 23 letter to MIS 3 requested that MIS 3 comply with certain Payment Milestones and Reporting Obligations (as those terms are defined in our June 23 letter). MIS 3 has failed or neglected to comply with those requests.

On behalf of Ingram, we hereby demand repayment in full of all of the Outstanding Indebtedness. For certainty, the amount of the Outstanding Indebtedness as at July 7, 2023, is \$461,070.52, which sum includes principal and interest properly due and owing as at July 7, 2023, but excludes other fees, charges and expenses (including legal fees).

All applicable interest continues to accrue under the Credit Agreement in accordance with its terms, and Ingram is entitled to payment of all fees and expenses incurred by Ingram (including, without limitation, all legal fees and disbursements) to the date of payment in full. The exact amount owing by MIS 3 may be obtained at any time by MIS 3 contacting Ingram.

Failure by MIS 3 to pay in full all of the Outstanding Indebtedness within 10 days of the date of this letter will result in Ingram taking whatever steps it deems necessary to recover the Outstanding Indebtedness, including without limitation enforcement action by Ingram pursuant to the GSA entered into or delivered by MIS 3 and the Guarantee entered into or delivered by Nilesh Mistry, who has executed a guarantee in respect of the Outstanding Indebtedness.

Enclosed is a Notice of Intention to Enforce Security addressed to MIS 3 and issued pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada). Should MIS 3 wish to consent to the immediate enforcement by Ingram of its security, please sign the consent and waiver attached to the Notice of Intention to Enforce Security and return it to the attention of the undersigned at your earliest convenience.

Ingram expressly reserves all rights, remedies and claims with respect to the Credit Agreement, the GSA and the Guarantee, and the transactions contemplated thereby, any of which rights, remedies and claims may be exercised or pursued at any time and from time to time and without further notice, in the sole discretion of Ingram.

Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in black ink, appearing to read 'Bornstein', written in a cursive style.

Jeremy Bornstein
Partner

Enclosure

**NOTICE OF INTENTION TO ENFORCE SECURITY UNDER SECTION 244(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO: Managing Information Systems 3 Inc., an insolvent person (the “**Debtor**”)

TAKE NOTICE THAT:

1. Under section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), Ingram Micro Inc. (the “**Secured Party**”) intends to enforce its security on the property of the Debtor, including without limitation
 - (a) all present and future equipment of the Debtor, including all machinery, fixtures, plant, tools, furniture, vehicles of any kind or description, all spare parts, accessories installed in or affixed or attached to any of the foregoing, and all drawings, specification, plans and manuals relating thereto (“**Equipment**”);
 - (b) all present and future inventory of the Debtor, including all raw materials, materials used or consumed in the business of the Debtor, work-in-progress, finished goods, goods used for packing, materials used in the business of the Debtor not intended for sale, and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service (“**Inventory**”);
 - (c) all present and future debts, demands and amounts due or accruing due to the Debtor whether or not earned by performance, including without limitation its book debts, accounts receivable, and claims under policies of insurance; and all contracts, security interests and other rights and benefits in respect thereof (“**Accounts**”);
 - (d) all present and future intangible personal property of the Debtor, including all contract rights, goodwill, patents, trade marks, copyrights and other intellectual property, and all other choses in action of the Debtor of every kind, whether due at the present time or hereafter to become due or owing (“**Intangibles**”);
 - (e) all present and future documents of title of the Debtor, whether negotiable or otherwise including all warehouse receipts and bills of lading (“**Documents of Title**”);
 - (f) all present and future agreements made between the Debtor as secured party and others which evidence both a monetary obligation and a security interest in or a lease of specific goods (“**Chattel Paper**”);
 - (g) all present and future bills, notes and cheques (as such are defined pursuant to the *Bills of Exchange Act* (Canada)), and all other writings that evidence a right to the payment of money and are of a type that in the ordinary course of business are transferred by delivery without any necessary endorsement or assignment (“**Instruments**”);
 - (h) all present and future money of the Debtor, whether authorized or adopted by the Parliament of Canada as part of its currency or any foreign government as part of its currency (“**Money**”);

(i) all present and future securities held by the Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of the Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; and including an uncertificated security within the meaning of Part VI (Investment Securities) of the *Business Corporation Act* (Ontario) and all substitutions therefor and dividends and income derived therefrom ("**Securities**");

(j) all books, accounts, invoices, letters, papers, documents and other records in any form evidencing or relating to the Collateral (as defined below) ("**Documents**");

(k) all present and future real and personal property, business, and undertaking of the Debtor not being Inventory, Equipment, Accounts, Intangibles, Documents of Title, Chattel Paper, Instruments, Money, Securities or Documents; and

(l) all personal property in any form derived directly or indirectly from any dealing with collateral subject to the Security Interest or the proceeds therefrom, including insurance proceeds and any other payment representing indemnity or compensation for loss of or damage thereto or the proceeds therefrom

(collectively, the "**Collateral**").

2. The security that is to be enforced is in the form of a general security agreement by the Debtor in favour of the Secured Party dated August 2, 2018 (the "**Security**").
3. As of July 7, 2023, the amount of indebtedness secured under the security is \$461,070.52 (which amount includes all applicable interest up to July 7, 2023). All applicable interest continues to accrue under the Security in accordance with its terms, and the Secured Party is entitled to payment of all fees and expenses incurred by the Secured Party (including, without limitation, all legal fees and disbursements) to the date of payment in full.
4. The Secured Party will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement by returning to the Secured Party an executed copy of the enclosed consent.

Dated July 7, 2023.

INGRAM MICRO INC.

By its Solicitors:

CASSELS BROCK & BLACKWELL LLP

Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.

Toronto, ON M5H 0B4

Per: _____



Jeremy Bornstein

**CONSENT TO EARLIER ENFORCEMENT OF SECURITY UNDER SECTION 244(2) OF
THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO: Ingram Micro Inc. (the “**Secured Party**”)

RE: Notice of Intention to Enforce Security under Section 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**Act**”), dated July 7, 2023 from the Secured Party (the “**Notice**”)

Capitalized terms used in this consent and waiver and not otherwise defined have meanings given to them in the Notice.

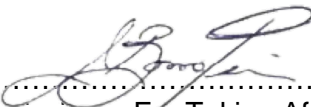
The undersigned hereby acknowledges that it has received the Notice and, in accordance with section 244(2) of the Act, it consents to earlier enforcement by the Secured Party of its Security on the Collateral.

DATED July ____, 2023.

**MANAGING INFORMATION SYSTEMS 3
INC.**

By: _____
Name:
Title:

This is **Exhibit "G"** referred to in the affidavit of Ada de Michele sworn on November 15, 2023. The deponent was located in the City of Mississauga in the Province of Ontario. I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.


.....
A Commissioner For Taking Affidavits

Commissioner Name: Jeremy Bornstein
Law Society of Ontario Number: 65425C

From: Neil Mistry
Sent: Mon, 14 Aug 2023 08:29:41
To: Bornstein, Jeremy
Subject: Re: Payment Scheduled
Sensitivity: Normal

CAUTION: External Email

Jeremy,

The payment was not made we had to move it to this week.

Yes still on track for end of month.

Neil Mistry | Founder and CEO / CTO
MIS3 Inc. | 100 King Street West Suite 5700
Toronto ON M5X 1C7
e: neil@mis3.ca | o: 289-304-1296 | m: [647.209.3303](tel:647.209.3303)

Canadian Secure Digital Transformation Leader

On Aug 11, 2023, at 9:13 AM, Bornstein, Jeremy <jbornstein@cassels.com> wrote:

?
Neil,

Was the \$5k payment mentioned below ever made? Please let me know the amount of the payment that will be made today and send confirmation once the payment is made.

Can you also confirm that you are still on track to pay the balance in full by the end of August? Thanks.

Jeremy

<image001.png> **JEREMY BORNSTEIN**
Partner
t: +1 416 869 5386
e: jbornstein@cassels.com

Cassels Brock & Blackwell LLP | cassels.com
Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4 Canada

From: Neil Mistry <neil@mis3.ca>
Sent: Friday, August 04, 2023 10:05 AM
To: Bornstein, Jeremy <jbornstein@cassels.com>
Subject: Re: Payment Scheduled

CAUTION: External Email

\$5k

Neil Mistry | Founder and CEO / CTO
MIS3 Inc. | 100 King Street West Suite 5700
Toronto ON M5X 1C7
e: neil@mis3.ca | o: 289-304-1296 | m: [647.209.3303](tel:647.209.3303)

Canadian Secure Digital Transformation Leader

On Aug 4, 2023, at 10:01 AM, Bornstein, Jeremy <jbornstein@cassels.com> wrote:

?
Hi Neil; can you confirm that a payment will be made today and the amount of the payment? Thank you.

Jeremy

<image001.png>

JEREMY BORNSTEIN

Partner

t: +1 416 869 5386

e: jbornstein@cassels.com

Cassels Brock & Blackwell LLP | cassels.com

Suite 3200, Bay Adelaide Centre – North Tower

40 Temperance St.

Toronto, ON M5H 0B4 Canada

From: Bornstein, Jeremy

Sent: Monday, July 31, 2023 4:19 PM

To: Neil Mistry <neil@mis3.ca>

Subject: RE: Payment Scheduled

Neil, that doesn't answer any of the questions below. Please answer the questions. I've noted the questions below again for ease of reference.

1. From the balance sheet it appears there is sufficient cash to immediately pay in full the amounts owed to Ingram; in light of Ingram being MIS 3's first in priority secured creditor and the full amount of the Ingram indebtedness being overdue, can you help us understand why Ingram is not being immediately repaid?
2. Can you let us know who the long term debt of \$352k is owed to?
3. Would you be able to share a current P&L statement and AP report?
4. Can you confirm as soon as possible that a payment will be made this week and the amount of the payment?

Jeremy

<image001.png>

JEREMY BORNSTEIN

Partner

t: +1 416 869 5386

e: jbornstein@cassels.com

Cassels Brock & Blackwell LLP | cassels.com

Suite 3200, Bay Adelaide Centre – North Tower

40 Temperance St.

Toronto, ON M5H 0B4 Canada

From: Neil Mistry <neil@mis3.ca>

Sent: Monday, July 31, 2023 4:15 PM

To: Bornstein, Jeremy <jbornstein@cassels.com>

Subject: Re: Payment Scheduled

CAUTION: External Email

Jeremy,

I will make it simple for you. We haven't gotten paid yet as once we do we pay you in full.

Neil Mistry | Founder and CEO / CTO

MIS3 Inc. | 100 King Street West Suite 5700

Toronto ON M5X 1C7

e: neil@mis3.ca | o: 289-304-1296 | m: [647.209.3303](tel:647.209.3303)

Canadian Secure Digital Transformation Leader

On Jul 31, 2023, at 3:34 PM, Bornstein, Jeremy <jbornstein@cassels.com> wrote:

?

Thanks. A few follow-up questions:

1. From the balance sheet it appears there is sufficient cash to immediately pay in full the amounts owed to Ingram; in light of Ingram being MIS 3's first in priority secured creditor and the full amount of the Ingram indebtedness being overdue, can you help us understand why Ingram is not being immediately repaid?
2. Can you let us know who the long term debt of \$352k is owed to?
3. Would you be able to share a current P&L statement and AP report?
4. Can you confirm as soon as possible that a payment will be made this week and the amount of the payment?

Jeremy

<image001.png>

JEREMY BORNSTEIN

Partner

t: +1 416 869 5386

e: jbornstein@cassels.com

Cassels Brock & Blackwell LLP | cassels.com

Suite 3200, Bay Adelaide Centre – North Tower

40 Temperance St.

Toronto, ON M5H 0B4 Canada

From: Neil Mistry <neil@mis3.ca>

Sent: Friday, July 28, 2023 11:59 AM

To: Bornstein, Jeremy <jbornstein@cassels.com>

Subject: Re: Payment Scheduled

CAUTION: External Email

See attached for now.

<image003.png>

Neil Mistry | Founder & CEO/CTO

Managing Information Systems 3 Inc. | First Canadian Place

100 King Street West Suite 5700 Toronto ON M5X 1C7

Office: 289.304.1296 | Mobile: 647.209.3303 | Email: neil@mis3.ca | Meeting link: <https://calendly.com/mis3inc>

<image004.png>

From: Bornstein, Jeremy <jbornstein@cassels.com>

Date: Friday, July 28, 2023 at 11:57 AM

To: Neil Mistry <neil@mis3.ca>

Subject: RE: Payment Scheduled

Thanks for the update. Please send the AR and AP report as soon as possible.

Jeremy

<image001.png>

JEREMY BORNSTEIN

Partner

t: +1 416 869 5386

e: jbornstein@cassels.com

Cassels Brock & Blackwell LLP | cassels.com

Suite 3200, Bay Adelaide Centre – North Tower

40 Temperance St.

Toronto, ON M5H 0B4 Canada

From: Neil Mistry <neil@mis3.ca>

Sent: Friday, July 28, 2023 11:55 AM

To: Bornstein, Jeremy <jbornstein@cassels.com>

Subject: FW: Payment Scheduled

CAUTION: External Email

Fyi below its not much but a start as we await the larger payment from a client to pay this off.

<image003.png>

Neil Mistry | Founder & CEO/CTO

Managing Information Systems 3 Inc. | First Canadian Place

100 King Street West Suite 5700 Toronto ON M5X 1C7

Office: 289.304.1296 | Mobile: 647.209.3303 | Email: neil@mis3.ca | Meeting link: <https://calendly.com/mis3inc>

<image004.png>

From: Ingram Micro Canada <ingrammicro-ca@ingrammicro.com>

Date: Friday, July 28, 2023 at 11:49 AM

To: neil@mis3.ca <neil@mis3.ca>

Subject: Payment Scheduled

Thank you for scheduling your payment. Your payment will process on 07/28/2023. You will find the transaction information regarding your payment listed below.

Payment Method: Scotiabank Corp Account

Payment Date: 07/28/2023

Total Amount: \$7,785.46

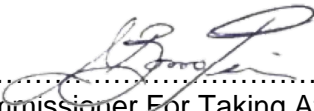
Customer Number #	Invoice #	PO #	Inv Date	Due Date	Payment Amount	Confirmation #
40-121630-000	40- #F03J- 112318 3	INT 06/23-	07/02/2023	08/01/2023	\$295.17	231783263
40-121630-000	40- #E02Z- 112314 8	INT 05/23-	05/28/2023	06/27/2023	\$6,663.22	231783263
40-121630-000	40- 23389- 112312 8	PO- 00327	05/08/2023	06/07/2023	\$827.07	231783263

Sign in to [Ingram Micro Canada Invoice Gateway](#) to review your bill and payment history.

<image005.gif>

This message, including any attachments, is privileged and may contain confidential information intended only for the person(s) named above. Any other distribution, copying or disclosure is strictly prohibited. Communication by email is not a secure medium and, as part of the transmission process, this message may be copied to servers operated by third parties while in transit. Unless you advise us to the contrary, by accepting communications that may contain your personal information from us via email, you are deemed to provide your consent to our transmission of the contents of this message in this manner. If you are not the intended recipient or have received this message in error, please notify us immediately by reply email and permanently delete the original transmission from us, including any attachments, without making a copy.

This is **Exhibit "H"** referred to in the affidavit of Ada de Michele sworn on November 15, 2023. The deponent was located in the City of Mississauga in the Province of Ontario. I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.


.....
A Commissioner For Taking Affidavits

Commissioner Name: Jeremy Bornstein
Law Society of Ontario Number: 65425C

Managing Information Systems 3 Inc.

Balance Sheet

As of July 24, 2023

	TOTAL
Assets	
Current Assets	
Cash and Cash Equivalent	
2M7	39,888.23
Cancan	-43,354.45
Cash on Hand	332,964.21
Chequing	-404.03
Internal Transfer USD Account	-239,772.96
Lease Vault	23,616.09
Personal to Corporate Transfer	370,870.12
Preferred Package(2682)	-25.24
Savings	-543,480.34
Scotiabank	1,344,985.13
Shareholder Loan	96,000.00
Sheaves Capital	48,183.15
USD Account Transfer to	510,617.37
Total Cash and Cash Equivalent	\$1,940,087.28
Accounts Receivable (A/R)	
Accounts Receivable (A/R)	1,822,498.47
Total Accounts Receivable (A/R)	\$1,822,498.47
Loans To Officers	-2,000.00
Uncategorized Asset	2,996.60
Total Current Assets	\$3,763,582.35
Non-current Assets	
Range Rover	1,752.89
Total Non Current Assets	\$1,752.89
Total Assets	\$3,765,335.24
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable (A/P)	
Accounts Payable (A/P)	1,977,114.82
Total Accounts Payable (A/P)	\$1,977,114.82
Credit Card	
Amex	-14,941.25
Amex Corp Card	-38,087.12
Corp Amex	27,459.36
Corp Visa	-85,019.97
Credit Card	-604.91
Total Credit Card	\$ -111,193.89
GST/HST Payable	557,682.31
PST Payable (MB)	704.00
Total Current Liabilities	\$2,424,307.24

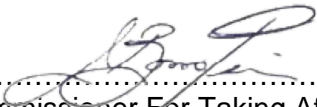
Managing Information Systems 3 Inc.

Balance Sheet

As of July 24, 2023

	TOTAL
Non-current Liabilities	
BDC	-7,127.31
BDC Loan	-15,759.86
Canacap	-695.99
EFSA Loan	14,679.71
Loan Service Fee	-2,146.90
Long term borrowings	-352,288.64
Long term liability	-7,715.74
Total Non-current Liabilities	\$ -371,054.73
Total Liabilities	\$2,053,252.51
Equity	
Opening Balance Equity	111,915.45
Retained Earnings	412,519.21
Profit for the year	1,187,648.07
Total Equity	\$1,712,082.73
Total Liabilities and Equity	\$3,765,335.24

This is **Exhibit "I"** referred to in the affidavit of Ada de Michele sworn on November 15, 2023. The deponent was located in the City of Mississauga in the Province of Ontario. I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.


.....
A Commissioner For Taking Affidavits

Commissioner Name: Jeremy Bornstein
Law Society of Ontario Number: 65425C


From: [Neil Mistry](#)
Sent: [Thu, 19 Oct 2023 16:47:55](#)
To: [Bornstein, Jeremy](#)
Subject: [Payment \\$200,000 end of month](#)
Sensitivity: Normal

CAUTION: External Email

Neil Mistry | Founder and CEO / CTO
MIS3 Inc. | 100 King Street West Suite 5700
Toronto ON M5X 1C7
e: neil@mis3.ca | o: 289-304-1296 | m: [647.209.3303](tel:647.209.3303)

Canadian Secure Digital Transformation Leader

This is **Exhibit "J"** referred to in the affidavit of Ada de Michele sworn on November 15, 2023. The deponent was located in the City of Mississauga in the Province of Ontario. I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.


.....
A Commissioner For Taking Affidavits

Commissioner Name: Jeremy Bornstein
Law Society of Ontario Number: 65425C

ONTARIO PPSA SEARCH SUMMARY

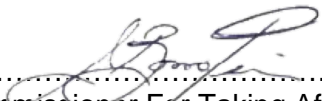
Set out in the table below is a summary of the search conducted in the registration system maintained pursuant to the *Personal Property Security Act* (Ontario), (the “PPSA”) against Managing Information Systems 3 Inc. (“MIS 3”) with a currency date as of November 2, 2023.

Managing Information Systems 3 Inc.						
	Registration Number	Reference File No.	Expiry Date	Debtor	Secured Party	Collateral Classification/ Description ¹
1.	20230515 1253 9229 0242	742352715	August 3, 2028	MIS 3	INGRAM MICRO INC.	I, E, A, O
	20180803 1053 6076 7253					
2.	20191217 1140 9229 6781	758642157	December 17, 2024	MIS 3	SYNNEX CANADA LIMITED	I, E, A, O
General Collateral Description: Purchase-money security interest in all inventory, product, goods, equipment and other tangible personal property hereafter acquired or otherwise obtained from the secured party including the proceeds thereof and whether in transit thereto or therefrom including but not limited to computers, computer equipment and accessories, central processing units, modems, printers, cards, terminals, keyboards, cables, software, multimedia products, memory chips and boards, disk drives, controllers, LAN products, monitors, tape back-ups, video boards, Unix boards, emulation cards, controllers, battery back-ups, software, licenses, support service contracts, and cad products together with all additions or accessories thereto and any substitutions or replacements thereof from Synnex Canada Limited 's product line from time to time (the "Collateral").						
3.	20200310 1445 1530 4624	760792914	March 10, 2025	MIS 3	ROYAL BANK OF CANADA	I, E, A, O, MV
4.	20211130 1642 1902 9143	778654269	November 30, 2024	MIS 3	ON DECK CAPITAL CANADA, INC.	I, E, A, O
General Collateral Description: All of the movable and personal property, present or future, corporeal or incorporeal, of the merchant, wherever it may be.						
5.	20211216 1408 1462 9661	779094117	December 16, 2024	MIS 3	9859870 CANADA INC.	A, O
General Collateral Description: All future assets and receivables.						

¹ The abbreviations set out in this column have the following meanings: A – Accounts; CG - Consumer Goods; E – Equipment; I – Inventory; MV - Motor Vehicle; O – Other; \$ Amount.

	Registration Number	Reference File No.	Expiry Date	Debtor	Secured Party	Collateral Classification/ Description
6.	20220304 1401 1462 5402	780858567	March 4, 2027	MIS 3	NORTHPOINT COMMERCIAL FINANCE CANADA INC.	I, E, A, O, MV
7.	20220414 1702 1462 2285	782062776	April 14, 2025	MIS 3	VAULT CREDIT CORPORATION	I, E, A, O
	20220621 1403 1462 0654					
General Collateral Description: Universality over all its present and future movable/personal property, books, assets and undertakings, both corporeal and incorporeal, now owned or hereinafter acquired by the borrower(s) and guarantor(s).						
8.	20220831 1211 5064 2644	786299724	August 31, 2024	MIS 3	VAULT CREDIT CORPORATION	I, E, A, O, \$50,000
General Collateral Description: Universality over all its present and future movable/personal property, books, assets and undertakings, both corporeal and incorporeal, now owned or hereinafter acquired by the borrower(s) and guarantor(s).						
9.	20230104 1801 1532 4051	789737859	January 4, 2030	MIS 3	THE BANK OF NOVA SCOTIA	E, O, MV, \$86,979.62 VIN: SALWR2RE7KA835013; Make: LAND ROVER; Year: 2019
General Collateral Description: Our security interest is limited to the motor vehicles listed above and the proceeds of those vehicles.						
10.	20230821 1443 1901 2074	796410846	August 21, 2026	MIS 3	11302078 CANADA LTD. O/ A SHEAVES CAPITAL	A, O
General Collateral Description: All personal property of the debtor.						
11.	20231004 1206 1793 0915	797788989	October 4, 2026	MIS 3	EFSA CAPITAL INC.	CG, I, E, A, \$85,200
General Collateral Description: All present and after acquired personal property of the debtors, including but not limited to all debit, cash and credit card receivables of the debtors.						

This is **Exhibit "K"** referred to in the affidavit of Ada de Michele sworn on November 15, 2023. The deponent was located in the City of Mississauga in the Province of Ontario. I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.


.....
A Commissioner For Taking Affidavits

Commissioner Name: Jeremy Bornstein
Law Society of Ontario Number: 65425C

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

B E T W E E N:

INGRAM MICRO INC.

Applicant

- and -

MANAGING INFORMATION SYSTEMS 3 INC.

Respondent

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, and
Section 101 of the *Courts of Justice Act*, R.S.O. 1990. c. C-43

CONSENT

BDO Canada Limited hereby consents to act as receiver and manager, without security, over all of the assets, undertakings and properties of Managing Information Systems 3 Inc. and in all proceeds thereof.

DATED as of November 9, 2023.

BDO CANADA LIMITED

Per: 

Peter Naumis, Vice President

INGRAM MICRO INC.
Applicant

and MANAGING INFORMATION SYSTEMS 3 INC.

Respondent

Court File No. CV-23-00709488-00CL

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

PROCEEDING COMMENCED AT
TORONTO

**AFFIDAVIT OF ADA DE MICHELE
(Sworn November 15, 2023)**

Cassels Brock & Blackwell LLP

Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4

Jeremy Bornstein LSO #: 65425C
Tel: 416.869.5386
jbornstein@casselsbrock.com

William Onyeaju LSO #: 81919E
Tel: 416.869.5498
wonyeaju@cassels.com

Lawyers for the Applicant

TAB 3

Court
File
No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE
JUSTICE

)))

WEEKDAY, THE #
DAY OF MONTH,

2023

THE HONOURABLE

)))

, THE

JUSTICE

DAY OF NOVEMBER, 2023

INGRAM MICRO INC.

A
p
p
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t

PLAINTIFF,

Plaintiff

- and -

MANAGING INFORMATION SYSTEMS 3 INC.

DEF
EN
DA
NT
Res
pon
dent

Defendant

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, RSC 1985, c. B-3, AS AMENDED; AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, RSO 1990, c. C.43, AS
AMENDED**

**ORDER
(~~appointing~~Appointing Receiver)**

THIS ~~MOTION~~APPLICATION made by the ~~Plaintiff~~²Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, ~~R.S.C.~~RSC 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, ~~R.S.O.~~RSO 1990, c. C.43, as amended (the "CJA") appointing ~~[RECEIVER'S NAME]~~BDO Canada Limited (BDO) as receiver ~~[and manager]~~ (in such capacities, the " Receiver") without security, of all of the assets, undertakings, and properties ~~of [DEBTOR'S NAME] (the "Debtor"), and in~~

~~*The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

~~*Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

~~acquired for, or used in relation to a business carried on by the Debtor~~ all proceeds arising
therefrom) of Managing Information Systems 3 Inc.,
was heard this day ~~at 330 University Avenue,~~ by judicial teleconference via Zoom at Toronto,
Ontario.

ON READING the affidavit of ~~[NAME]~~ Ada de Michele sworn ~~[DATE]~~ November , 2023
and the Exhibits thereto and on hearing the submissions of counsel for ~~[NAMES]~~ the
Applicant, counsel for the Respondent and such other parties listed on the Counsel Slip,
no one appearing ~~for [NAME]~~ although

(Add) "property"

(Add) "debtor"

duly served as appears from the ~~affidavit~~affidavits of service of
~~[NAME]~~sworn ~~[DATE]~~William Onyeaju sworn November , 2023 and
November , 2023, and on reading the consent of ~~[RECEIVER'S~~
~~NAME]~~BDO to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of
~~Motion~~Application and ~~the Motion~~
the Application is hereby abridged and ~~validated~~³validated so that this
~~motion~~application is properly returnable today and hereby dispenses
with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and
section 101 ~~of~~
of the CJA, ~~[RECEIVER'S NAME]~~BDO is hereby appointed Receiver,
without security, of ~~all of the assets, undertakings and properties~~the
Property of the Debtor ~~acquired for, or used in relation to a business carried~~
~~on by the Debtor, including all proceeds thereof (the "Property").~~

~~RECEIVER'S~~RECEIVER S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and
authorized, ~~but not~~
but not obligated, to act at once in respect of the Property and, without
in any way limiting the generality of the foregoing, the Receiver is
hereby expressly empowered and authorized to do any of the following
where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property and any
and

all proceeds, receipts and disbursements arising out of or from the
Property, including without limitation the Debtors bank accounts
wherever located;

~~³ If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.~~

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform or disclaim any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the ~~Receiver's~~Receiver s powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the ~~Receiver's~~Receivers name or in the name and on behalf of the Debtor, ~~for~~ for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter

instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings.⁴ The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not

exceeding \$, provided that the aggregate consideration for all such transactions does not exceed \$; and

~~for all such transactions does not exceed \$; and~~

(ii) with the approval of this Court in respect of any transaction in

which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, ~~for~~ section 31 of the Ontario *Mortgages Act*, as the case may be,⁵ shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

~~* This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

~~* If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to consult with the Applicant on all matters relating to the Property and the receivership, subject to such terms as to confidentiality as the Receiver deems advisable;

(~~n~~o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(ep) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(pq) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter

into occupation agreements for any property owned or leased by the Debtor;

(qr) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

(rs) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor~~;~~ and any computer programs, computer tapes,

computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that ~~Person's~~ Person s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on

a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate

access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant ~~landlords with notice of the Receiver's intention to remove any fixtures from any leased~~

~~(Add) rds with notice of the Receiver's intention to remove any fixtures from any leased~~ premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to ~~observe such removal and, if the landlord disputes the Receiver's entitlement to remove~~

~~(Add) ve such removal and, if the landlord disputes the Receiver's entitlement to remove~~ any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors,

such landlord and the Receiver, or by further Order of this Court upon application by the

Receiver on at least two (2) days notice to such landlord and any such secured creditors.

8. THIS COURT ORDERS that all Persons, including without limitation, the Debtor and all entities affiliated (as such term is defined in the *Business Corporations Act* (Ontario) with the Debtor, and each of them, shall be required to cooperate, and share information, with the Receiver, in connection with all books and records, contracts, agreements, permits, licenses and insurance policies and other documents in respect of the Debtor and the Property.

NO PROCEEDINGS AGAINST THE RECEIVER

~~8~~9. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a " Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

~~9~~10. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

~~10~~11. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any " eligible financial contract" as defined in the

BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business

which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any

registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

~~11~~12. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter,

interfere with, repudiate, terminate or cease to perform any right, renewal right, contract,

agreement, licence or permit in favour of or held by the Debtor; without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

~~12~~13. THIS COURT ORDERS that all Persons having oral or written agreements with

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

RECEIVER TO HOLD FUNDS

~~13~~14. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other

forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit

from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

~~14~~15. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on ~~the Debtor's~~ behalf of the Debtor, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

~~15~~16. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

~~16~~17. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or

collectively, " Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "

Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's Receivers duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S RECEIVERS LIABILITY

~~17~~18. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S RECEIVER S ACCOUNTS

~~18~~19. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Receivers Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Receivers Charge shall form a first charge on the Property in priority to all security

interests, trusts, liens, charges and encumbrances, statutory

or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

~~19~~20. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its ~~accounts~~ accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

~~20~~21. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall ~~be at~~ be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

~~24~~22. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered ~~to~~ to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$ (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "~~Receiver's~~ Receivers Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, fees, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the ~~Receiver's~~ Receiver s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

~~Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

~~22~~23. THIS COURT ORDERS that neither the ~~Receiver's~~Receivers Borrowings Charge nor any ~~other~~other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

~~23~~24. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue ~~certificates~~certificates substantially in the form annexed as Schedule "~~A~~" hereto (the "~~Receiver's~~Receivers Certificates") for any amount borrowed by it pursuant to this Order.

~~24~~25. THIS COURT ORDERS that the monies from time to time borrowed by the ~~Receiver~~Receiver pursuant to this Order or any further order of this Court and any and all ~~Receiver's~~Receiver s Certificates evidencing the same or any part thereof shall rank on a pari passu basis, unless otherwise agreed to by the holders of any prior issued ~~Receiver's~~Receivers Certificates.

SERVICE AND NOTICE

~~25~~26. THIS COURT ORDERS that ~~the E-Service Protocol of the~~The Guide Concerning Commercial List ~~(the E-Service~~“(the Protocol”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL “~~@~~” .

~~26~~27. THIS COURT ORDERS that if the service or distribution of documents in ~~accordance~~accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the ~~Debtor's~~Debtor creditors or other interested parties at their respective addresses as last shown on the records of the Debtor

and that any such service or distribution [—] by courier, personal delivery or facsimile transmission

shall be deemed to be received on the next business

day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

~~27~~28. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

~~28~~29. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from ~~acting as a trustee in bankruptcy of the Debtor.~~
acting as a trustee in bankruptcy of the Debtor. For greater certainty, the Property shall remain subject to the terms of this Order including without limitation paragraph 3 hereof and, subject to further Court Order, shall not vest in BDO as trustee in bankruptcy of the Debtor.

~~29~~30. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

~~30~~31. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

~~31~~32. THIS COURT ORDERS that the ~~Plaintiff~~Applicant shall have its costs of this ~~motion~~Application, up to and including entry and service of this Order, provided for by the terms of the ~~Plaintiff's~~Applicant s security or, if not so provided by the ~~Plaintiff's~~Applicant s security, then on a substantial indemnity basis to be paid by the Receiver from the ~~Debtor's estate~~Debtor with such priority and at such time as this Court may determine.

~~32~~33. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

~~likely to be affected by the order sought or upon such other notice, if any, as this Court may order.~~

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO.

AMOUNT \$

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ BDO Canada Limited, the receiver and manager (the "Receiver") of the

assets, undertakings, and properties ~~[DEBTOR'S NAME]~~, and in all proceeds arising therefrom, acquired for, or used in relation to a business carried on by ~~the Debtor, including all proceeds thereof (collectively, the "Property")~~ Managing

(Addition Systems 3 Inc. (the "Debtor"), including all proceeds thereof (the "Property")

appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the ~~"Court"~~) Court) dated the ____ day of ___, 20__ (the "Order") made in an ~~action~~ application having

Court file number CV- , has received as such Receiver from the holder of this certificate

~~CL- , has received as such Receiver from the holder of this certificate (the "Lender")~~

(the Lender) the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the

Order.

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

3. Such principal sum with interest thereon is, by the terms of the Order, together with ~~the~~ the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are ~~payable at~~
payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating

charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

DATED the ____ day of _____, 20__.

~~[RECEIVER'S NAME]~~ BDO Canada Limited, solely in its capacity ~~as Receiver of the Property, and not in its personal capacity~~ as Receiver of the Property, and not in its personal capacity

Per:

Name:

Title:

Electronically issued / Délivré par voie électronique : 10-Nov-2023

Court File No./N° du dossier du greffe : CV-23-00709488-00CL

~~DOCSTOR: 17717429~~

INGRAM MICRO INC.

- and -

MANAGING INFORMATION SYSTEMS 3 INC.

Applicant

Respondent

Court File No.

ONTARIO

SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

ORDER
(APPOINTING RECEIVER)

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Lawyers for the Applicant

INGRAM MICRO INC.

- and -

MANAGING INFORMATION SYSTEMS 3 INC.

Applicant

Respondent

Court File No. CV-23-00709488-00CL

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

PROCEEDING COMMENCED AT
TORONTO

**APPLICATION RECORD
(Appointing Receiver)**

Cassels Brock & Blackwell LLP

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