Court File No: BK-26-03367471-0031

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Court No.: 31-3367471
Estate No.: 31-3367471

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 999 GOLD DEPOT (CANADA) LIMITED

FACTUM OF THE APPLICANT

(Returnable July 13, 2026)

July 9, 2026

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PART I - NATURE OF THE MOTION

1. On April 30, 2026 (the "**NOI Filing Date**"), 999 Gold Depot (Canada) Limited (the "**Company**") filed a Notice of Intention to Make a Proposal (the "**NOI**") pursuant to section 50.4 of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3 (the "**BIA**"), commencing proposal proceedings under Division I of Part III of the BIA (the "**NOI Proceedings**"). AlixPartners Restructuring, Inc. ("**Alix**"), was appointed as the Company's proposal trustee (in such capacity, the "**Proposal Trustee**").[1]

2. The principal purpose of the NOI Proceedings was to create a stabilized environment in which the Company could preserve its enterprise value, continue operating as a going concern, and pursue a restructuring process to address liquidity and operational concerns arising from the goods and services tax/harmonized sales tax ("**GST/HST**") assessments (the "**Tax Assessments**") issued by the Canada Revenue Agency ("**CRA**") on March 2, 2023 in respect of the reporting period from April 1, 2013 to August 31, 2019 (the "**Reporting Period**"), and CRA's related enforcement activities.[2]

3. On May 28, 2026, the Honourable Justice Conway granted an order extending the time for the Company to file a proposal under the BIA to and including July 14, 2026 (the "**NOI Extension Order**").[3]

4. The Company has determined, in consultation with its advisors and the Proposal Trustee, that its restructuring efforts require the breathing room, stability and flexibility available under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**"). The Company

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[1] Affidavit of Erol Aksu sworn July 7, 2026 (the "**Initial Affidavit**"), at para 3.
[2] Initial Affidavit at paras 3 and 8.
[3] Initial Affidavit at para 4.

accordingly seeks an initial order (the "**Initial Order**"):

(a) declaring that the Company is a "debtor company" to which the CCAA applies;

(b) directing that the NOI Proceedings be taken up and continued under the CCAA as the proceedings herein (the "**CCAA Proceedings**");

(c) appointing Alix as monitor of the Company in the CCAA Proceedings (in such capacity, the "**Monitor**");

(d) staying until November 14, 2026, or such other date as this Court may order (the "**Stay Period**"), of all proceedings and remedies taken or that might be taken in respect of the Company, the Company's director and officers, if any, the Monitor, or affecting the Company's business (the "**Business**") or the Company's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**"), except with the written consent of the Company and the Monitor, or with leave of this Court (the "**Stay of Proceedings**") provided that the Stay of Proceedings shall not apply to the proceeding in the Tax Court of Canada bearing Court File No. 2026-349(GST)G (the "**Tax Appeal**"), which shall remain procedurally unaffected by the Stay of Proceedings without further Order of this Court, but the Stay of Proceedings shall apply to the enforcement of any order made in the Tax Appeal affecting the Monitor, the Business or the Property;

(e) ordering that no Person shall be entitled to set off any amounts that: (i) are or may become due to the Applicant in respect of obligations arising prior to the NOI Filing

Date with any amounts that are or may become due from the Applicant in respect of obligations arising on or after the NOI Filing Date; or (ii) are or may become due from the Applicant in respect of obligations arising prior to the NOI Filing Date with any amounts that are or may become due to the Applicant in respect of obligations arising on or after the NOI Filing Date, in each case, without the prior written consent of the Applicant and the Monitor, or leave of this Court; provided that this order shall not prejudice any arguments any Person may want to make in seeking leave of the Court or following the granting of such leave; and

(f) granting the Administration Charge and the Director's Charge (each defined below) over the Company's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (collectively, the "**Property**").[4]

5. The Initial Order would preserve the stability achieved during the NOI Proceedings and provide the Company with the flexibility and stability necessary to continue operating as a going concern, preserve liquidity, address CRA-related issues, protect the Business and the Property, and pursue a restructuring path under the supervision of this Court and the Monitor.[5]

PART II - THE FACTS

6. The facts underlying this motion are more fully set out in the affidavit of Erol Aksu sworn July 7, 2026 (the "**Initial Affidavit**"). Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Initial Affidavit. Unless otherwise stated, all references to

[4] Initial Affidavit at paras 5-6, 11, 80-85, 93-99, 100-107; draft Initial Order at para. 7.
[5] Initial Affidavit at paras 77-84.

currency are in Canadian dollars.[6]

A. The Company and its Business

7. The Company is an established, family-owned and operated precious metals business incorporated under the *Business Corporations Act* (Ontario), R.S.O. 1990, c. B.16 on April 3, 1997. Its registered head office and place of business is located at 27 Queen Street East, Suite 901, Toronto, Ontario. The Company currently employs five individuals. There are four full-time employees and one part-time employee. The employees are paid bi-weekly in arrears, the Company's aggregate gross payroll is approximately $20,000 bi-weekly, and the Company is current on employee source deductions.[7]

8. Agop Aksu is the sole director of the Company and makes executive decisions in respect of the Company as needed. The Company has no officers. All of the issued and outstanding shares of the Company are owned by Erol Aksu. Erol Aksu served as a director of the Company until March 5, 2023, and is currently employed by the Company.[8]

9. The Company's Business involves purchasing scrap precious metals, including gold, silver, platinum, palladium, dental scrap, grindings, filings, polishing dust and sweeps, arranging for those materials to be refined through third-party refiners located in Canada and the United States, and selling the refined precious metals to customers, primarily investors and jewellers.[9]

10. The Company's tax dispute with CRA concerns the Company's gold purchasing, refining and resale activities. When purchasing gold, the Company generally pays suppliers 98% of the

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[6] Initial Affidavit at paras 1-2.
[7] Initial Affidavit at paras 13, and 18-19.
[8] Initial Affidavit at paras 1 and 13.
[9] Initial Affidavit at para 14.

value of the gold contained in the scrap, retaining a modest margin and potentially benefitting from favourable fluctuations in gold prices between receipt of the scrap gold and the sale of refined gold on the market. Where there are significant quantities of precious metals other than gold in the scrap, the Company may agree to pay approximately 85% of the value of all precious metals in the scrap. The Company generally paid significant amounts of GST/HST on scrap precious metals purchases while collecting comparatively smaller amounts of GST/HST on sales of refined investment-grade gold, many of which were treated as zero-rated or exempt for GST/HST purposes. As a result, the Company historically generated substantial ITCs and recurring GST/HST refund claims in the ordinary course, and files GST/HST returns on a monthly basis.[10]

11. The Company depends on the timely processing and payment of GST/HST refunds to maintain adequate working capital and liquidity. CRA's failure to remit GST/HST refunds has materially affected the Company's operations. In response, the Company has reduced its business-to-business scrap precious metals operations and now generally limits its activities to transactions that do not result in significant GST/HST refund claims, including transactions where GST/HST does not apply. This has allowed the Company to continue operating, but at a materially reduced level of business-to-business activity.[11]

B. The Tax Assessments and Tax Appeal

12. CRA initially proposed to reassess the Company by letter dated May 27, 2022 (the "**Proposal Letter**"). In the Proposal Letter, CRA proposed to disallow ITCs claimed by the Company on the basis of CRA's allegation that certain transactions formed part of a scrap gold carousel scheme and that the related invoices and documents did not support the Company's ITC

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[10] Initial Affidavit at paras 15, and 20-21.
[11] Initial Affidavit at paras 10, 23 and 40-41.

claims. The Company, through its then tax counsel, Osler, Hoskin & Harcourt LLP, requested that CRA provide the facts on which CRA's proposal was based by letter dated June 16, 2022. CRA responded by letter dated July 7, 2022.[12]

13. On March 2, 2023, CRA assessed the Company for the Reporting Period by disallowing ITCs claimed by the Company in the total amount of approximately $15.7 million and assessing gross negligence penalties under section 285 of the *Excise Tax Act*, together with related interest.[13]

14. Based on the Tax Assessments, related correspondence from CRA, and the Company's discussions with its tax advisors, the Company understood CRA's position to include allegations that certain scrap gold purchased by the Company from suppliers formed part of a carousel scheme and that the related transactions were not undertaken in the course of the Company's commercial activities. CRA further alleged that the Company was a willing participant in the alleged scheme which involved a network of participants, use of accommodation invoices, sham documents, and transactions in debased gold.[14]

15. The Company disputes CRA's allegations. On May 10, 2023, the Company filed a notice of objection to the Tax Assessments, seeking reversal of the denied ITCs, reversal of the penalties assessed under section 285 of the *Excise Tax Act*, and related relief. The Company took the position, among other things, that it purchased scrap gold in the normal course of the Business from GST/HST-registered suppliers, documented those transactions in the ordinary course, exercised due diligence with supplier verification and transaction documentation, and did not participate in any

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[12] Initial Affidavit at paras 24-25 and Exhibits "B", "C" and "D".
[13] Initial Affidavit at para 26 and Exhibit "E".
[14] Initial Affidavit at paras 24, and 31-32 and Exhibits "B", "F" and "J".

carousel scheme.[15]

16. CRA's Appeals Division confirmed the Tax Assessments by letter dated May 13, 2024. The Company's then tax counsel, Osler, Hoskin & Harcourt LLP, responded by letter dated May 28, 2024, disputing CRA's allegations, requesting particulars and underlying facts supporting those allegations, and addressing numerous other elements raised in CRA's letter.[16]

17. The Company filed a notice of appeal in the Tax Court of Canada dated February 9, 2026 (the "**Notice of Appeal**"), challenging the Tax Assessments and seeking relief in respect of the denied ITCs, the section 285 penalties and related interest. The Tax Appeal is proceeding in the Tax Court of Canada under File No. 2026-349(GST)G.[17]

18. Since the NOI Filing Date, the Crown has delivered a reply to the Notice of Appeal dated May 27, 2026 (the "**Reply**"). In the Reply, the Crown pleads that the Company carried on legitimate business activity but also participated in a carousel scheme involving numerous non-bona fide suppliers. The Company disputes the Crown's allegations.[18]

19. The Tax Appeal remains ongoing. The Company understands from its tax counsel that the Tax Appeal will require further procedural steps before it can be determined on its merits, including the closing of pleadings, documentary disclosure and production, examinations for discovery, motions as required, settlement discussions or alternative dispute resolution, pre-hearing

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[15] Initial Affidavit at paras 27-28 and Exhibit "F".
[16] Iinitial Affidavit at para 29 and Exhibits "G" and "H".
[17] Initial Affidavit at para 30 and Exhibit "I.
[18] Initial Affidavit at paras 31-32 and Exhibit "J".

procedures, scheduling, a hearing or trial, and judgment. The Company understands that those steps may take approximately one and a half years to two years to complete.[19]

C. CRA Enforcement Activity and Events Leading to the NOI Filing

20. CRA has taken enforcement steps in respect of the amounts it alleges are owing by the Company. On January 12, 2024, CRA issued a requirement to pay to Royal Bank of Canada ("**RBC**") in respect of $27,944,666.52. On July 9, 2025, CRA issued a requirement to pay to Scotiabank in respect of $31,054,133.85. At the relevant times, the Company did not maintain accounts with those institutions and those requirements to pay did not affect the Company's operations or liquidity.[20]

21. On October 23, 2025, CRA sent a letter to the Company stating that CRA's records indicated that the Company owed $31,807,932.93 and advising that, unless the Company paid or responded within 14 days, CRA could take legal action without further notice, including garnishing income and bank accounts, seizing and selling assets, and taking other enforcement measures.[21]

22. On April 22, 2026, CRA issued a requirement to pay to Canadian Imperial Bank of Commerce ("**CIBC**") in respect of $31,822,645.36 (the "**April 2026 RTP**"). As a result, the Company's access to funds held at CIBC was prevented, immediately disrupting the Company's business operations and creating an acute liquidity crisis. The Company was unable to use the funds in its CIBC account to pay suppliers, receive and process customer payments, pay rent, meet payroll obligations or otherwise conduct operations in the ordinary course. The April 2026 requirement to

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19 Initial Affidavit at para 33.
20 Initial Affidavit at paras 35-36 and Exhibits "K" and "L".
21 Initial Affidavit at para 37 and Exhibit "M".

pay precipitated the Company's NOI filing.[22]

23. Since the commencement of CRA's audit and reassessment process, CRA has not remitted GST/HST refunds claimed by the Company in the ordinary course. The Company is required to pay GST/HST to suppliers upfront in connection with scrap precious metals purchases while generating relatively modest margins on refining transactions. As a result, the Company relies on the ordinary-course recovery of ITCs and GST/HST refunds to fund ongoing operations and maintain working capital. CRA's failure to remit GST/HST refunds has materially affected the Company's operations and, in response, the Company has reduced its business-to-business scrap precious metals operations and now generally limits its activities to transactions that do not result in significant GST/HST refund claims.[23]

24. On April 30, 2026, the Company filed the NOI. Alix was appointed as Proposal Trustee.[24] After the NOI Filing Date, the lawyers for the Applicant, Chaitons LLP ("**Chaitons**"), contacted the Department of Justice ("**DOJ**") to seek the withdrawal of the April 2026 RTP. CRA subsequently issued a letter dated May 5, 2026 to CIBC advising that, effective May 4, 2026, the April 2026 RTP in the amount of $31,822,645.36 had been cancelled. Following further correspondence between Chaitons and CIBC, the Company's CIBC account was unfrozen and the Company regained access to the funds required to continue operating its Business.[25]

25. On May 28, 2026, this Court granted the NOI Extension Order, extending the time for the Company to file a proposal under the BIA to and including July 14, 2026.[26]

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[22] Initial Affidavit at paras 38-39 and Exhibit "N".
[23] Initial Affidavit at paras 40-41.
[24] Initial Affidavit at paras 3 and 42.
[25] Initial Affidavit at paras 43-46 and Exhibits "O" and "P".
[26] Initial Affidavit at para 4.

26. Since the NOI Filing Date, CRA has also issued correspondence to the Company advising that it is auditing the Company's GST/HST return for the period from April 1, 2026 to April 30, 2026 as a result of the Company's NOI filing. CRA has proposed to increase the Company's net tax payable for that period by $169,419.27, from $36,162.92 as filed to $205,546.19.[27]

27. The Company has not filed a proposal under the BIA. The Company has determined, in consultation with its advisors and Alix, that the CCAA is the more appropriate framework for the Company's restructuring efforts.[28] The Company requires the flexibility and stability available under the CCAA to address the tax appeal and the Company's restructuring.[29]

E. The Company's Financial Position, Cash Flow and Cash Management

28. The Company's asserted liabilities exceed $5 million. CRA asserts a claim in excess of $31 million, which the Company disputes but cannot pay. CRA's refusal to remit GST/HST refunds and its enforcement activity have affected the Company's liquidity and operations. In the circumstances, the Company is insolvent and is a debtor company to which the CCAA applies.[30]

29. Company's last unaudited compiled financial statements were for the year ended December 31, 2025. The Company does not have any secured creditors.[31]

30. With the assistance of Alix, the Company has prepared a 13-week cash flow forecast (the "**Cash Flow Forecast**"). Based on the Cash Flow Forecast, and subject to the relief sought in the Initial Order, the Company expects to have sufficient liquidity to operate during the Stay Period.[32]

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[27] Initial Affidavit at paras 47-48 and Exhibit "Q".
[28] Initial Affidavit at paras 60-61.
[29] Initial Affidavit at para 62.
[30] Initial Affidavit at paras 10 and 12.
[31] Initial Affidavit at paras 50-52.
[32] Initial Affidavit at paras 53-54 and 114-117 and Exhibit "R".

31. The Company operates CAD and USD bank accounts at CIBC and a CAD bank account at RBC. The Company also holds physical cash on hand at its head office. The Company's main operating accounts are the CIBC accounts, and its Cash Management System is centralized through those accounts. Customer receipts are deposited into the Company's operating accounts, and the Company uses funds in those accounts to pay suppliers, operating expenses, payroll, taxes and other business obligations in the ordinary course.[33]

F. Proposed Monitor and Court-Ordered Charges

32. The proposed Initial Order contemplates that Alix will act as Monitor in these CCAA Proceedings. Alix currently acts as Proposal Trustee in the NOI Proceedings and, in that capacity, has gained an understanding of the Company, the Business, the Company's financial circumstances, the Tax Assessments, CRA's enforcement activity, the Company's liquidity issues, the Cash Flow Forecast and other matters relating to the Business and the Property. Alix has consented to act as Monitor, and supports the relief sought by the Company.[34]

33. The proposed Initial Order contemplates a Court-ordered charge over the Property in favour of the Monitor, counsel to the Monitor and counsel to the Company, including the Company's insolvency counsel and tax counsel, to secure payment of their professional fees and disbursements, whether incurred before or after the date of the Initial Order (the "**Administration Charge**").[35]

34. The Company does not maintain directors' and officers' liability insurance. The proposed Initial Order also contemplates a Court-ordered charge over the Property in favour of the Company's director and officers, if any (the "**Directors' Charge**"). The Directors' Charge is

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[33] Initial Affidavit at paras 55-57 and 108-113.
[34] Initial Affidavit at paras 65-71 and Exhibit "S".
[35] Initial Affidavit at paras 85-94.

intended to address potential claims that may be brought against the director and officers, if any, following the commencement of the CCAA Proceedings. [36]

PART III - THE ISSUES

35. The issues on this motion are whether this Court should grant the Initial Order, including:

(a) whether the NOI Proceedings should be taken up and continued under the CCAA;

(b) whether the Stay of Proceedings (as defined below) should be granted, including the stay in favour of the Company, its director and officers, if any, and the Monitor; and

(c) whether the Administration Charge and the Directors' Charge should be granted.

PART IV - THE LAW

A. The NOI Proceedings should be continued under the CCAA

(a) The test for continuance is met

36. Section 11.6(a) of the CCAA provides this Court with express authority to continue the NOI Proceedings under the CCAA.[37] On a motion to continue an NOI proceeding under the CCAA, courts consider whether:[38] (a) the debtor has filed a proposal under the BIA; (b) the proposed continuation is consistent with the purposes of the CCAA; and (c) the debtor has provided the Court with the information that would otherwise form part of an initial CCAA application under section 10(2) of the CCAA.[39]

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36 Initial Affidavit at paras 95-107.

37 CCAA, s 11.6(a).

38 *(Re) Clothing for Modern Times Ltd.*, 2011 ONSC 7522 at para 9; *In the Matter of The Body Shop Canada Limited*, 2024 ONSC 3882 at para 10 [*Body Shop*]; *In the Matter of a Plan of Compromise or Arrangement of Joriki Topco Inc. and Joriki Inc.*, 2025 ONSC 704 at para 15 [*Joriki*]; *Re Earth Boring Co. Ltd.*, 2025 ONSC 2422 at para 21 [*Earth Boring*].

39 Section 10(2) of the CCAA requires that an initial application be accompanied by: (i) a statement indicating, on a weekly basis, the projected cash flow of the debtor company; (ii) a report containing the prescribed representations of the debtor company regarding the preparation of the cash-flow statement; and (iii) copies of all financial statements, audited or unaudited, prepared during the year before the application or, if no such statements were prepared in that year, a copy of the most recent such statement.

37. The Company satisfies these criteria. The Company has not filed a proposal in the NOI Proceedings. The Company has prepared a 13-week Cash Flow Forecast with the assistance of Alix, and the Company's financial information is before this Court.[40]

38. The proposed continuation of the NOI Proceedings under the CCAA is consistent with the purposes of the CCAA. Those purposes include preserving the *status quo*, maintaining the debtor as a going concern where possible, and creating conditions for a restructuring or other value-maximizing outcome.[41]

39. Continuing the NOI Proceedings under the CCAA will preserve the stability achieved during the NOI Proceedings while providing a more flexible and durable framework for the Company's restructuring. The requested relief is designed to allow the Company to preserve the Business as a going concern, maintain ordinary-course relationships with customers, suppliers, refiners and other stakeholders, address CRA enforcement actions, engage with the CRA regarding, among other things, the treatment of Post-Filing Tax Assets and Pre-Filing Tax Liabilities, and determine the most appropriate path to resolve the issues arising from the Tax Assessments and the Company's restructuring.[42]

40. The Company has acted, and continues to act, in good faith and with due diligence. The continuation of the NOI Proceedings under the CCAA is necessary and appropriate in the circumstances.

(b) The Company is a company to which the CCAA applies

41. The CCAA applies in respect of a "debtor company" or "affiliated debtor companies" whose

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[40] Initial Affidavit, *supra* note 32.
[41] *Century Services Inc. v Canada (Attorney General)*, 2010 SCC 60 at paras. 15, 70 and 77.
[42] Initial Affidavit at paras 82-84.

liabilities exceed $5 million.[43] A "debtor company" means, *inter alia*, a company that is "insolvent."[44] Whether a company is insolvent is evaluated by reference to the definition of "insolvent person" in the BIA[45] and the expanded concept of insolvency adopted by this Court in *Stelco*.[46]

42. The Company is a company to which the CCAA applies. CRA asserts a claim in excess of $31 million against the Company. The Company disputes CRA's claim and is pursuing the Tax Appeal, but the Company does not have the financial resources to pay the amounts asserted by CRA.[47]

43. The Company is insolvent. CRA's enforcement activity, including the April 2026 RTP, materially impaired the Company's liquidity and operations. When CRA issued the April 2026 RTP to CIBC, the Company's access to funds held in its operating account was prevented, disrupting its ability to pay suppliers, receive and process customer payments, pay rent, meet payroll obligations, and otherwise operate in the ordinary course.[48]

44. CRA's failure to remit GST/HST refunds has also materially affected the Company's liquidity and business operations. The Company has reduced its business-to-business scrap precious metals operations and now generally limits its activities to transactions that do not result in

[43] CCAA, s 3(1); *MPX International Corporation*, 2022 ONSC 4348 at para 46 [*MPX*]; *Laurentian University of Sudbury*, 2021 ONSC 659 at para 25 [*Laurentian*]; *McEwan Enterprises Inc*, 2021 ONSC 6453 at para 24.
[44] CCAA, ss. 2, 3(1).
[45] Section 2 of the BIA defines "insolvent person" as a person: (a) who is for any reason unable to meet his obligations as they generally become due; (b) who has ceased paying his current obligations in the ordinary course of business as they generally become due; or (c) the aggregate of whose property is not, at a fair valuation, sufficient, or if disposed of at a fairly conducted sale under legal process, would not be sufficient to enable payment of all his obligations, due and accruing due.
[46] *Laurentian* at paras 30-32, citing *Stelco Inc., Re*, 2004 CanLII 24933 (ONSC) at para 26 ("a financially troubled corporation is insolvent if it is reasonably expected to run out of liquidity within reasonable proximity of time as compared with the time reasonably required to implement a restructuring"). See also *In the Matter of a Plan of Compromise or Arrangement of Sandvine Corporation et al.*, 2024 ONSC 6199 at para 25 [*Sandvine*].
[47] Initial Affidavit, *supra* note 30.
[48] Initial Affidavit at paras 39 and 75.

significant GST/HST refund claims. The Company requires CCAA protection to preserve going-concern value while it addresses CRA's enforcement activity, preserves liquidity, and pursues the Tax Appeal and its restructuring.[49]

(c) The Ontario Court has jurisdiction over this proceeding

45. Subsection 9(1) of the CCAA provides that an application under the CCAA may be made to the court that has jurisdiction in the province in which the head office or chief place of business of the company in Canada is situated, or, if the company has no place of business in Canada, in any province within which any assets of the company are situated.[50] The Company fulfils these requirements.[51]

46. Ontario is the proper jurisdiction for these CCAA Proceedings. It was incorporated under the *Business Corporations Act* (Ontario), has its registered head office in Toronto, and carries on business in Ontario.[52]

B. The Stay of Proceedings should be granted

47. Section 11.02 of the CCAA permits the Court to impose a stay of proceedings on an initial application for a period of not more than 10 days if it is satisfied that circumstances exist that make the order appropriate.[53] In exercising its discretionary authority to grant a stay under the CCAA, the Court must be informed by the primary purpose behind the CCAA, namely to maintain the *status quo* while the debtor company consults with its stakeholders with a view to continuing its

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[49] Initial Affidavit at paras 10, 24 and 62.
[50] CCAA, s. 9(1).
[51] See note 77 above. Funds held on retainer by counsel are sufficient to satisfy the CCAA jurisdiction requirements: *Sandvine* at para. 19.
[52] Initial Affidavit at para 13.
[53] CCAA, s. 11.02(1), (3)(a).

operations for the benefit of its creditors.[54]

48. The Stay of Proceedings is necessary and appropriate. The Company's experience with the April 2026 RTP demonstrates the immediate and serious effect that enforcement activity can have on the Business. Without the Stay of Proceedings, the Company may be exposed to further enforcement steps, collection activity, requirements to pay, garnishments, restrictions on its bank accounts, set-off, or other remedies that would impair liquidity and disrupt operations.[55]

49. The Stay of Proceedings will preserve the stability achieved during the NOI Proceedings and allow the Company to continue operating as a going concern while it advances its restructuring efforts. The Stay of Proceedings is also necessary to protect the Company's sole director, and the Monitor, so that they may focus on the Company's restructuring without the distraction and cost of separate proceedings or enforcement steps relating to the Company's obligations or its restructuring process.[56]

50. The requested stay does not impact the Tax Appeal at this time. The proposed Initial Order provides that the Stay of Proceedings shall not apply to the procedural continuation of the Tax Appeal. However, the Stay of Proceedings will apply to the enforcement of any order made in the Tax Appeal affecting the Monitor, the Business or the Property.[57]

(a) The Stay of Proceedings should extend beyond 10 days

51. The Company seeks a Stay of Proceedings until November 14, 2026. While section 11.02 of the CCAA[58] contemplates a stay not exceeding 10 days as part of an initial order, this Court has

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[54] *JTI-Macdonald Corp., Re,* 2019 ONSC 1625 at para. 12 [*JTI-Macdonald*].
[55] Initial Affidavit at para 74.
[56] Initial Affidavit at para 77.
[57] Initial Affidavit at para 6(d).
[58] *CCAA*, s. 11.02.

recognized that a longer stay may be appropriate on a conversion or continuation from a BIA proceeding.[59]

52. This motion is more analogous to a motion under section 11.02(2) of the CCAA, which permits the Court to grant a stay extension. The Company has been subject to the stay imposed in the NOI Proceedings since April 30, 2026. The Company returned to Court and obtained the NOI Extension Order on May 28, 2026. All stakeholders with a material interest in the Company's restructuring proceedings, including the CRA and Department of Justice, were served with the Company's motion materials for NOI Extension Order. When the NOI Extension Order was sought, the Company advised the Court that the Company was contemplating continuing its NOI Proceedings under the CCAA. Justice Conway granted the NOI Extension Order on that basis. The relief now sought by the Company is simply intended to preserve the stability achieved during the NOI Proceedings and continue the Company's restructuring under the CCAA framework.[60]

53. The Company has acted, and is acting, in good faith and with due diligence. During the NOI Proceedings, the Company obtained the withdrawal of the April 2026 RTP, regained access to its operating account at CIBC, resumed ordinary-course operations, and determined, in consultation with its advisors and Alix, that the CCAA is the more appropriate framework for its restructuring efforts.[61]

54. Based on the Cash Flow Forecast, and subject to the relief sought in the Initial Order, the Company expects to have sufficient liquidity to operate during the proposed Stay Period. Requiring the Company to return to Court within 10 days would be unnecessary and inefficient in the

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[59] See, e.g., *Joriki* at para 23; *Body Shop* at para 19; Endorsement of Kimmel J. in *Re Hakim Optical Laboratory Limited et al*, dated May 15, 2025 at paras. 16-19.
[60] CCAA, s. 11.02(2)-(3).
[61] Initial Affidavit at paras 57-61.

circumstances.[62] Accordingly, the Company respectfully requests that the Stay of Proceedings be extended until November 14, 2026.

C. The Set-Off relief should be granted

55. The Company initially sought CRA-specific relief staying enforcement and set-off in respect of the Tax Assessments and Post-Filing Tax Assets (as defined in the Initial Affidavit). Following discussions with the Department of Justice on behalf of CRA, the Company agreed to revise the requested relief. The revised relief, described above, is no longer framed as CRA-specific relief; instead, it preserves the *status quo* by providing that no Person may set off pre-filing obligations against post-filing obligations, or post-filing obligations against pre-filing obligations, without the prior written consent of the Company and the Monitor or leave of the Court. The revised relief also expressly preserves any arguments that any Person may wish to make in seeking leave of the Court, or following the granting of such leave.[63]

56. CCAA courts have held that ss. 11 and 11.02 of the CCAA authorize the court to stay rights held by creditors to effect pre-filing versus post-filing set-off.[64] The Supreme Court of Canada has held that set-off rights of this type are, aside from "rare exceptions," subject to the CCAA stay of proceedings.[65] Orders which permit set-off rights of this type to be exercised only with the consent of the Monitor and the court are routinely granted in CCAA proceedings.[66] Granting such relief accords with the law as stated by the Supreme Court of Canada and is appropriate in the circumstances, as any attempts by creditors to exercise set-off rights of this type would restrict the

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[62] Initial Affidavit at para 72.
[63] Initial Affidavit at para 1(e).
[64] *Biosteel Sports Nutrition Inc. (Re),* (September 21, 2023), Ont. S.C.J. [Commercial List], Court File No. CV-23-00706033-00CL at para. 9 [*Biosteel*]; *Pride Group Holdings Inc. et al. (Re),* 2024 ONSC 2026 at paras. 51-52 [*Pride Group*].
[65] *Montreal (City) v. Deloitte Restructuring Inc.,* 2021 SCC 53 at para. 4.
[66] See *Bioseel,* at para 9; *Pride Group,* at paras 51-52.

Company's liquidity and adversely impact the Company's ability to advance its restructuring and the Tax Appeal.

D. The Administration Charge should be Granted

57. The proposed Initial Order contemplates a Court-ordered charge over the Property in favour of the Monitor, counsel to the Monitor and counsel to the Company, including the Company's restructuring counsel and tax counsel[67], to secure payment of their professional fees and disbursements, whether incurred before or after the date of the Initial Order, up to a maximum amount of $500,000.[68]

58. Section 11.52 of the CCAA expressly provides the Court with the jurisdiction to grant an administration charge. The factors to be considered when granting an administration charge include: (a) the size and complexity of the business being restructured; (b) the proposed role of the beneficiaries of the charge; (c) whether there is unwarranted duplication of roles; (d) whether the quantum of the proposed charge appears to be fair and reasonable; (e) the position of the secured creditors likely to be affected by the charge; and (f) the position of the monitor.[69]

59. The Administration Charge is appropriate and should be granted. The Company requires the expertise, knowledge and continued participation of the beneficiaries of the Administration Charge to complete a successful restructuring. Each beneficiary will have a distinct role in the restructuring, and there is no unwarranted duplication. The professional work to be completed by the beneficiaries of the Administration Charge will include, among other things, preparing and advancing the Initial Order motion, preparing Monitor reporting, preparing statutory notices and

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[67] Initial Affidavit at paras 30(a) and 85.
[68] Draft Initial Order at paras 32-33 and 35-37.
[69] CCAA, s. 11.52; *Sandvine* at para 51, citing *CanWest Publishing Inc.*, 2010 ONSC 222 at para 54.

communications, communicating with CRA and Department of Justice, addressing issues relating to the Tax Assessments, the Tax Appeal and related matters, communicating with stakeholders, addressing bank account restrictions or liquidity issues, and considering restructuring alternatives.[70]

60. The proposed Administration Charge is reasonable in the circumstances. The Company has no secured creditors, and Alix supports the Administration Charge and its quantum.[71]

E. The Directors' Charge should be granted

61. The proposed Initial Order also contemplates a Court-ordered charge over the Property in favour of the Company's director and officers, if any, up to a maximum amount of $165,000.[72] The Directors' Charge is intended to address potential claims that may be brought against the Director and Officers (as defined in the Initial Order) after the commencement of the CCAA Proceedings.[73]

62. Section 11.51 of the CCAA provides this Court with jurisdiction to grant a directors' and officers' charge. The purpose of such a charge is to keep directors and officers in place during the restructuring by providing them with protection against liabilities that could be incurred during the restructuring. In determining whether to grant such a charge, courts consider whether: (a) notice has been given to secured creditors likely to be affected by the charge; (b) the amount is appropriate; (c) the debtor could obtain adequate indemnification insurance at a reasonable cost; and (d) the charge excludes obligations incurred as a result of gross negligence or wilful misconduct.[74]

63. The Directors' Charge is appropriate in the circumstances. The Company's ordinary-course operations give rise to potential director and officer liability, including on account of payroll

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[70] Initial Affidavit at para 89.
[71] Initial Affidavit at paras 94 and 106.
[72] Initial Affidavit at paras 95-96.
[73] Draft Initial Order at paras 23-25.
[74] *Jaguar Mining Inc., (Re)*, 2014 ONSC 494 at para 45; *Earth Boring* at para 64.

obligations, vacation pay, employee source deductions, sales taxes, goods and services taxes, harmonized sales taxes and other amounts payable to employees or government entities. The Company currently employs five individuals and, among other obligations, is required to continue meeting payroll and source deduction obligations in the ordinary course during the CCAA Proceedings.[75]

64. The Directors' Charge is necessary to support the continued involvement of the Company's Director and Officers during the CCAA Proceedings. The Company's Director and Officers have skills, knowledge, expertise and established relationships with customers, suppliers, refiners, advisors, CRA and other stakeholders that are critical to a successful restructuring.[76]

65. The Company does not maintain directors' and officers' liability insurance. Accordingly, the Directors' Charge is necessary to provide the Company's Director and Officers with protection against potential post-filing liabilities that may arise during these CCAA Proceedings. The quantum of the Directors' Charge was developed with the assistance and support of Alix, taking into account anticipated payroll, source deduction, GST/HST and other exposures that may give rise to director or officer liability during the Stay Period. Alix supports the Directors' Charge and its quantum.[77]

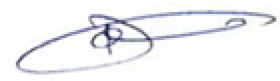
66. The Directors' Charge is limited to post-filing obligations and does not secure obligations or liabilities incurred as a result of gross negligence or wilful misconduct. It is therefore reasonable and appropriate.[78]

[75] Initial Affidavit at paras 98 and 103-104.
[76] Initial Affidavit at para 102.
[77] Initial Affidavit at paras 103 and 105-106.
[78] Draft Initial Order at paras 23-25.

PART V - RELIEF REQUESTED

67. The Company respectfully requests that this Court grant the Initial Order.

ALL OF WHICH IS RESPECTFULLY SUBMITTED as of July 9, 2026.



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Lawyers for the Company

SCHEDULE "A"

LIST OF AUTHORITIES

1. *CanWest Publishing Inc.*, 2010 ONSC 222
2. *Century Services Inc v Canada (Attorney General)*, 2010 SCC 60
3. *In the Matter of a Plan of Compromise or Arrangement of Joriki Topco Inc. and Joriki Inc.*, 2025 ONSC 704
4. *In the Matter of a Plan of Compromise or Arrangement of Sandvine Corporation et al.*, 2024 ONSC 6199
5. *In the Matter of The Body Shop Canada Limited*, 2024 ONSC 3882
6. *Jaguar Mining Inc., (Re)*, 2014 ONSC 494
7. *JTI-Macdonald Corp., Re*, 2019 ONSC 1625
8. *Laurentian University of Sudbury*, 2021 ONSC 659
9. *Montréal (City) v. Deloitte Restructuring Inc.,* 2021 SCC 53
10. *McEwan Enterprises Inc*, 2021 ONSC 6453
11. *MPX International Corporation*, 2022 ONSC 4348
12. *(Re) Clothing for Modern Times Ltd.*, 2011 ONSC 7522
13. *Re Earth Boring Co. Ltd.*, 2025 ONSC 2422
14. *Re Hakim Optical Laboratory Limited et al.*
15. *Stelco Inc.*, Re, 2004 CanLII 24933

I certify that I am satisfied as to the authenticity of every authority.

Date July 9, 2026

Signature

SCHEDULE "B"

***Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3**

Definitions

2 In this Act,

> **insolvent person** means a person who is not bankrupt and who resides, carries on business or has property in Canada, whose liabilities to creditors provable as claims under this Act amount to one thousand dollars, and
>
> > (a) who is for any reason unable to meet his obligations as they generally become due,
> >
> > (b) who has ceased paying his current obligations in the ordinary course of business as they generally become due, or
> >
> > (c) the aggregate of whose property is not, at a fair valuation, sufficient, or, if disposed of at a fairly conducted sale under legal process, would not be sufficient to enable payment of all his obligations, due and accruing due; (personne insolvable)
>
> **trustee** or **licensed trustee** means a person who is licensed or appointed under this Act. (syndic ou syndic autorisé)

Notice of intention

50.4(1) Before filing a copy of a proposal with a licensed trustee, an insolvent person may file a notice of intention, in the prescribed form, with the official receiver in the insolvent person's locality, stating

> (a) the insolvent person's intention to make a proposal,
>
> (b) the name and address of the licensed trustee who has consented, in writing, to act as the trustee under the proposal, and
>
> (c) the names of the creditors with claims amounting to two hundred and fifty dollars or more and the amounts of their claims as known or shown by the debtor's books,

and attaching thereto a copy of the consent referred to in paragraph (b).

Certain things to be filed

(2) Within ten days after filing a notice of intention under subsection (1), the insolvent person shall file with the official receiver

(a) a statement (in this section referred to as a "cash-flow statement") indicating the projected cash-flow of the insolvent person on at least a monthly basis, prepared by the insolvent person, reviewed for its reasonableness by the trustee under the notice of intention and signed by the trustee and the insolvent person;

(b) a report on the reasonableness of the cash-flow statement, in the prescribed form, prepared and signed by the trustee; and

(c) a report containing prescribed representations by the insolvent person regarding the preparation of the cash-flow statement, in the prescribed form, prepared and signed by the insolvent person.

Creditors may obtain statement

(3) Subject to subsection (4), any creditor may obtain a copy of the cash-flow statement on request made to the trustee.

Exception

(4) The court may order that a cash-flow statement or any part thereof not be released to some or all of the creditors pursuant to subsection (3) where it is satisfied that

(a) such release would unduly prejudice the insolvent person; and

(b) non-release would not unduly prejudice the creditor or creditors in question.

Trustee protected

(5) If the trustee acts in good faith and takes reasonable care in reviewing the cash-flow statement, the trustee is not liable for loss or damage to any person resulting from that person's reliance on the cash-flow statement.

Trustee to notify creditors

(6) Within five days after the filing of a notice of intention under subsection (1), the trustee named in the notice shall send to every known creditor, in the prescribed manner, a copy of the notice including all of the information referred to in paragraphs (1)(a) to (c).

Trustee to monitor and report

(7) Subject to any direction of the court under paragraph 47.1(2)(a), the trustee under a notice of intention in respect of an insolvent person

(a) shall, for the purpose of monitoring the insolvent person's business and financial affairs, have access to and examine the insolvent person's property, including his premises, books, records and other financial documents, to the extent necessary to adequately assess the insolvent person's business and financial affairs, from the filing of the notice of intention until a proposal is filed or the insolvent person becomes bankrupt;

(b) shall file a report on the state of the insolvent person's business and financial affairs — containing the prescribed information, if any —

(i) with the official receiver without delay after ascertaining a material adverse change in the insolvent person's projected cash-flow or financial circumstances, and

(ii) with the court at or before the hearing by the court of any application under subsection (9) and at any other time that the court may order; and

(c) shall send a report about the material adverse change to the creditors without delay after ascertaining the change.

Where assignment deemed to have been made

(8) Where an insolvent person fails to comply with subsection (2), or where the trustee fails to file a proposal with the official receiver under subsection 62(1) within a period of thirty days after the day the notice of intention was filed under subsection (1), or within any extension of that period granted under subsection (9),

(a) the insolvent person is, on the expiration of that period or that extension, as the case may be, deemed to have thereupon made an assignment;

(b) the trustee shall, without delay, file with the official receiver, in the prescribed form, a report of the deemed assignment;

(b.1) the official receiver shall issue a certificate of assignment, in the prescribed form, which has the same effect for the purposes of this Act as an assignment filed under section 49; and

(c) the trustee shall, within five days after the day the certificate mentioned in paragraph (b.1) is issued, send notice of the meeting of creditors under section 102, at which meeting the creditors may by ordinary resolution, notwithstanding section 14, affirm the appointment of the trustee or appoint another licensed trustee in lieu of that trustee.

Extension of time for filing proposal

(9) The insolvent person may, before the expiry of the 30-day period referred to in subsection (8) or of any extension granted under this subsection, apply to the court for an extension, or further extension, as the case may be, of that period, and the court, on notice to any interested persons that the court may direct, may grant the extensions, not exceeding 45 days for any individual extension and not exceeding in the aggregate five months after the expiry of the 30-day period referred to in subsection (8), if satisfied on each application that

(a) the insolvent person has acted, and is acting, in good faith and with due diligence;

(b) the insolvent person would likely be able to make a viable proposal if the extension being applied for were granted; and

(c) no creditor would be materially prejudiced if the extension being applied for were granted.

Court may not extend time

(10) Subsection 187(11) does not apply in respect of time limitations imposed by subsection (9).

Court may terminate period for making proposal

(11) The court may, on application by the trustee, the interim receiver, if any, appointed under section 47.1, or a creditor, declare terminated, before its actual expiration, the thirty day period mentioned in subsection (8) or any extension thereof granted under subsection (9) if the court is satisfied that

(a) the insolvent person has not acted, or is not acting, in good faith and with due diligence,

(b) the insolvent person will not likely be able to make a viable proposal before the expiration of the period in question,

(c) the insolvent person will not likely be able to make a proposal, before the expiration of the period in question, that will be accepted by the creditors, or

(d) the creditors as a whole would be materially prejudiced were the application under this subsection rejected,

and where the court declares the period in question terminated, paragraphs (8)(a) to (c) thereupon apply as if that period had expired.

Advance notice

244 (1) A secured creditor who intends to enforce a security on all or substantially all of

(a) the inventory,

(b) the accounts receivable, or

(c) the other property

of an insolvent person that was acquired for, or is used in relation to, a business carried on by the insolvent person shall send to that insolvent person, in the prescribed form and manner, a notice of that intention.

Period of notice

(2) Where a notice is required to be sent under subsection (1), the secured creditor shall not enforce the security in respect of which the notice is required until the expiry of ten days after sending that notice, unless the insolvent person consents to an earlier enforcement of the security.

No advance consent

(2.1) For the purposes of subsection (2), consent to earlier enforcement of a security may not be obtained by a secured creditor prior to the sending of the notice referred to in subsection (1).

Exception

(3) This section does not apply, or ceases to apply, in respect of a secured creditor

(a) whose right to realize or otherwise deal with his security is protected by subsection 69.1(5) or (6); or

(b) in respect of whom a stay under sections 69 to 69.2 has been lifted pursuant to section 69.4.

Idem

(4) This section does not apply where there is a receiver in respect of the insolvent person.

***Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36**

Definitions

2(1) In this Act,

company means any company, corporation or legal person incorporated by or under an Act of Parliament or of the legislature of a province, any incorporated company having assets or doing business in Canada, wherever incorporated, and any income trust, but does not include banks, authorized foreign banks within the meaning of section 2 of the Bank Act, telegraph companies, insurance companies and companies to which the Trust and Loan Companies Act applies; (compagnie)

Jurisdiction of court to receive applications

9(1) Any application under this Act may be made to the court that has jurisdiction in the province within which the head office or chief place of business of the company in Canada is situated, or, if the company has no place of business in Canada, in any province within which any assets of the company are situated.

Documents that must accompany initial application

10(2) An initial application must be accompanied by

(a) a statement indicating, on a weekly basis, the projected cash flow of the debtor company;

(b) a report containing the prescribed representations of the debtor company regarding the preparation of the cash-flow statement; and

(c) copies of all financial statements, audited or unaudited, prepared during the year before the application or, if no such statements were prepared in that year, a copy of the most recent such statement.

General power of court

11 Despite anything in the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act, if an application is made under this Act in respect of a debtor company, the court, on the application of any person interested in the matter, may, subject to the restrictions set out in this Act, on notice to any other person or without notice as it may see fit, make any order that it considers appropriate in the circumstances.

Stays, etc. — initial application

11.02(1) A court may, on an initial application in respect of a debtor company, make an order on any terms that it may impose, effective for the period that the court considers necessary, which period may not be more than 10 days,

(a) staying, until otherwise ordered by the court, all proceedings taken or that might be taken in respect of the company under the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act;

(b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and

(c) prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the company.

Stays, etc. — other than initial application

(2) A court may, on an application in respect of a debtor company other than an initial application, make an order, on any terms that it may impose,

(a) staying, until otherwise ordered by the court, for any period that the court considers necessary, all proceedings taken or that might be taken in respect of the company under an Act referred to in paragraph (1)(a);

(b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and

(c) prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the company.

Burden of proof on application

(3) The court shall not make the order unless

(a) the Company satisfies the court that circumstances exist that make the order appropriate; and

(b) in the case of an order under subsection (2), the Company also satisfies the court that the Company has acted, and is acting, in good faith and with due diligence.

Restriction

(4) Orders doing anything referred to in subsection (1) or (2) may only be made under this section.

Security or charge relating to director's indemnification

11.51(1) On application by a debtor company and on notice to the secured creditors who are likely to be affected by the security or charge, the court may make an order declaring that all or part of the property of the company is subject to a security or charge — in an amount that the court considers appropriate — in favour of any director or officer of the company to indemnify the director or officer against obligations and liabilities that they may incur as a director or officer of the company after the commencement of proceedings under this Act.

Priority

(2) The court may order that the security or charge rank in priority over the claim of any secured creditor of the company.

Restriction — indemnification insurance

(3) The court may not make the order if in its opinion the company could obtain adequate indemnification insurance for the director or officer at a reasonable cost.

Negligence, misconduct or fault

(4) The court shall make an order declaring that the security or charge does not apply in respect of a specific obligation or liability incurred by a director or officer if in its opinion the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct or, in Quebec, the director's or officer's gross or intentional fault.

Court may order security or charge to cover certain costs

11.52(1) On notice to the secured creditors who are likely to be affected by the security or charge, the court may make an order declaring that all or part of the property of a debtor company is subject to a security or charge — in an amount that the court considers appropriate — in respect of the fees and expenses of

(a) the monitor, including the fees and expenses of any financial, legal or other experts engaged by the monitor in the performance of the monitor's duties;

(b) any financial, legal or other experts engaged by the company for the purpose of proceedings under this Act; and

(c) any financial, legal or other experts engaged by any other interested person if the court is satisfied that the security or charge is necessary for their effective participation in proceedings under this Act.

Priority

(2) The court may order that the security or charge rank in priority over the claim of any secured creditor of the company.

Bankruptcy and Insolvency Act matters

11.6 Notwithstanding the *Bankruptcy and Insolvency Act*,

(a) proceedings commenced under Part III of the *Bankruptcy and Insolvency Act* may be taken up and continued under this Act only if a proposal within the meaning of the *Bankruptcy and Insolvency Act* has not been filed under that Part; and

(b) an application under this Act by a bankrupt may only be made with the consent of inspectors referred to in section 116 of the *Bankruptcy and Insolvency Act* but no application may be made under this Act by a bankrupt whose bankruptcy has resulted from

(i) the operation of subsection 50.4(8) of the *Bankruptcy and Insolvency Act*, or

(ii) the refusal or deemed refusal by the creditors or the court, or the annulment, of a proposal under the *Bankruptcy and Insolvency Act*.

Court to appoint monitor

11.7(1) When an order is made on the initial application in respect of a debtor company, the court shall at the same time appoint a person to monitor the business and financial affairs of the company. The person so appointed must be a trustee, within the meaning of subsection 2(1) of the *Bankruptcy and Insolvency Act*.

Restrictions on who may be monitor

(2) Except with the permission of the court and on any conditions that the court may impose, no trustee may be appointed as monitor in relation to a company

(a) if the trustee is or, at any time during the two preceding years, was

(i) a director, an officer or an employee of the company,

(ii) related to the company or to any director or officer of the company, or

(iii) the auditor, accountant or legal counsel, or a partner or an employee of the auditor, accountant or legal counsel, of the company; or

(b) if the trustee is

(i) the trustee under a trust indenture issued by the company or any person related to the company, or the holder of a power of attorney under an act constituting a hypothec within the meaning of the *Civil Code of Quebec* that is granted by the company or any person related to the company, or

(ii) related to the trustee, or the holder of a power of attorney, referred to in subparagraph (i).

Court may replace monitor

(3) On application by a creditor of the company, the court may, if it considers it appropriate in the circumstances, replace the monitor by appointing another trustee, within the meaning of subsection 2(1) of the *Bankruptcy and Insolvency Act*, to monitor the business and financial affairs of the company.

Authorization to act as representative of proceeding under this Act

56 The court may authorize any person or body to act as a representative in respect of any proceeding under this Act for the purpose of having them recognized in a jurisdiction outside Canada.

IN THE MATTER OF THE COMPANIES' CEREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 999 GOLD DEPOT (CANADA) LIMITED

Court No.: 31-3367471
Estate No.: 31-3367471

Court File No: BK-26-03367471-0031

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

FACTUM OF THE COMPANY

(RETURNABLE JULY 13, 2026)

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