



**First Report of  
KSV Kofman Inc.  
as Receiver and Manager of 3886727  
Canada Inc., carrying on business as  
Holistic Blend**

December 18, 2019

## Contents

	Page
1.0 Introduction.....	1
1.1 Litigation .....	2
1.2 Purposes of this Report.....	2
1.3 Currency and Receivership Materials.....	3
1.4 Restrictions .....	3
2.0 Background .....	4
2.1 Assets .....	4
2.2 Secured Creditors .....	4
2.3 Trust Claims.....	4
3.0 9022619 Canada Inc. ....	5
3.1 Inventory .....	5
3.2 Accounts Receivable.....	5
3.3 Premises .....	6
3.4 Intellectual Property .....	6
4.0 Occupation Rent.....	7
5.0 Customer Payment.....	7
6.0 Marketing and Sale Efforts.....	9
7.0 Overview of the Receiver's Activities .....	9
8.0 Professional Fees .....	10
9.0 Conclusion and Recommendation .....	11

## Appendices

Appendix	Tab
Receivership Order.....	A
Lease .....	B
End User License Agreement and Trade Mark Assignment Agreement.....	C
Letter from 902's counsel to Aird & Berlis dated September 27, 2019 .....	D
Letter from Aird & Berlis to 902's counsel dated September 30, 2019 .....	E
Letter from 902's counsel to Aird & Berlis dated October 8, 2019 .....	F
Letters from Aird & Berlis to 902's counsel and O'Kat dated October 16, 2019...	G
Fee Affidavit - KSV Kofman Inc.....	H
Fee Affidavit – Aird & Berlis LLP .....	I

COURT FILE NO: CV-19-00620981-00CL

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

**BRIDGING INCOME FUND LP,  
by its general partner SB FUND GP INC.**

**APPLICANT**

**- AND -**

**3886727 CANADA INC.,  
carrying on business as HOLISTIC BLEND**

**RESPONDENT**

**REPORT OF  
KSV KOFMAN INC.,  
IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF  
3886727 CANADA INC., CARRYING ON BUSINESS AS HOLISTIC BLEND**

**DECEMBER 18, 2019**

## **1.0 Introduction**

1. On May 30, 2019, Bridging Income Fund LP (the "Applicant") brought an application in the Ontario Superior Court of Justice (Commercial List) (the "Court") to appoint KSV Kofman Inc. ("KSV") as receiver and manager (in such capacity, the "Receiver") of the assets, property and undertaking of 3886727 Canada Inc., c.o.b. as Holistic Blend (the "Company"). On June 12, 2019, the Court issued an order appointing KSV as Receiver (the "Receivership Order"). A copy of the Receivership Order is attached as Appendix "A".
2. The principal purposes of these proceedings are to market and sell the Company's assets and to distribute the proceeds to creditors.
3. This report ("Report") is filed by the Receiver to assist the Court in considering the relief being sought by each of the Applicants, 9022619 Canada Inc. ("902"), an entity related to the Company, and the Receiver at the motion and cross-motions returnable January 9, 2020

## 1.1 Litigation

1. On October 7, 2019, the Applicant served a motion record seeking the following substantive relief (the “Applicant’s Motion”):
  - a) a declaration from the Court that any intellectual property used by the Company (the “IP”) is property of the Company (“Property”), and therefore subject to the Applicant’s security and these receivership proceedings; or
  - b) in the alternative, a declaration from the Court that the transfer of the Trademarks (as defined in the Applicant’s Motion) from the Company to 902 is void as against the Applicant and the Receiver as a fraudulent conveyance under the *Fraudulent Conveyances Act* (Ontario) and/or the *Assignments and Preferences Act* (Ontario).
2. On October 21, 2019, 902 served a responding and cross-motion record, pursuant to which 902 is opposing the relief sought in the Applicant’s Motion and is seeking certain relief against the Applicant and the Receiver (collectively, “902’s Response and Cross-Motion”).
3. The Receiver is not taking a position with respect to the Applicant’s Motion or 902’s Response and Cross-Motion, except that 902 is seeking:
  - a) payment from the Receiver of occupation rent;
  - b) disgorgement from the Receiver of \$27,795.19 paid by wire on August 16, 2019 by a customer into the Company’s account (the “Customer Payment”); and
  - c) costs from the Receiver.

## 1.2 Purposes of this Report

1. The purposes of this Report are to:
  - a) provide background information about the Company and these proceedings;
  - b) address 902’s Response and Cross-Motion as it relates to occupation rent, the Customer Payment and costs;
  - c) provide an overview of the Receiver’s activities since the date of the Receivership Order;
  - d) summarize the fees and disbursements of the Receiver and its legal counsel, Aird & Berlis LLP (“A&B”), from the commencement of these proceedings to October 31, 2019; and



- e) recommend the Court issue orders:
- i. dismissing the components of 902's Response and Cross-Motion that seek:
    - payment from the Receiver of occupation rent;
    - disgorgement from the Receiver's bank account of the Customer Payment; and
    - costs from the Receiver;
  - ii. approving the fees and disbursements of the Receiver and A&B from the commencement of these proceedings to October 31, 2019; and
  - iii. approving this Report and the Receiver's activities detailed herein.

### **1.3 Currency and Receivership Materials**

1. All currency references in this Report are to Canadian dollars.
2. All materials filed in the receivership proceedings are available on the Receiver's website at <https://www.ksvadvisory.com/insolvency-cases/case/holistic-blend>.

### **1.4 Restrictions**

1. In preparing this Report, the Receiver has relied upon unaudited financial information of the Company, the limited books and records of the Company made available to it by the Company's management and discussions with representatives of the Company and the Applicant. The Receiver has not performed an audit or other verification of such information.
2. The Receiver has not audited, reviewed or otherwise verified the accuracy or completeness of the information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
3. The Receiver expresses no opinion or other form of assurance with respect to the financial information presented in this Report or relied upon by the Receiver in preparing this Report. Any party wishing to place reliance on the Company's financial information should perform its own diligence and any reliance placed by any party on the financial information presented herein shall not be considered sufficient for any purpose whatsoever.

## 2.0 Background

1. Prior to the receivership, the Company carried on business as a manufacturer and distributor of organic pet food and pet health care products from leased premises located at 3600A Laird Road, Units 9-11, in Mississauga, Ontario (the “Premises”).
2. Due to cash flow and other issues, the Receiver understands that the Company discontinued operations prior to the commencement of these proceedings. The Receiver understands that the Company previously employed ten individuals, who were all terminated prior to the date of the Receivership Order. The Receiver also understands that the Company’s workforce was not unionized and it did not maintain any registered pension plans.
3. A further description of the events leading up to the receivership can be found in the Applicant’s application record dated May 30, 2019 (the “Application Record”), a copy of which has been posted by the Receiver on its case website.

### 2.1 Assets

1. The Company’s unaudited financial statements as at March 31, 2019 reflect assets with a book value of approximately \$1.3 million, as presented in the following table.

(C\$)	Book Value
Accounts receivable	450,521
Inventory	756,926
Other	92,301
	<u>1,299,748</u>

2. The realizable value of the assets will be determined by the outcome of the Receiver’s ongoing sale process, as discussed in Section Six of this Report.

### 2.2 Secured Creditors

1. The Applicant is the Company’s principal secured creditor. The Applicant provided factoring and demand loan facilities to the Company and is owed approximately \$2.4 million, excluding interest and costs that continue to accrue.
2. In addition to the Applicant, Bank of Montreal (“BMO”) and PPN Limited Partnership (“PPN”) also have *Personal Property Security Act* (Ontario) registrations against the Company. Based on discussions with the Company’s principal, Ms. Debbie Pelczynski, the Receiver understands that PPN is owed approximately \$22,000 and that BMO is owed approximately \$650,000.

### 2.3 Trust Claims

1. Canada Revenue Agency (“CRA”) has conducted a trust examination, which resulted in CRA trust claims in respect of unremitted source deductions in the amount of approximately \$120,000.

### **3.0 9022619 Canada Inc.**

1. The Receiver understands that 902's business is similar to the business carried on by the Company. The Receiver further understands that:
  - a) 902 manufactures and distributes pet food to certain of the Company's former customers;
  - b) 902 operates from the Premises; and
  - c) Ms. Pelczynski is the principal of 902.
2. The Receiver is unaware of when 902 commenced operations, including whether it conducted business while the Company operated.
3. The Receiver has several concerns about its dealings with 902, which are summarized below.

#### **3.1 Inventory**

1. On June 7, 2019, during the interim period between service of the Application Record and the date of the Receivership Order, a representative of KSV attended at the Premises as a consultant to the Applicant and was advised by Ms. Pelczynski that the Company was planning to ship its remaining inventory (pet food and related products) from the Premises prior to the commencement of the receivership. Ms. Pelczynski estimated the value of the inventory to be approximately \$80,000 at the time.
2. Following its appointment, the Receiver attended at the Premises and discovered that substantially all of the inventory had been removed. Ms. Pelczynski advised the Receiver that the inventory had been shipped to customers. Ms. Pelczynski further advised that she had been mistaken and that substantially all the inventory previously identified as inventory of the Company located at the Premises on June 7, 2019 belonged to 902 and had been prepaid by a customer.
3. The Receiver also asked Ms. Pelczynski about the location of the balance of inventory that existed as at March 31, 2019. Ms. Pelczynski advised the Receiver that the Company had recently disposed of Company inventory with a book value of approximately \$300,000 because it had purportedly expired and that the balance of the inventory had been sold. The Receiver asked for support for the disposal and sale of the inventory but has not been provided with any further information.

#### **3.2 Accounts Receivable**

1. According to Ms. Pelczynski, as of the date of the Receivership Order, the Company had no accounts receivable. Ms. Pelczynski advised the accounts receivable balance as of March 31, 2019 represented prepaid sale orders that had not been shipped; the Receiver has been unable to verify this based on the Company's books and records.

### **3.3 Premises**

1. At the commencement of the receivership, Ms. Pelczynski advised the Receiver that 902 was the tenant at the Premises. Ms. Pelczynski provided the Receiver with a lease for the Premises dated December 21, 2017 between 902 and The Great West Life Assurance Company and London Life Insurance Company, as landlord (the "Lease"). A copy of the Lease is attached as Appendix "B" to this Report.
2. Following its appointment, the Receiver and a representative of the Applicant toured the Premises. The representative of the Applicant noted that a door to another portion of the Premises had been covered with scaffolding and was inaccessible (the "902 Purported Space"). The Receiver requested access to the 902 Purported Space so that it could determine if it contained any of the Company's assets. Ms. Pelczynski advised the Receiver that the 902 Purported Space belonged solely to 902 and refused to grant access to that portion of the Premises. On June 17, 2019, four days after the first request, Ms. Pelczynski allowed the Receiver to view the 902 Purported Space. The Receiver did not identify any of the Company's assets in the 902 Purported Space.

### **3.4 Intellectual Property**

1. At the commencement of the receivership, Ms. Pelczynski advised the Receiver that 902 was the owner of the IP and that the IP was licensed to the Company by 902. The Receiver requested evidence that 902 was the owner of the IP.
2. On June 14, 2019, the Receiver received copies of:
  - a) assignment agreements dated September 30, 2014 and May 1, 2015, pursuant to which the Company purports to have assigned certain trademarks to 902 (the "Assignment Agreements"); and
  - b) a license agreement dated May 2, 2015 between the Company and 902 (the "License Agreement"), pursuant to which the "Vendor" grants to the "Licensee" a licence to use certain intellectual property. The Licence Agreement does not define which of 902 or the Company is the "Vendor" and which is the "Licensee".
3. Copies of the Assignment Agreements and License Agreement are attached as Appendix "C" to this Report.
4. Furthermore, the Receiver also notes that at paragraphs 44 to 46 of the Affidavit of Ms. Pelczynski sworn October 18, 2019, which was included in 902's responding record, Ms. Pelczynski makes a definitive statement that the Receiver was aware that the Company did not own the IP. The Receiver wishes to clarify that its understanding of the ownership of the IP is based solely on the documentation provided to it by Ms. Pelczynski. Accordingly, the Receiver takes no position with respect to the validity and/or enforceability of the Assignment Agreements and/or the License Agreement.

## 4.0 Occupation Rent

1. As noted above, following the Receiver's appointment, Ms. Pelczynski provided the Receiver with a copy of the Lease.
2. The terms of the Receivership Order, among other things, empowers and authorizes the Receiver to take possession of and exercise control over the assets of the Company, which powers are at the discretion of the Receiver. At no time did the Receiver take possession of the assets located at the Premises nor did the Receiver occupy the space.
3. On September 27, 2019, 902's legal counsel wrote to the Receiver's counsel (the "September 27 Letter") to request payment of occupation rent because "*the Receiver has made no efforts to remove the property of [the Company] from the Premises.*". The September 27 Letter also attached a commercial sublease agreement between 902 and the Company (the "Sublease"). A copy of the September 27 Letter, including the Sublease, is attached as Appendix "D" to this Report. Prior to the September 27 Letter, the Receiver was unaware of the existence of the Sublease. The terms of the Sublease reflect that it had expired in May 2019, prior to the commencement of these receivership proceedings.
4. On September 30, 2019, by way of a responding letter (the "September 30 Letter"), the Receiver's counsel, A&B, reminded 902's counsel that the Receivership Order empowers, but does not obligate, the Receiver to take possession of any property or occupy any premises. The September 30 Letter also noted that at no time did the Receiver take possession of the Premises and that the Receiver is therefore not responsible for occupation rent. The Receiver understands from discussions with A&B that the foregoing is consistent with well-established case law. A copy of the September 30 Letter is attached as Appendix "E" to this Report.
5. Based on the foregoing, it is the Receiver's view that there is no basis to support 902's request for payment of occupation rent, and that such request should therefore be dismissed.

## 5.0 Customer Payment

1. On August 16, 2019, the Receiver received the Customer Payment, which was deposited into the Receiver's account maintained in connection with these proceedings, as required by the Receivership Order.
2. In addition to seeking occupation rent, the September 27 Letter also requested that the Receiver pay the Customer Payment to 902. The September 27 Letter advises that the Customer Payment was inadvertently paid to the Company by a Taiwanese customer of 902, O'Kat Co. Ltd. ("O'Kat"). In support of its payment request, the September 27 Letter attached an invoice on 902 letterhead with a shipping date of August 30, 2019 (the "Invoice") and what appears to be a wire transfer form in a foreign language reflecting payment to the Company.
3. A&B sent the September 30 Letter asking 902 to provide proper support for its entitlement to the Customer Payment, including a copy of the underlying agreement between 902 and O'Kat.

4. On October 9, 2019, 902's counsel:
  - a) replied that there was no underlying agreement as between 902 and O'Kat beyond the Invoice and purchase order;
  - b) provided what appears to be a 902-generated purchase order, numbered "JULY2019" and dated August 9, 2019 (the "Purchase Order");
  - c) provided an "express" bill of lading dated October 5, 2019, being more than a month after the shipping date reflected on the Invoice and in respect of a gross weight of almost double of what was reflected on the Purchase Order; and
  - d) provided a three-sentence letter from O'Kat, advising, in substance, that it did business with both the Company and 902, but that the Customer Payment was purportedly made to the Company in error instead of 902 (and in respect of an order made on August 12, 2019).
5. A copy of 902's counsel's response (including attachments) is attached as Appendix "F" to this Report.
6. Given 902's inconsistent narrative in respect of the Customer Payment, O'Kat's statement that it did business with both the Company and 902 and that a review of the Company's books and records may confirm to which recipient the Customer Payment rightly belongs, A&B wrote to both 902's counsel and O'Kat by separate letters dated October 16, 2019 (the "October 16 Letters"), requesting that Ms. Pelczynski and O'Kat provide the Receiver with the books and records evidencing the business relationship between O'Kat and the Company, including, without limitation, copies of any agreements, invoices and transaction reports that may exist between O'Kat and the Company. Copies of the October 16 Letters are attached collectively as Appendix "G" to this Report.
7. The Receivership Order provides, among other things, that all Persons (as defined therein) shall forthwith advise the Receiver of the existence of, and, upon request, provide copies of, any books and records related to the business or affairs of the Company (the "Records"); however, neither the Receiver nor its legal counsel has received any response to the October 16 Letters.
8. Moreover, neither the existence of the October 16 Letters nor the request for the specified Records was included or otherwise addressed in 902's Response and Cross-Motion that was served on October 21, 2019.
9. While the Receivership Order is clear that "*all funds, monies, cheques, instruments and other forms of payments received or collected by the Receiver ... from any source whatsoever ... shall be deposited in one or more new accounts to be opened by the Receiver ... [and] held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court,*" Ms. Pelczynski seeks to compel the Receiver to disburse the Customer Payment to 902 while withholding the Records that would assist in determining whether 902 has any entitlement to the Customer Payment. These Records include those specified in the October 16 Letters which should confirm whether O'Kat had any balance owing to the Company as at that date.

10. Based on the foregoing, the Receiver is of the view that it is appropriate for the Court to dismiss 902's request for payment of the Customer Payment.

## 6.0 Marketing and Sale Efforts

1. The Receivership Order authorizes the Receiver to market the assets of the Company. The Receiver has consulted with the Applicant and BMO, the Company's two primary economic stakeholders, regarding its marketing and sale efforts.
2. On July 26, 2019, the Receiver commenced a sale process, although its efforts have stalled pending resolution of the litigation.

## 7.0 Overview of the Receiver's Activities

1. The Receiver's activities to-date have included, *inter alia*, the following:
  - communicating extensively with A&B, the Applicant and Chaitons LLP (the Applicant's counsel);
  - reviewing and commenting on the receivership application materials, including the Affidavit of Brian Champ and the Receivership Order;
  - attending at Court on July 12, 2019 (for the hearing of the receivership application) and September 24, 2019 (for the scheduling of the Applicant's Motion);
  - corresponding with BMO regarding these receivership proceedings;
  - attending at the Premises to inspect the Company's assets and meet with Ms. Pelczynski;
  - corresponding with the Applicant and A&B regarding the Receiver's site visits to the Premises and the scope of the Company's remaining assets;
  - corresponding with CRA regarding the status of these proceedings and to arrange the trust exam;
  - corresponding with Ms. Pelczynski regarding the Company's records;
  - corresponding with the Company's stakeholders, including counsel to Wept International Holdings Limited (formerly known as Suga Investment Limited), Happypaws International Limited and United Fountain Investment Limited;
  - reviewing the End Use License Agreement and Trademark Assignment Agreement;
  - preparing a teaser and compiling information regarding the Company in respect of a marketing and sale process;
  - conducting the sale process;



- corresponding extensively with BMO and the Applicant regarding the marketing and sale efforts described earlier in this Report;
- preparing the *Notice and Statement of the Receiver* pursuant to Sections 245(1) and 246(1) of the BIA;
- reviewing correspondence between 902's counsel and A&B, and corresponding with A&B regarding same;
- Administering the Wage Earner Protection Program ("WEPP") with Service Canada to address amounts owing to the Company's former employees;
- Corresponding with the Company's former employees regarding WEPP;
- drafting this Report and reviewing all motion materials in connection with the Applicant's Motion, 902's Response and Cross-Motion and the Receiver's response and cross-motion; and
- dealing with all other matters pertaining to the administration of this mandate.

## 8.0 Professional Fees

1. The fees of the Receiver and A&B for the period from the commencement of the proceedings to October 31, 2019 are summarized in the table below.

(\$)				
Firm	Fees	Disbursements	Total	Average Hourly Rate
KSV	43,033.75	437.77	43,471.52	443.65
A&B	28,467.50	349.89	28,817.39	451.83
Total	71,501.25	787.66	72,288.91	

2. Detailed invoices for the Receiver and A&B can be found in the affidavits sworn by their representatives in Appendices "H" and "I", respectively.
3. The Receiver is of the view that the hourly rates charged by A&B are consistent with the rates charged by corporate law firms practising in the area of insolvency in the Toronto market and accurately reflect the work that was done in connection with this matter and that all of the time spent by the Receiver was reasonable and necessary in the circumstances.



## 9.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make the orders granting the relief detailed in section 1.2(1)(e) of this Report.

\* \* \*

All of which is respectfully submitted,

A handwritten signature in blue ink that reads "KSV Kofman Inc." with a stylized flourish at the end.

**KSV KOFMAN INC.**

**SOLELY IN ITS CAPACITY AS COURT-APPOINTED RECEIVER AND MANAGER OF  
3886727 CANADA INC., CARRYING ON BUSINESS AS HOLISTIC BLEND  
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

## **Appendix “A”**

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

THE HONOURABLE

*Madam*

)

WEDNESDAY, THE 12th

JUSTICE

*Chiappetta*

)

DAY OF JUNE, 2019

)



**BRIDGING INCOME FUND LP,  
by its general partner SB FUND GP INC.**

Applicant

- and -

**3886727 CANADA INC.,  
carrying on business as Holistic Blend**

Respondent

**ORDER  
(appointing Receiver)**

**THIS APPLICATION** made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**"), appointing KSV Kofman Inc. as receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of 3886727 Canada Inc., carrying on business as Holistic Blend (the "**Debtor**"), acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the affidavit of Brian Champ sworn May 30, 2019 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, the Respondent, and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Lynda Christodoulou sworn May 31, 2019, and on reading the consent of KSV Kofman Inc. to act as the Receiver,

### **SERVICE**

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

### **APPOINTMENT**

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV Kofman Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties 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 POWERS**

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the 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 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 \$100,000, provided that the aggregate consideration for all such transactions does not exceed 500,000; 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* shall not be required;

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) 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;

- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the 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 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.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

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

#### **NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

9. **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. **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. **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. **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**

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

### **EMPLOYEES**

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

## **PIPEDA**

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

17. **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**

18. **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.

19. **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.

20. **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**

21. **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 \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or

otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **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.

23. **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.

24. **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**

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



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 motion, 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's estate with such priority and at such time as this Court may determine.

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



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

JUN 12 2019

PER / PAR:

UM

## SCHEDULE "A"

### RECEIVER CERTIFICATE

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that KSV Kofman Inc. the receiver (in such capacity, the "Receiver") of the assets, undertakings and properties of 3886727 Canada Inc., carrying on business as Holistic Blend (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 12<sup>th</sup> day of June, 2019 (the "Order") made in an action having Court file number \_\_\_-CL-\_\_\_\_\_, 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\_\_.

**KSV KOFMAN INC.**, solely in its capacity  
as Receiver of the Property, and not in its  
personal capacity

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

BRIDGING INCOME FUND LP,  
by its general partner SB FUND GP INC.

Applicant

-and-

3886727 CANADA INC.,  
carrying on business as Holistic Blend

Respondent

Court File No. CV-19-00620981-00CL

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

PROCEEDING COMMENCED AT  
TORONTO

**ORDER**

**CHAITONS LLP**  
5000 Yonge Street, 10th Floor  
Toronto, Ontario M2N 7E9

**Harvey Chaiton** (LSO No. 21592F)  
Tel: (416) 218-1129  
Fax: (416) 218-1849  
E-mail: harvey@chaitons.com

**Sam Rappos** (LSO No. 51399S)  
Tel: (416) 218-1137  
Fax: (416) 218-1837  
E-mail: samr@chaitons.com

**Lawyers for the Applicant**

## **Appendix “B”**



1 City Centre Drive  
Suite #300  
Mississauga, ON  
L5B 1M2

Telephone: (905) 275-6600  
Fax: (905) 615-8128  
www.gwlra.com

December 21, 2017

**9022619 Canada Inc.**  
**o/a Holistic Blend**  
3600A Laird Road  
Units 9-11  
Mississauga, Ontario  
L5L 6A6

Attention: Debbie Pelczynski

Dear Debbie:

Re: **Lease dated November 30, 2009 (as amended from time to time) (the "Lease")**  
**For Units 9-11 consisting of approx. 10,982 square feet (the "Premises")**  
**Located at 3600A Laird Road, Mississauga, ON L5L 6A6 (the "Building")**

---

Further to our discussion, outlined below are the proposed terms and conditions for an extension of the Term of the Lease for the Premises (the "Offer"):

1. **LANDLORD:** The Great-West Life Assurance Company and London Life Insurance Company (the "Landlord")
2. **TENANT:** 9022619 Canada Inc o/a Holistic Blend (the "Tenant")
- 2A. **INDEMNIFIER:** 3886727 Canada Inc (the "Indemnifier")
3. **EXTENSION OF TERM:** The Term shall be extended for a period of **three (3) years** commencing on **February 1, 2018** (the "Effective Date") and ending on **January 31, 2021** (the "Extension of Term").

The Tenant acknowledges that it has no further options to renew the Lease or extend the Term.

4. **BASE RENT:** The Base Rent shall be calculated in accordance with the Lease at the following annual rates per square foot of the Rentable Area of the Premises:

From February 1, 2018 to January 31, 2019 the rate of \$7.95 per square foot  
From February 1, 2019 to January 31, 2021 the rate of \$8.25 per square foot

Unless otherwise required by the Landlord, the Tenant will pay to the Landlord all monthly instalments of Base Rent and Additional Rent, plus applicable taxes, required to be paid by the Tenant under the Lease, in advance, by way of a pre-authorized bank debit payment system. The Tenant will execute and deliver to the Landlord all pre-authorization documentation as may be requested by the Landlord.

5. **DEPOSIT:** Within 2 business days of the unconditional acceptance of this Offer, the Tenant shall pay to the Landlord the sum of **\$858.33**, to be held by the Landlord, together with the Tenant's existing deposit in the amount of \$11,954.64, without interest, as a security deposit in respect of the

Tenant's obligations under this Offer and the Lease. If the Tenant complies with all of its obligations under the Lease, the Landlord shall refund the security deposit within a reasonable time after the expiry of the Term or any renewal or extension thereof. In the event of any renewal or extension of the Term, the Tenant covenants and agrees to pay to the Landlord an amount necessary to increase the security deposit to an amount equal to the aggregate of 1 month Base Rent for the last year of the renewal or extension term plus 1 months estimated Additional Rent for the calendar year in which the extension or renewal term occurs.

6. **CONDITION OF PREMISES:** The Tenant shall accept the Premises "as is, where is" in their state and condition existing at the Effective Date.

The Landlord will, at its expense, complete the Landlord's Work, if any, in accordance with the attached Schedule A.

The Tenant will, at its expense, complete the Tenant's Work in accordance with the attached Schedule A.

7. **LEASE AMENDMENTS:** Save as expressly provided to the contrary in this Offer, reference to any rights to early occupancy, rent free periods or requirement on the Landlord's part, set out in the Lease, to perform any work or to pay to the Tenant any construction allowance, inducement, loan or other amount in connection with the Lease or improvements installed in the Premises shall not apply to the Extension of Term, such rights being deemed to have expired with the expiry of the initial Term of the Lease.

8. **DOCUMENTATION:** The Tenant will execute a lease extension and amending agreement or at the Landlord's option, the new net lease form for the Building, prepared by the Landlord, incorporating the provisions of this Offer within 7 business days after receipt thereof, or within such reasonable time period as agreed upon by the Landlord and Tenant, prior to the Effective Date, failing which, this Offer shall be null and void at the Landlord's sole option. Save and except as set out in this Offer, all other terms and conditions of the Lease shall continue to apply and remain in full force and effect, including, without limitation, any reference in the Lease to generally accepted accounting principles, which shall refer to accounting practices generally accepted in the real estate industry in Canada. The Tenant will, upon request, execute concurrently with the execution of the lease extension and amending agreement, an attornment agreement required by the Landlord's lenders, if any.

The Tenant acknowledges that this Offer contains the basic terms and conditions upon which the Landlord will consider leasing the Premises to the Tenant and that supplementary language and revisions to the language contained in this Offer may be warranted in the lease extension and amending agreement. Upon execution of the lease extension and amending agreement, all provisions contained in this Offer shall merge with the existing Lease, as extended and amended, such that the existing Lease, as extended and amended, will supersede this Offer and all previous negotiations, brochures and information conveyed, whether oral or in writing between the parties or their representatives.

9. **NO REPRESENTATIONS, ETC.:** No agreement, representations, warranties or conditions relating in any way to the Premises, the Building, other tenants or prospective tenants or the contents of this Offer have been made except as are expressly set out herein or in the Lease. The Tenant acknowledges that no indemnities of the Landlord in favour of the Tenant have been given under this Offer and any indemnities of the Landlord in favour of the Tenant given under the Lease will not apply during the Extension of Term or be restated under the lease extension and amending agreement, such indemnities being deemed to have expired with the expiry of the initial Term of the Lease. Should the Premises or the Building be identified as having asbestos containing materials present which require abatement pursuant to applicable laws, the same will be conducted in accordance with the Building's Asbestos Management Plan ("AMP"). If an AMP for the Building is required pursuant to applicable laws, a copy will be made available for the Tenant's inspection on



request.

10. **ACKNOWLEDGEMENT OF AUTHORITY:** GWL Realty Advisors Inc. ("GWLRA") has executed this Offer on behalf of the Landlord. The covenants and agreements hereunder are the obligations of the Landlord only and are not obligations personal to or enforceable against GWLRA.
11. **SCHEDULES:** Schedules A, B, C shall form a part of this Offer.
12. **CONDITIONS:** This Agreement shall be conditional in favour of the Landlord for a period of 10 business days following the date of acceptance hereof by all parties and the receipt of all required financial information, upon the Landlord:
  - (a) obtaining final approval of the terms and conditions of this Offer from the Landlord's approval committee, in its sole, absolute and subjective discretion;
  - (b) reviewing and being satisfied with, in its sole, absolute and subjective discretion, the credit and financial information of the Tenant;
  - (c) obtaining any required approval from its lenders;
  - (d) obtaining satisfactory waivers from any tenant or other occupant of the Building with existing rights in respect of the Premises; and
  - (e) completion by the Tenant of the Landlord's Environmental Assessment Form and the Landlord being satisfied, in its sole, absolute and subjective discretion, that the Tenant's occupancy and use of the Premises shall not have any detrimental environmental impact on the Building.

These conditions are for the sole benefit of the Landlord and may be waived by the Landlord at any time provided that if the Landlord does not notify the Tenant of the waiver or satisfaction of the foregoing conditions within the stipulated period, this Offer shall be null and void and the Tenant shall surrender the Premises and deliver up vacant possession thereof to the Landlord in accordance with the terms of the Lease, the Landlord shall return any deposit monies delivered pursuant to this Offer and neither party will have any further liability to the other hereunder.

So that the Landlord may make an informed decision in respect of the condition set out under subparagraph (b) and (e), the Tenant shall submit, immediately upon acceptance hereof by the Tenant, all information required by the Landlord in order for the Landlord to make a proper assessment of the Tenant, including the information requested in the form(s) attached as Schedule B and Schedule C.

- 12A. **INDEMNIFIER:** To induce the Landlord to enter into this Offer, the Indemnifier shall indemnify the Landlord with respect to the Tenant's observance and performance of its obligations under this Offer and the Lease. The Indemnifier shall execute the Landlord's standard form of Indemnity Agreement (a copy of which is available upon request) concurrently with the execution of the Lease.
13. **NOTICES:** All written communication to be given or made under this Offer shall be either personally delivered or sent by registered mail postage prepaid, except in cases of an actual or threatened postal disruption, as well as by electronic mail, to the parties at the addresses set out below. The time of giving such written communication shall be: (i) if delivered, when delivered in person, (ii) if mailed, on the 3<sup>rd</sup> business day after the date of mailing, and (iii) if sent by electronic mail, provided the email is received prior to 5:00 p.m. on a business day, the day upon which the email is sent, failing which, the next business day.

Tenant: **9022619 Canada Inc.  
o/a Holistic Blend**

3600A Laird Road  
Units 9-11  
Mississauga, Ontario L5L 6A6  
Attention: Debbie Pelczynski;

Indemnifier: 3886827 Canada Inc  
3600A Laird Road  
Units 9-11  
Mississauga, Ontario L5L 6A6  
Attention: Debbie Pelczynski;

Landlord: c/o GWL Realty Advisors Inc.  
1 City Centre Drive, Suite 300  
Mississauga, ON L5B 1M2  
Fax: 905-615-8128  
Attention: Leasing Department.

All other communications shall be given or made in accordance with the Lease.

14. **BROKERS:** The parties acknowledge that: (a) The Tenant has not employed or retained a broker in connection with this Offer, the Extension Agreement or any related matter and the Tenant will indemnify and hold the Landlord harmless from all claims for commission with respect to same; (b) GWL Realty Advisors Inc. is a registered broker who represents and owes a fiduciary duty to the Landlord in connection with this Offer; and (c) the brokers have recommended that the parties obtain advice from their respective legal counsel prior to signing this Offer. The Landlord and the Tenant further acknowledge that the information provided by the brokers is not to be construed as expert legal or tax advice and the parties are cautioned not to rely on that information as such.
15. **TIME OF ESSENCE:** Time will be of the essence of this Offer.
16. **CAPITALIZED TERMS:** Unless specifically defined herein, all capitalized terms will have the meaning given to them in the Lease, as extended and amended by the lease extension and amending agreement.
17. **CONFIDENTIALITY:** The Tenant acknowledges that the contents of this Offer and all information obtained by Tenant in relation to the Premises, the Building, the Landlord or its manager, are strictly confidential, and the Tenant covenants not to disclose to any person, nor allow disclosure of same, to any third party, except its professional advisors, in their capacity as such (in which case Tenant shall obtain a similar covenant of confidentiality from such advisors) or as may otherwise be required by law.
18. **SEVERABILITY:** Should any provision of this Offer be or become invalid, void, illegal or not enforceable, such provision shall be considered separate and severable from this Offer and the remaining provisions shall remain in force and be binding upon the parties hereto as though such provision had not been included.
19. **TELECOMMUNICATIONS:** The Tenant may, at its own expense, utilize a telephone or other telecommunications service provider of its choice, with the Landlord's prior written consent, which consent may not be unreasonably withheld, and provided the service provider executes the Landlord's standard form of license agreement (a copy of which is available upon request). All telecommunication cables and wiring installed in the Premises or Building by the Tenant (or on the Tenant's behalf) shall be properly tagged upon installation at both ends, including the Tenant's name and Unit/Suite number and, the Tenant shall, at its expense prior to the expiration of the Term, remove all telecommunication cables and wiring installed by the Tenant (or on the Tenant's behalf) in the Premises and Building.

20. **MARKETING:** Publication or use by the Landlord, or its representatives, of any photograph, print, video or film of the Building, Premises or Lands, for advertising or promotion of same, and which show the Tenant's trade names, trademarks, logos or other identifying marks (the "**Marks**"), shall be deemed not to infringe any Tenant's rights in respect of such Marks, and shall not require Tenant's consent to use of the Marks nor entitle the Tenant to any compensation therefor.
21. **REDEVELOPMENT/DEMOLITION:** If at any time during the Term or any renewal or extension thereof, the Landlord decides, in its sole and absolute discretion, to reconstruct, renovate, alter, redevelop, demolish or change the use of all or any part of the Building, the Landlord may terminate the Lease by giving not less than 60 days notice in writing to the Tenant, without obligation or liability to the Tenant. The Tenant shall deliver up vacant possession of the Premises in accordance with the provisions of the Lease and will execute all documents and other assurances as are reasonably required to give effect to the provisions of this section. Upon the date of termination, any necessary adjustments in Rent shall be made between the Landlord and the Tenant.

This Offer is open for acceptance by the Tenant until 5:00 p.m. on January 3, 2018, after which it shall be null and void, and of no further force or effect.

Yours truly,

**GWL REALTY ADVISORS INC.**

as agent and on behalf of The Great-West Life Assurance Company  
and London Life Insurance Company

A handwritten signature in black ink, appearing to read "MVigna".

**Michelle Vigna**

Sales Representative, Leasing

The foregoing is agreed and accepted this 2 day of JANUARY, 2018.

**TENANT:**

9022619 CANADA INC O/A HOLISTIC BLEND

Per: Name: DEBBIE PERCIVALTitle: PRESIDENT

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

I/We have authority to bind the company.

I accept the obligations of the Indemnifier set out in Section 12A of this Offer this 2 day of JANUARY, 2018.

**INDEMNIFIER:**

3886727 CANADA INC.

Per: Name: DEBBIE PERCIVALTitle: PRESIDENT

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

I/We have authority to bind the company.

Subject to Section 12 hereof, the foregoing is agreed and accepted this 11<sup>th</sup> day of JANUARY, 2018.

**LANDLORD:**

THE GREAT-WEST LIFE ASSURANCE COMPANY AND  
LONDON LIFE INSURANCE COMPANY by their Agent GWL  
Realty Advisors Inc.

Per: 1177

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Robert Frost**  
Senior Director, Leasing

Per: 

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**JONAS VARRIK**  
Manager, Asset Management

We have authority to bind the company.

## SCHEDULE A LANDLORD'S WORK AND TENANT'S WORK

### 1. LANDLORD'S WORK

The Tenant accepts the Premises in its "as-is" condition as of the date of this Offer save only that prior to the Effective Date, the Landlord will, at its expense on a "once only" basis and utilizing its choice of materials and contractors, complete the work set out below (the "**Landlord's Work**");

#### (a) Upgrade lighting to T8's in warehouse only for Unit 9

Any additional costs to the Landlord resulting from any changes to the Tenant's use or layout of the Premises shall be at the Tenant's sole cost.

Notwithstanding anything to the contrary in the Lease or any other agreement or under any applicable law, if the Tenant or its Indemnifier (if any) takes the benefit of or is subject to any creditors' petition under any legislation for the protection of insolvent debtors, or if this Offer or the Lease is terminated for any reason, that portion of the total cost of the Landlord's Work, plus applicable taxes, as remains unamortized (assuming a straight-line rate of amortization over the extended Term and a 10% rate of interest calculated annually) as of the day before the date such filing is made (or termination date, as the case may be), shall be deemed to be outstanding and immediately payable as Rent to the Landlord as of such date.

### 2. TENANT'S WORK

The Tenant will complete, at its sole cost, all work other than the Landlord's Work, if any, within the Premises. All Tenant's Work prior to and following the Effective Date (the "**Tenant's Work**") shall be completed in accordance with this Offer and the Lease and conducted as follows:

- (i) In a good and workmanlike manner by contractors approved by the Landlord in advance;
- (ii) In accordance with professionally prepared plans and specifications approved by the Landlord prior to the commencement of any of the Tenant's Work and the Landlord's Design Criteria Manual for the Building. It is understood and agreed that the Landlord may withhold or condition its consent in its sole discretion if any work to be performed by the Tenant may affect the exterior aesthetics, structure, or the electrical, mechanical, lighting, heating, ventilating, air-conditioning, sprinkler, fire protection or any life-safety systems of the Building, and any such work, if approved by the Landlord, shall be performed at the Tenant's cost, by contractors designated by the Landlord;
- (iii) So as not to disturb or add to the Premises, Building or Lands any hazardous building materials, defined and regulated as Designated Substances under the Occupational Health and Safety Act, or any other hazardous substances designated as such under applicable legislation. Any Tenant's Work that may impact friable or non-friable asbestos is to be handled in accordance with the procedures directed by the Landlord;
- (iv) If the Landlord and Tenant are performing work within the Premises at the same time, the Tenant's contractors shall be subordinate to the Landlord's general contractor as required by applicable law and any additional associated cost to the Landlord shall be borne by the Tenant; and
- (v) The Tenant shall be responsible for obtaining all necessary permits and licenses, including close-out documents, from governmental authorities with respect to the Tenant's Work.

The Tenant shall pay: (A) all fees charged by the Landlord or its representatives or consultants in connection with (i) the Landlord's review of the Tenant's plans and specifications, and (ii) the Landlord's supervision of the Tenant's Work, and (B) all costs related to (i) building services provided during construction of the Tenant's Work (including but not limited to elevator access, utility consumption and garbage removal) and (ii) loading the Tenant's "as-built" drawings into the Landlord's plan management database (the "**Additional Charges**"). If the Tenant elects to use the Landlord's project manager or construction manager (the "**PM**") as its project manager for the Tenant's Work, the Tenant shall pay, in addition to the Additional Charges, a

co-ordination fee to the PM at a commercially competitive rate. The Tenant shall ensure that there are no liens registered or claimed with respect to any part of the Tenant's Work.

## SCHEDULE B



## Request Form

1 City Centre Drive, Suite #300  
Mississauga, Ontario L5B 1M2  
Tel: (905) 275-6600 Fax: (905) 615-8128

Requested by: \_\_\_\_\_

Project: \_\_\_\_\_

Corporation/Business Name: 9022619 CANADA INC / 3886727 CANADA INCAddress: 9-11 3600 A LAIRD ROADCity/Town: MISSISSAUGA Province: ON Postal Code: L5L 6A6 Tel: 905-828-9210Is Company Incorporated or Limited? ☐ Yes ☒ No Date of Incorporation: 2001 APRIL Province: CANADAGST #: \_\_\_\_\_ PST #: \_\_\_\_\_ HST #: 890870512 NAICS Code: \_\_\_\_\_Signing Authority for Lease: DEBBIE PELCZYNSKI Title: PRESIDENT

Email Address: \_\_\_\_\_

Individual: \_\_\_\_\_

Address: \_\_\_\_\_ Tel: \_\_\_\_\_

City/Town: \_\_\_\_\_ Province: \_\_\_\_\_ Postal Code: \_\_\_\_\_ Do you own? ☐ Yes ☐ No

Date of Birth: \_\_\_\_\_ SIN: \_\_\_\_\_ Drivers Licence #: \_\_\_\_\_

MM DD YY

Bank: \_\_\_\_\_

☐ Personal Account ☐ Business Account

Address: \_\_\_\_\_

Transit #: \_\_\_\_\_ Account #: \_\_\_\_\_

Account Manager: \_\_\_\_\_

Bank: \_\_\_\_\_

☐ Personal Account ☐ Business Account

Address: \_\_\_\_\_

Transit #: \_\_\_\_\_ Account #: \_\_\_\_\_

Account Manager: \_\_\_\_\_

Landlord: \_\_\_\_\_ Can we contact Landlord? ☐ Yes ☐ No

Address: \_\_\_\_\_ Tel: \_\_\_\_\_

Credit/Supplier: \_\_\_\_\_

Address: \_\_\_\_\_

Tel: \_\_\_\_\_ Contact: \_\_\_\_\_

Credit/Supplier: \_\_\_\_\_

Address: \_\_\_\_\_

Tel: \_\_\_\_\_ Contact: \_\_\_\_\_

I/We understand that this information and form is given to assist you in analyzing our situation and to help you ascertain the possibility of such an agreement. The undersigned hereby declares that the above statements are true in substance and in fact. In connection with my/our application for credit, I/we hereby take notice that the services of credit reporting agencies will be obtaining bank reference information, including account balances and other credit information on behalf of GWL Realty Advisers Inc. and may be referring to a consumer report respecting me/us containing personal information and/or credit information and I/we hereby consent thereto and to the disclosure of such information to other credit grantors or consumer reporting agency. And furthermore, I/we are agreeable to the Landlord obtaining subsequent credit information throughout the duration of the Lease.

Date: \_\_\_\_\_

Name (print): \_\_\_\_\_



Signature: \_\_\_\_\_

**SCHEDULE C  
ENVIRONMENTAL ASSESSMENT FORM**

Tenant Name: 9022619 Canada Inc. dba Holistic Blend  
 Tenant Representative: Debbie Pelczynski  
 Leasing Agent: \_\_\_\_\_  
 Leasing Identification Number: \_\_\_\_\_  
 Date of Completion: (yyyy/mm/dd) \_\_\_\_\_

1. Has the proposed tenant ever previously occupied a building owned by this owner?	Yes	No
	X	
2. Does the proposed tenant's business involve the use, storage and/or resale of any hazardous materials?	Yes	No
		X
3. Will the proposed tenant's business use process equipment requiring permits or certificates of approval to operate (such as exhaust equipment, waste water treatment equipment, petroleum storage tanks)?	Yes	No
		X
4. Can the proposed tenant's business be classified as any of or similar to the following:	Yes	No
4.1 Retail fuel station?		X
4.2 Automotive or truck repair facility?		X
4.3 Commercial printing or painting?		X
4.4 Solvent based dry cleaning?		X
4.5 Photo developing laboratory?		X
4.6 Junkyard/landfill?		X
4.7 Waste processing or recycling facility?		X
4.8 Waste treatment, storage or disposal operation?		X
4.9 Medical or dental facility?		X
5. Will the proposed tenant's business require them to install aboveground or underground storage tanks (Chemical or Petroleum) on the property or in their tenant space?	Yes	No
		X
6. Will the proposed tenant's business require them to install any sumps, pits, floor trenches, oil/water separators, or other subsurface facilities?	Yes	No
		X
7. Will the proposed tenant's business operations require them to have emergency response procedures related to spills, incidents, exposures, or other releases of chemicals?	Yes	No
		X
8. Will the proposed tenant's business use, store, sell or manufacture any hazardous materials controlled under the Workplace Hazardous Materials Information System (WHMIS) regulations such as:	Yes	No
8.1 Flammable/Combustible Materials (such as gasoline, propane)?		X



8.2 Compressed Gases (such as oxygen, acetylene)?		X
8.3 Dangerously Reactive Materials (such as butadiene, sodium cyanide)?		X
8.4 Oxidizing Materials (such as nitrates, inorganic pesticides)?		X
8.5 Poisonous Substances (such as acids, caustics, gasoline)?		X
8.6 Toxic Materials (such as lead, benzene)?		X
8.7 Corrosive Substance (such as battery acids, caustic cleaners)?		X
8.8 Biohazardous Materials (such as contaminated blood, medical waste, sharps (needles))?		X
9. Will the proposed tenant's business generate any hazardous waste (solid, liquid, or gas) that will require special disposal?	Yes	No
		X
10. Will the proposed tenant be bringing any equipment onto the property that contains hazardous material such as:	Yes	No
10.1 PCBs (old transformers, capacitors, or switching gear)?		X
10.2 Ozone depleting substances (air conditioners, coolers, refrigerators, halon fire extinguishers, etc)?		X
10.3 Asbestos?		X
10.4 Lead?		X
10.5 Other Designated Substances?		X
11. Will the proposed tenant's business use, sell, or manufacture pesticides?	Yes	No
		X
NOTES:		
Date this <u>2<sup>ND</sup></u> Day of <u>January</u> 20 <u>18</u>		
 9022619 CANADA INC O/A HOLISTIC BLEND		
And		
 I/We have authority to bind the Corporation		

## **Appendix “C”**

## **End User Licence Agreement**

**THIS END USER LICENCE AGREEMENT** dated this 2nd day of May, 2015

**BETWEEN:**

9022619 Canada inc of 09-3600 A Laird Road Mississauga, Ontario, Canada, L5L 6A6

**OF THE FIRST PART**

- AND -

3886727 Canada Inc of 11-3600 A Laird Road Mississauga, Ontario, Canada, L5L 6A6

**OF THE SECOND PART**

### **BACKGROUND:**

The Vendor wishes to licence intellectual property of trade names/trademark to the Licensee under the terms and conditions stated below.

**IN CONSIDERATION OF** the provisions contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

#### **Licence**

1. Under this Agreement the Vendor grants to the Licensee a non-exclusive and non-transferable licence to use Holistic Blend/My Healthy Pet
2. Title, copyright, intellectual property rights and distribution rights remain exclusively with the Vendor. Intellectual property rights include the images and names. This Agreement constitutes a licence for use only and is not in any way a transfer of ownership rights
3. The rights and obligations of this Agreement are rights granted to the Licensee only. The Licensee may not transfer or assign any of the rights or obligations granted under this Agreement to any other person or legal entity.
4. The trade name/trade mark images may not be modified in any manner.
5. Failure to comply with any of the terms under the Licence section will be considered a material breach of this Agreement.

**Licence Fee**

6. The licence fee for this Agreement will consist of the price for \$1.00 CAD, payable in kind.

**Limitation of Liability**

7. The use of trade names/trademark is provided by the Vendor and accepted by the Licensee "as is". Liability of the Vendor will be limited to a maximum of the original license fee. The Vendor will not be liable for any general, special, incidental or consequential damages including, but not limited to, loss of production, loss of profits, loss of revenue, or any other business or economic disadvantage suffered by the Licensee arising out of the use.

**Acceptance**

8. All terms, conditions and obligations of this Agreement will be deemed to be accepted by the Licensee ("Acceptance") upon execution of this Agreement.

**User Support**

9. No user support or maintenance is provided as part of this Agreement.

**Term**

10. The term of this Agreement will begin on Acceptance and is perpetual, or in the event of a insolvency.


**Termination**

11. This Agreement will be terminated and the Licence forfeited where the Licensee has failed to comply with any of the terms of this Agreement or is in breach of this Agreement. On termination of this Agreement for any reason, the Licensee will promptly return any materials bearing the trade names/trademark to the Vendor.

**Governing Law**

12. The Parties to this Agreement submit to the jurisdiction of the courts of the Province of Ontario for the enforcement of this Agreement or any arbitration award or decision arising from this Agreement. This Agreement will be enforced or construed according to the laws of the Province of Ontario.

**Miscellaneous**

13. This Agreement can only be modified in writing signed by both the Vendor and the Licensee.
- 



14. This Agreement does not create or imply any relationship in agency or partnership between the Vendor and the Licensee.
15. Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine gender include the feminine gender and vice versa. Words in the neuter gender include the masculine gender and the feminine gender and vice versa.
16. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, it is the parties' intent that such provision be reduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable and the remainder of the provisions of this Agreement will in no way be affected, impaired or invalidated as a result.
17. This Agreement contains the entire agreement between the parties. All understandings have been included in this Agreement. Representations which may have been made by any party to this Agreement may in some way be inconsistent with this final written Agreement. All such statements are declared to be of no value in this Agreement. Only the written terms of this Agreement will bind the parties.
18. This Agreement and the terms and conditions contained in this Agreement apply to and are binding upon the Vendor's successors and assigns.

**IN WITNESS WHEREOF** the parties have duly affixed their signatures under hand on this 3rd day of May, 2015

9022619 Canada Inc

Per: \_\_\_\_\_

3886727 Canada Inc

Per: \_\_\_\_\_

## TRADE-MARK ASSIGNMENT

Assignor: 3886727 Canada Inc, of 11-3600 A Laird Road Mississauga, Ontario, Canada L5L 6A6

Assignee: 9022619 Canada Inc, of 151 Oliver Place, Oakville Ontario, Canada L6H 1K9

### Trade-mark

1. The Assignor is the owner of the following trade-mark (the "Mark"):

Holistic Blend.

2. The Mark is registered at the Canadian Trade-marks Office.

### Assignment

3. The Assignor, in consideration the Price, the receipt and sufficiency of which is hereby acknowledged, does sell, assign and transfer to the Assignee the Mark and all right, title and interest in the Mark, including, but not limited to, the right to register the Mark, to renew registration of the Mark and to licence the use of the Mark.
4. The Assignee, in consideration of the Assignor assigning the Mark to the Assignee on the terms in this Agreement, will pay to the Assignor the following amount: \$10.00 (the "Price").
5. The Price is payable in Canadian dollars and is payable as follows: on the signing of this Agreement.

### Representations and Warranties

6. The Assignor represents and warrants to the Assignee:
  - a. The Assignor is the exclusive and lawful owner of the Mark, and the Mark does not infringe on the rights of any other person or organization.
  - b. The Mark is free of all security interests.
  - c. The Assignor has not granted any licence to use the Mark in any manner whatsoever to any individual, person, organization, association, group or entity.
  - d. The Assignor is not aware of any competing claims to the Mark, and, as far as is known to the Assignor, there is no litigation pending with respect to any claim to the Mark, whether the claim is based on prior use of the Mark, a license to use the Mark or an ownership interest in the Mark.
  - e. The Assignor has the authority to enter into this Agreement.
7. The Assignee represents and warrants to the Assignor that the Assignee has the authority to enter into this Agreement.

In Witness whereof the parties have affixed their signatures in the Province of Ontario this 30<sup>th</sup> day of September 2014

3886727 Canada Inc

per: 

9022619 Canada Inc

per: 

## TRADE-MARK ASSIGNMENT

Assignor: 3886727 Canada Inc, of 11-3600 A Laird Road Mississauga, Ontario, Canada L5L 6A6

Assignee: 9022619 Canada Inc, of 151 Oliver Place, Oakville Ontario, Canada L6H 1K9

### Trade-mark

1. The Assignor is the owner of the following trade-mark (the "Mark"):

The Mark depicted in Schedule "A", which is attached to this Agreement.

2. The Mark is registered at the Canadian Trade-marks Office.

### Assignment

3. The Assignor, in consideration the Price, the receipt and sufficiency of which is hereby acknowledged, does sell, assign and transfer to the Assignee the Mark and all right, title and interest in the Mark, including, but not limited to, the right to register the Mark, to renew registration of the Mark and to licence the use of the Mark.
4. The Assignee, in consideration of the Assignor assigning the Mark to the Assignee on the terms in this Agreement, will pay to the Assignor the following amount: \$10.00 (the "Price").
5. The Price is payable in Canadian dollars and is payable as follows: on the signing of this Agreement.

### Representations and Warranties

6. The Assignor represents and warrants to the Assignee:
  - a. The Assignor is the exclusive and lawful owner of the Mark, and the Mark does not infringe on the rights of any other person or organization.
  - b. The Mark is free of all security interests.
  - c. The Assignor has not granted any licence to use the Mark in any manner whatsoever to any individual, person, organization, association, group or entity.
  - d. The Assignor is not aware of any competing claims to the Mark, and, as far as is known to the Assignor, there is no litigation pending with respect to any claim to the Mark, whether the claim is based on prior use of the Mark, a license to use the Mark or an ownership interest in the Mark.
  - e. The Assignor has the authority to enter into this Agreement.
7. The Assignee represents and warrants to the Assignor that the Assignee has the authority to enter into this Agreement.

In Witness whereof the parties have affixed their signatures in the Province of Ontario this 15 day of

Jan, 20 15.

3886727 Canada Inc

per: \_\_\_\_\_

9022619 Canada Inc

per: \_\_\_\_\_

Schedule "A"

The following is a depiction of the Mark:







Office de la propriété  
intellectuelle  
du Canada

Un organisme  
d'Industrie Canada

50, rue Victoria  
Place du Portage I  
Gatineau (Québec) K1A 0C9

Canadian  
Intellectual Property  
Office

An Agency of  
Industry Canada

50 Victoria Street  
Place du Portage I  
Gatineau, Quebec K1A 0C9

3886727 Canada Inc.  
11 -3600A Laird Drive  
Mississauga  
ONTARIO L5L 6A6

Attention: Debbie Pelczynski

Requérant - Applicant:  
3886727 Canada Inc.

Marque de commerce - Trade-mark  
HOLISTIC BLEND MY HEALTHY PET & Design

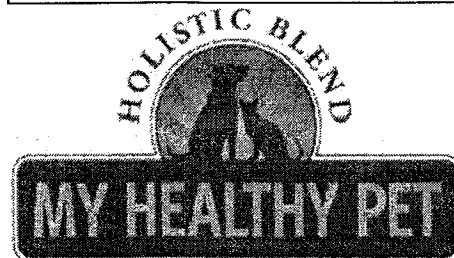
### AVIS D'APPROBATION

La présente est pour vous aviser que, conformément aux dispositions de l'article 37 de la *Loi sur les marques de commerce*, cette demande est prévue pour publication au *Journal des marques de commerce* en temps opportun.

Une feuille de vérification contenant l'information qui paraîtra dans le *Journal des marques de commerce* conformément à l'article 16 du *Règlement sur les marques de commerce* est jointe à titre de révision. Si vous trouvez des erreurs ou inconsistances, veuillez communiquer avec l'examineur identifié ci-dessous avant le 28 mai 2015. Si aucune correspondance n'est reçue à la date mentionnée, les détails de la demande, tels qu'ils apparaissent sur la feuille de vérification ci-jointe, seront publiés dans le *Journal des marques de commerce*.

**ATTENTION :** Si vous recevez une facture concernant la présente demande en provenance d'une entité autre que l'Office de la Propriété Intellectuelle du Canada, Industrie Canada, ou votre agent de marques de commerce, veuillez contacter soit le centre de services à la clientèle au 1-866-997-1936 (ou 819-934-0554 pour les appels internationaux) ou votre agent de marques de commerce avant de répondre. Le Bureau est au courant des sollicitations de la part des compagnies du secteur privé relativement à des demandes canadiennes d'enregistrement de marques de commerce.

Date
30 avr/Apr 2015
Votre référence - Your reference
Numéro de dossier - File number
1618408



### APPROVAL NOTICE

This is to inform you that, pursuant to section 37 of the *Trade-marks Act*, this application is scheduled to be advertised in the *Trade-marks Journal* in due course.

A proof sheet containing the information that will appear in the *Trade-marks Journal* pursuant to Section 16 of the *Trade-marks Regulations* is attached for your review. Should you find errors or discrepancies, please inform the examiner identified below before May 28, 2015. If no correspondence is received by that date, the particulars of the application, as shown in the attached proof sheet, will be published in the *Trade-marks Journal*.

**PLEASE NOTE:** If you receive an invoice concerning this application from anyone other than the Canadian Intellectual Property Office, Industry Canada, or your trade-mark agent, please contact either the client service centre at 1-866-997-1936 (or 819-934-0554 for international calls) or your trade-mark agent prior to responding. The Office has been made aware of several incidents of what appear to be fee solicitations from private sector companies with respect to Canadian trade-mark applications.

Canada

[www.opic.ic.gc.ca](http://www.opic.ic.gc.ca)  
[www.cipo.ic.gc.ca](http://www.cipo.ic.gc.ca)

OPIC  CIPO

**APPL'N No./No DEM. 1 618 408**

**SEARCHED/A FAIT L'OBJET D'UNE RECHERCHE**

**FILING DATE/DATE DE PRODUCTION:**

**13 mars/Mar 2013**

**APPLICANT/REQUÉRANT:**

3886727 Canada Inc.  
11 -3600A Laird Drive  
Mississauga  
ONTARIO  
L5L 6A6

ATTENTION: Debbie Pelczynski

**TRADE-MARK/MARQUE DE COMMERCE:**



**MARK DESCRIPTIVE REFERENCE/RÉFERENCE DESCRIPTIVE DE LA MARQUE:**

HOLISTIC BLEND MY HEALTHY PET & Design

**GOODS/PRODUITS:**

Pet food, Pet vitamins and Pet food additives in the form of vitamins and minerals.

**CLAIMS/REVENDEICATIONS:**

Used in CANADA since November 15, 2012 on goods.

**ASSOCIATED MARKS/MARQUES LIÉES:**

TMA545,282

**APPL'N No./No****1 618 408**

Action	Date	BF	Comments/Commentaires
filed/produite	2013/03/13		
created/créé	2013/03/15		
formalized/formalisée	2013/03/15		
search recorded/recherche enregistrée	2013/11/06		
examiner's first report/premier rapport de l'examineur	2013/11/15	2014/05/15	
correspondence created/correspondance créée	2014/09/04	2015/03/04	
correspondence created/correspondance créée	2014/12/18	2015/06/18	
correspondence created/correspondance créée	2015/03/05	2015/09/05	
rep for service changed/changement de représentant pour sig...	2015/04/21		From: 17011 To: / Voir Preuve au dossier/See evidence on File No. 1618408
agent changed/changement d'agent	2015/04/21		From: 17011 To: / Voir Preuve au dossier/See evidence on File No. 1618408
approval notice sent/avis d'approbation envoyé	2015/04/30	2015/05/28	



**Office de la propriété  
intellectuelle  
du Canada**

Un organisme  
d'Industrie Canada

**Canadian  
Intellectual Property  
Office**

An Agency of  
Industry Canada

page: 2

**Registraire des marques de commerce  
Registrar of Trade-marks**

Contact: **Stephanie Soulière**  
Section de l'examen/  
Examination Section  
819-635-7964

**Canada**

[www.opic.ic.gc.ca](http://www.opic.ic.gc.ca)  
[www.cipo.ic.gc.ca](http://www.cipo.ic.gc.ca)

OPIC



CIPO

## **Appendix “D”**



Jeff Rosekat

d: 416.639.2151

e: [jeff@spark.law](mailto:jeff@spark.law)

## DELIVERED BY EMAIL

September 25, 2019

Mr. Jeremy Nemers  
Aird & Berlis LLP  
Brookfield Place,  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9

Dear Mr. Nemers:

re: 9022619 Canada Inc. ("902") re: KSV Kofman Inc as  
Receiver of 3886727 Canada Inc. ("388")

As you are aware, we are the lawyers for 902.

It has come to our attention that O'Kat Co. Ltd., a Taiwanese customer of 902, inadvertently directed payment for products purchased from 902 to the account of 388. The customer is also a customer of 388 and simply included the incorrect wire transfer information when remitting payment. The total amount of funds misdirected is CAD 27,795.19.

We attached to this letter a copy of the invoice from 902 to O'Kat Co. Ltd., along with a copy of the wire transfer form from Bank SinoPac. The invoice is for Raw Support supplements and breeder's bags of cat food, both of which were 902 products. You can see from the wire transfer form that the amount of the wire transfer matches that of the invoice, however the payment was inadvertently directed to 388.

We are writing to request that the Receiver pay this money over to our firm, in trust for 902, as soon as possible.

Furthermore, we understand that the Receiver has not been paying occupation rent to 902. As you are aware, 902 is the head tenant at the premises at Unit 9-11 3600A Laird Road in Mississauga (the "Premises"). We understand that 388 was formerly the head tenant until Bridging Finance bounced a rent cheque back in 2016 which then required 902 to take over the lease.

We have attached a copy of the the sublease, the 2016 notice of termination, and the lease extension documentation for your files, although we are certain your client is already in possession of these.

The rent in the sublease is the same as that in the head lease (see sublease paragraph 4). The Lease Extension and Amending Agreement provides that the rent from February 1, 2019 onward was \$7,550.13 per month, plus HST for a total of \$8,531.65. 902 has been paying this rent and keeping the lease in good standing. Historically, 388 has paid its rent obligations to 902 in kind, however given that 388 no longer appears to be operating, this is no longer practical or acceptable.

388 continues to occupy the premises, as the Receiver has made no efforts to remove the property of 388 from the Premises. The Receivership Order is dated June 12, 2019. Rent for July, August, and September amounts to \$25,594.95, inclusive of HST. We are writing to request that the Receiver remit payment in this amount to Spark LLP, in trust for 902.

We look forward to the prompt payment to our firm in trust in the amount of \$53,390.14 by the Receiver.

Finally, we will be bringing a cross-motion to the motion of Bridging Finance with respect to the intellectual property owned by our client. We will be asking for leave of the court to terminate the license agreement between 902 and 388 with respect to the Holistic Blend trademark, if required. We anticipate delivering our notice of cross-motion by the end of next week.

If you have any questions or concerns, please do not hesitate to contact me at your convenience.

Yours very truly,

**SPARK LLP**

A handwritten signature in blue ink, appearing to read "Jeff Rosekat", is written over a horizontal line.

per: Jeff Rosekat

c.c. Mr. Sam Rappos, by email

Encls. Invoice Number 1773 from 9022619 Canada Inc. to O'Kat Co. Ltd.  
Wire Transfer confirmation dated August 12, 2019  
Lease Extension and Amending Agreement  
Sublease Agreement  
Notice of Termination

**9022619 Canada Inc**

Mississauga, Ontario  
Canada, L6L 6A6

**Invoice**

Date	Invoice #
2019-08-09	1773

Invoice To
O'Kat Co. Ltd. 4F No. 110 Jianguo N. Rd., Sec 2 Zhongshan Dist. 104 Taipei City, Taiwan

Ship To
O'Kat Co. Ltd. 4F No. 110 Jianguo N. Rd., Sec 2 Zhongshan Dist. 104 Taipei City, Taiwan

P.O. No.	Terms	Rep	Ship Date	FOB
JULY2019			2019-08-30	

Qty	Item	Description	U/M	Price/each	Memo	Amount
64	5-24114	Grain Free Cat Turkey & Chicken, 44 lbs/20 kg	BL	55.08		3,525.12
256	5-23040	Premium Salmon & Chicken Cat 40 lbs/18.1 kg	BL	54.88		14,049.28
30	6-284RS	Raw Support Joint HLC Glass Bottle, 250 ml	BL	33.60		1,008.00
144	6-292RS	Raw Support Complete, 175 gr Bottle	BL	55.12		7,937.28
60	6-281RS	Raw Support Digestion 105 g	BL	117.59		7,055.40
1	9-1000	Administrative	BL	125.00		125.00
						33,700.08
	Discount	Bulk		-15.00%		-5,055.01
	SHIPPING	credit		-849.88		-849.88

				Subtotal	CAD 27,795.19
				Sales Tax	CAD 0.00
				<b>Total</b>	CAD 27,795.19
				<b>Balance Due</b>	CAD 27,795.19

Phone #
905-828-6704

Memo
------





永豐商業銀行 國外部
利息收入 結匯證實書 佣金收據 外幣買賣單 印花稅總繳 各種匯票 郵電費收據
負責人 鄧夏蘭

匯出匯款交易憑證

幣別：CAD

匯款金額：27,795.19

日期：2019/08/12

交易參考編號：9NBAHTT39792

匯款方式：0電匯

受款地區國別：

外匯去處：匯往國外他行

CA-Canada

國外受款人身分別：3民間

統一編號：54643368

匯款分類編號及名稱：

匯款人中文名稱及地址：

701-尚未進口之預付貨款

黑逗國際有限公司

22100新北市汐止區新台五路一段116號17樓

匯款人英文名稱：

受款人：000220011889267

O KAT CO.,LTD.

3886727canada inc o/a holisticblend

4F.,NO.115,ALLEY76,LANE 600,WUHSING

3600a laird RD unit 11

ST.,HINYI DISTRICT,TAIPEI CITY,TAI

mississauga ONL5

WAN

匯款附言：

受款銀行CNAPS NO.：

1773

BOFMCAM2

BANK OF MONTREAL, THE

800 DE LA GAUCHETIERE

SUITE 5600

費用負擔對象：SHA

受款銀行中間行：

本行費用明細：

轉帳銀行：TDOMCATTOR

匯款電報費CAD12.65

電文處理方式：OTSW

原幣解款方式：1 以外匯存款支付

金額：27,795.19

備註：16400800013807

應收原幣金額：27,807.84

參考匯率：23.7205

基礎幣結匯金額：

承作匯率：

備註：

折合基礎幣金額：

應收基礎幣總額：

收件單位：TW8070014

T24系統編號：FT19224T9VZ5

網路銀行序號：201908127000293

本金帳務：16400813013805

手續費帳務：16400813013805 外收

單據由自動化交易產生，無需有權人簽章

日期

2019/08/13

時間

11:15:44

交易序號

BRS2019081200149166520

**LEASE EXTENSION AND AMENDING AGREEMENT**

This Agreement made February 1, 2018

BETWEEN:

**THE GREAT-WEST LIFE ASSURANCE COMPANY  
AND  
LONDON LIFE INSURANCE COMPANY**  
(the "Landlord")

OF THE FIRST PART

- and -

**9022619 CANADA INC.**  
(the "Tenant")

OF THE SECOND PART

- and -

**3886727 CANADA INC.**  
(the "Indemnifier")

OF THE THIRD PART

**RECITALS:**

- A. By a lease dated November 30, 2009 (the "**Original Lease**"), OPB Realty Inc., as landlord, leased to 3886727 Canada Inc., as tenant, certain premises comprised of approximately 10,982 square feet of Rentable Area on the ground floor designated as Units 9, 10 and 11 (the "**Leased Premises**") in the building municipally known as 3600A Laird Road, Mississauga, ON (the "**Building**") for an initial term of 5 years (the "**Term**"), commencing January 1, 2010 and expiring December 31, 2014;
- B. As of October 15, 2013, the Landlord became the successor in interest to OPB Realty Inc. and is now the registered owner of the Building;
- C. The Tenant remained in the Leased Premises on an overhold basis during the period from January 1, 2015 to January 31, 2015;
- D. By a lease extension and amending agreement dated January 15, 2015 (the "**First Extension Agreement**"), the Term of the Original Lease was extended for a further period of 3 years, commencing February 1, 2015 and expiring January 31, 2018, upon the terms and conditions more particularly set out therein;
- E. By an assignment and consent dated May 25, 2015 (the "**Assignment**"), 3886727 Canada Inc., as assignor, and the Tenant, as assignee, agreed to assign the Original Lease as amended and extended to the Tenant effective May 25, 2015, with the Landlord's consent, all as more particularly set out therein;
- F. The Original Lease, the First Amendment and the Assignment are hereinafter collectively the "**Lease**". The "**Term**", as hereinbefore over held and extended, means the period commencing January 1, 2010 and expiring January 31, 2018;
- G. To induce the Landlord to enter into this Agreement, the Indemnifier will indemnify the Landlord with respect to the Tenant's observance and performance of its obligations under this Agreement and the Lease; and
- E. The Landlord and the Tenant have agreed to extend the Term of the Lease for a further period of 3 years and to further amend the Lease upon the terms and conditions hereinafter set forth.

**NOW THEREFORE** in consideration of the sum of Ten Dollars (\$10.00) now paid by each party to the other, and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by both parties) the parties agree as follows:

- 1. **Recitals** The parties hereby acknowledge, confirm and agree that the foregoing recitals are true in substance and in fact.
- 2. **Extended Term** The Term of the Lease is hereby extended for a further period of 3 years (the "**Extended Term**"), commencing on February 1, 2018 (the "**Effective Date**"), and expiring on January 31, 2021.
- 3. **Terms and Conditions** The Extended Term shall be upon the same terms and conditions as are contained in the Lease, save and except that:
  - (a) **Extension**: there shall be no further right of renewal or extension beyond the Extended Term unless otherwise negotiated between the parties and the Tenant hereby waives any renewal or extension rights it may have under the Lease;
  - (b) **Special Provisions**: there shall be no allowance or inducement payable by the Landlord to the Tenant and no fixturing or rent free period provided. Any clauses in the Lease, relating to the



Landlord's Work, leasehold improvement allowances, Basic Rent free or Additional Rent free periods, Landlord's warranties, early occupancy, early access, additional rent estimates and any other such tenant inducements are not applicable to this Extended Term or any renewal or extension thereof, unless otherwise expressly stated in Section 4 hereof;

- (c) Condition of Leased Premises: the Landlord has no responsibility or liability for making any renovations, alterations or improvements in or to the Leased Premises and the Tenant shall accept the Leased Premises in an "as is where is" condition save and except as otherwise expressly stated in Section 4(a)(ii) of this Agreement. Any additional costs to the Landlord resulting from the Tenant's use or layout of, or alterations or changes to, the Leased Premises shall be at the Tenant's sole cost. All further renovations, alterations or improvements in or to the Leased Premises are the sole responsibility of the Tenant and shall be undertaken and completed, at the Tenant's expense, and strictly in accordance with this Agreement, the Lease and the Landlord's design criteria for the Building.
- (d) Basic Rent: during the Extended Term, the Tenant covenants to pay in the same manner as set forth in the Lease, without setoff, abatement or deduction whatsoever, in lawful money of Canada, in advance, in equal monthly installments, each on the first day of each and every month during such period, the following Basic Rent in respect of the Leased Premises, based upon annual rates per square foot of the Rentable Area of the Leased Premises all as set out as follows, the first of such installment to become due and payable on the Effective Date:

Area 10,982	Period	Annual Rate/sq.ft.	Per Month	Per Annum
	February 1, 2018 - January 31, 2019	\$7.95	\$7,275.58	\$87,306.90
	February 1, 2019 - January 31, 2021	\$8.25	\$7,550.13	\$90,601.50

Unless otherwise required by the Landlord, the Tenant will pay to the Landlord all monthly installments of Basic Rent and Additional Rent, plus applicable taxes, required to be paid by the Tenant under the Lease, in advance, by way of a pre-authorized bank debit payment system. Concurrently with the execution and delivery of this Agreement by the Tenant to the Landlord, and from time to time throughout the Extended Term, the Tenant will execute and deliver to the Landlord all pre-authorization documentation as may be requested by the Landlord or as may otherwise be necessary in order to enable the Landlord to debit the Tenant's bank account on the first day of each and every month throughout the Extended Term.

- (e) the Lease shall be further amended in accordance with Section 4 of this Agreement.

#### 4. Amendments

- (a) As of the Effective Date, the Lease shall be further amended to incorporate the following provisions as part of the Lease:

- (i) Security Deposit: The Tenant has provided the Landlord with an additional Security Deposit in the amount of \$858.33, which amount, together with the Tenant's existing Security Deposit of \$11,954.64, shall remain held by the Landlord, without interest, in accordance with the terms of this Agreement and the Lease.

If the Tenant complies with all of its obligations under the Lease, the Landlord shall refund the Security Deposit within a reasonable time after the expiry of the Term or, if the Term is to be extended, within a reasonable time after the expiry of the extended term. In the event of any renewal or extension of the Term, the Tenant covenants and agrees to pay to the Landlord an amount necessary to increase the Security Deposit to an amount equal to the aggregate of one (1) months Basic Rent for the last year of the renewal or extension term plus one (1) months estimated Additional Rent for the calendar year in which the extension or renewal term occurs.

- (ii) Landlord's Work: Prior to April 1, 2018 or as soon as reasonably possible thereafter, the Landlord will, at its expense on a "once only" basis and utilizing its choice of materials and contractors, complete the work set out below (the "**Landlord's Work**") during normal business hours:

- (a) Upgrade lighting to T8's in warehouse only for Unit 9.

The Tenant shall provide the Landlord and any other persons authorized by the Landlord, with uninterrupted access to the Leased Premises during normal business hours in order to complete the Landlord's Work and the Tenant shall co-operate with and shall not interfere with or delay the Landlord in the completion of such work.

Notwithstanding anything to the contrary in the Lease or any other agreement or under any applicable law, if the Tenant or its Indemnifier (if any) takes the benefit of or is subject to any creditors' petition under any legislation for the protection of insolvent debtors, or if the Lease is terminated for any reason, that portion of the total cost of the Landlord's Work, plus applicable taxes, as remains unamortized (assuming a straight-line rate of amortization over the Extended Term and a 10% rate of interest

calculated annually) as of the day before the date such filing is made (or termination date, as the case may be), shall be deemed to be outstanding and immediately payable as Rent to the Landlord as of such date.

- (iii) **Redevelopment/demolition:** If at any time during the Term or any renewal or extension thereof, the Landlord decides, in its sole and absolute discretion, to reconstruct, renovate, alter, redevelop, demolish or change the use of all or any part of the Building, the Landlord may terminate the Lease by giving not less than 60 days' notice in writing to the Tenant, without obligation or liability to the Tenant. The Tenant shall deliver up vacant possession of the Leased Premises in accordance with the provisions of the Lease and will execute all documents and other assurances as are reasonably required to give effect to the provisions of this section. Upon the date of termination, any necessary adjustments in Rent shall be made between the Landlord and the Tenant.
  - (iv) **Notice:** The Indemnifier's address for Notice shall be at the Leased Premises, Attention: Debbie Pelczynski.
  - (v) **Deletions:** The following provisions of the Lease shall be deleted as they are of no further force or effect:
    - First Extension Agreement - Section 4(b) (Basic Rent Free Period); and Section 5(i) (Landlord's Work)
5. **Indemnifier** The Indemnifier, hereby agrees to, and it is a condition of this Agreement that the Indemnifier shall execute and deliver to the Landlord an Indemnity Agreement in the form attached hereto as Appendix "A".
6. **Authority** The Landlord and Tenant represent and warrant that they have the right, full power and authority to agree to extend the Term and amend the Lease as provided in this Agreement.
7. **Confidential** The Tenant shall not disclose to any person the financial or any other terms of this Agreement or the Lease, except to its auditors, consultants and professional advisors, in their capacity as such (so long as they have first agreed to respect such confidentiality) and except as otherwise required by law.
8. **No Representations** No agreement, representations, warranties or conditions relating to the Leased Premises or the contents of this Agreement or the Lease have been made except as are expressly set out in the Lease or this Agreement. The Tenant acknowledges that no indemnities of the Landlord in favour of the Tenant have been given under this Agreement and any indemnities of the Landlord in favour of the Tenant given under the Lease will not apply during the Extended Term or be restated under this Agreement, such indemnities being deemed to have expired with the expiry of the initial Term of the Lease.
9. **Severability** Should any provision of this Agreement be or become invalid, void, illegal or not enforceable, such provision shall be considered separate and severable from this Agreement and the remaining provisions shall remain in force and be binding upon the parties hereto as though such provision had not been included.
10. **Confirmation** The parties confirm that except as modified by this Agreement, the terms, covenants and conditions of the Lease remain unchanged and in full force and effect including, without limitation, any reference in the Lease to generally accepted accounting principles which shall be deemed to refer to accounting practices generally accepted in the real estate industry in Canada. All capitalized terms and expressions when used in this Agreement, unless a contrary intention is expressed herein, have the same meaning as they have in the Lease.
11. **Binding** This Agreement shall enure to the benefit of and be binding upon the parties hereto, the successors and assigns of the Landlord and the successors and permitted assigns of the Tenant.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

LANDLORD:  
THE GREAT-WEST LIFE ASSURANCE COMPANY  
AND LONDON LIFE INSURANCE COMPANY  
by their agent GWL Realty Advisors Inc.


Per:   
Name: Robert Frost  
Title: Senior Director, Leasing

Per:   
Name: JONAS VARRUK  
Title: Senior Manager, Asset Management

We have authority to bind the corporation

{Signatures continue on following page forming part of this Agreement}

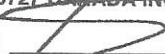
TENANT:  
9022619 CANADA INC.

Per:   
Name: Debbie Pelczynski  
Title: President

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

We/I have authority to bind the corporation.

INDEMNIFIER:  
3886727 CANADA INC.

Per:   
Name: Debbie Pelczynski  
Title: President

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

We/I have authority to bind the corporation.



APPENDIX "A"

INDEMNITY AGREEMENT

This Agreement is made February 1, 2018,

Between:

3886727 CANADA INC.,  
(the "Indemnifier")

- and -

THE GREAT-WEST LIFE ASSURANCE COMPANY  
AND  
LONDON LIFE INSURANCE COMPANY,  
(the "Landlord")

WHEREAS:

A. The Landlord is the owner of the lands and premises known municipally as 3600A Laird Road, Mississauga, ON (the "**Building**"); and

B. The Indemnifier and 9022619 Canada Inc. (the "**Tenant**") have requested the Landlord to enter into a lease extension and amending agreement (the "**Second Extension Agreement**") dated February 1, 2018 between the Landlord, as landlord, and the Tenant, as tenant, relating to premises in the Building and the Landlord has agreed to do so only if the Indemnifier executes and delivers this Agreement in favour of the Landlord;

**NOW THEREFORE** for good and valuable consideration (the receipt and sufficiency of which are acknowledged by the Indemnifier), the Indemnifier agrees with the Landlord as follows:

1. The Indemnifier covenants with the Landlord that the Tenant will pay all Basic Rent, Additional Rent and other amounts payable under the Lease on the days and at the times and in the manner provided in the Lease, and will observe each and every covenant, proviso, condition, agreement and obligation contained in the Lease on the part of the Tenant to be performed and observed, and that if any default is made by the Tenant, whether in payment of monies or performance of obligations, the Indemnifier shall forthwith on demand pay to the Landlord such monies and perform such obligations and pay any and all damages resulting from any non-payment or non-performance.
2. The Indemnifier shall be jointly and severally liable with the Tenant for all of the Tenant's obligations under the Lease, as if it were separately named as a tenant under the Lease.
3. This Indemnity is absolute and unconditional and the obligations of the Indemnifier and the rights of the Landlord hereunder shall not be affected or in any way prejudiced or impaired by: (a) any neglect or forbearance by the Landlord in obtaining payment of Basic Rent, Additional Rent or other amounts or of enforcing the provisions of the Lease or the obligations of the Tenant or any waiver or failure to enforce any provision of this Agreement by the Landlord; (b) any extensions of time or other indulgences given by the Landlord to the Tenant; (c) any amendment of the Lease or other dealing between the Landlord and the Tenant with or without notice to the Indemnifier; (d) any Transfer by the Tenant (with or without the Landlord's consent); or (e) any other act or failure to act by the Landlord which would release, discharge or affect the obligations of the Indemnifier if it were a mere surety, with the intent that the obligations of the Indemnifier shall continue and shall not be released, discharged or reduced or in any way impaired until such time as all of the obligations of the Tenant under the Lease, now existing or to arise at any time in the future, have been fully performed and satisfied.
4. The Indemnifier expressly waives notice of the acceptance of this Agreement and all notice of non-performance, non-payment or non-observance on the part of the Tenant of the terms, covenants and conditions in the Lease. Without limiting the generality of the foregoing, any Notice which the Landlord desires to give to the Indemnifier shall be sufficiently given if personally delivered, delivered by courier or mailed by registered prepaid post, to the Indemnifier at the Leased Premises, and every such Notice is deemed to have been given upon the day it was delivered, or if mailed, on the fifth day following the date of such mailing. The Indemnifier may designate by Notice in writing to the Landlord a substitute address for that set forth above. If 2 or more persons are named as Indemnifier, such Notice given hereunder or under the Lease shall be sufficiently given if delivered or mailed in the foregoing manner to any one of such Persons.
5. The obligations of the Indemnifier under this Agreement shall not be released, discharged or affected by the bankruptcy or insolvency of the Tenant or any proposal made by it to its creditors or any repudiation of the Lease pursuant to the *Bankruptcy and Insolvency Act*, S.C. 1992, or any successor or similar legislation, or any disclaimer by any trustee in bankruptcy of the Tenant or by the Tenant ceasing to exist (whether by winding-up, forfeiture, cancellation or surrender of charter, or any other circumstance) or by any event terminating the Lease including a re-entry or termination. If the Lease is terminated prior to the end of its Term, except by surrender duly accepted by the Landlord, then, at the option of the Landlord, the Indemnifier shall execute a new lease of the Leased Premises between the Landlord as landlord and the Indemnifier as tenant

for a term equal in duration to the residue of the term remaining unexpired at the date of such termination, and in all other respects upon the same terms and conditions as are set forth in the Lease.

6. The Landlord shall not be obliged to exercise its remedies against the Tenant or any other person or against the Leased Premises or to exhaust any security given by the Tenant before demanding payment of monies or performance of covenants by the Indemnifier.

7. The Indemnifier's obligations under this Agreement bind the Indemnifier and its legal representatives, heirs, executors, administrators, successors and assigns (as the case may be) and may be assigned by the Landlord, and will benefit and be enforceable by the successors and assigns of the Landlord, and all parties who for the time being have the status of Landlord under the Lease, whether or not such parties receive a specific assignment of the Lease or of the Indemnifier's obligations, and whether or not Notice of any assignment or change in ownership of the Leased Premises or any project of which the Leased Premises forms a part is given to the Indemnifier.

8. The grammatical changes required to make the provisions of this Agreement apply in the plural sense where the Indemnifier comprises more than one person and to corporations, firms, partnerships, or individuals male or female, will be assumed as though in each case fully expressed, and if the Indemnifier consists of more than one person, the obligations of the Indemnifier shall be deemed to be joint and several obligations of each such person. This Agreement shall be construed in accordance with the Applicable Laws.

9. The Indemnifier acknowledges receipt of a copy of the Lease and covenants, represents and warrants that it has full power, capacity and authority to enter into this Agreement and to perform its obligations hereunder. No modification of this Agreement shall be effective unless it is in writing and is executed by both the Indemnifier and the Landlord.

10. Whenever any reference is made in this Agreement to the Lease or the obligations of the Tenant under the Lease, such reference shall be deemed to include any and all agreements and instruments executed by the Tenant in connection with the Lease or pursuant to the Lease and which relate to the Leased Premises. Any capitalized word or phrase used in and not defined in this Agreement shall have the meaning given to it in the Lease.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

**LANDLORD:**  
**THE GREAT-WEST LIFE ASSURANCE COMPANY**  
**AND LONDON LIFE INSURANCE COMPANY**  
**BY THEIR AGENT GWL REALTY ADVISORS INC.**

Per: [Signature]  
Name: **Robert Frost**  
Title: **Senior Director, Leasing**

Per: [Signature]  
Name: **JONAS VARRIK**  
Title: **Senior Manager, Asset Management**

We have the authority to bind the corporation

**INDEMNIFIER**  
**3886727 CANADA INC.**

Per: [Signature]  
Name: **Dennis Potoczny**  
Title: **President**

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

I/We have the authority to bind the corporation



## COMMERCIAL SUBLEASE AGREEMENT

**THIS SUBLEASE** dated this 2nd day of February, 2018

**BETWEEN:**

9022619 Canada Inc  
(the "Sublandlord")

**OF THE FIRST PART**

**- AND -**

3886727 Canada Inc  
(the "Subtenant")

**OF THE SECOND PART**

### **Background**

- A. This is an agreement (the "Sublease") to sublet real property according to the terms specified below.
- B. The master lease (the "Master Lease") is dated February 1, 2018 and is between GWL Realty Advisors (the "Landlord") and the Sublandlord with respect to the following lands and any improvements on those lands (the "Premises"): 9-11 3600 A Laird Road Mississauga, Ontario, Canada, L5L 6A6.
- C. The Subtenant is willing to undertake certain obligations of the Master Lease.

**IN CONSIDERATION OF** the Sublandlord subletting and the Subtenant renting the Subleased Premises, both parties agree to keep, perform and fulfill the promises, conditions and agreements below:

**Subleased Premises**

1. The Sublandlord leases to the Subtenant the portion of the Premises (the "Subleased Premises") described as follows: 2 office spaces, and partial warehouse.

**Term**

2. The term (the "Term") of this Sublease commences at 12:00 noon on February 1, 2018 and ends at 12:00 noon on May 18, 2019.
3. The provisions of this Sublease are subject to the terms and restrictions of the Master Lease.

**Rent**

4. The amount of rent and the conditions of payment are the same as under the Master Lease.
  5. The Subtenant will deliver or send the rent to the Landlord at
- 

**Use of Subleased Premises**

6. Except as otherwise provided in this Sublease, the Subtenant and the agents and employees of the Subtenant will only use the Subleased Premises for a purpose consistent with the permitted use allowed in the Master Lease. Further, the Subtenant agrees to comply with all other applicable provisions of the Master Lease, and will not do anything that would constitute a violation of any part or condition of the Master Lease.

**Utilities**

7. All payments for utilities and other charges connected with the Subleased Premises, which are to be paid by the Sublandlord under the Master Lease, will be paid by the Subtenant during the Term of this Sublease.

**Maintenance and Repairs**

8. The Subtenant agrees to surrender and deliver to the Sublandlord the Subleased Premises and all furniture and decorations within the Subleased Premises in as good a condition as they were at the beginning of the Term, reasonable wear and tear excepted. The Subtenant will be liable to the Sublandlord and the Landlord for any damages occurring to the Subleased Premises or the contents of the Subleased Premises or to the building which are done by the Subtenant or the Subtenant's guests.

9. The Subtenant will immediately report all general maintenance issues and needed repairs to the Sublandlord and the Landlord.

**Alterations and Improvements**

10. The Subtenant may not make any alterations or improvements to the Subleased Premises.

**Taxes**

11. The Subtenant will pay any privilege, excise and other taxes duly assessed against the business of the Subtenant, the Subleased Premises and any personal property on or about the Subleased Premises. The Subtenant will avoid the assessment of any late fees or penalties.

**Event of Default**

12. The Subtenant will default under this Sublease if any one or more of the following events (the "Event of Default") occurs:
  - a. The Subtenant fails to pay the Rent to the Landlord or any amount of it when due or within any grace period, if any.
  - b. The Subtenant fails to perform any of its obligations under this Sublease or any applicable obligation under the Master Lease.
  - c. The Subtenant becomes insolvent, commits an act of bankruptcy, becomes bankrupt, takes the benefit of any legislation that may be in force for bankrupt or insolvent debtors, becomes involved in a voluntary or involuntary winding up, dissolution or liquidation proceeding, or if a receiver will be appointed for the affairs of the Subtenant.
  - d. The Subtenant abandons the Subleased Premises or any part of the Subleased Premises.
  - e. The Subtenant uses the Subleased Premises for any unpermitted or illegal purposes.
  - f. The Subtenant fails to commence, diligently pursue, and complete the Subtenant's work to be performed pursuant to this Sublease pertaining to the Subleased Premises.
  - g. The Subleased Premises, or any part of the Subleased Premises is completely or partially damaged by fire or other casualty that is due to the Subtenant's negligence, wilful act, or



that of the Subtenant's employee, family, agent, or guest.

- h. Any other event of default provided in the Master Lease or the Act.

**Remedies**

- 13. Upon the occurrence of any Event of Default, the Sublandlord has any or all of the following remedies:
  - a. Terminate the Sublease upon the greater of any notice required in the Master Lease or the Act and the Term will then immediately become forfeited and void.
  - b. The Sublandlord may, but is not obligated to, perform on behalf of the Subtenant, any obligation of this Sublease or the Master Lease which the Subtenant has failed to perform. The Sublandlord may seek redress from the Subtenant for such performance.
  - c. The Sublandlord may reenter the Subleased Premises or any part of the Subleased Premises and in the name of the whole repossess and enjoy the same as of its former state anything contained within the Subleased Premises.
  - d. Any other remedy provided in the Master Lease or the Act.
- 14. No reference to or exercise of any specific right or remedy by the Sublandlord will prejudice or preclude the Sublandlord from any other remedy whether allowed at law or in equity or expressly provided for in this Sublease or the Master Lease. No such remedy will be exclusive or dependent upon any other such remedy, but the Sublandlord may from time to time exercise any one or more of such remedies independently or in combination.
- 15. Upon the expiration, termination or cancellation of the Master Lease or this Sublease, all obligations of the parties under this Sublease will be extinguished.
- 16. Any improvements remaining on the Subleased Premises upon termination will revert to the Sublandlord and will be free of any encumbrance at the time of such reversion.

**Surrender of Premises**

17. At the expiration of the Term of this Sublease, the Subtenant will quit and surrender the Premises in as good a state and condition as they were at the commencement of this Lease, reasonable use and wear and damages by the elements excepted.

**Governing Law**

18. It is the intention of the parties to this Sublease that the tenancy created by this Sublease and the performance under this Sublease, and all suits and special proceedings under this Sublease, be construed in accordance with and governed, to the exclusion of the law of any other forum, by the laws of Ontario, without regard to the jurisdiction in which any action or special proceeding may be instituted.

**Severability**

19. If there is a conflict between any provision of this Sublease and the applicable legislation of Ontario (the "Act"), the Act will prevail and such provisions of the Sublease will be amended or deleted as necessary in order to comply with the Act. Further, any provisions that are required by the Act are incorporated into this Sublease.
20. In the event that any of the provisions of this Sublease will be held to be invalid or unenforceable in whole or in part, those provisions to the extent enforceable and all other provisions will nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts had not been included in this Sublease and the remaining provisions had been executed by both parties subsequent to the expungement of the invalid provision.

**Assignment and Subletting**

21. The Subtenant will not assign, transfer or further sublet the Subleased Premises or any part of the Subleased Premises without the prior written consent of the Sublandlord and the Landlord.

**Notices**

22. Unless otherwise specifically provided in this Sublease, all notices from the Subtenant to the Sublandlord will be served or sent to the Sublandlord at the following address:  
9-11 3600 A Laird Road Mississauga, Ontario Canada L5L 6A6.
23. Unless otherwise specifically provided in this Sublease, all notices from the Sublandlord to the Subtenant will be served or sent to the Subtenant at the following address:

11-3600 A Laird road Mississauga, Ontario, Canada L5L 6A6.

24. All notices to be given under this Sublease will be in writing and will be served personally or sent by certified or registered mail using the Canada Post corporation.

**Master Lease**

25. Except as otherwise expressly provided in this Sublease, the Subtenant will perform all applicable duties and obligations of the Sublandlord under the Master Lease from February 1, 2018 until the end of the Term of this Sublease.
26. Except as otherwise expressly provided in this Sublease, the Sublandlord will have, as to the Subtenant, all applicable rights and remedies that the Landlord has with respect to the Sublandlord in the Master Lease.
27. This Sublease contains all of the conditions and terms made between the parties to this Sublease, and may not be modified orally or in any other manner other than by agreement in writing signed by all parties to this Sublease or their respective successors in interest.
28. This Sublease incorporates and is subject to the Master Lease, a copy of which has been or will be later provided to the Subtenant, and which is incorporated as if it were set out in this Sublease.

**General Provisions**

29. In the event of any legal action concerning this Sublease, the losing party will pay to the prevailing party reasonable attorney's fees and court costs to be fixed by the court and such judgment will be entered.
30. The Sublandlord may enter the Subleased Premises upon 24 hours notice for any of the following reasons:
- a. to inspect the Subleased Premises;
  - b. to maintain the Subleased Premises; or




- c. to make repairs that the Sublandlord is obligated to perform.
- 31. This Sublease will extend to and be binding upon and inure to the benefit of the respective heirs, executors, administrators, successors and assigns, as the case may be, of each party to this Sublease. All covenants are to be construed as conditions of this Sublease.
- 32. All sums payable by the Subtenant to the Sublandlord under any provision of this Sublease will be deemed to be Additional Rent and will be recovered by the Sublandlord as rental arrears.
- 33. Where there is more than one Subtenant executing this Sublease, all Subtenants are jointly and severally liable for each other's acts, omissions and liabilities under this Sublease.
- 34. The Subtenant will be charged an additional amount of \$25.00 for each N.S.F. cheque or cheque returned by the Subtenant's financial institution.
- 35. All schedules to this Sublease are incorporated into and form an integral part of this Sublease.
- 36. Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Sublease. Words in the singular mean and include the plural and vice versa. Words in the masculine include the feminine and vice versa. The words "Sublandlord" and "Subtenant" as used in this Sublease include the plural as well as the singular; no regard for gender is intended by the language in this Sublease.
- 37. This Sublease may be executed in counterparts.
- 38. Time is of the essence in this Sublease.
- 39. The Sublandlord and the Subtenant have no interest or other rights of ownership in each other. The parties to this Sublease are not agents for each other. Under no circumstances will this Sublease be construed as creating a partnership or joint venture between the parties to this Sublease.
- 40. Each signatory to this Sublease acknowledges receipt of an executed copy of this Sublease.

41. This Sublease will not be valid and binding on the Sublandlord and Subtenant unless and until it has been completely executed by and delivered to both parties and the Landlord has consented to this Sublease.

**IN WITNESS WHEREOF** the Sublandlord and the Subtenant have duly affixed their signatures under hand and seal on this 2nd day of February, 2018.

  
\_\_\_\_\_  
Witness

  
\_\_\_\_\_  
Witness

9022619 Canada Inc

per:  (SEAL)

3886727 Canada Inc

per:  (SEAL)



## **NOTICE OF TERMINATION**

**TO: 9022619 Canada Inc. (previously 3886727 Canada Inc. o/a Holistic Blend)**

**RE: LEASE DATED, NOVEMBER 30, 2009 BETWEEN 3886727 CANADA INC. O/A HOLISTIC BLEND and ASSIGNMENT & CONSENT DATED MAY 25<sup>TH</sup>, 2015 (TENANT) AND THE GREAT-WEST LIFE ASSURANCE COMPANY, LONDON LIFE INSURANCE COMPANY (LANDLORD) FOR PREMISES LOCATED AT 3600A LAIRD RD., UNIT 9-11, MISSISSAUGA, ONTARIO L5L 5Y4**

The Landlord hereby gives you notice that, as a result of your default under the Lease (including without limitation, the Lease is hereby terminated effective immediately and the Landlord is hereby taking possession of the Premises.

This termination of the Lease is without prejudice to any and all of the Landlord's rights under the Lease and at law, including without limitation, the right to obtain from you the following:

1. All arrears of Rent and other charges owing under the Lease up to the date hereof.
2. All costs incurred by the Landlord as a result of any and all breaches of the Lease, including without limitation, legal and other expenses incurred in respect of the termination of the Lease.
3. All costs incurred by the Landlord in re-letting the Leased Premises.
4. All losses and deficiencies sustained by the Landlord in respect of the difference between the aggregate amounts that would have been payable pursuant to the Lease over the un-expired Term less any net amounts, after expenses, actually received by the Landlord in respect of the Leased Premises for the un-expired Term.

If you would like to claim any property located on the Leased Premises and belonging to you, please contact the Landlord directly at (905) 275-6600.

**Dated at Mississauga, this 14<sup>th</sup> day of March, 2016.**

**The Great-West Life Assurance Company, London Life Insurance Company.  
c/o GWL Realty Advisors Inc.  
Landlord**

## **Appendix “E”**

September 30, 2019

BY EMAIL ([jeff@spark.law](mailto:jeff@spark.law))

**Spark LLP**

67 Yonge Street, Second Floor  
Toronto, ON M5E 1J8

**Attention: Jeff Rosekat**

Dear Mr. Rosekat:

**Re: Court File No. CV-19-00620981-00CL / Bridging Income Fund LP, by its  
general partner SB Fund GP Inc. v. 3886727 Canada Inc., carrying on  
business as Holistic Blend**

---

As you know, we are the lawyers for KSV Kofman Inc. ("**KSV**"), in its capacity as the court-appointed receiver (in such capacity, the "**Receiver**") of all the assets, undertakings and properties (collectively, the "**Property**") of 3886727 Canada Inc., carrying on business as Holistic Blend (the "**Debtor**"). As you also know, KSV was appointed as the Receiver pursuant to the Order of the Honourable Madam Justice Chiappetta of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made June 12, 2019 (the "**Appointment Order**"), a copy of which is posted on the Receiver's website at <https://www.ksvadvisory.com/insolvency-cases/case/holistic-blend>.

Thank you for your letter dated September 27, 2019.

The Appointment Order empowers but does not obligate the Receiver to take possession of any Property (as defined in the Appointment Order). At no time has the Receiver taken possession of the Premises (as defined in your letter). The Receiver is therefore not responsible for any occupation rent in respect of the Premises.

To the extent that 902 (as defined in your letter) believes it is entitled to funds paid in error by O'Kat Co. Ltd. ("**O'Kat**") to the Debtor's account, kindly provide fulsome support for same, including, without limitation, a copy of the fully-executed underlying agreement between 902 and O'Kat.

Yours truly,

AIRD & BERLIS LLP



Kyle Plunkett  
KP/jn

cc: *Noah Goldstein and Jonathan Joffe, KSV Kofman Inc.*  
cc: *Sam Rappos, Chaitons LLP*

## **Appendix “F”**



Jeff Rosekat

**DELIVERED BY EMAIL**

October 9, 2019

Mr. Kyle Plunkett  
Aird & Berlis LLP  
Brookfield Place,  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9

Dear Mr. Plunkett:

**re: 9022619 Canada Inc. ("902") re: KSV Kofman Inc as  
Receiver of 3886727 Canada Inc. ("388")**

Thank you for your letter of September 30, 2019.

We have previously provided you with the invoice for the products and the wire transfer for payment which, despite being mostly not English, is clear enough in terms of dates, amounts, and account numbers. We enclose with this letter a copy of the purchase order, bill of lading, and letter (in English) from Ms. Chao, the CEO of O'Kat Co. Ltd. explaining the misdirected payment.

That is all of the documentation with respect to this transaction. There is no "underlying agreement" beyond the binding contract created in the time-honoured fashion of purchase order and invoice (and payment of that invoice).

We may agree to disagree on the question of occupation rent, but the documentation we have produced with respect to this misdirected payment seems clear enough for any independent receiver to be satisfied that funds should be disgorged as we have requested.

Please ask your client to pay CAD 27,795.19 to Spark LLP, in trust. If you have any questions or concerns, please do not hesitate to contact me at your convenience.

Yours very truly,

**SPARK LLP**

A handwritten signature in blue ink, appearing to read "Jeff Rosekat", is written over a horizontal line.

per: Jeff Rosekat

c.c. Mr. Sam Rappos, by email



# GLOBALTRANS LOGISTICS INC.

## UNIFORM THROUGH EXPORT BILL OF LADING

SHIPPER/EXPORTER 9022619 CANADA INC. 9-3600A LAIRD ROAD MISSISSAUGA, ONTARIO CANADA L5L 6A6		BILL OF LADING NO: GT-190947	
CONSIGNEE O'KAT CO., LTD. 17F NO. 116 XINTAI 5 TW 221 NEW TAIPEI CITY TAIWAN		EXPORT REFERENCES	
NOTIFY PARTY SAME AS CONSIGNEE TEL: 886-2-77081219		FORWARDING AGENT REFERENCES:	
PLACE OF RECEIPT TORONTO, CANADA		POINT AND COUNTRY OF ORIGIN:	
OCEAN VESSEL/ VOYAGE: HYUNDAI INTEGRAL V.087W		FOR DELIVERY APPLY TO: FOREST INTERNATIONAL GROUP LTD. 3F., NO.112, SEC 2, CHANG-AN E. RD. TAIPEI, TAIWAN, R.O.C. TEL : 886-2-25032100 FAX : 886-2-25032150/1	
PORT OF LOADING: VANCOUVER, CANADA		ONWARD INLAND ROUTING:	
PORT OF DISCHARGE: KAOHSIUNG, TAIWAN		PORT OF DESTINATION: KEELUNG, TAIWAN	
MARKS AND NUMBERS	NO. OF PKGS.	DESCRIPTION OF GOOD	GROSS WEIGHT
			MEASUREMENT

DFSU2757070	1X20'	SL&C 23 PALLETS	10787.444KGS	26.941CBM
SEAL NO.		PET FOOD SUPPLEMENTS		
WCT0004716		H.S.# 2309.10.90		
		CAED# : 01H736VCH33320190900027		

OCEAN FREIGHT COLLECT  
LOADED ONBOARD OCT 05, 2019

### EXPRESS BILL OF LADING

FREIGHT AND GHARGES	PREPAID	COLLECT	<p>The surrender of original order bill of lading properly endorsed shall be required before the deliver of the preparty, Inspection of property ocvered by this bill of lading will not be permitted unless pervide by law or unless permission is endorsed on this oridinal bill of lading of given in writing by the shipper.</p> <p>IN WITNESS WHEREOF, THE UNDERSIGNED, SIGNING IN BEHALE OF <b>WELL PORT CONTAINER LINE INC</b> HAS SIGNED THE THREE(3) BILS OF LADING, ALL OF THE SAME TENOR AND DATE, ONE OF WHICH BEING ACCOMPLISHED, THE OTHER TO STAND VOID.</p> <p>BY <u>TORONTO, CANADA</u> DATE: OCT 05, 2019 <b>GLOBALTRANS LOGISTICS INC.</b></p> <p><b>ATTENTION OF SHIPPER:</b>THE TERMS AND CONDITIONS OF THE ORDER BILL OF LADING UNDE WHICH THIS SHIPMENT IS ACCEPTED ARE PRINTED ON THE BACK HEREOF.</p> <p><b>NOTE:</b>UNLESS OTHERWISE SPECIFIED THE CHARGE LISTED ABOVE DO NOT INCLUD CUSTOMS DUTIES, TAXES, CUSTOMS CLEARANCE CHARGES AND SIMILAR NOW TRANSPOR ATION CHARGES WHICH ARE FOR THE ACCOUNT OF THE GARGO.</p>
		FREIGHT COLLECT	

CONTROL NO:



4F No. 110, Jianguo N. Rd., Sec. 2, Zhongshan Dist.104, Taipei City, Taiwan

To whom it may concern,

On August 12<sup>th</sup>, 2019, I placed my order to 9022619 Canada Inc., when I instructed payment of invoice to my Accounting Department, they paid the invoice amount to the bank belonging to 3886727 Canada Inc. with whom I also do business with. This payment amount of \$27,795.19 for Invoice #1773 should have been made to the bank of 9022619 Canada Inc. Please redirect the funds accordingly.

Nikita Chao

CEO

OKat Co Ltd 黑逗國際有限公司

Taipei, Taiwan

2019.10.6



# HealthyPet.Solutions

*Providing the missing piece to your pet's health*

CODE	PRODUCT	SIZE	UNIT PRICE	QUANTITY
	<b>PREMIUM FOODS</b>			
	<b>***DOG***</b>			
6-49144	Perfect Blend - Chicken & Whitefish	20 kg	\$45.00	
	<b>***CAT***</b>			
6-33244	Perfect Blend-Chicken & Oceanfish	20 kg	\$16.00	
	<b>SUPER PREMIUM FOODS</b>			
	<b>***DOG***</b>			
6-21044	Lamb & Rice	20 kg	\$55.00	
6-25040	Chicken Rice & Veggies	20 kg	\$50.00	
	<b>***CAT***</b>			
6-23040	Chicken & Salmon	18.1 kg	\$54.88	<b>256</b>
	<b>GRAIN FREE FOODS</b>			
	<b>***DOG***</b>			
6-22140	Grain Free Turkey & Salmon	20 kg	\$45.00	
6-88144	Marine 5 Fish	20 kg	\$55.00	
	<b>***CAT***</b>			
6-24144	Grain Free Turkey & Chicken	20 kg	\$55.08	<b>64</b>
6-91144	Marine 5 Fish	20 kg	\$50.00	
<b>CUSTOMER:</b>	<b>O'Kat Co. Ltd.</b>			
<b>ADDRESS:</b>	<b>4F No. 110, Jianguo N. Rd., Sec 2, Zhongshan Dist. 104 Tapei City, Taiwan</b>			
<b>CONTACT:</b>	<b>Nikita</b>			
<b>EMAIL:</b>	<a href="mailto:nikita@dogbeing.com">nikita@dogbeing.com</a>			
<b>P.O. #</b>	<b>JULY2019</b>			
<b>DATE:</b>	<b>August 9, 2019</b>			





CODE	PRODUCT	SIZE	UNIT COST	QUANTITY
<b>SUPPLEMENTS</b>				
6-281RS	Raw Support D+gestion	12/105 g	\$117.59	60
6-282RS	Raw Support H+aling	12/128 g	\$117.59	
6-283RS	Raw Support B+lance, Glass Bottle	6/250 ml	\$48.37	
6-284RS	Raw Support J+oint, Glass Bottle	6/250 ml	\$48.37	
6-291RS	Raw Support M+bility	12/100 g	\$87.02	
6-292RS	Raw Support C+mplete	12/175 g	\$55.12	144
6-293RS	Raw Support C+mplete, Bag	12/330 g	\$87.02	
6-294RS	Raw Support All+rgy	12/150 g	\$87.02	
6-295RS	Raw Support B+eath	24/50 ml	\$55.12	
6-296RS	Raw Support C+eanse	24/30 cpsl	\$117.59	
6-297RS	Raw Support C+lm	24/50 ml	\$87.02	
6-298RS	Raw Support J+oint Krill & Camelina Oil, Glass Bottle	6/200 ml	\$33.60	30
6-299RS	Raw Support En+ergy	12/175 g	\$87.02	
<b>GRAIN FREE TREATS FOR CANINE</b>				
6-827RS	Freeze Dried Chicken Liver	12/35 gr	\$46.20	
6-828RS	Freeze Dried Sweet Potato	12/35 gr	\$46.20	
6-829RS	Freeze Dried Cheese Bits	12/35 gr	\$46.20	
<b>GRAIN FREE TREATS FOR FELINE</b>				
6-101RS	Freeze Dried Chicken Liver	12/35 gr	\$46.20	
6-102RS	Freeze Dried Salmon Filet	12/35 gr	\$46.20	
6-103RS	Freeze Dried Cod Filet	12/35 gr	\$46.20	
<b>TREATS FOR FELINE</b>				
6-990RS	Organic Catnip	12/35 gr	\$46.20	

CUSTOMER:	<b>O'Kat Co. Ltd.</b>
ADDRESS:	<b>4F No. 110, Jianguo N. Rd., Sec 2, Zhongshan Dist. 104 Tapei City, Taiwan</b>
CONTACT:	<b>Nikita</b>
EMAIL:	<a href="mailto:nikita@dogbeing.com">nikita@dogbeing.com</a>
P.O. #	<b>JULY2019</b>
DATE:	<b>August 9, 2019</b>

## **Appendix “G”**

# AIRD BERLIS

Kyle B. Plunkett  
Direct: 416.865.3406  
Email: kplunkett@airdberlis.com

October 16, 2019

BY EMAIL ([jeff@spark.law](mailto:jeff@spark.law))

## Spark LLP

67 Yonge Street, Second Floor  
Toronto, ON M5E 1J8

Attention: Jeff Rosekat

Dear Mr. Rosekat:

Re: **Court File No. CV-19-00620981-00CL / Bridging Income Fund LP, by its  
general partner SB Fund GP Inc. v. 3886727 Canada Inc., carrying on  
business as Holistic Blend**

---

As you know, we are the lawyers for KSV Kofman Inc. ("**KSV**"), in its capacity as the court-appointed receiver (in such capacity, the "**Receiver**") of all the assets, undertakings and properties (collectively, the "**Property**") of 3886727 Canada Inc., carrying on business as Holistic Blend (the "**Debtor**"). As you also know, KSV was appointed as the Receiver pursuant to the Order of the Honourable Madam Justice Chiappetta of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made June 12, 2019 (the "**Appointment Order**"), a copy of which is posted on the Receiver's website at <https://www.ksvadvisory.com/insolvency-cases/case/holistic-blend>.

Thank you for your letter dated October 9, 2019 and the enclosures thereto, which we are in the process of reviewing with our client.

In connection with our review, we note that one of the enclosures advises that O'Kat Co. Ltd. ("**O'Kat**") does business with both the Debtor and 902 (as defined in your letter). We would therefore ask, in accordance with your obligations and those of Ms. Pelczynski pursuant to paragraph 5 of the Appointment Order, that you please provide the Receiver with all Records (as defined in the Appointment Order) evidencing the business relationship between O'Kat and the Debtor, including, without limitation, copies of any agreements, invoices and transaction histories that may exist between O'Kat and the Debtor.

Yours truly,

AIRD & BERLIS LLP



Kyle Plunkett  
KP/jn

cc: *Noah Goldstein and Jonathan Joffe, KSV Kofman Inc.*  
cc: *Sam Rappos, Chaitons LLP*

# AIRD BERLIS

Kyle B. Plunkett  
Direct: 416.865.3406  
Email: kplunkett@airdberlis.com

October 16, 2019

## BY COURIER

### O'Kat Co. Ltd.

4F No. 110, Jianguo N. Rd.  
Sec. 2, Zhongshan Dist. 104  
Taipei City, Taiwan

### Attention: Nikita Chao

Dear Ms. Chao:

**Re: Court File No. CV-19-00620981-00CL / Bridging Income Fund LP, by its  
general partner SB Fund GP Inc. v. 3886727 Canada Inc., carrying on  
business as Holistic Blend**

---

We are the lawyers for KSV Kofman Inc. ("**KSV**"), in its capacity as the court-appointed receiver (in such capacity, the "**Receiver**") of all the assets, undertakings and properties (collectively, the "**Property**") of 3886727 Canada Inc., carrying on business as Holistic Blend (the "**Debtor**"). KSV was appointed as the Receiver pursuant to the Order of the Honourable Madam Justice Chiappetta of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made June 12, 2019 (the "**Appointment Order**"), a copy of which is enclosed (and which is also posted on the Receiver's website at <https://www.ksvadvisory.com/insolvency-cases/case/holistic-blend>).

We were forwarded a copy of your letter dated October 1, 2019, a copy of which is also enclosed. Your letter advises that O'Kat Co. Ltd. ("**O'Kat**") does business with the Debtor (in addition to 9022619 Canada Inc.).

Paragraph 5 of the Appointment Order requires all Persons (as defined in the Appointment Order to include you and O'Kat) to, amongst other things, 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 (whether in physical or electronic form, the "**Records**") and provide the Receiver with copies of such Records.


We would therefore ask, in accordance with your obligations and those of O'Kat pursuant to paragraph 5 of the Appointment Order, that you please provide the Receiver with all Records evidencing the business relationship between O'Kat and the Debtor, including, without limitation, copies of any agreements, invoices and transaction histories that may exist between O'Kat and the Debtor.

Your prompt attention to this matter is greatly appreciated.

Page 2

Yours truly,

AIRD & BERLIS LLP



Kyle Plunkett  
KP/jn  
Encls.

cc: *Noah Goldstein and Jonathan Joffe, KSV Kofman Inc.*

cc: *Sam Rappos, Chaitons LLP*

AIRD BERLIS

## **Appendix “H”**

**COURT FILE NO: CV-19-00620981-00CL**

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

**BRIDGING INCOME FUND LP,  
by its general partner SB FUND GP INC.**

**APPLICANT**

**- AND -**

**3886727 CANADA INC.,  
carrying on business as HOLISTIC BLEND**

**RESPONDENT**

**AND IN THE MATTER OF THE RECEIVERSHIP OF 3886727 CANADA INC.,  
CARRYING ON BUSINESS AS HOLISTIC BLEND**

**AFFIDAVIT OF NOAH GOLDSTEIN  
(Sworn December 18, 2019)**

I, Noah Goldstein, of the City of Toronto, in the Province of Ontario, MAKE OATH AND  
SAY:

1. I am a Vice President and Managing Director of KSV Kofman Inc. ("KSV").
2. Pursuant to an order (the "Receivership Order") of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on June 12, 2019 KSV was appointed as the receiver and manager ("Receiver") of 3886727 Canada Inc., c.o.b. as Holistic Blend.
3. I have been integrally involved in this mandate since the date of the Receivership Order. As such, I have knowledge of the matters to which I hereinafter depose.

4. On December 18, 2019, the Receiver finalized its First Report to Court in which it provided a summary of the Receiver's fees for the period from the commencement of the receivership to October 31, 2019.

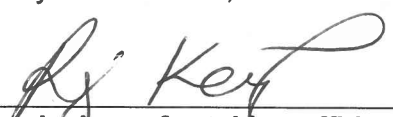
5. I hereby confirm that attached as Exhibit "A" hereto is a true copy of the account of KSV for the period indicated and confirm that this account accurately reflects the services provided by KSV in this matter and the fees and disbursements claimed by it.

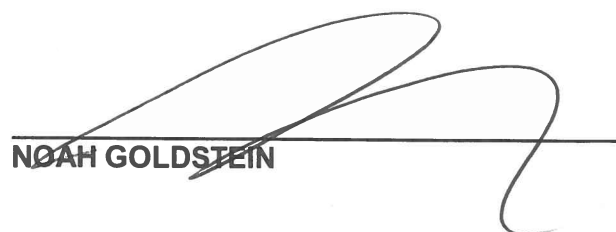
6. Additionally, attached hereto as Exhibit "B" is a summary of roles, hours and rates charged by members of KSV who have worked on this matter, and I hereby confirm that the list represents an accurate account of such information.

7. I consider the accounts to be fair and reasonable considering the circumstances connected with this matter.

8. I also confirm that the Receiver has not received, nor expects to receive, nor has the Receiver been promised any remuneration or consideration other than the amounts claimed in the accounts.

**SWORN BEFORE ME** at the City of  
Toronto, in the Province of Ontario, this  
18<sup>th</sup> day of December, 2019.

  
\_\_\_\_\_  
Commissioner for taking affidavits, etc.

  
\_\_\_\_\_  
NOAH GOLDSTEIN

Rajinder Kashyap, a Commissioner, etc.,  
Province of Ontario, for KSV Kofman Inc.  
Expires January 22, 2021.



THIS IS EXHIBIT "A" REFERRED TO IN THE  
AFFIDAVIT OF NOAH GOLDSTEIN  
SWORN BEFORE ME THIS 18<sup>th</sup> DAY OF DECEMBER, 2019



---

A Commissioner for taking Affidavits, etc.

Rajinder Kashyap, a Commissioner, etc.,  
Province of Ontario, for KSV Kofman Inc.  
Expires January 22, 2021.



**Noah Goldstein**

**ksv advisory inc.**

150 King Street West, Suite 2308

Toronto, Ontario, M5H 1J9

T +1 416 932 6207

F +1 416 932 6266

ksvadvisory.com

ngoldstein@ksvadvisory.com

---

## INVOICE

3886727 Canada Inc., carrying on business as Holistic Blend  
c/o KSV Kofman Inc.  
150 King Street West, Suite 2308  
Toronto, ON M5H 1J9

August 9, 2019

Invoice No: 1345

HST #: 818808768RT0001

**Re: 3886727 Canada Inc., carrying on business as Holistic Blend (the "Company")**

For professional services rendered by KSV Kofman Inc. ("KSV") in its capacity as Court-appointed receiver ("Receiver") of the Company for the period June 12, 2019 to July 31, 2019, including:

### Pre-Receivership Activities

- Corresponding with Chaitons LLP, counsel to Bridging Income Fund LP ("Bridging"), the Company's principal secured creditor, and Aird & Berlis LLP ("A&B"), the Receiver's legal counsel, concerning matters related to the receivership application;
- Reviewing and commenting on the receivership application materials, including the Affidavit of Brian Champ and the Receivership Order;
- Corresponding with Bridging and A&B regarding the status of the receivership application;
- Preparing a receivership action plan;
- Attending at the Company's premises on June 7, 2019 and providing Bridging with an update regarding same;
- Attending at Court on June 12, 2019 for the receivership application;

### General

- Opening a receivership bank account and paying post-filing expenses therefrom;
- Corresponding with Bank of Montreal ("BMO"), a secured creditor of the Company, regarding, inter alia, the Company's receivership proceedings and arranging for the transfer of funds from the Company's bank account to the receivership account;

- Corresponding with Debbie Pelczynski, the Company's principal, regarding, inter alia, the Company's books and records and information related to the Company;
- Reviewing and commenting on a letter prepared by A&B dated June 12, 2019 to Howard Manis, counsel to Ms. Pelczynski;
- Attending at the Company's premises on June 13, and 18, 2019 and meeting with Ms. Pelczynski and sending an email regarding same to Bridging;
- Reviewing and commenting on a letter prepared by A&B dated June 14, 2019 to Mr. Manis;
- Corresponding with Bridging and A&B regarding the Receiver's site visits to the Premises;
- Corresponding with Canada Revenue Agency ("CRA") regarding the status of these proceedings and the Company's payroll tax, excise tax and corporate tax accounts;
- Corresponding with CRA regarding arranging a payroll trust examination and meeting with CRA on July 23, 2019 regarding same;
- Corresponding with Ms. Pelczynski regarding the Company's payroll records;
- Preparing the Notice and Statement of the Receiver pursuant to Sections 245(1) of the Bankruptcy and Insolvency Act;
- Corresponding with Bridging regarding the Company's priority claims;
- Reviewing an End Use License Agreement and Trademark Assignment Agreement between the Company and 9022619 Canada Inc. regarding the Company's intellectual property;

#### **Sale Process**

- Preparing a draft teaser in relation to a sale process ("Sale Process") for the Company's business and assets (the "Assets");
- Corresponding extensively with BMO and Bridging regarding the Sale Process;
- Preparing an email dated July 22, 2019 to BMO and Bridging outlining the Sale Process;
- Preparing a Confidential Information Memorandum to be provided to parties participating in the Sale Process;
- Preparing a list of parties potentially interested in participating in the Sale Process;

- Preparing a notice regarding the Sale Process published in the Globe and Mail on August 1, 2019;
- Compiling information regarding the Company and preparing an electronic data room in relation to the Sale Process;
- Corresponding with parties interested in participating in the Sale Process;

#### **Wage Earner Protection Program**

- Administering the Wage Earner Protection Program ("WEPP") with Service Canada to address amounts owing to the Company's former employees;
- Corresponding with the Company's former employees regarding WEPP;
- Corresponding with the Company's former accountants regarding the Company's books and records;

#### **Other**

- Corresponding with creditors;
- Convening internal meetings; and
- Dealing with all other matters not otherwise referred to herein.

Total fees and disbursements per attached time summary	\$ 26,068.53
HST	<u>3,388.91</u>
Total	<u><u>\$ 29,457.44</u></u>

KSV Kofman Inc.  
3886727 Canada Inc., carrying on business as Holistic Blend

**Time Summary**

For the period June 12, 2019 to July 31, 2019

<b>Personnel</b>	<b>Role</b>	<b>Rate (\$)</b>	<b>Hours</b>	<b>Amount (\$)</b>
Noah Goldstein	Overall responsibility	575	3.00	1,725.00
Jonathan Joffe	All aspects of mandate	475	47.20	22,420.00
Simon Thean	Banking/payment processing/cash management function	200	1.50	300.00
Other Staff and Administration				1,187.50
Subtotal - fees				25,632.50
Out-of-pocket disbursements				
Software license fees				275.00
Travel				115.17
Postage and photocopies				45.86
Subtotal - disbursements				436.03
Total Fees and Disbursements				26,068.53



**Noah Goldstein**

**ksv advisory inc.**

150 King Street West, Suite 2308

Toronto, Ontario, M5H 1J9

T +1 416 932 6207

F +1 416 932 6266

ksvadvisory.com

ngoldstein@ksvadvisory.com

---

## INVOICE

3886727 Canada Inc., carrying on business as Holistic Blend  
c/o KSV Kofman Inc.  
150 King Street West, Suite 2308  
Toronto, ON M5H 1J9

September 24, 2019

Invoice No: 1398

HST #: 818808768RT0001

**Re: 3886727 Canada Inc., carrying on business as Holistic Blend (the “Company”)**

For professional services rendered by KSV Kofman Inc. (“KSV”) in its capacity as Court-appointed receiver (“Receiver”) of the Company during August 2019, including:

### General

- Corresponding with Chaitons LLP, counsel to Bridging Income Fund LP (“Bridging”), the Company’s principal secured creditor, and Aird & Berlis LLP (“A&B”), the Receiver’s legal counsel, concerning matters related to the receivership;
- Corresponding with Bank of Montreal (“BMO”), a secured creditor of the Company, regarding, *inter alia*, the Company’s receivership proceedings;
- Corresponding with Debbie Pelczynski, the Company’s principal, regarding, *inter alia*, the Company’s books and records and information related to the Company;
- Corresponding with Canada Revenue Agency (“CRA”) regarding the status of these proceedings and the Company’s payroll tax, excise tax and corporate tax accounts;
- Corresponding with CRA regarding a payroll trust examination;
- Corresponding with Ms. Pelczynski regarding the Company’s payroll records;
- Corresponding with Bridging regarding the Company’s priority claims;
- Reviewing a draft assignment agreement (the “Assignment Agreement”) between Ms. Pelczynski, Bridging and the Receiver in respect of the Company’s intellectual property (“IP”);

- Reviewing the Company's payroll records and preparing draft T4's for the Company's former employees;

#### **Sale Process**

- Circulating a teaser in relation to a sale process ("Sale Process") for the Company's business and assets (the "Assets") to prospective purchasers;
- Arranging for a copy of the teaser to be posted to the Receiver's website;
- Corresponding with BMO and Bridging regarding the Sale Process;
- Corresponding with parties interested in participating in the Sale Process;
- Arranging for the publication of a notice regarding the Sale Process in the Globe and Mail on August 1, 2019;
- Compiling information regarding the Company and preparing an electronic data room in relation to the Sale Process;
- Reviewing non-disclosure agreements ("NDA") returned by parties interested in participating in the Sale Process and arranging access to the electronic data room;
- Corresponding with the parties that returned NDA's regarding the Assignment Agreement and the status of the Company's IP;

#### **Wage Earner Protection Program**

- Administering the Wage Earner Protection Program ("WEPP") with Service Canada to address amounts owing to the Company's former employees;
- Corresponding with the Company's former employees regarding WEPP;
- Corresponding with Service Canada regarding WEPP;
- Corresponding with the Company's former accountants regarding the Company's books and records;

#### **Other**

- Drafting a report to Court in respect of, *inter alia*, the Sale Process;
- Preparing monthly bank reconciliations in relation to the receivership trust account;
- Corresponding with creditors;
- Convening internal meetings; and
- Dealing with all other matters not otherwise referred to herein.

Total fees and disbursements per attached time summary	\$ 13,580.49
HST	<u>1,765.46</u>
Total	<u>\$ 15,345.95</u>



KSV Kofman Inc.  
3886727 Canada Inc., carrying on business as Holistic Blend

**Time Summary**

For the period August 1, 2019 to August 31, 2019

Personnel	Role	Rate (\$)	Hours	Amount (\$)
Noah Goldstein	Overall responsibility	575	2.45	1,408.75
Jonathan Joffe	All aspects of mandate	475	25.20	11,970.00
Other Staff and Administration				200.00
Subtotal - fees				13,578.75
Out-of-pocket disbursements (postage)				1.74
Total Fees and Disbursements				13,580.49



**Noah Goldstein**

**kvs advisory inc.**

150 King Street West, Suite 2308

Toronto, Ontario, M5H 1J9

T +1 416 932 6207

F +1 416 932 6266

kvsadvisory.com

ngoldstein@kvsadvisory.com

---

## INVOICE

3886727 Canada Inc., carrying on business as Holistic Blend  
c/o KSV Kofman Inc.  
150 King Street West, Suite 2308  
Toronto, ON M5H 1J9

November 8, 2019

Invoice No: 1467

HST #: 818808768RT0001

**Re: 3886727 Canada Inc., carrying on business as Holistic Blend (the “Company”)**

For professional services rendered by KSV Kofman Inc. (“KSV”) in its capacity as Court-appointed receiver (“Receiver”) of the Company during the period September 1, 2019 to October 31, 2019, including:

- Corresponding with Chaitons LLP, counsel to Bridging Income Fund LP, the Company’s principal secured creditor, and Aird & Berlis LLP, the Receiver’s legal counsel, concerning matters related to the receivership;
- Corresponding with Bank of Montreal, a secured creditor of the Company, regarding, *inter alia*, the Company’s receivership proceedings;
- Corresponding with Canada Revenue Agency (“CRA”) regarding the status of these proceedings and the Company’s payroll tax, excise tax and corporate tax accounts;
- Corresponding with CRA regarding a payroll trust examination;
- Attending a meeting on September 5, 2019 with CRA regarding the payroll trust examination;
- Administering the Wage Earner Protection Program (“WEPP”) with Service Canada to address amounts owing to the Company’s former employees;
- Corresponding with the Company’s former employees regarding WEPP;
- Corresponding with Service Canada regarding WEPP;
- Reviewing a letter dated October 9, 2019 (the “October 9<sup>th</sup> Letter”) from Spark LPP (“Spark”), counsel to 9022619 Canada Inc. (an affiliate of the Company), regarding, *inter alia*, a misdirected payment from O’Kat Co Ltd (the “O’Kat Payment”);

- Corresponding with A&B regarding the October 9<sup>th</sup> Letter;
- Reviewing and commenting on a letter dated October 16, 2019 drafted by A&B and addressed to Spark in response to the October 9<sup>th</sup> Letter;
- Reviewing and commenting on a letter dated October 16, 2019 drafted by A&B and addressed to O’Kat Co Ltd regarding the O’Kat Payment;
- Reviewing motion materials served by Spark LLP on October 21, 2019 (the “Motion Materials”);
- Corresponding with A&B regarding the Motion Materials;
- Preparing monthly bank reconciliations in relation to the receivership trust account;
- Corresponding with creditors;
- Convening internal meetings; and
- Dealing with all other matters not otherwise referred to herein.

Total fees and disbursements per attached time summary	\$ 3,822.50
HST	<u>496.93</u>
Total	<u><u>\$ 4,319.43</u></u>

KSV Kofman Inc.  
3886727 Canada Inc., carrying on business as Holistic Blend

**Time Summary**

For the period September 1, 2019 to October 31, 2019

<b>Personnel</b>	<b>Role</b>	<b>Rate (\$)</b>	<b>Hours</b>	<b>Amount (\$)</b>
Noah Goldstein	Overall responsibility	575	1.00	575.00
Jonathan Joffe	All aspects of mandate	475	6.60	3,135.00
Other Staff and Administration				112.50
Subtotal - fees				3,822.50
Out-of-pocket disbursements				-
Total Fees and Disbursements				3,822.50

THIS IS EXHIBIT "B" REFERRED TO IN THE  
AFFIDAVIT OF NOAH GOLDSTEIN  
SWORN BEFORE ME THIS 18<sup>th</sup> DAY OF DECEMBER, 2019

A handwritten signature in black ink, appearing to read 'Raj Kashyap', is written over a horizontal line.

A Commissioner for taking Affidavits, etc.

Rajinder Kashyap, a Commissioner, etc.,  
Province of Ontario, for KSV Kofman Inc.  
Expires January 22, 2021.

3886727 Canada Inc., c.o.b. as Holistic Blend  
**Schedule of Professionals' Time and Rates**  
For the Period ending October 31, 2019

---

Personnel	Title	Duties	Hours	Billing Rate (\$ per hour)	Amount (\$)
Noah Goldstein	Managing Director	Overall responsibility	6.45	575	3,708.75
Jonathan Joffe	Senior Manager	All aspects of mandate	79.00	475	37,525.00
Other staff and administrative			11.55	125-200	1,800.00
Total fees					<u>43,033.75</u>
Total hours					97.00
Average hourly rate					\$ 443.65

## **Appendix “I”**

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

**B E T W E E N :**

**BRIDGING INCOME FUND LP,  
by its general partner SB FUND GP INC.**

Applicant

- and -

**3886727 CANADA INC.,  
carrying on business as Holistic Blend**

Respondent

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

**AFFIDAVIT OF KYLE PLUNKETT**  
(Sworn December 16, 2019)

I, **KYLE PLUNKETT**, of the City of Toronto, in the Province of Ontario, MAKE  
OATH AND SAY AS FOLLOWS:

1. I am a partner at Aird & Berlis LLP and, as such, I have knowledge of the matters to which I hereinafter depose. Aird & Berlis LLP has acted as counsel for KSV Kofman Inc. (“KSV”), in its capacity as Court appointed Receiver and continues to do so.
2. Aird & Berlis LLP has prepared Statements of Account in connection with its mandate as counsel to KSV, namely,



(a) an account dated July 31, 2019 in the amount of \$19,341.36 in respect of the period from May 18, 2019 to July 24, 2019. Attached hereto and marked as **Exhibit "A"** to this my affidavit is a copy of the Statement of Account. The average hourly rate of Aird & Berlis LLP is \$450.13.

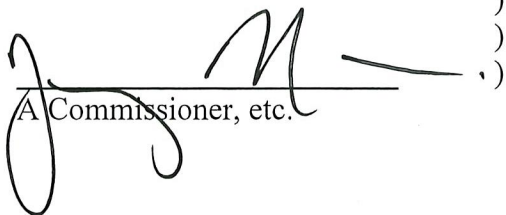
(b) an account dated August 27, 2019 in the amount of \$3,752.17 in respect of the period from August 16, 2019 to August 23, 2019. Attached hereto and marked as **Exhibit "B"** to this my affidavit is a copy of the Statement of Account. The average hourly rate of Aird & Berlis LLP is \$474.36.

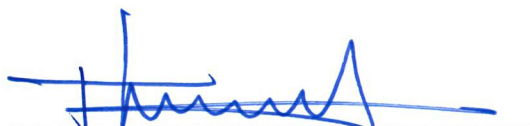
(c) an account dated September 27, 2019 in the amount of \$2,376.96 in respect of the period from August 28, 2019 to September 24, 2019. Attached hereto and marked as **Exhibit "C"** to this my affidavit is a copy of the Statement of Account. The average hourly rate of Aird & Berlis LLP is \$429.29.

(d) an account dated November 27, 2019 in the amount of \$7,117.18 in respect of the period from September 27, 2019 to October 30, 2019. Attached hereto and marked as **Exhibit "D"** to this my affidavit is a copy of the Statement of Account. The average hourly rate of Aird & Berlis LLP is \$427.68.

3. This Affidavit is made in support of a motion to, *inter alia*, approve the attached account of Aird & Berlis LLP and the fees and disbursements detailed therein and for no improper purpose.

SWORN before me at the City of )  
Toronto, in the Province of Ontario, )  
this 16<sup>th</sup> day of December, 2019 )

  
A Commissioner, etc. )

  
KYLE PLUNKETT

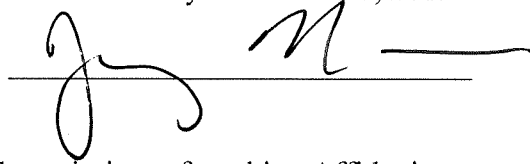
Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF KYLE PLUNKETT

Sworn before me

This 16<sup>th</sup> day of December, 2019

A handwritten signature in black ink, appearing to be "J. M.", is written over a horizontal line.

Commissioner for taking Affidavits, etc

*SERONY NOME*

IN ACCOUNT WITH:

**AIRD BERLIS**

Brookfield Place, 181 Bay Street, Suite 1800  
Toronto, Ontario, Canada M5J 2T9  
T 416.863.1500 F 416.863.1515  
airdberlis.com

KSV Advisory Inc.  
2308-150 King Street West  
Box 42  
Toronto, ON  
M5H 1J9

Attention: Mr. Noah Goldstein

**Account No.: 641325**

PLEASE WRITE ACCOUNT NUMBERS  
ON THE BACK OF ALL CHEQUES

File No.: 41611/151241

July 31, 2019

**Re: 3886727 Canada Inc. o/a Holistic Blend**

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended July 31, 2019

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
KBP	18/05/19	\$475.00	0.30	\$142.50	Review and respond to client emails regarding status of new matter and terms of receivership; attend call with N. Goldstein.
KBP	22/05/19	\$475.00	0.30	\$142.50	Review and respond to emails from N. Goldstein regarding new receivership; Review and consider emails from applicant
KBP	23/05/19	\$475.00	0.30	\$142.50	Attend calls with N. Goldstein to discuss new mandate and demand letters; Review and consider information delivered to date
KBP	29/05/19	\$475.00	1.20	\$570.00	Review and provide comments on draft appointment order; review and consider application materials; attend call with N. Goldstein to discuss same; email exchange with S. Rappos regarding same.
KBP	30/05/19	\$475.00	0.50	\$237.50	Review and consider application record issued and file; discuss same with N. Goldstein

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
JTN	07/06/19	\$395.00	0.10	\$39.50	Receive instruction from K. Plunkett re next Wednesday's court attendance
JTN	10/06/19	\$395.00	0.50	\$197.50	Engaged with review of application record in preparation for Wednesday's court attendance; Discussion with K. Plunkett re same; Attend to related matters as needed
KBP	10/06/19	\$475.00	1.10	\$522.50	Draft and revise receiver's indemnity; various email exchanges with N. Goldstein; review and consider email correspondence from applicant's counsel and borrower's counsel; attend calls with N. Goldstein to discuss application and updates on premises.
JTN	11/06/19	\$395.00	0.20	\$79.00	Prepare for tomorrow's court attendance; Receipt and review of email from H. Manis re same
KBP	11/06/19	\$475.00	0.30	\$142.50	Review and consider revisions to indemnity; discuss same with N. Goldstein.
JTN	12/06/19	\$395.00	2.80	\$1,106.00	Prepare for and attend at court; Attend to related tasks; Receipt and review of email from client re access to premises and concerns re inventory; Email exchanges with client re same; Engaged with drafting of and revisions to letter to H. Manis re today's developments
KBP	12/06/19	\$475.00	2.00	\$950.00	Review and consider various email exchanges with H. Manis and client; review and consider materials; review and consider draft letter to debtor and principal; attend call with N. Goldstein to discuss same; finalize and send letter to H. Manis.
JTN	13/06/19	\$395.00	0.20	\$79.00	Receipt and review of email from H. Manis; Receipt and review of email from debtor's principal; Consider same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
KBP	13/06/19	\$475.00	0.90	\$427.50	Review and provide comments on draft letter to H. Manis; review and consider various emails from N. Goldstein regarding status and premises/inventory; attend call with N. Goldstein.
JTN	14/06/19	\$395.00	1.80	\$711.00	Engaged with drafting of follow-up letter to H. Manis; Discussion with K. Plunkett re same; Email exchanges with client re same; Engaged with high-level review of trademark and license-related materials provided by H. Manis and L. Temidire; Email exchange with N. Goldstein re same
KBP	14/06/19	\$475.00	1.20	\$570.00	Attend various calls with N. Goldstein to discuss next steps and property issues; provide instructions to J. Nemers; review and provide comments on draft letter; attend call with H. Manis; review and consider emails and licensing agreement and trademark agreement; email exchange with N. Goldstein regarding same.
JTN	17/06/19	\$395.00	0.20	\$79.00	Discussion with K. Plunkett re next steps
KBP	17/06/19	\$475.00	0.30	\$142.50	Review and consider emails from client team regarding updates and premises; emails to H. Manis.
DRE	18/06/19	\$850.00	0.20	\$170.00	Meeting with K. Plunkett re outstanding issues
JEM	18/06/19	\$215.00	0.10	\$21.50	Order, review and report on PPSA searches against 9022619 Canada Inc. and Holistic Blend
JTN	18/06/19	\$395.00	0.80	\$316.00	Email exchanges with H. Manis; Discussions with K. Plunkett re next steps; Attend on conference call re same with N. Goldstein, J. Joffe and K. Plunkett
KBP	18/06/19	\$475.00	1.60	\$760.00	Review and loan documents in preparation for call with Bridging team; attend various calls with client team to discuss site visits and

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					inventory of assets; consider recovery options.
DRE	19/06/19	\$850.00	0.20	\$170.00	Review application record; Meeting with K. Plunkett
JEM	19/06/19	\$215.00	0.10	\$21.50	Review and report on certified PPSA searches
JTN	19/06/19	\$395.00	0.10	\$39.50	Receipt and review of voicemail re potential purchaser
KBP	19/06/19	\$475.00	1.10	\$522.50	Review and prepare for call with Bridging; review and respond to emails from N. Goldstein; email exchange with S. Rappos.
DRE	20/06/19	\$850.00	0.60	\$510.00	Letter to N. Goldstein; Meeting with K. Plunkett; Review documents
JTN	20/06/19	\$395.00	0.20	\$79.00	Email exchanges with N. Goldstein, J. Joffe, K. Plunkett and R. English re license-related issues
KBP	20/06/19	\$475.00	0.90	\$427.50	Review and respond to various emails from N. Goldstein; review and consider credit documents; provide instructions to R. English.
DRE	21/06/19	\$850.00	0.20	\$170.00	Update N. Goldstein
KBP	21/06/19	\$475.00	0.30	\$142.50	Review and respond to emails from N. Goldstein regarding financial statements; attend call with client discuss options.
KBP	24/06/19	\$475.00	0.30	\$142.50	Review and respond to email from N. Goldstein regarding updates;
JTN	25/06/19	\$395.00	0.50	\$197.50	Receipt and review of emails from S. Rappos, M. Aquilina and N. Goldstein re Wepet International Holdings Limited, Happypaws International Limited and United Fountain Investment Limited; Receipt and high-level review of statement of claim re same; Discussion with K. Plunkett re status update

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
KBP	25/06/19	\$475.00	0.70	\$332.50	Review and respond to emails from N. Goldstein regarding updates and engagement; attend calls with N. Goldstein to discuss strategy on realization of assets.
JTN	26/06/19	\$395.00	0.10	\$39.50	Receipt and review of email from M. Aquilina re status
KBP	26/06/19	\$475.00	0.70	\$332.50	Review and respond to emails from N. Goldstein regarding proposed sale process and credit offer; review and consider email from S. Rappos; review IP License Agreement.
SRM	27/06/19	\$370.00	0.40	\$148.00	Order, review and report on profiles, limited partnership report and PPSA search
JTN	27/06/19	\$395.00	0.90	\$355.50	Receipt and review of email from N. Goldstein re security opinion and related matters; Email to K. Plunkett re same; Engaged with security review re Bridging
JTN	28/06/19	\$395.00	3.70	\$1,461.50	Engaged with drafting of agreement of purchase and sale; Discussion with K. Plunkett re same and related matters; Engaged with drafting of notice of motion; Engaged with drafting of discharge order; Engaged with drafting of AVO
KBP	28/06/19	\$475.00	1.10	\$522.50	Attend call with N. Goldstein regarding instructions to prepare sale documents; attend call with S. Rappos regarding proposed terms of credit bit; attend call with M. Aquilina;
SRM	02/07/19	\$370.00	0.20	\$74.00	Review certified PPSA search and report on same
JTN	02/07/19	\$395.00	0.30	\$118.50	Discussion with K. Plunkett re status and next steps; Arrange for court date with court office; Attend to related tasks as needed
KBP	02/07/19	\$475.00	0.80	\$380.00	Review and revise APA form; email exchange with client.



LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
JTN	03/07/19	\$395.00	1.10	\$434.50	Engaged with review of comments to APS from N. Goldstein and J. Joffe; Email exchanges with K. Plunkett and client re same; Engaged with revisions to APS; Email to S. Rappos re same
JTN	04/07/19	\$395.00	0.30	\$118.50	Discussion with K. Plunkett; Receipt and review of emails from S. Rappos and M. Aquilina
KBP	04/07/19	\$475.00	0.60	\$285.00	Review and consider emails from M. Aquilina and S. Rappos; email to S. Rappos; email exchange with N. Goldstein; review and provide comments on draft APA; review motion materials.
JTN	05/07/19	\$395.00	0.10	\$39.50	Email exchange with K. Plunkett re security review re Bridging
KBP	05/07/19	\$475.00	0.40	\$190.00	Review and provide sign off on security opinion; email exchange with N. Goldstein regarding same.
JTN	08/07/19	\$395.00	0.10	\$39.50	Receipt and review of emails from S. Rappos and N. Goldstein
KBP	08/07/19	\$475.00	0.30	\$142.50	Review and respond to email from S. Rappos regarding approval motion and APA; email exchange with client regarding same.
JTN	10/07/19	\$395.00	0.10	\$39.50	Discussion with K. Plunkett re status
JTN	15/07/19	\$395.00	0.10	\$39.50	Discussion with K. Plunkett re status
JTN	16/07/19	\$395.00	0.10	\$39.50	Discussion with K. Plunkett re status
JTN	19/07/19	\$395.00	0.10	\$39.50	Receipt and review of emails from S. Rappos
KBP	19/07/19	\$475.00	0.30	\$142.50	Email exchange with S. Rappos to discuss update and APA.
JTN	22/07/19	\$395.00	0.10	\$39.50	Receipt and review of email instructions from N. Goldstein and K. Plunkett re next steps

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
KBP	22/07/19	\$475.00	0.50	\$237.50	Review and provide comments on draft email to Bridging and BMO regarding proposed sale process.
KBP	23/07/19	\$475.00	0.20	\$95.00	Review and respond to email from N. Goldstein regarding teaser.
JTN	24/07/19	\$395.00	1.40	\$553.00	Discussion with K. Plunkett; Engaged with revisions to draft APS; Engaged with drafting of template confidentiality agreement; Engaged with review of and revisions to client confidentiality agreement; Engaged with review of and revisions to client teaser; Email exchanges with K. Plunkett re same
KBP	24/07/19	\$475.00	1.60	\$760.00	Provide comments on draft teaser; provide comments on draft NDA; email exchange with the client team.
<b>TOTAL:</b>			37.70	\$16,970.50	

Name	Hours	Rate	Value
Kyle B. Plunkett (KBP)	19.80	\$475.00	\$9,405.00
Jeremy T. Nemers (JTN)	15.90	\$395.00	\$6,280.50
D. R. English (DRE)	1.20	\$850.00	\$1,020.00
Jenaya E. McLean (JEM)	0.20	\$215.00	\$43.00
Shannon R. Morris (SRM)	0.60	\$370.00	\$222.00

<b>OUR FEE</b>	\$16,970.50
HST at 13%	\$2,206.17

#### DISBURSEMENTS

#### COST INCURRED ON YOUR BEHALF AS AN AGENT

Search Under P.P.S.A.	\$16.00
Due Diligence-Gov Fee	\$8.00

Total Agency Costs	\$24.00
--------------------	---------

**Subject to HST**

Photocopies - Local	\$99.00
Imaging/Scanning	\$1.50
Service Provider Fee	\$9.00
Name Search	\$15.00

Total Disbursements	\$124.50
HST at 13%	\$16.19

**AMOUNT NOW DUE**

---

---

**\$19,341.36**

THIS IS OUR ACCOUNT HEREIN  
Aird & Berlis LLP



Ian E Aversa

E.&O.E.

**PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT**

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.5% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.

36878964.1

**KSV Kofman Inc.**

In its capacity as Receiver

*July 31, 2019 Account 641325*

<b>Lawyer</b>	<b>Call to Bar</b>	<b>2019 average/hr</b>	<b>Total Time</b>	<b>Value</b>
D. Robb English	1980	\$850.00	1.20	\$1,020.00
Kyle B. Plunkett	2011	\$475.00	19.80	\$9,405.00
Jeremy T. Nemers	2014	\$395.00	15.90	\$6,280.50
<b>Banking Clerk</b>				
Shannon Morris		\$370.00	0.60	\$222.00
Jenaya E. McLean		\$215.00	0.20	\$43.00

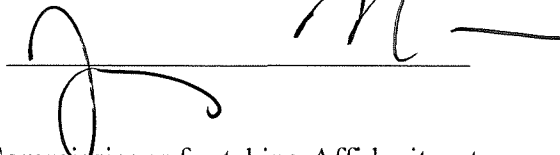
Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF KYLE PLUNKETT

Sworn before me

This 16<sup>th</sup> day of December, 2019

A handwritten signature in black ink, appearing to be "J. M. ...", written over a horizontal line.

Commissioner for taking Affidavits, etc

*Jerome N. ...*

IN ACCOUNT WITH:

**AIRD BERLIS**

Brookfield Place, 181 Bay Street, Suite 1800  
Toronto, Ontario, Canada M5J 2T9  
T 416.863.1500 F 416.863.1515  
airdberlis.com

KSV Advisory Inc.  
2308-150 King Street West  
Box 42  
Toronto, ON  
M5H 1J9

Attention: Mr. Noah Goldstein

**Account No.: 643471**

PLEASE WRITE ACCOUNT NUMBERS  
ON THE BACK OF ALL CHEQUES

File No.: 41611/151241

August 27, 2019

**Re: 3886727 Canada Inc. o/a Holistic Blend**

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended August 25, 2019

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DRE	16/08/19	\$850.00	0.10	\$85.00	Review exchange re TM assignment
JTN	16/08/19	\$395.00	0.20	\$79.00	Email exchanges with K. Plunkett re draft settlement and associated matters
JTN	17/08/19	\$395.00	0.10	\$39.50	Email exchange with K. Plunkett re court date
JTN	19/08/19	\$395.00	0.70	\$276.50	Arrange for hearing date with Court; Discussion with K. Plunkett re same; Email exchanges with S. Rappos and N. Goldstein; Receipt and review of proposed revisions to APS; Attend to related tasks as needed
KBP	19/08/19	\$475.00	2.00	\$950.00	Review and respond to emails from client team regarding sale of assets; review and consider draft assignment of trademarks; review and consider mark-up of draft APA; discuss same with client and J. Nemers.
JTN	20/08/19	\$395.00	0.20	\$79.00	Receipt and review of email from N. Goldstein; Discussion with K.

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					Plunkett re same and next steps
KBP	20/08/19	\$475.00	1.00	\$475.00	Email exchange with client team regarding updates on draft APA; review and respond to emails from S. Rappos; revise Assignment of TM; email exchange with J. Nemers regarding same and motion materials.
TH	22/08/19	\$650.00	0.40	\$260.00	Call with K. Plunkett re. trademark assignment and licensing issues; reviewed status of trademarks on CIPO website; revised trademark assignment; email to K. Plunkett re. same
KBP	22/08/19	\$475.00	1.10	\$522.50	Review and provide comments on draft assignment agreement; email exchanges with S. Rappos; email exchanges with client team regarding APA; review and consider emails from J. Rosekat.
JTN	23/08/19	\$395.00	0.20	\$79.00	Receipt and review of emails from J. Rosekat, S. Rappos and client re status and related matters; Consider same
KBP	23/08/19	\$475.00	1.00	\$475.00	Review and consider emails from J. Rosekat regarding TM assignment; review and consider updates from client regarding settlement discussions; provide comments on APA.
<b>TOTAL:</b>			7.00	\$3,320.50	

Name	Hours	Rate	Value
D. R. English (DRE)	0.10	\$850.00	\$85.00
Jeremy T. Nemers (JTN)	1.40	\$395.00	\$553.00
Kyle B. Plunkett (KBP)	5.10	\$475.00	\$2,422.50
Trent Horne (TH)	0.40	\$650.00	\$260.00

<b>OUR FEE</b>	\$3,320.50
HST at 13%	\$431.67

AMOUNT NOW DUE

\$3,752.17

THIS IS OUR ACCOUNT HEREIN  
Aird & Berlis LLP



Ian E Aversa

E.&O.E.

**PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT**

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.5% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.

37078642.1



**KSV Kofman Inc.**

In its capacity as Receiver

*August 27, 2019 Account 643471*

<b>Lawyer</b>	<b>Call to Bar</b>	<b>2019 average/hr</b>	<b>Total Time</b>	<b>Value</b>
D. Robb English	1980	\$850.00	0.10	\$85.00
Kyle B. Plunkett	2011	\$475.00	5.10	\$2,422.50
Jeremy T. Nemers	2014	\$395.00	1.40	\$553.00
Trent Horne	1997	\$650.00	0.40	\$260.00

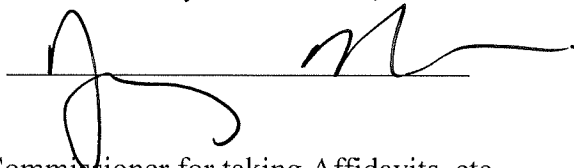
Attached is Exhibit "C"

Referred to in the

AFFIDAVIT OF KYLE PLUNKETT

Sworn before me

This 16<sup>th</sup> day of December, 2019

A handwritten signature in black ink, consisting of a large, stylized 'J' or 'G' shape followed by a horizontal line and a small flourish.

Commissioner for taking Affidavits, etc

*Jerome Nemens*

IN ACCOUNT WITH:

**AIRD BERLIS**

Brookfield Place, 181 Bay Street, Suite 1800  
Toronto, Ontario, Canada M5J 2T9  
T 416.863.1500 F 416.863.1515  
airdberlis.com

KSV Advisory Inc.  
2308-150 King Street West  
Box 42  
Toronto, ON  
M5H 1J9

Attention: Mr. Noah Goldstein

**Account No.: 646600**

PLEASE WRITE ACCOUNT NUMBERS  
ON THE BACK OF ALL CHEQUES

File No.: 41611/151241

September 27, 2019

**Re: 3886727 Canada Inc. o/a Holistic Blend**

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended September 24, 2019

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
JTN	28/08/19	\$395.00	0.10	\$39.50	Discussion with K. Plunkett re status update and next steps
JTN	05/09/19	\$395.00	0.30	\$118.50	Discussion with K. Plunkett; Email exchanges with client; Email exchange with court re release of court date; Attend to related matters
KBP	05/09/19	\$475.00	0.30	\$142.50	Email exchanges with N. Goldstein regarding updates and upcoming motion date; email court to release date.
JTN	09/09/19	\$395.00	0.20	\$79.00	Receipt and review of assignment of intellectual property agreement and settlement agreement; Email exchange with K. Plunkett re same
JTN	10/09/19	\$395.00	0.20	\$79.00	Receipt and review of email updates from S. Rappos re status; Discussion with K. Plunkett re same and next steps
KBP	10/09/19	\$475.00	0.40	\$190.00	Review and consider email exchange with S. Rappos and J. Rosekat; email exchange with client regarding finalizing APA.

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
JTN	12/09/19	\$395.00	0.10	\$39.50	Receipt and review of letter from S. Rappos
KBP	12/09/19	\$475.00	0.40	\$190.00	Review and consider letter from Chaitons to debtor principal regarding settlement breakdown; email exchange with N. Goldstein regarding same.
JTN	13/09/19	\$395.00	0.30	\$118.50	Discussion with K. Plunkett re letter received from S. Rappos; Engaged with high-level review of trademark-related agreements on file
JTN	17/09/19	\$395.00	0.10	\$39.50	Email exchange with S. Rappos; Discussion with K. Plunkett
JTN	18/09/19	\$395.00	0.20	\$79.00	Receipt and review of emails from S. Rappos; Discussion with K. Plunkett re same
KBP	18/09/19	\$475.00	0.40	\$190.00	Various email exchanges with S. Rappos and counsel to Principal of debtor regarding motion; email exchange with N. Goldstein regarding same.
JTN	19/09/19	\$395.00	0.10	\$39.50	Email exchanges with S. Rappos and court office
KBP	19/09/19	\$475.00	0.60	\$285.00	Review and respond to various emails from S. Rappos regarding scheduling motion and attack on IP transfer; Email exchange with client regarding same
JTN	23/09/19	\$395.00	0.10	\$39.50	Email exchanges with working group re tomorrow's court attendance
JTN	24/09/19	\$395.00	1.10	\$434.50	Prepare for and attend at Court; Email to client re outcome re same
<b>TOTAL:</b>			4.90	\$2,103.50	

Name	Hours	Rate	Value
Jeremy T. Nemers (JTN)	2.80	\$395.00	\$1,106.00
Kyle B. Plunkett (KBP)	2.10	\$475.00	\$997.50

OUR FEE  
HST at 13%

\$2,103.50  
\$273.46

AMOUNT NOW DUE

---

**\$2,376.96**

---

THIS IS OUR ACCOUNT HEREIN  
Aird & Berlis LLP



Ian E Aversa

E.&O.E.

**PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT**

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.5% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.

37384996.1

**KSV Kofman Inc.**

In its capacity as Receiver

*September 27, 2019 Account 646600*

Lawyer	Call to Bar	2019 average/hr	Total Time	Value
Kyle B. Plunkett	2011	\$475.00	2.10	\$997.50
Jeremy T. Nemers	2014	\$395.00	2.80	\$1,106.00

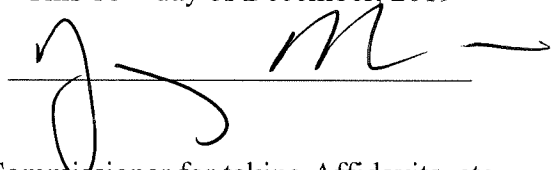
Attached is Exhibit "D"

Referred to in the

AFFIDAVIT OF KYLE PLUNKETT

Sworn before me

This 16<sup>th</sup> day of December, 2019

A handwritten signature in black ink, appearing to be "J. M.", written over a horizontal line.

Commissioner for taking Affidavits, etc

*Serena Nomeny*

IN ACCOUNT WITH:

**AIRD BERLIS**

Brookfield Place, 181 Bay Street, Suite 1800  
Toronto, Ontario, Canada M5J 2T9  
T 416.863.1500 F 416.863.1515  
airdberlis.com

KSV Advisory Inc.  
2308-150 King Street West  
Box 42  
Toronto, ON  
M5H 1J9

Attention: Mr. Noah Goldstein

**Account No.: 653200**

PLEASE WRITE ACCOUNT NUMBERS  
ON THE BACK OF ALL CHEQUES

File No.: 41611/151241

November 27, 2019

**Re: 3886727 Canada Inc. o/a Holistic Blend**

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended November 25, 2019

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
JTN	27/09/19	\$395.00	0.90	\$355.50	Receipt and review of letter from J. Rosekat; Email exchanges with client and K. Plunkett re same; Telephone call with K. Plunkett re same; Engaged with drafting of responding letter; Attend to related tasks as needed
KBP	27/09/19	\$475.00	0.90	\$427.50	Review and consider letter from J. Rosekat; email exchange with client regarding same; review and consider draft response letter
JTN	04/10/19	\$395.00	0.10	\$39.50	Email exchanges with S. Rappos, L. Temidire and N. Goldstein
JTN	05/10/19	\$395.00	0.10	\$39.50	Receipt and review of emails from S. Rappos and N. Goldstein
JTN	06/10/19	\$395.00	0.10	\$39.50	Email exchanges with working group
JTN	07/10/19	\$395.00	0.40	\$158.00	Receipt and review of email from S. Rappos; Receipt and review of applicant's motion record; Consider same
KBP	07/10/19	\$475.00	1.10	\$522.50	Review and consider motion record



LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					of Bridging; review and consider emails from applicant regarding IP and formulas; email exchange with client regarding same.
JTN	21/11/19	\$395.00	3.60	\$1,422.00	Engaged with drafting of notice of motion and investigations re certain associated evidence; Engaged with drafting of Order
KBP	21/11/19	\$475.00	1.10	\$522.50	Attend call with client to discuss updates; review and consider draft notice of cross motion.
KBP	22/11/19	\$475.00	0.40	\$190.00	Discuss draft notice of motion with J. Nemers and provide comments; email exchange with client team regarding same.
JTN	22/11/19	\$395.00	0.30	\$118.50	Discussion with K. Plunkett re notice of cross-motion; Engaged with minor revisions to same; Email exchange with client re same and draft Order
JTN	09/10/19	\$395.00	0.30	\$118.50	Receipt and review of letter from J. Rosekat and attachments thereto; Consider possible approaches re same
KBP	09/10/19	\$475.00	0.30	\$142.50	Review and consider letter from J. Rosekat; email to client regarding same.
JTN	10/10/19	\$395.00	0.30	\$118.50	Discussion with K. Plunkett re letter from J. Rosekat and next steps re same
KBP	10/10/19	\$475.00	0.30	\$142.50	Email exchange with client team regarding recent letter from J. Rosekat; email exchange with J. Nemers regarding instructions.
JTN	11/10/19	\$395.00	1.00	\$395.00	Meeting with K. Plunkett re response to J. Rosekat and proposed communication to customer referenced therein; Engaged with drafting of letter to J. Rosekat; Engaged with drafting of letter to N. Chao; Email exchange with K. Plunkett re same; Email to client re same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
KBP	11/10/19	\$475.00	0.40	\$190.00	Review and provide comments on draft reply letters to J. Rosekat and supplier; email to client.
JTN	15/10/19	\$395.00	0.10	\$39.50	Email exchanges with client re letters to borrower's counsel and to O'Kat
JTN	21/10/19	\$395.00	1.00	\$395.00	Receipt and review and consideration of responding and cross-motion record; Discussion with K. Plunkett re same; High-level research re same; Email exchanges with client re same
KBP	21/10/19	\$475.00	1.30	\$617.50	Review and consider motion record of Debtor and Cross Motion materials; email exchanges with client regarding same.
JTN	30/10/19	\$395.00	0.20	\$79.00	Discussion with K. Plunkett re proposed draft report and related matters re January 9 hearing
<b>TOTAL:</b>			14.20	\$6,073.00	

Name	Hours	Rate	Value
Jeremy T. Nemers (JTN)	8.40	\$395.00	\$3,318.00
Kyle B. Plunkett (KBP)	5.80	\$475.00	\$2,755.00

<b>OUR FEE</b>	\$6,073.00
HST at 13%	\$789.49

**DISBURSEMENTS**

Subject to HST

Photocopies - Local	\$140.00
Imaging/Scanning	\$0.75
Deliveries/Parss	\$72.64
Photocopies	\$0.50
Binding and Tabs	\$11.50
<b>Total Disbursements</b>	\$225.39
HST at 13%	\$29.30

AIRD & BERLIS LLP  
PAGE 4 OF ACCOUNT No. 653200

**AMOUNT NOW DUE**

**\$7,117.18**

THIS IS OUR ACCOUNT HEREIN  
Aird & Berlis LLP



Ian E Aversa

E.&O.E.

**PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT**

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

38047808.1

**KSV Kofman Inc.**

In its capacity as Receiver

*November 27, 2019 Account 653200*

Lawyer	Call to Bar	2019 average/hr	Total Time	Value
Kyle B. Plunkett	2011	\$475.00	5.80	\$2,755.00
Jeremy T. Nemers	2014	\$395.00	8.40	\$3,318.00

**BRIDGING INCOME FUND LP,**  
**by its general partner SB FUND GP INC.**  
Applicant

AND

**3886727 CANADA INC.,**  
**carrying on business as Holistic Blend**  
Respondents

Court File No. CV-19-00620981-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**  
PROCEEDING COMMENCED AT TORONTO

**AFFIDAVIT OF FEES**

**AIRD & BERLIS LLP**  
Barristers and Solicitors  
Brookfield Place  
Suite 1800, Box 754, 181 Bay Street  
Toronto, Ontario M5J 2T9

**Kyle Plunkett (LSO # 61044N)**  
Tel: (416) 865-3406  
Fax: (416) 863-1515  
Email: [kplunkett@airdberlis.com](mailto:kplunkett@airdberlis.com)

**Jeremy Nemers (LSO # 66410Q)**  
Tel: (416) 865-7724  
Fax: (416) 863-1515  
Email: [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

*Lawyers for the Receiver*