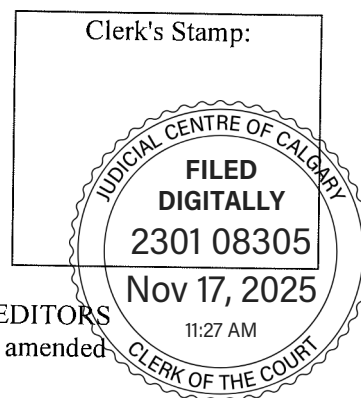


COURT FILE NUMBER 2301-08305
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
RESONDANTS IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, RSC 1985, c. C-36, as amended



AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF WALLACE & CAREY INC., LOUDON BROS
LIMITED and CAREY MANAGEMENT INC.

APPLICANTS DIGIFLEX INFORMATION SYSTEMS INC.

DOCUMENT **AFFIDAVIT OF MOHAMAD Z. MARDUKHI**

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CONTACT
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File No. 79894-1

AFFIDAVIT OF MOHAMAD MARDUKHI

Affirmed on November 14, 2025

I, Mohamad Mardukhi, of Vancouver, British Columbia, AFFIRM AND SAY THAT:

1. I am the President, Chief Executive Officer, sole director, sole shareholder and founder of the Applicant, Digiflex Information Systems Inc. (**Digiflex**). I have personal knowledge of the matters deposed to in this Affidavit, except where stated to be based on information and belief, in which case, I believe the information to be true.
2. I make this affidavit in support of Digiflex's application pursuant to section 11 of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the *CCAA*), seeking, among other things, an order declaring that Digiflex is not required to provide 7-Eleven Inc., 7-Eleven Canada Inc., or 7-Eleven

A handwritten signature in the bottom right corner of the page.

Distribution Canada Corporation (**SEDCC**, together with 7-Eleven Inc. and 7-Eleven Canada Inc., **7-Eleven**), access to the Digiflex ERP Software (defined below) or any associated maintenance or support services.

Background

My educational background and work history

3. My training is in computer sciences. I studied computer science at the undergraduate level at the University of Toronto in the Engineering Science Department from 1973 to 1976, and at the University of Calgary in the Computer Science Department from 1978 to 1979. I also took several computer science courses at the graduate level at the University of Calgary from 1979 to 1980.
4. After graduation, I started working in the information technology (**IT**) industry for the grocery distribution and food services industry, which I have done now for over 45 years. I began my career in May 1980 at Canalta Data Services (**Canalta**) where I was involved in all aspects of software development from analysis, design, coding, quality assurance, implementation, user training, writing reference manuals to managing the entire process.
5. Canalta was later acquired by Great Pacific Industries Inc. (**Great Pacific**), a subsidiary of the Jim Pattison Group, which operated a number of grocery retail and wholesale chains, including Associated Grocers and Overwaitea Food Group. This part of my career spanned from May 1980 to May 1995.
6. From March 1996 to August 1998, I was the Chief Information Officer of Overwaitea Food Group, where I was responsible for managing the IT department. I left this position in August 1998 to concentrate all my efforts on Digiflex.

Digiflex and its ERP Software

7. In 1993, I started Digiflex. Digiflex was formed to develop and market an integrated suite of applications for the grocery distribution and food service industries. Digiflex offers a range of software solutions, including a full enterprise resource planning (ERP) suite encompassing all aspects of distribution management, financials, and business intelligence.

8. ERP software is a type of business management software that helps companies manage and integrate the core processes of their business, such as finance and accounting, human resources, supply chain management, inventory and procurement, and manufacturing and production. A key benefit of ERP software is that it collects data across many business functions and can therefore provide a business with a comprehensive view of their operations and allows them to optimize and add efficiencies to their business. This is much more difficult for a company to do if it is not using an ERP system but rather a number of different software applications that have their own separate databases. ERP is critical for companies in supply chain management as it optimizes inventory, planning, and purchasing. Common brands of ERP software that the general population are familiar with are SAP and Oracle.

Digiflex ERP Software

9. Digiflex's ERP software consists of a number of ERP modules and associated software programs.

10. **ProCLASS.** Digiflex's ProCLASS Distribution Management System (**ProCLASS**) is the ERP module which handles, among other things, purchasing, inbound control and receiving, warehouse management and inventory control, order processing and billing, logistics, shipping control, and consolidated reporting. ProCLASS was the first ERP system to handle the business requirements of small to very large businesses in wholesale, retail, food service, and manufacturing of food and non-food products in one integrated system.

11. **CLASS Financials.** Digiflex's CLASS Financials are the ERP modules which focus on a distributor's financial data. CLASS Financials software programs include CLASS Accounts Receivable, CLASS Accounts Payable, and CLASS General Ledger.
12. **LAZER DBMS.** LAZER DBMS is the software program that is the database management system for the ProCLASS and CLASS Financials ERP modules.
13. ProCLASS and CLASS Financials are both ERP modules; however, ProCLASS was the first module and is the backbone of the system. Hence, occasionally when I am speaking of the **Digiflex ERP Software** as a whole (which includes ProCLASS, CLASS Financials, and LAZER DBMS), I merely state **ProCLASS**.
14. I started the development of ProCLASS and the associated modules and software in 1985 when I was the IT Manager at Canalta. I was the lead architect on a 25-person team that designed and developed ProCLASS. In June 1993, I entered into a sales agreement with Great Pacific (who had now acquired Canalta) whereby Great Pacific assigned the ownership of ProCLASS and other associated software to myself. I then subsequently assigned my rights to Digiflex. My goal for Digiflex was to sell the Digiflex ERP Software that I had been building while I was at Canalta, and then at Great Pacific, to other grocery and food distributors and build my own business.
15. Since the inception of Digiflex ERP Software, it has undergone multiple upgrades and enhancements to expand its functionality and to improve its efficiency.
16. Digiflex ERP Software was originally developed for the OpenVMS operating system, which runs on AlphaServer and Itanium servers (i.e. hardware) from Hewlett-Packard Enterprise, which are no longer offered for sale and therefore no longer widely available. There is, however, a technical solution which is to upgrade to a modern standard server and run Digiflex ERP Software with the OpenVMS version from a



company called VMS Software Inc. (VSI). Digiflex currently has one client that is running Digiflex ERP Software on a standard server using OpenVMS from VSI.

17. Digiflex has also been developing a version of the Digiflex ERP Software that would work on the Windows operating system and would run on any modern standard server and can also be cloud-based. The project is currently around 80% complete but has not been the company's focus over the past few years.

Digiflex's ERP Software is covered by copyright

18. In 1999, I registered the software as copyrights with the Canadian Intellectual Property Office. Copies of the copyright registrations for ProCLASS, CLASS Accounts Receivable, CLASS Accounts Payable, CLASS General Ledger, and LAZER DBMS are attached as **Exhibit A**.

19. Digiflex includes the following copyright warnings with all our source code, database, schemas, and documentation:

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|*****|
|*                                           *|
|* Copyright (c) 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, *|
|* 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, *|
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Digiflex's licensing model

20. Digiflex's business model is to license its software to companies in a wide range of industries and sizes, and Digiflex has done so for the last 30 years throughout Canada, the United States, and Malaysia.
21. To license Digiflex ERP Software, a client enters into two agreements: (1) a software license agreement, which permits the client to use the ERP Software but does not transfer Digiflex's ownership rights in the ERP Software itself; and (2) a maintenance agreement which relates to, among other things, software upgrades and enhancements, operating system compatibility, as well as a 24/7 support line for the software. A 24/7 support line for any ERP software is critical given that even a few minutes of downtime at a critical time can lead to operational nightmares, especially for companies in the food distribution business.
22. In terms of costs, for the software license, Digiflex charges a single, one-time, lump-sum fee that gives the client a limited-user or unlimited-user, perpetual license. The license fee is based on the client's annual sales which is commonly proportional to the number of transactions that run through the Digiflex ERP Software.
23. The cost of the maintenance agreement is an annual fee that may vary from year to year. Typically, it is based on 15 to 25% of the original license fee, which is a standard maintenance fee for software licenses. The maintenance agreement is not perpetual but will renew automatically each year on terms to be agreed upon between Digiflex and the client, unless either party gives 30 days written notice of termination.
24. Over the years, many companies have purchased licenses to use Digiflex ERP Software, including, Best Direct Distributors, Canada West Foods, Centennial Foodservice, Thrifty Foods, New Food Classics, and two of the debtor companies in the CCAA proceeding – Wallace & Carey Inc. (**Wallace & Carey**) and Loudon Bros Limited (**Loudon Bros**).

Digiflex's Relationship with the Debtor Companies: Wallace & Carey and Loudon Bros

25. Wallace & Carey and Loudon Bros were two of Digiflex's long term customers. Digiflex and Wallace & Carey's business relationship started in 2000 when Digiflex was successful in an RFP process for Wallace & Carey's ERP software. For over 23 years, Digiflex and Wallace & Carey had a positive relationship of mutual benefit. Digiflex provided Wallace & Carey with reliable software and support, while Wallace & Carey grew its business from annual sales of \$200 million to over \$2 billion.

The Debtor Company's Software Licenses

26. During the span of their relationship, Digiflex entered into four license agreements between the two debtor companies.

27. With Wallace & Carey, Digiflex had three software license agreements:

- (a) a software license agreement entered into on March 9, 2000 to allow Wallace & Carey to use the ProCLASS Software and LAZER DMBS, a copy of which is attached as **Exhibit B**;
- (b) a software license agreement entered into on August 12, 2003 to allow Wallace & Carey to use the CLASS Financials Software, a copy of which is attached as **Exhibit C**;
- (c) a software license agreement entered into on April 23, 2012 to allow Wallace & Carey to use the ProCLASSBI Intelligence Suite, a copy of which is attached as **Exhibit D**.

28. I refer collectively to the three Wallace & Carey software licenses as the **W&C Software Licenses**.

29. With respect to Loudon Bros, Digiflex entered into one software license agreement on February 18, 2013, which was to allow Loudon Bros to use the ProCLASS Software, CLASS Financials Software, and LAZER DMBS for a limited number of concurrent users (the **LB Software License**). Additional user



licenses were added via addendums. A copy of the license agreement with the addendums are attached as **Exhibit E**.

30. Loudon Bros, a related company of Wallace & Carey, still required its own license even though Wallace & Carey had a license to. Separate companies require separate license agreements and both need to pay maintenance fees.

The Debtor Companies Maintenance Agreements

31. All four licenses incorporate the same maintenance agreement, which is attached as Schedule "A" to all the W&C Software Licenses and the LB Software License (the **W&C Maintenance Agreement**).

Digiflex provided general IT Helpdesk Services to Wallace & Carey

32. In addition to the W&C Software Licenses and W&C Maintenance Agreement, Digiflex also provided general IT helpdesk support to Wallace & Carey – also known as Helpdesk Level 2 (**Helpdesk Services**) – which began in June 2008. There is no written contract between Wallace & Carey related to the Helpdesk Services.

33. The Helpdesk Services were not tied to the Digiflex ERP Software but were for any general IT issue, including problems with the OpenVMS operating system, servers, or other computer issues. This was not a standard service that was offered by Digiflex. It was only offered to Wallace & Carey given our long-term relationship to save them the cost of hiring additional full-time employees to be available 24/7.

Wallace & Carey's request for a new ERP system

34. In 2021, Wallace & Carey issued an RFP for a new ERP system. While Digiflex participated in the RFP process, it was not selected. Patrick Carey, Wallace & Carey's CEO at the time, told me that the reason was because Digiflex's new ERP system was still in development and we did not offer a monthly fee-per-

user charge like other ERP providers (we only offer a one-time license fee option). Wallace & Carey selected an ERP system from Epicor Software Corporation (**Epicor**) based in Austin, Texas.

Timeline of events since discovering that 7-Eleven was in the picture

Wallace & Carey requests ERP software for a new company

35. The first time I became aware that Wallace & Carey was in the process of winding down and that a new distribution company would be taking over was in July 2024 via an email exchange I had with Wallace & Carey's Director of IT, Heather Miller. A copy of my email correspondence between me and Ms. Miller between July 4, 2024 to July 22, 2024 is attached as **Exhibit F**, which should be read starting from the last page first to proceed in chronological order.

36. On July 4, 2024 at 10:03 AM, I received an email from Ms. Miller with the subject line: "New Company – ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation". In the email, Ms. Miller wrote:

We have a request to setup a completely separate ERP system using Digiflex software for our new distribution company. This system will operate temporarily from Jan 1st, 2025 to March 31st, 2025 (with a possible extension to June 30th, 2025).

The goal is to wind down Wallace & Carey so no invoices will be moved to the new distribution company.

Can you please provide a quote for the development, test and go-live support and ongoing maintenance and support agreements – details below:

[...]

We would like to have the new system available with a point in time setup including master data / balances loaded for testing by November 18th, 2024 and then reload/update master data / balances for go-live on Jan 1st, 2025.

37. Ms. Miller's request was not typical. The last time I had received a request from Wallace & Carey for a new ERP system was in 2013 when they requested a system for Loudon Bros. This resulted in a new software license – the LB Software License – that I mentioned above.

38. I replied to Ms. Miller on the same day at 2:16 PM, advising that this was a major project and because it was a new company, substantial new license fees would apply. I also wrote: "If all of this expenditure is going to be for 3 or 6 months only, why can't they continue operating with the current set-up for that short period?" By this I meant that if the new company was only going to be operating temporarily on the Digiflex ERP Software, that Wallace & Carey should continue operations as is for the 3-to-6-month period, and then the new company could launch on whatever software they were going to be using. In response, Ms. Miller confirmed that they understood it was a major project but that senior management still wanted the estimate.

39. On July 12, 2024 at 12:23 PM, I provided Ms. Miller with a range of quotes for the software licenses (to use ProCLASS and CLASS Financials) and annual maintenance fees based on annual sales of \$100 million, \$600 million, and \$700 million annual sales. I provided Ms. Miller with this table:

System	Annual Sales \$100M	Annual Sales \$600M	Annual Sales \$700M
	License Fee	License Fee	License Fee
ProCLASS	\$300,000	\$2,000,000	\$2,400,000
CLASS A/P	\$60,000	\$400,000	\$480,000
CLASS A/R	\$60,000	\$400,000	\$480,000
CLASS G/L	\$60,000	\$400,000	\$480,000
CLASS B/R	\$4,000	\$30,000	\$35,000
Total License Fee:	\$484,000	\$3,230,000	\$3,875,000
Annual Maintenance Fee:	\$169,400	\$807,500	\$968,750

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40. I also advised that the implementation cost range would be approximately \$80,000 to \$450,000. I advised that the license fee would be payable in two installments, half on signing, and half on January 2, 2025, the day after the new company was to launch. I also advised that the maintenance fee would be payable on January 2, 2025.

41. Ms. Miller responded on the same day at 2:18 PM, asking for an additional quote based on \$300 million annual sales. She also inquired whether it was possible to buy subscription-based licenses rather than perpetual and asked about the Helpdesk Services.

42. On July 15, 2024 at 9:31 AM, I provided Ms. Miller with the additional quote and advised that Helpdesk Services would be \$180,000 per year for the new company or a combined rate of \$225,000 for both the new company and Wallace & Carey and/or Loudon.

43. On July 22, 2024 at 12:08 PM, Ms. Miller replied stating that, instead of starting a separate company, Wallace & Carey wanted to change its company name and fiscal year end:

After further discussion with Finance, they have confirmed that we do not require a separate company.

What we need is to change our company name and fiscal calendar to calendar month effective January 1st, 2025.

Effectively, we will end our fiscal year in October 2024 as normal, start our new fiscal year for Nov/Dec 2024 and then change to a new fiscal calendar based on calendar month with our company name changed on Jan 1st, 2025.

44. I responded to Ms. Miller on the same day at 13:34, advising her that a new software license would still be needed given that it would be a new company.

45. At no time in July 2024 when I was having these discussions with Ms. Miller did anyone advise me of the CCAA proceeding, the TSA, or any court orders that would allow the new company to use the Digiflex ERP Software without a license.

Wallace & Carey's CEO and Senior IT Staff relay my points to 7-Eleven

46. Between the end of July 2024 and beginning of September 2024, I had a number of conversations with senior executives at Wallace & Carey about a license for 7-Eleven and their need for a license to use the software, including Patrick Carey, the former CEO, and David Morgan, a Director at Wallace & Carey. I believed that they were trying to help me. A copy of the email correspondence between myself, Mr. Morgan, and Mr. Carey is attached as **Exhibit G**, which should be read starting from the last page first to proceed in chronological order.
47. On July 22, 2024 at 2:26 PM, the same day that Ms. Miller advised me that only a company name change would be required, I received an email from Mr. Morgan, with the subject line: "ProCLASS for SEDCC". In the email, Mr. Morgan wrote:
- Pat [Carey] has informed me that you have been asked to provide a quote to implement a new/modified ProCLASS for SEDCC, the new 7-Eleven company replacing W&C. Pat also asked me to find out the status of the quote. Can you please update me on the status. I have not been kept in the loop other than understanding that the new company will take effect January 1, 2025 & will switch to a monthly financial reporting.
48. This was the first time that I learnt that the "new distribution company" that Ms. Miller had spoken of was SEDCC.
49. In the subsequent email exchange, Mr. Morgan and I discussed the logistics of setting up SEDCC on the Digiflex ERP Software and I reiterated the need for SEDCC to have a license regardless of the method used to onboard SEDCC onto the system.
50. On September 4, 2024, I had an in-person meeting with Mr. Carey and Mr. Morgan. There, Mr. they advised me that SEDCC was considering implementing a different ERP system (i.e. a system not owned by Digiflex).
51. On September 5, 2024 at 12:13 PM, I emailed Mr. Carey and Mr. Morgan to remind them that, regardless of if SEDCC was able to begin using a new ERP system on January 1, 2025, Wallace & Carey's

ERP systems would need to remain active for a period of time after SEDCC was set up, for the purpose of applying closing transactions, as well as for audit and other investigative purposes. This would require them to continue to pay maintenance fees. I also reiterated that if SEDCC decided to proceed with the Digiflex ERP Software, it would need to have a new software license. I advised that based on my four decades of working in ERP implementations, I could not foresee SEDCC being up and running with a new ERP system anytime soon and that they were likely "a couple of years and several million dollars away from a successful implementation."

52. On September 9, 2024 at 12:29 PM, I sent Mr. Morgan and Mr. Carey an email summarizing the key points from my meetings with Mr. Carey. My email stated:

If 7-Eleven wants to use ProCLASS for SEDCC in January, the only option is to purchase a license, likely based on \$600M per year in sales. They will then pay 50% of the license fee upfront and pay the remaining 50% upon successful implementation in January. This option has several significant advantages for 7-Eleven:

1. They will have the legal use of our software for as long as it is needed. They will no longer have to rush through implementation of another unproven software within a few months.
2. Rushing through implementation of another software will have a high chance of failure, as is very common with ERP implementations. Such a possible failure can be very costly, and certainly much more costly than our license and minimal implementation costs.
3. There is zero chance of implementation failure of our software as it has been running successfully under the W&C banner for over 20 years. SEDCC's will be a straightforward new instance of ProCLASS, of which we have implemented many for W&C over the years. There will even be no need for any new data entry / load beyond the new minutes it takes to change company name / addresses in set-up records.
4. Over the years, we implemented many ProCLASS customizations to satisfy 7-Eleven specific needs. It is very unlikely that you can find such features in any other ERP software, and some of those features are very complex and will be costly to develop in any other ERP.
5. We already know that the existing ProCLASS hardware and software infrastructure can handle many times more business than \$600M per year without needing any upgrades. W&C reached over \$2B in sales a few years ago on the same platform.



6. If there are any concerns about the existing ProCLASS server (which, as of today, has been running 7x24 for 652 days non-stop, i.e., not a single hardware or software failure or reboot in that period), there is an emulation option available that will allow running our software exactly as is on a Windows server.

7. 7-Eleven can gain significant efficiencies by using the ProCLASS infrastructure, e.g., by moving some DSD items to corporate warehouses, by integrating store and warehouse pricing and promotions, by taking advantage of some corporate store features in ProCLASS that were not of use to W&C, etc.

8. We will use the license fee to fund the completion of our Windows version of ProCLASS that is already over 80% complete. This will then offer a modern and proven ERP option to 7-Eleven at minimal implementation and training costs.

9. 7-Eleven will be able to use ProCLASS (both existing and new modern version) for other divisions beyond SEDCC at reduced licensing fees and with minimal implementation costs.

53. Mr. Carey subsequently asked me if he could pass these on to 7-Eleven, to which I agreed.

7-Eleven starts emailing me about the Digiflex ERP Software

54. Beginning on October 7, 2024 and continuing to early November 2024, I started to receive emails from 7-Eleven about the Digiflex ERP Software and maintenance agreements. Throughout this correspondence, I received conflicting information about whether it was Wallace & Carey using the software or 7-Eleven. A copy of the email correspondence between myself and various individuals at 7-Eleven is attached as **Exhibit H**, which should be read starting from the last page first to proceed in chronological order.

55. On October 7, 2024 at 10:12 AM, I received an email from Anvaya Naik, Senior Manager of Strategic Sourcing at 7-Eleven, Inc., requesting a "maintenance renewal quote for 1 year term of the existing Digiflex licenses that were acquired as part of the Wallace [&] Carey contract." I responded to Ms. Naik on the same day to clarify if the contemplated agreements would be with Wallace & Carey or 7-Eleven. I noted that I did not know if Wallace & Carey exists (or would still exist as of 2025) as a legal entity.

56. On October 8, 2024, Ms. Naik responded that "7-Eleven Canada will be buying entity but ... that only Wallace [& Carey] transactions will be carried on [Digiflex]."

57. On October 15, 2024 at 2:06 PM, I replied to Ms. Naik advising her that Digiflex was waiting to hear about a new license agreement with 7-Eleven, which needed to be sorted before they could speak about the maintenance agreement. However, given that the Helpdesk Services was not tied to any license agreement, I advised that Digiflex could offer that service to 7-Eleven for a year at \$192,000. I advised that I would need the 7-Eleven billing information to issue the invoice.

58. Ms. Naik responded on the same day at 3:52 PM and informed me that 7-Eleven had no intention to acquire a new license and that, based on legal advice, "the existing Wallace [&] Carey contracts will be in full force and effect on its current terms." Notwithstanding, Ms. Naik also advised that 7-Eleven wished to proceed with paying for another year of maintenance and the Helpdesk Services. She copied Joshua Buchanan, 7-Eleven Inc.'s Director of Logistics, to her response and asked him to provide me with billing information for the invoice.

59. On October 24, 2024 at 10:34 AM, in response to my query on who to bill, Mr. Buchanan responded that SEDCC "will have the same address in Calgary that W&C has had in the past."

60. On October 24, 2024 at 14:07, I advised Mr. Buchanan and Ms. Naik that no one told Digiflex that 7-Eleven had purchased Wallace & Carey's assets and that, according to Affidavit No. 5 of Patrick Carey, the transaction included all "personal property and equipment assets located in Alberta and British Columbia and the intellectual property, technology, software and systems relating to the entire Logistics Companies' logistics/distribution business across Canada." I advised that the transaction affected all of the agreements with Wallace & Carey, including the software licenses which were "non-transferable".

61. In the same email, I reiterated what I had told Ms. Naik on October 15, 2024, that the Helpdesk Services were not tied to any software license, so Digiflex was prepared to offer that service to 7-Eleven for a one-year term starting on November 1, 2024. I attached a copy of the invoice I issued for the Helpdesk Services (the **SEDCC Helpdesk Invoice**). A copy of the SEDCC Helpdesk Invoice is attached as **Exhibit I**.

62. After this, I did not hear anything from Mr. Buchanan or Ms. Naik. I subsequently followed up on November 1, 2024 at 2:35 PM (as shown in Exhibit H), inquiring on the payment of the SEDCC Helpdesk Invoice, which was now overdue. On November 4, 2024 at 11:30, Mr. Buchanan replied, "Until W&C winds down next year, we'll need you to continue invoicing them. Right now, Proclass being used by W&C and they will have to pay the invoice." Mr. Buchanan's response was puzzling because earlier he had advised that I should bill SEDCC, not Wallace & Carey. I said this to Mr. Buchanan.

63. On November 12, 2024 at 15:13 (as shown in Exhibit H), I emailed Mr. Buchanan, reminding him that the SEDCC Helpdesk Invoice issued to 7-Eleven had still not been paid and asked that it be paid right away. I also confirmed that the W&C License Agreements were non-transferable and therefore SEDCC could not be using the Digiflex ERP Software under W&C Software Licenses. I attached a new license agreement for SEDCC's execution and included a license fee based on SEDCC's fiscal year 2024 annual sales which were \$602 million. A copy of my email to Mr. Buchanan and the attached license agreement is attached as **Exhibit J**. I also advised that I would be sending SEDCC invoices for the SEDCC license fee and the first year of maintenance fee coverage for the period from November 1, 2024 to October 31, 2025. I asked that the invoices be paid upon receipt.

64. On November 14, 2024, I sent Mr. Buchanan two invoices addressed to SEDCC: (1) for license fees in the amount of \$3,391,500 (the **SEDCC License Invoice**), and (2) for one year of maintenance service in the amount of \$847,875 (the **SEDCC 2025 Maintenance Invoice**). A copy of my email to Mr. Buchanan and the attached invoices are attached as **Exhibit K**.

65. After my email dated November 14, 2024, I did not receive a response from Mr. Buchanan or from any other 7-Eleven employee regarding the payment of the invoices. Based on the lack of response, I assumed that SEDCC, who I understood would be launching on January 1, 2025, would not be using the Digiflex ERP Software and had managed to launch the Epicor system that Wallace & Carey selected back in 2021. As such, on December 3, 2024, I emailed Mr. Buchanan, stating:



Based on the lack of response, or even acknowledgment, of our new license agreement and 3 overdue invoices, we can only assume that your Epicor implementation project has finally been completed and you no longer need our systems or services.

If this is the case, please inform Wallace & Carey of this change and initiate the destruction of our software and documentation at Wallace & Carey, as stipulated in point 5 of our license agreements. As per the last paragraph of point 5, please send us a letter confirming that this destruction has been completed.

66. A copy of my email is attached as **Exhibit L**.

67. Mr. Buchanan never responded to my email.

Counsel for the Monitor informs me that Wallace & Carey "continued to operate in the ordinary course of business" and we agree to a Consent Order

68. On December 3, 2024, after I sent my email to Mr. Buchanan requesting that they destroy the Digiflex software and documentation, I received a call from Jason Knight at KSV Advisory, who I understand is the Monitor for the CCAA proceedings. This was the first time I had been contacted by the Monitor. I did not answer the call because I did not know who it was from but Mr. Knight left a voicemail. Mr. Knight advised me that the Digiflex ERP Software was still being used by Wallace & Carey, not 7-Eleven, and under the CCAA proceeding, Digiflex could not terminate the W&C Software Licenses.

69. I responded to Mr. Knight's voicemail by email, also on December 3, 2024. I indicated that my email to Mr. Buchanan was not meant to threaten termination of legitimate services that were owed to Wallace & Carey under any existing contracts with Wallace & Carey. But rather, I had deduced from the lack of response from Mr. Buchanan, that 7-Eleven (a new company, not Wallace & Carey) had no intention of using the Digiflex ERP Software. I had also reiterated that the W&C Software Licenses were non-transferable and that I believed that Wallace & Carey was no longer operating and only 7-Eleven was. I attached the emails I had with 7-Eleven and Wallace & Carey that supported my belief. I also indicated that Wallace & Carey's pricing structure, who was a long-term client, would not apply to 7-Eleven. A copy of email to Mr. Knight, and the attachments I provided, are attached as **Exhibit M**.



70. Also on December 3, 2024, I received an email from Jeffrey Oliver, who I understand is counsel for the Monitor. The email attached a letter which stated:

In your email correspondence dated November 4, 2024 you state that "...Wallace & Carey became a division of 7-Eleven as of November 2023...". This is incorrect. During the course of the CCAA Proceedings, subject to the terms of the Amended and Restated Initial Order granted by the Court of King's Bench of Alberta (the "**Court**") in the CCAA Proceedings on June 30, 2023 (the "**ARIO**"), WCI has continued to operate in the ordinary course of business. While 7-Eleven is currently funding the WCI business during the CCAA Proceedings pursuant to a Transition Services Agreement dated November 21, 2023, 7-Eleven is not the subject of the CCAA Proceedings, and the Agreement has not been assigned to 7-Eleven. Rather WCI remains party to the Agreement, and 7-Eleven remains a separate legal entity from WCI.

71. A copy of the ARIO was enclosed and I was referred to paragraphs 18 and 19. My understanding of his letter was that Wallace & Carey was still "operating in the ordinary course of business" and that, as a result, as per paragraphs 18 and 19 of the ARIO, Digiflex could not terminate the W&C Software Licenses or increase the prices that Wallace & Carey was currently paying tied to the W&C Maintenance Agreement or the Helpdesk Services. Mr. Oliver advised that if Digiflex continued to pursue price increases or termination of the W&C Software Licenses, the Monitor would bring an application to hold Digiflex in contempt of Court. Mr. Oliver also suggested that I reach out to him to negotiate a renewal on terms appropriate to all parties. A copy of Mr. Oliver's email and the attached letter is attached as **Exhibit N**.

72. At this point I was frustrated, given that, from all that I could see, Wallace & Carey was not operating in the ordinary course of business. I had even been told by multiple individuals (Mr. Carey, Mr. Morgan, Ms. Miller, Mr. Buchanan) that Wallace & Carey would be wound down by the new year, which was only 4 weeks away, and that SEDCC would be taking over. I had also started to receive requests for changes to the software, which were not actions I believed were to support Wallace & Carey's business but rather, had to be for SEDCC. For example, on December 4, 2024, I received a request to add an additional 4000 General Ledger (G/L) accounts because they had filled up the G/L tables. A copy of this request is attached as **Exhibit O**.

73. Given that January 1, 2025 was quickly approaching, on December 5, 2024 at 2:24 PM, I wrote to Mr. Oliver with two options:

- (a) for SEDCC to sign the new license agreement and pay the overdue invoices (the SEDCC License Invoice, the SEDCC Helpdesk Invoice, and the SEDCC 2025 Maintenance Invoice) by December 20, 2024, at which point SEDCC would have the right to use the Digiflex ERP Software as it sees fit; or
- (b) for SEDCC to not sign or pay, and Digiflex's support and maintenance services would end on January 1, 2025.

74. A copy of my December 5, 2024 email to Mr. Oliver is attached in **Exhibit P**, which is the last email in the thread.

75. On December 6, 2024 at 8:18, Mr. Oliver responded, again reiterating the Monitor's position that it was Wallace & Carey who would be using the software. Mr. Oliver advised that the Monitor would be bringing an urgent application before the Court of King's Bench to continue to force Digiflex to continue to make the software available to Wallace & Carey. A copy of Mr. Oliver's response is attached in **Exhibit P**, which is the second last email in the thread.

76. On December 9, 2024, I received an email from Mr. Oliver that the Monitor had filed an emergency application regarding the termination of maintenance and support services and that the matter was scheduled to be heard on December 17, 2024. I forwarded these emails to Mr. Buchanan and others at SEDCC as well as to Ms. Miller and told them that support and maintenance services would end on January 1, 2025 regardless of the court outcome. The email chain is attached as **Exhibit Q**.

77. I understand that my reaction to the Court application being filed was not professional. However, I was frustrated and stressed with the situation. This was not just a matter of 7-Eleven refusing to purchase a license; it was a matter of being forced to maintain services for a different company.

78. On December 12, 2024, Mr. Oliver sent a letter to me in which he warned that the Monitor would seek a further order citing Digiflex – and me personally – in contempt of court and that punishment for civil contempt could include imprisonment for up to two years. The letter from Mr. Oliver is attached as **Exhibit R**. The threat to throw me in prison further added to my stress.

79. On December 16, 2025, after I had a few days to calm down and think things through, I emailed Mr. Oliver and proposed a solution so that the parties would not need to proceed with an application. My offer was based on Mr. Oliver's representation that Wallace & Carey was still operating in the ordinary course of business, and, if true, I had no desire to breach the ARIO. Specifically, my offer was:

1. We will continue to provide our software Maintenance services until its current end date of March 12, 2025. If you require our software Maintenance services beyond that date, we will extend them until the end of the CCAA Stay Period of April 30, 2025, based on rate schedules that were established with Wallace & Carey

2. If you get additional extensions to the CCAA Stay Period, we will agree to extend our software Maintenance services until the end of the new CCAA Stay Period, based on rate schedules that were established with Wallace & Carey.

3. We will continue to provide our Helpdesk services until the end of its current invoicing cycle on January 31, 2025. This service only started in Jun 2008, is not tied to our License Maintenance or any other agreement, and thus it does not have a specified limit on annual increases. If our Helpdesk services are required beyond January 31, 2025, we will agree to a 1-year extension based on rates that we had previously passed on to 7-Eleven at \$192K for the year. [...]

80. A copy of my email with my offer is attached as **Exhibit S**.

81. In response to my officer, Mr. Oliver wrote:

Thank you for the email. We have been able to connect with stakeholders and understand that your offer is acceptable, provided that its terms are included in a court order that will bind all parties. We are working on a draft in that regard and will get it to you as soon as we are able. Once it is settled, we will present it to the court to sign tomorrow.

82. A copy of Mr. Oliver's email is attached as **Exhibit T**.

83. Mr. Oliver subsequently provided me with a draft consent order, which I subsequently signed. Copies of our emails and the draft consent order are attached as **Exhibit U**. The Consent Order was issued by the Honourable Justice Neilson on December 17, 2024 (the **Consent Order**), which is attached as **Exhibit V**.

84. When entering the Consent Order, I was simply agreeing to respect the contracts Digiflex had with Wallace & Carey, for as long as Wallace & Carey was in business. At the time, I did not expect Wallace & Carey to be in business much longer in light of my knowledge that Wallace & Carey would be wound down by January 1, 2025. With Wallace & Carey out of business, I did not expect for the CCAA Stay Period to be extended far beyond the then expiry date of April 30, 2025.

Digiflex's compensation since 7-Eleven's involvement

85. Since I discovered that 7-Eleven was involved with Wallace & Carey, Digiflex has been paid but only for maintenance services related to Wallace & Carey and Loudon Bros. Digiflex has never been paid for 7-Eleven's use of the software or maintenance services.

86. 7-Eleven continues to refuse to pay the SEDCC License Invoice and the SEDCC 2025 Maintenance Invoice. Recently, I also issued an invoice to 7-Eleven for maintenance fees for the period from November 1, 2025 to October 31, 2026, for \$869,076.90 (the **SEDCC 2026 Maintenance Invoice**). I sent this invoice to Mr. Buchanan on October 23, 2025 by email. A copy of the email and the attached SEDCC 2026 Maintenance Invoice are attached as **Exhibit W**. Mr. Buchanan has not replied to my email.

Events Following the Consent Order

87. Since the Consent Order was agreed to in December 2024, it is my understanding and belief that Wallace & Carey is no longer operating and that SEDCC continues to use the Digiflex ERP Software without a license.



88. For example, on August 27, 2025, I received an email that attached a purchase order that showed that the Wallace & Carey logo (which was originally developed and always maintained by Digiflex) had been changed to show the SEDCC logo, without any notice to Digiflex that they had modified a Digiflex form:

WALLACE & CAREY INC.		5445 - 8th Street N.E. CALGARY, ALBERTA T2K 5R6 Tel: (403) 275-7260 Fax: (403) 275-2921 (403) 274-0461		PURCHASE ORDER			
VENDOR	ITVAL LIMITED - FULL PALLETS 440 FALLSIDE DRIVE BRAMPTON, ON CANADA L7A 1L1	SHIP TO	Wallace & Carey Inc. Edmonton 14434-157 Avenue Northwest Division No. 11 EDMONTON, ALBERTA CANADA T6V 0K8	ISSUE DATE	01-NOV-2021	DUE DATE	15-NOV-2021
NOTE: FULL PALLET PRODUCT ONLY	(9058400954)	SALESMAN: PAREN KING / JOSIE LICATA	(9068409400)	CARRIER: DELIVERED BY VENDOR (99)			
BROKER	BUYER: BRANDON CIZEK - ITVAL (4037309351)	BUYER NO.: 5	MINIMUM BUY:				
ITEM	DESCRIPTION	PACK	SIZE	QUANTITY	WEIGHT	CUBE	TI

7 DISTRIBUTION CANADA CORP.		5445 - 8th Street N.E. CALGARY, ALBERTA T2K 5R6 Tel: (403) 275-7260 Fax: (403) 275-2921 (403) 274-0461		PURCHASE ORDER			
VENDOR	T-ELEVEN CALGARY FOOD CENTER 2626 COURTESY HILLS BLVD NE BAYVIEW CALGARY, AB CANADA T2N 1A7	SHIP TO	Calgary Warehouse 5445 - 8TH STREET N.E. CALGARY, ALBERTA CANADA T2K 5R6	ISSUE DATE	21-AUG-2025	DUE DATE	25-AUG-2025
NOTE: OLD NOW T-OR W-OF R-W F-OT	(4032580805)	SALESMAN		CARRIER: BRANCH 1 CALGARY PICK UP (101)			
BROKER	BUYER: ALISHA	BUYER NO.: 14	MINIMUM BUY: 15				
ITEM	DESCRIPTION	PACK	SIZE	QUANTITY	WEIGHT	CUBE	TI

89. A copy of the email with the attached SEDCC purchase order is attached at **Exhibit X**.
90. While I still receive emails from IT professionals via their Wallace & Carey emails, I understand that they are no longer Wallace & Carey employees but SEDCC employees. As an example, **Exhibit Y** is an email I received from Cliff Harrison. Cliff Harrison worked at Wallace & Carey in IT for many years. I routinely interacted with him and still do to this day. While he sends emails from his Wallace & Carey account, his e-mail signature shows that he works for SEDCC:

ky

Cliff Harrison | IT. Manager – Enterprise Systems
 7-Eleven Distribution Canada Corp.

Office Phone: 403-730-2247

E-Mail: harrisonc@sedcc.ca

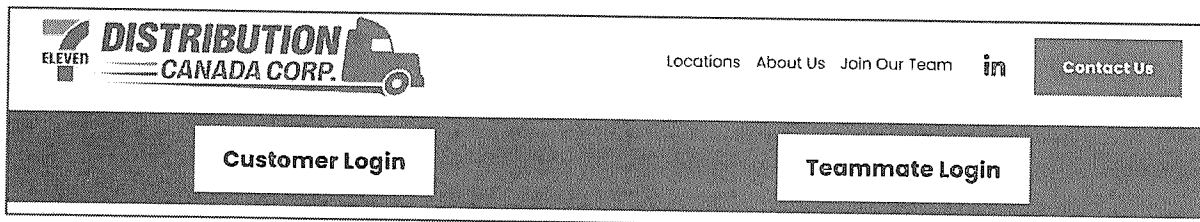
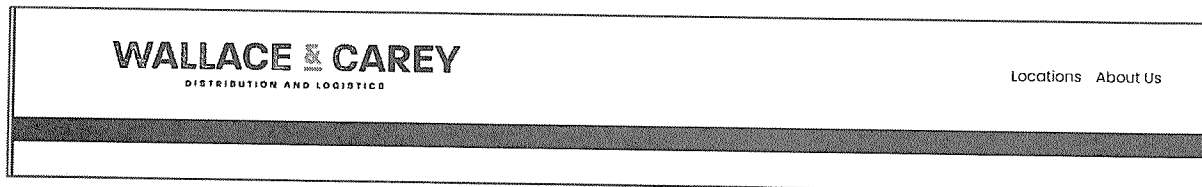
5445 – 8 ST. NE Calgary | Alberta | T2K 5R9



91. By way of another example, on September 5, 2025, I received an "out of office" automatic email reply from Mr. Harrison, which directs people to contact "openticket@sedcc.ca" for urgent matters in his absence. A copy of this email is attached as **Exhibit Z**.

92. **Exhibit AA** is a copy of Mr. Harrison's LinkedIn profile, which shows that he started at SEDCC as of January 2025.

93. On October 5, 2025, I also discovered that the SEDCC website (www.sedcc.ca), although "Under Construction", is very similar to the Wallace & Carey website. There have also been changes made to the Wallace & Carey website (www.wacl.com), such that customers can no longer login. Rather, the login has moved to the SEDCC website:



94. I attach at **Exhibit AB**, PDF print outs of the main pages of the website that I instructed BD&P to take.

M

Objections to further TSA extension

95. I understand that 7-Eleven's position is no longer that the ARIO / the CCAA Stay requires Digiflex to continue to provide access to the Digiflex ERP Software, but rather it is the TSA. I understand that SEDCC believes that the TSA gives it the right to use the Digiflex ERP Software and requires Digiflex to continue to provide maintenance services and helpdesk services. SEDCC recently applied to the Court for extensions to the TSA, which were granted, first to September 30, 2025 (related to an application that was held on August 18, 2025), and then to February 15, 2026 (related to an application that was held on September 19, 2025). For both extensions, I personally appeared before the Court and provided written submissions as to why the TSA should not be extended. The copy of my submissions related to the August 18th application is attached as **Exhibit AC**, and the copy of my submissions related to the September 19th application is attached as **Exhibit AD**.

96. At the September 19th hearing, I was granted leave to bring an application to terminate the TSA or to otherwise commence proceedings against 7-Eleven, provided that I retain a lawyer. A copy of the Order is attached as **Exhibit AE**.

SEDCC's Conduct Has Caused Digiflex and Myself Harm

97. SEDCC's actions have caused Digiflex and myself harm in more ways than one. I describe them below.

Digiflex has lived in uncertainty for the past year and continues to do so

98. Digiflex has been in a constant state of uncertainty since it discovered that 7-Eleven has been in the picture. 7-Eleven keeps extending the time that it needs to have access to the Digiflex ERP Software. For example, when I first heard about the "new distribution company", Ms. Miller indicated that it would



only be using the Digiflex ERP Software until March 2025, with a possible extension to June 2025.¹ It is now November 2025, and 7-Eleven continues to ask for extensions to use the Digiflex ERP Software.

99. I am not surprised that 7-Eleven has required more time to transition to a new ERP system. Moving from one ERP system to another can be a difficult task, especially involving distribution companies, and timelines for such projects routinely get extended.

100. I experienced this firsthand when I was with Associated Grocers, who was subsequently acquired by Overwaitea Food Group. At the time of the acquisition, Associated Grocers was using the Digiflex ERP Software, and Overwaitea wanted to implement a new ERP system for both companies. To do so, Overwaitea spent around \$1,000,000 on a new license and spent over \$13 million in implementation, trying to make the new system work, but ultimately walked away after three years of trying. When the project failed, Overwaitea offered me the CIO position, since I had personally warned Overwaitea management that the project would most likely not work.

101. Another well-known story of an ERP transition gone wrong in the distribution business was when SAP could not get its software to work for Sobeys, after trying for more than two years and spending millions of dollars (reports range between \$50 and \$89.1 million). I attach articles from CBC News and Channel Daily News related to this at **Exhibit AF**.

102. In fact, when I first learnt about SEDCC's takeover and its plan to move to a new ERP system, I raised the ERP implementation issue with Patrick Carey and David Morgan. On September 9, 2024, at 12:29 PM, I emailed them and stated:

2. Rushing through implementation of another software will have a high chance of failure, as is very common with ERP implementations. Such a possible failure can be very costly, and certainly much more costly than our license and minimal implementation costs.²

¹ Email from Ms. Miller dated July 4, 2024 at 10:03 AM, as shown in Exhibit F.

² Email from myself to Mr. Carey and Mr. Morgan dated September 9, 2024 at 12:29 PM, as shown in Exhibit G.



103. I have had no insight into SEDCC's new ERP implementation progress, but each time 7-Eleven asks for another extension from the Court, Digiflex is forced to spend time, effort, and now legal fees, to raise its rights.

Prejudice to my own life's work

104. This CCAA proceeding has caused me immense stress and it was a very sad way to end Digiflex's relationship with Wallace & Carey. I am incredibly proud of the Digiflex ERP Software that I built which has helped many companies achieve success over the years. To see it essentially be stolen from under me has been shocking.

105. I do not understand why 7-Eleven continues to refuse to pay for the Digiflex ERP Software that it has admitted is so crucial to its business. While I understand that 7-Eleven does not want to use the Digiflex ERP Software over the long term, they are still using the software now without a license and have been for the last two years.

106. The only reason 7-Eleven has been able to gain access to the Digiflex ERP Software without paying for a license is because it bought Wallace & Carey's physical assets in Alberta and British Columbia, which I assume would have included Wallace & Carey's servers that have been installed with the Digiflex ERP Software, and the Wallace & Carey personal computers that use the Digiflex ERP Software. While I have the ability to turn off 7-Eleven's access to the Digiflex ERP Software, I have not done so due to the Monitor's representations that Wallace & Carey was carrying on business in the ordinary course, and threats that there are legal orders in place that prevent me from doing so. I am thus urging this Court for an Order that makes clear that Digiflex has no obligation to provide 7-Eleven access to the Digiflex ERP Software or provide any further services related to the software, without 7-Eleven entering a license and paying our outstanding invoices. I ask that an Order be issued as soon as possible.



107. If 7-Eleven enters a license and pays our outstanding fees, Digiflex would be happy to support 7-Eleven moving forward. Digiflex would be pleased to discuss additional projects that could benefit 7-Eleven, including hiring more Digiflex staff, and completing the ProCLASS upgrade to Windows and standard modern servers. I would also be happy to assist with 7-Eleven's transfer from the Digiflex ERP Software to SEDCC's new proposed ERP provider.

108. The deponent was not physically present before the commissioner but was linked with the commissioner utilizing video technology, and the process for remote commissioning of affidavits was utilized as described in the March 25, 2020 *Notice to the Profession and Public: Remote Commissioning of Affidavits for use in Civil and Family Proceedings during the COVID-19 Pandemic*.

AFFIRMED BEFORE ME BY VIDEO)
 CONFERENCE at the City of Calgary, in the)
 Province of Alberta, this 14th day of November,)
 2025)



 A Commissioner for Oaths in and for the Province
 of Alberta.

Mohamad Mardukhi

ALEX JAY SINCLAIR
 Commissioner for Oaths/Notary Public
 In and For the Province of Alberta
Alex Jay Sinclair
 Statute at Law



This is Exhibit "A", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.



A Commissioner of Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta
Alex Jay Sinclair
Student-at-Law





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Première publication /
First publication
22 JUIN/JUN 1989

Lieu de première publication /
Place of first publication
CALGARY, ALBERTA, CANADA

Date d'émission /
Date of issuance
06 NOV / NOV 2025

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Auteur(s) /
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KEITH RAE

DOUGLAS MASON

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STEVE HOCEVAR

Première publication /
First publication
17 JUIL / JUL 1989

Lieu de première publication /
Place of first publication
CALGARY, ALBERTA, CANADA

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Date d'enregistrement /
Date of registration
19 JANV / JAN 1999

Titre /
Title
CLASS GENERAL LEDGER

Catégorie /
Category
LITTÉRAIRE / LITERARY

Titulaire(s) /
Owner(s)
MOHAMAD Z. MARDUKHI
903 DUBLIN STREET
NEW WESTMINSTER, BRITISH COLUMBIA
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DOUGLAS MASON

KEITH RAE

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Première publication /
First publication
17 JUIL / JUL 1989

Lieu de première publication /
Place of first publication
CALGARY, ALBERTA, CANADA

Date d'émission /
Date of issuance
07 NOV / NOV 2025

Canada

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Innovation, Sciences et
Développement économique Canada
Office de la propriété intellectuelle du Canada

Innovation, Science and
Economic Development Canada
Canadian Intellectual Property Office

Droit d'auteur

CERTIFICATION

Copyright

CERTIFICATION

*Le (la) soussigné certifie par la présente
que les documents ci-joints sont des
copies authentiques de ce qui suit:*

*The undersigned hereby certifies that the
attached documents are true copies of:*

Agent certificateur
Certifying officer

*Certificat d'enregistrement du droit d'auteur
no. 474858 tel qu'enregistré le 19 janvier
1999.*

*Certificate of registration of copyright no.
474858 as registered on January 19,
1999.*

Émis / Issued
7 nov/Nov 2025



Droit d'auteur

CERTIFICAT D'ENREGISTREMENT

Copyright

CERTIFICATE OF REGISTRATION

474858

Numéro d'enregistrement
Registration number

*Ce certificat d'enregistrement est émis
conformément aux articles 49 et 53 de la
Loi sur le droit d'auteur. Le droit d'auteur sur
l'oeuvre a été enregistré à la date
d'enregistrement et selon les détails indiqués
dans les présentes.*

*This Certificate of Registration is issued
pursuant to sections 49 and 53 of the
Copyright Act. The copyright in the work
was registered on the date of registration
and as detailed herein.*

Membre du personnel du bureau du commissaire aux brevets
Officer of the Office of the Commissioner of Patents

Date d'enregistrement /
Date of registration
19 JANV / JAN 1999

Titre /
Title
LAZER DBMS

Catégorie /
Category
LITTÉRAIRE / LITERARY

Titulaire(s) /
Owner(s)
MOHAMAD Z. MARDUKHI
903 DUBLIN STREET
NEW WESTMINSTER, BRITISH COLUMBIA
CANADA, V3M 2Y5

Auteur(s) /
Author(s)
MOHAMAD Z. MARDUKHI

Première publication /
First publication
1 MAI / MAY 1984

Lieu de première publication /
Place of first publication
CALGARY, ALBERTA, CANADA

Date d'émission /
Date of issuance
07 NOV / NOV 2025

Canada

This is Exhibit "B", referred to in the Affidavit of
Mohamad Mardukhi, affirmed before me by
video conference on the 14th day of November ,
2025.



A Commissioner of Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student of Law



**SOFTWARE LICENSE AGREEMENT**

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Wallace & Carey Inc.
(hereinafter "Customer")

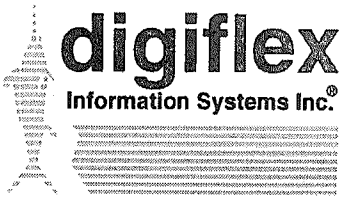
THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

1. **PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	ProCLASS Distribution Management System	AlphaServer DS20E Serial#	OpenVMS V6.2 or higher
1	Runtime Version of LAZER DBMS	AlphaServer DS20E Serial#	OpenVMS V6.2 or higher
1	NEXUS Communications	AlphaServer DS20E Serial#	OpenVMS V6.2 or higher

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2. GRANT OF LICENSE TO USE.

- A. Digiflex hereby grants to Customer a non-transferable, non-exclusive, perpetual License, one (1) copy of a machine executable version of the Software together with the Supporting Documentation under the terms expressed herein, effective on the date this Agreement has been executed by both parties. The Software may, if the Designated Equipment is inoperable, be temporarily transferred to a suitable and compatible backup computer having the same operating system(s) specified in Table 1 provided that Customer shall first give written notice to Digiflex setting out the particulars of the backup computer and indicating the date by which Customer expects the Designated Equipment to be operable.
- B. Customer may substitute a different computer system owned or leased by the Customer as the designated computer system hereunder provided prior written notice, specifying the model and serial number of the proposed substitute system, is given to Digiflex. Provided any new substitute system is a compatible system for the Software, Digiflex will provide one (1) machine executable version of the Package to Customer at the Designated Location within ten (10) days of written notice to Digiflex by the Customer setting out the particulars of the substitute computer and indicating the date by which Customer expects the designated equipment to be operable.

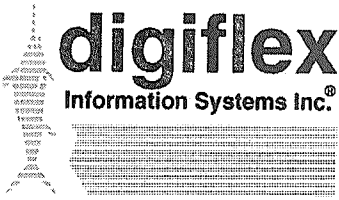
3. **TERMS OF LICENSE AGREEMENT.** This License Agreement shall commence upon its execution by the last of the parties to sign.

4. **LICENSE TO USE FEE.** The Customer shall pay to Digiflex a total of \$280,000.00 (*Two hundred and eighty thousand dollars*) for an unlimited-use License to Use Agreement. The initial payment of \$70,000.00 (*Seventy thousand dollars*) shall be made to Digiflex upon signing this agreement, and the remaining balance of \$210,000.00 (*two hundred & ten thousand*), at 3% financing, is payable over a two year period at \$9,026.05 monthly in advance, commencing upon contract signing.

This unlimited License shall apply to the current Customer's business. New business acquisitions or startups are not covered under this unlimited use License.

5. **LICENSE TERMINATION.** If Customer breaches any of its obligations hereunder, or if the Customer becomes insolvent, files a petition in bankruptcy, or has filed against it an involuntary petition in bankruptcy, or has a receiver appointed over all or substantially all of its assets, then Digiflex may, at its option, if there are

My



any amounts owing by Customer to Digiflex, immediately terminate the License To Use granted hereunder upon written notice to Customer. In case of receivership or bankruptcy the License To Use shall be continued provided the Receiver or Trustee in Bankruptcy assumes all of the Customer's obligations under this agreement. If the License To Use is so terminated, all the License fees paid hereunder will be deemed to have been paid for the use of the Package during the time it was in Customer's possession and Customer shall not be entitled to a refund of any portion of the License To Use fee. In addition, in the event of a breach by Customer of any of its obligations hereunder, Digiflex shall be entitled to seek equitable relief, including by way of injunction, to protect its interests herein, it being acknowledged by the Customer that Digiflex would suffer irreparable harm by any such breach and that damages would not be an adequate remedy.

In the event that Digiflex breaches any of its obligations, or if Digiflex becomes insolvent, or files a petition in bankruptcy, then the Customer may, at its option terminate the License To Use granted hereunder upon written notice to Digiflex.

In the event of a termination of the License hereunder, the Package and all copies thereof shall forthwith be returned to Digiflex or, at Digiflex's option, destroyed or erased from electronic memories or other storage devices and thereafter Customer shall deliver to Digiflex a letter, from an officer of the Customer, certifying that all copies of the Software and any code or listings produced by the Software have been destroyed, returned or erased and that the Customer has discontinued use of the Package.

6. **TAXES.** All prices mentioned in this Agreement are EXCLUSIVE of Provincial, Federal, and other taxes.
7. **TRAINING.** Instruction and training in the use of the Software on the Designated Equipment will be available on a time and materials basis, based on Digiflex's standard per diem rates then in effect in accordance with those outlined in Schedule B - Rate Schedule.
8. **SOFTWARE MODIFICATIONS.** In the event the Customer wishes to pursue modifications, enhancements or improvements to the Software other than those included under the terms of this Agreement, Digiflex would provide a cost estimate to the Customer. Work would commence upon acceptance of the Scope of Work and Price by Customer. All such modifications, enhancements and improvements shall be the property of Digiflex.

A handwritten signature in the bottom right corner of the page, appearing to be "My".

9. **PRICING CHANGES.** All rates specified in this agreement and any attachments, schedules, or enhancements are guaranteed for the initial 12 months of the term of this Agreement. Thereafter, Digiflex may increase such fees or charges by notifying Customer in writing at least thirty (30) days prior to the effective date of increase. Customer agrees that said notifications, or copy thereof, will be considered an amendment to this Agreement. The percentage increase shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or, failing which, for the Province of Alberta or, failing which, for Canada.
10. **LIMITATION OF LIABILITY.** The Customer agrees that Digiflex's liability to Customer or any third party arising out of or in any way relating to this Agreement shall be limited to the License To Use Fee and that under no circumstances shall Digiflex be liable for any special, direct or indirect, incidental or consequential damages of any nature whatsoever, including loss of use, loss of profits, revenue or business.

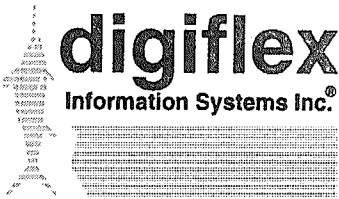
Customer acknowledges that its only remedy in the event of a program error shall be to require Digiflex to use best efforts to correct same and that Digiflex shall not be liable for any damages resulting from the occurrence of a program error however caused.

Except as expressly stated herein, Digiflex makes no warranties, express or implied, concerning the Package, and expressly disclaims and excludes any warranties of merchantability or fitness for a particular purpose.

11. **CONFIDENTIALITY.** Each party acknowledges that all material and information which has or will come into its possession or knowledge in connection with this Agreement or in the performance hereof, and in particular the terms and conditions of this agreement, consists of confidential and proprietary data, whose disclosure to or use by third parties will be damaging. Both parties, therefore, agree to hold such material and information in strictest confidence, not to make use thereof other than for the performance of this Agreement, to release it only to employees who need to know such information in the course of their employment, and not to release or disclose it to any other party. The obligation of both parties under this paragraph shall continue during and after the term of this License To Use agreement.

Neither Digiflex, nor Customer shall approach any employee of the other to provide employment services or consulting services to the other. This restriction shall continue for a period of one year after completion of the project. The company,

A handwritten signature in black ink, appearing to be the initials "My" or similar, located in the bottom right corner of the page.



which presently employs these individuals, may forego this restrictive covenant in writing by the approval of an officer of the company.

- 12. PROPRIETARY RIGHTS, TRADE SECRETS AND TITLE.** Customer hereby acknowledges that the Package, any copies thereof and any updates, enhancements or modifications thereof, in whole or in part, and all copyright, patent, trade secret and other intellectual property and proprietary rights (collectively, "Proprietary Rights") therein, are and remain the valuable property of Digiflex. Customer agrees to communicate to any user of the Package Digiflex's Proprietary Rights by instruction, agreement or notice including but not limited to incorporating and maintaining Digiflex's copyright notice and proprietary warning on each copy of the Package. Customer acknowledges that the existence of any such copyright notice or proprietary warning shall not be construed as an admission or presumption of the publication of the Package. Notwithstanding anything else contained in this Agreement, Customer shall not be entitled to copy all or any part of the Supporting Documentation without Digiflex's prior consent, which consent may be arbitrarily withheld.
- 13. GOVERNING LAW.** This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta, Canada.
- 14. ENTIRE AGREEMENT.** This Agreement and attached Schedules including: Schedule A - Maintenance; Schedule B - Rate Schedule form part of this agreement and contain the entire Agreement between Customer and Digiflex herein of this date and supersedes all prior agreements, negotiations, representations and proposals, written and oral. Customer acknowledges and agrees that no agent, employee or other representative of Digiflex has authority to bind Digiflex to any obligation relating hereto not specifically set forth herein.
- 15. ASSIGNABILITY.** This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party shall assign its rights under this Agreement without first obtaining the written consent of the other, such consent not to be unreasonably withheld.
- 16. AUTHORITY.** Each party has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each has been properly authorized and empowered to enter into this Agreement. Each party further acknowledges that it has read the Agreement, understands it, and agrees that the Agreement is binding upon the parties hereof, their successors and assigns.

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17. **NOTICE.** Any notice, request, demand, consent or other communication provided or permitted hereunder shall be in writing and given by personal delivery or sent by double registered mail or transmitted by telex, telegram, or facsimile, addressed to the party for which it is intended, addressed as follows:

If to Customer:

Wallace & Carey Inc.
5445 – 8th Street N.E.
P.O. Bag 3959 STN. "B"
Calgary, Alberta, Canada T2M 4M5

If to Digiflex:

Digiflex Information Systems Inc.
Suite 104, 7710 – 5th Street S.E.
Calgary, Alberta, Canada T2H 2L9

provided, however, that any party may change its address for purposes of receipt of any such communication by giving ten (10) days prior written notice of such change to the other party in the manner proscribed above. Any notice so given shall be deemed to have been received on the date on which it was delivered or transmitted by telex, telegram or facsimile or if double registered mail, on the date of authorized receipt.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this 9th day of March in the year of 2000:
in the presence of:

Wallace & Carey Inc.
5445 – 8th Street N.E.
P.O. Bag 3959 STN. "B"
Calgary, Alberta, Canada T2M 4M5

T. M. HEYWOOD
Name

CFO
Title

March 9, 2000
Date

T. M. Heywood
Authorized Signatory

Digiflex Information Systems Inc.
Suite 104, 7710 – 5th Street S.E.
Calgary, Alberta, Canada T2H 2L9

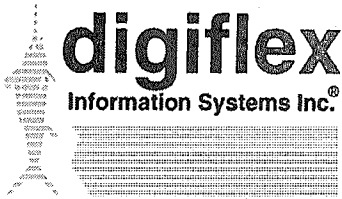
MOHAMAD MARDUHKI
Name

PRESIDENT
Title

MARCH 9, 2000
Date

Authorized Signatory

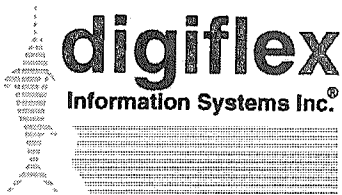
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MAINTENANCE AGREEMENT

1. **DEFINITIONS.** In this Maintenance Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms, words and expressions shall have the meanings ascribed to them as follows:
 - A. “New Module” means a module, program, modification or enhancement, other than an Update, development by Digiflex and which, in Digiflex’s opinion, is substantially different from the Software or any module or application thereof and which Digiflex sells or proposes to sell to third parties;
 - B. “Update” means an update, error correction, modification or enhancement of or in respect of the Software and includes a complete rewritten version or release of the Software.
2. **AGREEMENT.** Upon the terms and subject to the conditions herein set forth, Digiflex agrees to provide to Customer and Customer agrees to accept the Maintenance Services. The term of this Maintenance Agreement shall begin upon installation of ProCLASS into a production environment. However that this Maintenance Agreement will be automatically renewed for successive one year terms upon terms to be agreed upon by the parties at the time of renewal unless notice of termination in writing is given by either party to the other at least thirty (30) days prior to the expiration of the term hereof or any renewal in which case this Maintenance Agreement shall terminate at the end of such term or renewal.
3. **CHARGES.** The customer shall pay an annual maintenance fee for services commencing upon installation of ProCLASS into a production environment. The maintenance fee shall be \$84,000.00 for 2 years paid in advance. Additional Maintenance fees of 25%, of the annual maintenance fee, will apply in the event that ProCLASS is installed in multiple branches on additional Server Systems.
4. **MAINTENANCE SERVICES**
 - A. Digiflex shall provide the following services during the term hereof:
 - i) Operating System Compatibility. Customer agrees to accept, implement and install all Updates provided to Customer under subparagraph (ii), as well as the same release or version of the operating system software issued by the manufacturer of the

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Designated Equipment (meaning the computer hardware designated in the Software License To Use Agreement) in connection therewith as may be installed by Digiflex on its corresponding computer equipment. Digiflex's obligation to provide Maintenance Services shall terminate without notice to Customer if Customer shall fail to install the same release, or two previous updates, of the operating system as Digiflex shall have installed on its system, or if Customer shall install a more recent release of the operating system than Digiflex shall have installed.

- ii) Updates. Digiflex shall provide to Customer any Updates for the Software when such Updates are developed or published by Digiflex and made generally available to other licensees of the Software at no additional cost. Any New Modules developed or published by Digiflex will be offered to Customer at Digiflex's then current rates. All Updates shall become part of the Software, and Digiflex shall be free to offer these Updates to other persons. The determination of whether a New Module will be made generally available to licensees at no additional cost or will be made available only for an additional cost is the sole and exclusive right of Digiflex.

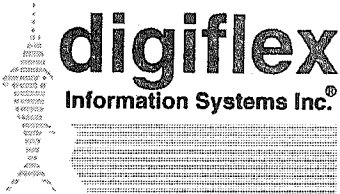
Any changes to program logic made under this Maintenance Agreement and which are to be provided to Customer shall be provided on a machine-readable medium specified by Customer. Customer shall pay the cost of any such media (including shipping charges) provided by Digiflex, in addition to any other charges required to be paid under this Maintenance Agreement.

Digiflex shall not remove any functionality from the Software if the said functionality is being used by the Customer.

Subject to paragraph (e) below, Digiflex shall be responsible for its out-of-pocket costs in correcting a Software error at Customer's premises.

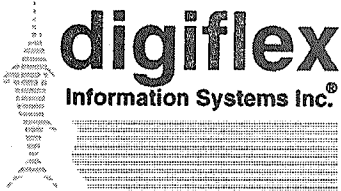
- iii) Hotline Service. Digiflex shall provide Customer remote telephone access to Digiflex personnel on a 7 x 24 basis with respect to use of the Software. In providing such service, Digiflex will respond to a request from Customer, but not necessarily correct any error, within four (4) business hours of Customer's request.

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- B. Digiflex representatives will have full access to the Software in order to effect the necessary Maintenance Services, and for these purposes Customer shall be responsible for providing all necessary ports, dial-in lines and compatible media at Customer's site and cost, and allow physical access to the Customer's site when required to perform maintenance On-Site.
- C. Digiflex makes no express or implied warranties, including any with respect to merchantability and fitness for a particular purpose, with respect to the Maintenance Services. Digiflex does not represent or warrant that the Maintenance Services will be capable of achieving any particular result or results in the business or operations of Customer, or that the operation of the Software will be uninterrupted, or that all programming errors can be found in order to be corrected; however, Digiflex will use its best efforts to attempt to identify and correct such errors including, if appropriate in the circumstances, sending qualified personnel to Customer's business premises. In no event shall Digiflex be liable to Customer in damages, nor shall Digiflex be liable for damages in respect of special, incidental, indirect or consequential loss or lost profits, even if Digiflex has been advised of the possibility of such damages.
- D. Customer agrees to read and be familiar with all Supporting Documentation provided by Digiflex with or in connection with the Software, and agrees to ensure that its users have sufficient operating knowledge of the Software. Customer acknowledges that there is no obligation on the part of Digiflex, except to the extent specifically set out herein, in the Software License To Use Agreement, or otherwise agreed in writing by Digiflex, to provide any training or instruction to Customer or its employees with respect to the Software.
- E. Notwithstanding anything herein contained, if Digiflex determines in good faith in the course of performing any Maintenance Services that an error, problem or question raised by Customer in connection with the Software is a direct result of input of incorrect data or command by Customer, Customer shall reimburse Digiflex for its expenses in responding to Customer's inquiry and shall pay Digiflex a fee calculated at Digiflex's then current rates for such services.
5. **MAINTENANCE CHARGES.** The annual rate for Maintenance Charges shall be firm for the period of this Agreement. Subsequent annual Maintenance Charge renewals, as provided under paragraph 3, may be increased or decreased by Digiflex providing that Digiflex has given Customer written notice of such increase or

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decrease not less than thirty (30) days prior to the end of the then current term of the Maintenance Agreement. The percentage increase, if any, in annual Maintenance Charges over those for the preceding year shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or failing which, for the Province of Alberta, or failing which, for Canada.

In the event that Digiflex should breach the terms of this Maintenance Agreement, such breach not to be correct following thirty (30) days notice of such by Customer, Digiflex shall return to Customer fees paid annually in advance for Maintenance Services, calculated on a pro-rated basis.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this March 9th day of in the year of 2000.
In the presence of:

Wallace & Carey Inc.
5445 – 8th Street N.E.
P.O. Bag 3959 STN. "B"
Calgary, Alberta, Canada T2M 4M5

T. M. HEYWOOD
Name

CEO
Title

March 9, 2000
Date

T. M. Heywood
Authorized Signatory

Digiflex Information Systems Inc.
Suite 104, 7710 – 5th Street S.E.
Calgary, Alberta, Canada T2H 2L9

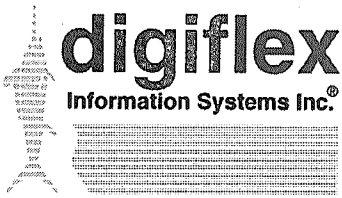
MOHAMAD MARDUHKI
Name

PRESIDENT
Title

MARCH 9, 2000
Date

M. Marduhki
Authorized Signatory

100

**RATE SCHEDULE****1. RATES**

The rates will be based upon the following table of Digiflex employee position. Digiflex rates are subject to an annual review.

Table B-1

	Hourly	Daily
Analysis & Design	\$145.00	\$1087.50
Project Management	\$145.00	\$1087.50
Programming	\$115.00	\$862.50
Technical Support	\$115.00	\$862.50
Training and Installation	\$90.00	\$675.00

2. MINIMUM ON-SITE RATE

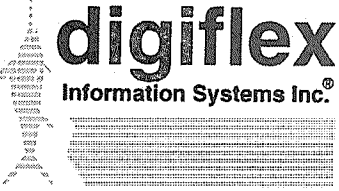
Minimum On-Site Rate within the City of Calgary shall be 4 hours based on the hourly rate schedule as specified in Table B-1. The Minimum On-Site Rate outside the City of Calgary shall be 1 day based on the daily rate schedule as specified in Table B-1.

In the event of traveling being required by Digiflex employees to Customer locations outside of Calgary, Alberta, the Customer shall pay all reasonable expenses incurred by Digiflex employees. This is separate from Rates specified in Table B-1.

3. MINIMUM OFF-SITE RATE.

Minimum Off-Site Rate shall be 2 hours based on the hourly rate schedule as specified in Table B-1.

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Digiflex agrees not to license the Software, as specified in the Software License to Use Agreement, for a period of one year from this contract date, to any of the following organizations provided by Customer, and listed as follows, with addresses of main offices:

1. *Corremark International*

2. *Kohl & Frisch*

14

This is Exhibit "C", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.

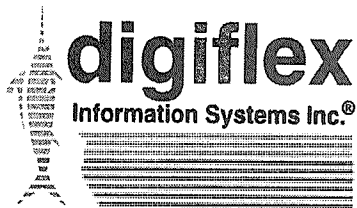


A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student at Law



**SOFTWARE LICENSE AGREEMENT**

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Wallace & Carey Inc.
(hereinafter "Customer")

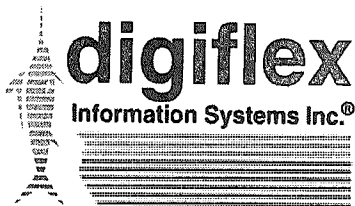
THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

1. **PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	CLASS Accounts Receivable	AlphaServer 4500	OpenVMS V6.2 or higher
1	CLASS Accounts Payable	AlphaServer 4500	OpenVMS V6.2 or higher
1	CLASS General Ledger	AlphaServer 4500	OpenVMS V6.2 or higher

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2. GRANT OF LICENSE TO USE.

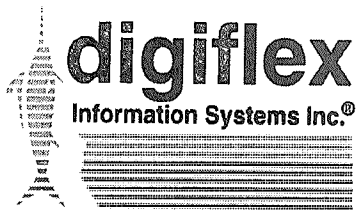
- A. Digiflex hereby grants to Customer a non-transferable, non-exclusive, perpetual License, one (1) copy of a machine executable version of the Software together with the Supporting Documentation under the terms expressed herein, effective on the date this Agreement has been executed by both parties. The Software may, if the Designated Equipment is inoperable, be temporarily transferred to a suitable and compatible backup computer having the same operating system(s) specified in Table 1 provided that Customer shall first give written notice to Digiflex setting out the particulars of the backup computer and indicating the date by which Customer expects the Designated Equipment to be operable.
- B. Customer may substitute a different computer system owned or leased by the Customer as the designated computer system hereunder provided prior written notice, specifying the model and serial number of the proposed substitute system, is given to Digiflex. Provided any new substitute system is a compatible system for the Software, Digiflex will provide one (1) machine executable version of the Package to Customer at the Designated Location within ten (10) days of written notice to Digiflex by the Customer setting out the particulars of the substitute computer and indicating the date by which Customer expects the designated equipment to be operable.

- 3. **TERMS OF LICENSE AGREEMENT.** This License Agreement shall commence upon its execution by the last of the parties to sign.
- 4. **LICENSE FEE.** The Customer shall pay to Digiflex a total of \$52,500 (*fifty two thousand and five hundred dollars*) for an unlimited-use License Agreement for each Package. Total license fee for the three Packages will be \$157,500 and each Package license fee will be paid at the start of the Package implementation project.

This unlimited License shall apply to the current Customer's business. New business acquisitions or startups are not covered under this unlimited use License.

- 5. **LICENSE TERMINATION.** If Customer breaches any of its obligations hereunder, or if the Customer becomes insolvent, files a petition in bankruptcy, or has filed against it an involuntary petition in bankruptcy, or has a receiver appointed over all or substantially all of its assets, then Digiflex may, at its option, if there are any amounts owing by Customer to Digiflex, immediately terminate the License To Use granted hereunder upon written notice to Customer. In case of receivership or bankruptcy the License To Use shall be continued provided the Receiver or Trustee

My



in Bankruptcy assumes all of the Customer's obligations under this agreement. If the License To Use is so terminated, all the License fees paid hereunder will be deemed to have been paid for the use of the Package during the time it was in Customer's possession and Customer shall not be entitled to a refund of any portion of the License To Use fee. In addition, in the event of a breach by Customer of any of its obligations hereunder, Digiflex shall be entitled to seek equitable relief, including by way of injunction, to protect its interests herein, it being acknowledged by the Customer that Digiflex would suffer irreparable harm by any such breach and that damages would not be an adequate remedy.

In the event that Digiflex breaches any of its obligations, or if Digiflex becomes insolvent, or files a petition in bankruptcy, then the Customer may, at its option terminate the License To Use granted hereunder upon written notice to Digiflex.

In the event of a termination of the License hereunder, the Package and all copies thereof shall forthwith be returned to Digiflex or, at Digiflex's option, destroyed or erased from electronic memories or other storage devices and thereafter Customer shall deliver to Digiflex a letter, from an officer of the Customer, certifying that all copies of the Software and any code or listings produced by the Software have been destroyed, returned or erased and that the Customer has discontinued use of the Package.

6. **TAXES.** All prices mentioned in this Agreement are EXCLUSIVE of Provincial, Federal, and other taxes.
7. **TRAINING.** Instruction and training in the use of the Software on the Designated Equipment will be available on a time and materials basis, based on Digiflex's standard per diem rates then in effect in accordance with those outlined in Schedule B - Rate Schedule.
8. **SOFTWARE MODIFICATIONS.** In the event the Customer wishes to pursue modifications, enhancements or improvements to the Software other than those included under the terms of this Agreement, Digiflex would provide a cost estimate to the Customer. Work would commence upon acceptance of the Scope of Work and Price by Customer. All such modifications, enhancements and improvements shall be the property of Digiflex.
9. **PRICING CHANGES.** All rates specified in this agreement and any attachments, schedules, or enhancements are guaranteed for the initial 12 months of the term of this Agreement. Thereafter, Digiflex may increase such fees or charges by notifying

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Customer in writing at least thirty (30) days prior to the effective date of increase. Customer agrees that said notifications, or copy thereof, will be considered an amendment to this Agreement. The percentage increase shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or, failing which, for the Province of Alberta or, failing which, for Canada.

- 10. LIMITATION OF LIABILITY.** The Customer agrees that Digiflex's liability to Customer or any third party arising out of or in any way relating to this Agreement shall be limited to the License To Use Fee and that under no circumstances shall Digiflex be liable for any special, direct or indirect, incidental or consequential damages of any nature whatsoever, including loss of use, loss of profits, revenue or business.

Customer acknowledges that its only remedy in the event of a program error shall be to require Digiflex to use best efforts to correct same and that Digiflex shall not be liable for any damages resulting from the occurrence of a program error however caused.

Except as expressly stated herein, Digiflex makes no warranties, express or implied, concerning the Package, and expressly disclaims and excludes any warranties of merchantability or fitness for a particular purpose.

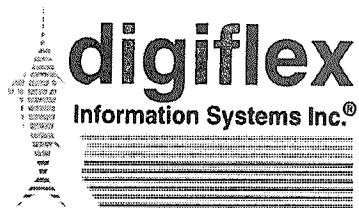
- 11. CONFIDENTIALITY.** Each party acknowledges that all material and information, which has or will come into its possession or knowledge in connection with this Agreement or in the performance hereof, and in particular the terms and conditions of this agreement, consists of confidential and proprietary data, whose disclosure to or use by third parties will be damaging. Both parties, therefore, agree to hold such material and information in strictest confidence, not to make use thereof other than for the performance of this Agreement, to release it only to employees who need to know such information in the course of their employment, and not to release or disclose it to any other party. The obligation of both parties under this paragraph shall continue during and after the term of this License To Use agreement.

Neither Digiflex, nor Customer shall approach any employee of the other to provide employment services or consulting services to the other. This restriction shall continue for a period of one year after completion of the project. The company, which presently employs these individuals, may forego this restrictive covenant in writing by the approval of an officer of the company.

A handwritten signature in the bottom right corner of the page.

- 12. PROPRIETARY RIGHTS, TRADE SECRETS AND TITLE.** Customer hereby acknowledges that the Package, any copies thereof and any updates, enhancements or modifications thereof, in whole or in part, and all copyright, patent, trade secret and other intellectual property and proprietary rights (collectively, "Proprietary Rights") therein, are and remain the valuable property of Digiflex. Customer agrees to communicate to any user of the Package Digiflex's Proprietary Rights by instruction, agreement or notice including but not limited to incorporating and maintaining Digiflex's copyright notice and proprietary warning on each copy of the Package. Customer acknowledges that the existence of any such copyright notice or proprietary warning shall not be construed as an admission or presumption of the publication of the Package. Notwithstanding anything else contained in this Agreement, Customer shall not be entitled to copy all or any part of the Supporting Documentation without Digiflex's prior consent, which consent may be arbitrarily withheld.
- 13. GOVERNING LAW.** This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta, Canada.
- 14. ENTIRE AGREEMENT.** This Agreement and attached Schedules including: Schedule A - Maintenance; Schedule B - Rate Schedule form part of this agreement and contain the entire Agreement between Customer and Digiflex herein of this date and supersedes all prior agreements, negotiations, representations and proposals, written and oral. Customer acknowledges and agrees that no agent, employee or other representative of Digiflex has authority to bind Digiflex to any obligation relating hereto not specifically set forth herein.
- 15. ASSIGNABILITY.** This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party shall assign its rights under this Agreement without first obtaining the written consent of the other, such consent not to be unreasonably withheld.
- 16. AUTHORITY.** Each party has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each has been properly authorized and empowered to enter into this Agreement. Each party further acknowledges that it has read the Agreement, understands it, and agrees that the Agreement is binding upon the parties hereof, their successors and assigns.

A handwritten signature, possibly "M", is located in the bottom right corner of the page.



17. NOTICE. Any notice, request, demand, consent or other communication provided or permitted hereunder shall be in writing and given by personal delivery or sent by double registered mail or transmitted by telex, telegram, or facsimile, addressed to the party for which it is intended, addressed as follows:

If to Customer:

Wallace & Carey Inc.
5445 – 8th Street N.E.
P.O. Bag 3959 STN. "B"
Calgary, Alberta, Canada T2M 4M5

If to Digiflex:

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

provided, however, that any party may change its address for purposes of receipt of any such communication by giving ten (10) days prior written notice of such change to the other party in the manner proscribed above. Any notice so given shall be deemed to have been received on the date on which it was delivered or transmitted by telex, telegram or facsimile or if double registered mail, on the date of authorized receipt.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of _____ in the year of _____
in the presence of:

Wallace & Carey Inc.
5445 – 8th Street N.E.
P.O. Bag 3959 STN. "B"
Calgary, Alberta, Canada T2M 4M5

TOM HEYWOOD
Name

CFO
Title

August 12, 2003
Date

[Signature]
Authorized Signatory

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

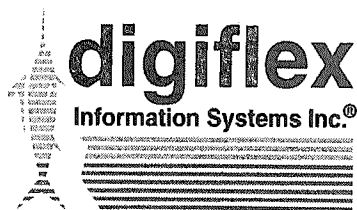
M. Z. MARDUKHI
Name

PRESIDENT
Title

JUNE 27, 2003
Date

[Signature]
Authorized Signatory

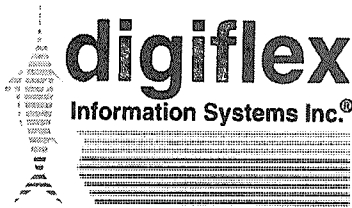
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MAINTENANCE AGREEMENT

1. **DEFINITIONS.** In this Maintenance Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms, words and expressions shall have the meanings ascribed to them as follows:
 - A. "New Module" means a module, program, modification or enhancement, other than an Update, development by Digiflex and which, in Digiflex's opinion, is substantially different from the Software or any module or application thereof and which Digiflex sells or proposes to sell to third parties;
 - B. "Update" means an update, error correction, modification or enhancement of or in respect of the Software and includes a complete rewritten version or release of the Software.
2. **AGREEMENT.** Upon the terms and subject to the conditions herein set forth, Digiflex agrees to provide to Customer and Customer agrees to accept the Maintenance Services. The term of this Maintenance Agreement shall begin upon installation of each Package into a production environment. However that this Maintenance Agreement will be automatically renewed for successive one year terms upon terms to be agreed upon by the parties at the time of renewal unless notice of termination in writing is given by either party to the other at least thirty (30) days prior to the expiration of the term hereof or any renewal in which case this Maintenance Agreement shall terminate at the end of such term or renewal.
3. **CHARGES.** The customer shall pay an annual maintenance fee for services commencing upon installation of each Package into a production environment. The maintenance fee per Package shall be \$9,450 for one year, paid in advance. Total annual maintenance fees for the three Packages shall be \$28,350. Additional Maintenance fees will apply in the event that a Package is installed in multiple branches on additional Server Systems.
4. **MAINTENANCE SERVICES**
 - A. Digiflex shall provide the following services during the term hereof:
 - i) Operating System Compatibility. Customer agrees to accept, implement and install all Updates provided to Customer under subparagraph (ii), as well as the same release or version of the

A handwritten signature, possibly "Mg", is located in the bottom right corner of the page.



operating system software issued by the manufacturer of the Designated Equipment (meaning the computer hardware designated in the Software License To Use Agreement) in connection therewith as may be installed by Digiflex on its corresponding computer equipment. Digiflex's obligation to provide Maintenance Services shall terminate without notice to Customer if Customer shall fail to install the same release, or two previous updates, of the operating system as Digiflex shall have installed on its system, or if Customer shall install a more recent release of the operating system than Digiflex shall have installed.

- ii) Updates. Digiflex shall provide to Customer any Updates for the Software when such Updates are developed or published by Digiflex and made generally available to other licensees of the Software at no additional cost. Any New Modules developed or published by Digiflex will be offered to Customer at Digiflex's then current rates. All Updates shall become part of the Software, and Digiflex shall be free to offer these Updates to other persons. The determination of whether a New Module will be made generally available to licensees at no additional cost or will be made available only for an additional cost is the sole and exclusive right of Digiflex.

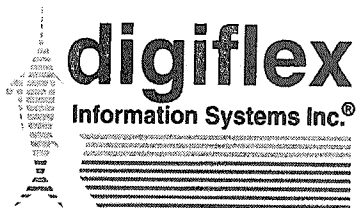
Any changes to program logic made under this Maintenance Agreement and which are to be provided to Customer shall be provided on a machine-readable medium specified by Customer. Customer shall pay the cost of any such media (including shipping charges) provided by Digiflex, in addition to any other charges required to be paid under this Maintenance Agreement.

Digiflex shall not remove any functionality from the Software if the said functionality is being used by the Customer.

Subject to paragraph (e) below, Digiflex shall be responsible for its out-of-pocket costs in correcting a Software error at Customer's premises.

- iii) Hotline Service. Digiflex shall provide Customer remote telephone access to Digiflex personnel on a 7 x 24 basis with respect to use of the Software. In providing such service, Digiflex will respond to a request from Customer, but not necessarily

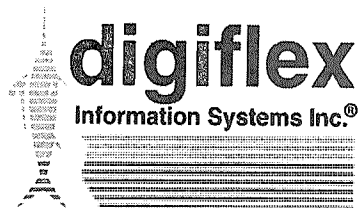
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correct any error, within four (4) business hours of Customer's request.

- B. Digiflex representatives will have full access to the Software in order to effect the necessary Maintenance Services, and for these purposes Customer shall be responsible for providing all necessary ports, dial-in lines and compatible media at Customer's site and cost, and allow physical access to the Customer's site when required to perform maintenance On-Site.
- C. Digiflex makes no express or implied warranties, including any with respect to merchantability and fitness for a particular purpose, with respect to the Maintenance Services. Digiflex does not represent or warrant that the Maintenance Services will be capable of achieving any particular result or results in the business or operations of Customer, or that the operation of the Software will be uninterrupted, or that all programming errors can be found in order to be corrected; however, Digiflex will use its best efforts to attempt to identify and correct such errors including, if appropriate in the circumstances, sending qualified personnel to Customer's business premises. In no event shall Digiflex be liable to Customer in damages, nor shall Digiflex be liable for damages in respect of special, incidental, indirect or consequential loss or lost profits, even if Digiflex has been advised of the possibility of such damages.
- D. Customer agrees to read and be familiar with all Supporting Documentation provided by Digiflex with or in connection with the Software, and agrees to ensure that its users have sufficient operating knowledge of the Software. Customer acknowledges that there is no obligation on the part of Digiflex, except to the extent specifically set out herein, in the Software License To Use Agreement, or otherwise agreed in writing by Digiflex, to provide any training or instruction to Customer or its employees with respect to the Software.
- E. Notwithstanding anything herein contained, if Digiflex determines in good faith in the course of performing any Maintenance Services that an error, problem or question raised by Customer in connection with the Software is a direct result of input of incorrect data or command by Customer, Customer shall reimburse Digiflex for its expenses in responding to Customer's inquiry and shall pay Digiflex a fee calculated at Digiflex's then current rates for such services.

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5. **MAINTENANCE CHARGES.** The annual rate for Maintenance Charges shall be firm for the period of this Agreement. Subsequent annual Maintenance Charge renewals, as provided under paragraph 3, may be increased or decreased by Digiflex providing that Digiflex has given Customer written notice of such increase or decrease not less than thirty (30) days prior to the end of the then current term of the Maintenance Agreement. The percentage increase, if any, in annual Maintenance Charges over those for the preceding year shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or failing which, for the Province of Alberta, or failing which, for Canada.

In the event that Digiflex should breach the terms of this Maintenance Agreement, such breach not to be correct following thirty (30) days notice of such by Customer, Digiflex shall return to Customer fees paid annually in advance for Maintenance Services, calculated on a pro-rated basis.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of _____ in the year of _____.
In the presence of:

Wallace & Carey Inc.
5445 - 8th Street N.E.
P.O. Bag 3959 STN. "B"
Calgary, Alberta, Canada T2M 4M5

TOM HEYWOOD
Name

CFO
Title

August 12, 2003
Date

T. L. M. Heywood
Authorized Signatory

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

M. Z. MARDUKHI
Name

PRESIDENT
Title

JUNE 27, 2003
Date

M. Z. Mardukhi
Authorized Signatory

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RATE SCHEDULE

1. RATES

The rates will be based upon the following table of Digiflex employee position. Digiflex rates are subject to an annual review.

Table B-1

	Hourly	Daily
Analysis & Design	\$145.00	\$1087.50
Project Management	\$145.00	\$1087.50
Programming	\$115.00	\$862.50
Technical Support	\$115.00	\$862.50
Training and Installation	\$115.00	\$862.00

2. MINIMUM ON-SITE RATE

Minimum On-Site Rate within the City of Calgary shall be 4 hours based on the hourly rate schedule as specified in Table B-1. The Minimum On-Site Rate outside the City of Calgary shall be 1 day based on the daily rate schedule as specified in Table B-1.

In the event of traveling being required by Digiflex employees to Customer locations outside of Calgary, Alberta, the Customer shall pay all reasonable expenses incurred by Digiflex employees. This is separate from Rates specified in Table B-1.

3. MINIMUM OFF-SITE RATE.

Minimum Off-Site Rate shall be 2 hours based on the hourly rate schedule as specified in Table B-1.



This is Exhibit "D", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November, 2025.



A Commissioner of Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student at Law



SOFTWARE LICENSE AGREEMENT

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Wallace & Carey Inc.
(hereinafter "Customer")

THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

1. **PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	ProCLASSBI Business Intelligence Suite	X64 processors	Windows Server 2012

2. **GRANT OF LICENSE TO USE.**

- A. Digiflex hereby grants to Customer a non-transferable, non-exclusive, perpetual License, one (1) copy of a machine executable version of the Software together with the Supporting Documentation under the terms expressed herein, effective on the date this Agreement has been executed by both parties. The Software may, if the Designated Equipment is inoperable, be temporarily transferred to a suitable and compatible backup computer having



the same operating system(s) specified in Table 1 provided that Customer shall first give written notice to Digiflex setting out the particulars of the backup computer and indicating the date by which Customer expects the Designated Equipment to be operable.

- B. Customer may substitute a different computer system owned or leased by the Customer as the designated computer system hereunder provided prior written notice, specifying the model and serial number of the proposed substitute system, is given to Digiflex. Provided any new substitute system is a compatible system for the Software, Digiflex will provide one (1) machine executable version of the Package to Customer at the Designated Location within ten (10) days of written notice to Digiflex by the Customer setting out the particulars of the substitute computer and indicating the date by which Customer expects the designated equipment to be operable.

3. **TERMS OF LICENSE AGREEMENT.** This License Agreement shall commence upon its execution by the last of the parties to sign.
4. **LICENSE TO USE FEE.** The Customer shall pay to Digiflex a total of \$300,000.00 (*three hundred thousand dollars*) for an unlimited-use License to Use Agreement. An initial payment of \$150,000.00 (*one hundred & fifty thousand dollars*) was made to Digiflex on April 23, 2012, and the remaining balance is \$150,000.00 (*one hundred & fifty thousand dollars*).

This unlimited License shall apply to the current Customer's business. New business acquisitions or startups are not covered under this unlimited use License.

5. **LICENSE TERMINATION.** If Customer breaches any of its obligations hereunder, or if the Customer becomes insolvent, files a petition in bankruptcy, or has filed against it an involuntary petition in bankruptcy, or has a receiver appointed over all or substantially all of its assets, then Digiflex may, at its option, if there are any amounts owing by Customer to Digiflex, immediately terminate the License To Use granted hereunder upon written notice to Customer. In case of receivership or bankruptcy the License To Use shall be continued provided the Receiver or Trustee in Bankruptcy assumes all of the Customer's obligations under this agreement. If the License To Use is so terminated, all the License fees paid hereunder will be deemed to have been paid for the use of the Package during the time it was in Customer's possession and Customer shall not be entitled to a refund of any portion of the License To Use fee. In addition, in the event of a breach by Customer of any of its obligations hereunder, Digiflex shall be entitled to seek equitable relief, including by way of injunction, to protect its interests herein, it being acknowledged by the



Customer that Digiflex would suffer irreparable harm by any such breach and that damages would not be an adequate remedy.

In the event that Digiflex breaches any of its obligations, or if Digiflex becomes insolvent, or files a petition in bankruptcy, then the Customer may, at its option terminate the License To Use granted hereunder upon written notice to Digiflex.

In the event of a termination of the License hereunder, the Package and all copies thereof shall forthwith be returned to Digiflex or, at Digiflex's option, destroyed or erased from electronic memories or other storage devices and thereafter Customer shall deliver to Digiflex a letter, from an officer of the Customer, certifying that all copies of the Software and any code or listings produced by the Software have been destroyed, returned or erased and that the Customer has discontinued use of the Package.

6. **TAXES.** All prices mentioned in this Agreement are EXCLUSIVE of Provincial, Federal, and other taxes.
7. **TRAINING.** Instruction and training in the use of the Software on the Designated Equipment will be available on a time and materials basis, based on Digiflex's standard per diem rates then in effect in accordance with those outlined in Schedule B - Rate Schedule.
8. **SOFTWARE MODIFICATIONS.** In the event the Customer wishes to pursue modifications, enhancements or improvements to the Software other than those included under the terms of this Agreement, Digiflex would provide a cost estimate to the Customer. Work would commence upon acceptance of the Scope of Work and Price by Customer. All such modifications, enhancements and improvements shall be the property of Digiflex.
9. **PRICING CHANGES.** All rates specified in this agreement and any attachments, schedules, or enhancements are guaranteed for the initial 12 months of the term of this Agreement. Thereafter, Digiflex may increase such fees or charges by notifying Customer in writing at least thirty (30) days prior to the effective date of increase. Customer agrees that said notifications, or copy thereof, will be considered an amendment to this Agreement. The percentage increase shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or, failing which, for the Province of Alberta or, failing which, for Canada.



- 10. LIMITATION OF LIABILITY.** The Customer agrees that Digiflex's liability to Customer or any third party arising out of or in any way relating to this Agreement shall be limited to the License To Use Fee and that under no circumstances shall Digiflex be liable for any special, direct or indirect, incidental or consequential damages of any nature whatsoever, including loss of use, loss of profits, revenue or business.

Customer acknowledges that its only remedy in the event of a program error shall be to require Digiflex to use best efforts to correct same and that Digiflex shall not be liable for any damages resulting from the occurrence of a program error however caused.

Except as expressly stated herein, Digiflex makes no warranties, express or implied, concerning the Package, and expressly disclaims and excludes any warranties of merchantability or fitness for a particular purpose.

- 11. CONFIDENTIALITY.** Each party acknowledges that all material and information which has or will come into its possession or knowledge in connection with this Agreement or in the performance hereof, and in particular the terms and conditions of this agreement, consists of confidential and proprietary data, whose disclosure to or use by third parties will be damaging. Both parties, therefore, agree to hold such material and information in strictest confidence, not to make use thereof other than for the performance of this Agreement, to release it only to employees who need to know such information in the course of their employment, and not to release or disclose it to any other party. The obligation of both parties under this paragraph shall continue during and after the term of this License To Use agreement.

Neither Digiflex, nor Customer shall approach any employee of the other to provide employment services or consulting services to the other. This restriction shall continue for a period of one year after completion of the project. The company, which presently employs these individuals, may forego this restrictive covenant in writing by the approval of an officer of the company.

- 12. PROPRIETARY RIGHTS, TRADE SECRETS AND TITLE.** Customer hereby acknowledges that the Package, any copies thereof and any updates, enhancements or modifications thereof, in whole or in part, and all copyright, patent, trade secret and other intellectual property and proprietary rights (collectively, "Proprietary Rights") therein, are and remain the valuable property of Digiflex. Customer agrees to communicate to any user of the Package Digiflex's Proprietary Rights by instruction, agreement or notice including but not limited to incorporating and maintaining Digiflex's copyright notice and proprietary warning on each copy of the Package. Customer acknowledges that the existence of any such copyright notice or



proprietary warning shall not be construed as an admission or presumption of the publication of the Package. Notwithstanding anything else contained in this Agreement, Customer shall not be entitled to copy all or any part of the Supporting Documentation without Digiflex's prior consent, which consent may be arbitrarily withheld.

13. **GOVERNING LAW.** This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta, Canada.
14. **ENTIRE AGREEMENT.** This Agreement and attached Schedules including: Schedule A - Maintenance; Schedule B - Rate Schedule form part of this agreement and contain the entire Agreement between Customer and Digiflex herein of this date and supersedes all prior agreements, negotiations, representations and proposals, written and oral. Customer acknowledges and agrees that no agent, employee or other representative of Digiflex has authority to bind Digiflex to any obligation relating hereto not specifically set forth herein.
15. **ASSIGNABILITY.** This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party shall assign its rights under this Agreement without first obtaining the written consent of the other, such consent not to be unreasonably withheld.
16. **AUTHORITY.** Each party has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each has been properly authorized and empowered to enter into this Agreement. Each party further acknowledges that it has read the Agreement, understands it, and agrees that the Agreement is binding upon the parties hereof, their successors and assigns.



17. **NOTICE.** Any notice, request, demand, consent or other communication provided or permitted hereunder shall be in writing and given by personal delivery or sent by double registered mail or transmitted by telex, telegram, or facsimile, addressed to the party for which it is intended, addressed as follows:

If to Customer:

Wallace & Carey Inc.

5445 – 8th Street N.E.

Calgary, Alberta, Canada T2K 5R9

If to Digiflex:

Digiflex Information Systems Inc.

2611 Venables Street

Vancouver, BC, Canada V5K 2R4

provided, however, that any party may change its address for purposes of receipt of any such communication by giving ten (10) days prior written notice of such change to the other party in the manner proscribed above. Any notice so given shall be deemed to have been received on the date on which it was delivered or transmitted by telex, telegram or facsimile or if double registered mail, on the date of authorized receipt.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of _____ in the year of _____.
in the presence of:

Wallace & Carey Inc.
5445 – 8th Street N.E.
Calgary, Alberta, Canada
T2K 5R9

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada
V5K 2R4

Name

Name

Title

Title

Date

Date

Authorized Signatory

Authorized Signatory



MAINTENANCE AGREEMENT

1. **DEFINITIONS.** In this Maintenance Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms, words and expressions shall have the meanings ascribed to them as follows:
 - A. “New Module” means a module, program, modification or enhancement, other than an Update, development by Digiflex and which, in Digiflex’s opinion, is substantially different from the Software or any module or application thereof and which Digiflex sells or proposes to sell to third parties;
 - B. “Update” means an update, error correction, modification or enhancement of or in respect of the Software and includes a complete rewritten version or release of the Software.
2. **AGREEMENT.** Upon the terms and subject to the conditions herein set forth, Digiflex agrees to provide to Customer and Customer agrees to accept the Maintenance Services. The term of this Maintenance Agreement shall begin upon installation of ProCLASSBI into a production environment. However that this Maintenance Agreement will be automatically renewed for successive one year terms upon terms to be agreed upon by the parties at the time of renewal unless notice of termination in writing is given by either party to the other at least thirty (30) days prior to the expiration of the term hereof or any renewal in which case this Maintenance Agreement shall terminate at the end of such term or renewal.
3. **CHARGES.** The customer shall pay an annual maintenance fee for services commencing upon installation of ProCLASSBI into a production environment. The maintenance fee shall be \$60,000.00 (sixty thousand dollars) per year, paid in advance. Additional Maintenance fees will apply in the event that ProCLASSBI is installed in multiple branches on additional Server Systems as specified in Table 2.
4. **MAINTENANCE SERVICES**
 - A. Digiflex shall provide the following services during the term hereof:
 - i) **Operating System Compatibility.** Customer agrees to accept, implement and install all Updates provided to Customer under subparagraph (ii), as well as the same release or version of the operating system software issued by the manufacturer of the



Designated Equipment (meaning the computer hardware designated in the Software License To Use Agreement) in connection therewith as may be installed by Digiflex on its corresponding computer equipment. Digiflex's obligation to provide Maintenance Services shall terminate without notice to Customer if Customer shall fail to install the same release, or two previous updates, of the operating system as Digiflex shall have installed on its system, or if Customer shall install a more recent release of the operating system than Digiflex shall have installed.

- ii) Updates. Digiflex shall provide to Customer any Updates for the Software when such Updates are developed or published by Digiflex and made generally available to other licensees of the Software at no additional cost. Any New Modules developed or published by Digiflex will be offered to Customer at Digiflex's then current rates. All Updates shall become part of the Software, and Digiflex shall be free to offer these Updates to other persons. The determination of whether a New Module will be made generally available to licensees at no additional cost or will be made available only for an additional cost is the sole and exclusive right of Digiflex.

Any changes to program logic made under this Maintenance Agreement and which are to be provided to Customer shall be provided on a machine-readable medium specified by Customer. Customer shall pay the cost of any such media (including shipping charges) provided by Digiflex, in addition to any other charges required to be paid under this Maintenance Agreement.

Digiflex shall not remove any functionality from the Software if the said functionality is being used by the Customer.

Subject to paragraph (e) below, Digiflex shall be responsible for its out-of-pocket costs in correcting a Software error at Customer's premises.

- iii) Hotline Service. Digiflex shall provide Customer remote telephone access to Digiflex personnel on a 7 x 24 basis with respect to use of the Software. In providing such service, Digiflex will respond to a request from Customer, but not necessarily correct any error, within four (4) business hours of Customer's request.



- B. Digiflex representatives will have full access to the Software in order to effect the necessary Maintenance Services, and for these purposes Customer shall be responsible for providing all necessary ports, dial-in lines and compatible media at Customer's site and cost, and allow physical access to the Customer's site when required to perform maintenance On-Site.
- C. Digiflex makes no express or implied warranties, including any with respect to merchantability and fitness for a particular purpose, with respect to the Maintenance Services. Digiflex does not represent or warrant that the Maintenance Services will be capable of achieving any particular result or results in the business or operations of Customer, or that the operation of the Software will be uninterrupted, or that all programming errors can be found in order to be corrected; however, Digiflex will use its best efforts to attempt to identify and correct such errors including, if appropriate in the circumstances, sending qualified personnel to Customer's business premises. In no event shall Digiflex be liable to Customer in damages, nor shall Digiflex be liable for damages in respect of special, incidental, indirect or consequential loss or lost profits, even if Digiflex has been advised of the possibility of such damages.
- D. Customer agrees to read and be familiar with all Supporting Documentation provided by Digiflex with or in connection with the Software, and agrees to ensure that its users have sufficient operating knowledge of the Software. Customer acknowledges that there is no obligation on the part of Digiflex, except to the extent specifically set out herein, in the Software License To Use Agreement, or otherwise agreed in writing by Digiflex, to provide any training or instruction to Customer or its employees with respect to the Software.
- E. Notwithstanding anything herein contained, if Digiflex determines in good faith in the course of performing any Maintenance Services that an error, problem or question raised by Customer in connection with the Software is a direct result of input of incorrect data or command by Customer, Customer shall reimburse Digiflex for its expenses in responding to Customer's inquiry and shall pay Digiflex a fee calculated at Digiflex's then current rates for such services.



5. **MAINTENANCE CHARGES.** The annual rate for Maintenance Charges shall be firm for the period of this Agreement. Subsequent annual Maintenance Charge renewals, as provided under paragraph 3, may be increased or decreased by Digiflex providing that Digiflex has given Customer written notice of such increase or decrease not less than thirty (30) days prior to the end of the then current term of the Maintenance Agreement. The percentage increase, if any, in annual Maintenance Charges over those for the preceding year shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or failing which, for the Province of Alberta, or failing which, for Canada.

In the event that Digiflex should breach the terms of this Maintenance Agreement, such breach not to be correct following thirty (30) days notice of such by Customer, Digiflex shall return to Customer fees paid annually in advance for Maintenance Services, calculated on a pro-rated basis.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of _____ in the year of _____.

Wallace & Carey Inc.
5445 – 8th Street N.E.
Calgary, Alberta, Canada
T2M 5R9

 Name

 Title

 Date

 Authorized Signatory
Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada
V5K 2R4

 Name

 Title

 Date

 Authorized Signatory

RATE SCHEDULE**1. RATES**

The rates will be based upon the following table of Digiflex employee position. Digiflex rates are subject to an annual review.

Table B-1

	Hourly	Daily
Analysis & Design	\$175.00	\$1300.00
Project Management	\$175.00	\$1300.00
Programming	\$135.00	\$1000.00
Technical Support	\$135.00	\$1000.00
Training and Installation	\$135.00	\$1000.00

2. MINIMUM ON-SITE RATE

Minimum On-Site Rate within the City of Calgary shall be 4 hours based on the hourly rate schedule as specified in Table B-1. The Minimum On-Site Rate outside the City of Calgary shall be 1 day based on the daily rate schedule as specified in Table B-1.

In the event of traveling being required by Digiflex employees to Customer locations outside of Calgary, Alberta, the Customer shall pay all reasonable expenses incurred by Digiflex employees. This is separate from Rates specified in Table B-1.

3. MINIMUM OFF-SITE RATE.

Minimum Off-Site Rate shall be 2 hours based on the hourly rate schedule as specified in Table B-1.

This is Exhibit "E", referred to in the Affidavit of
Mohamad Mardukhi, affirmed before me by
video conference on the 14th day of November ,
2025.



A Commissioner of Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



SOFTWARE LICENSE AGREEMENT

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Loudon Bros. Ltd.
(hereinafter "Customer")

THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

1. **PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	ProCLASS Distribution Management System	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS Accounts Receivable	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS Accounts Payable	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS General Ledger	HP rx2620 Itanium Server	OpenVMS V8.3 or higher

1	Runtime Version of LAZER DBMS	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
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2. GRANT OF LICENSE TO USE.

A. Digiflex hereby grants to Customer a non-transferable, non-exclusive, perpetual License, one (1) copy of a machine executable version of the Software together with the Supporting Documentation under the terms expressed herein, effective on the date this Agreement has been executed by both parties. The Software may, if the Designated Equipment is inoperable, be temporarily transferred to a suitable and compatible backup computer having the same operating system(s) specified in Table 1 provided that Customer shall first give written notice to Digiflex setting out the particulars of the backup computer and indicating the date by which Customer expects the Designated Equipment to be operable.

B. Customer may substitute a different computer system owned or leased by the Customer as the designated computer system hereunder provided prior written notice, specifying the model and serial number of the proposed substitute system, is given to Digiflex. Provided any new substitute system is a compatible system for the Software, Digiflex will provide one (1) machine executable version of the Package to Customer at the Designated Location within ten (10) days of written notice to Digiflex by the Customer setting out the particulars of the substitute computer and indicating the date by which Customer expects the designated equipment to be operable.

3. TERMS OF LICENSE AGREEMENT. This License Agreement shall commence upon its execution by the last of the parties to sign.

4. LICENSE TO USE FEE. The Customer shall pay to Digiflex a total of \$34,000.00 (*Thirty four thousand dollars*) for a 6-user ProCLASS Distribution Management License, 4-user CLASS Accounts Receivable License, 6-user CLASS Accounts Payable License, and 6-user CLASS General Ledger License. Additional user licenses can be added at a cost of \$3,000 (*Three thousand dollars*) per user for ProCLASS Distribution Management and \$1,000 (*One thousand dollars*) for any of the CLASS Accounts Receivable, CLASS Accounts Payable, or CLASS General Ledger packages.

This License shall apply to the current Customer's business. New business acquisitions or startups are not covered under this License.



5. **LICENSE TERMINATION.** If Customer breaches any of its obligations hereunder, or if the Customer becomes insolvent, files a petition in bankruptcy, or has filed against it an involuntary petition in bankruptcy, or has a receiver appointed over all or substantially all of its assets, then Digiflex may, at its option, if there are any amounts owing by Customer to Digiflex, immediately terminate the License To Use granted hereunder upon written notice to Customer. In case of receivership or bankruptcy the License To Use shall be continued provided the Receiver or Trustee in Bankruptcy assumes all of the Customer's obligations under this agreement. If the License To Use is so terminated, all the License fees paid hereunder will be deemed to have been paid for the use of the Package during the time it was in Customer's possession and Customer shall not be entitled to a refund of any portion of the License To Use fee. In addition, in the event of a breach by Customer of any of its obligations hereunder, Digiflex shall be entitled to seek equitable relief, including by way of injunction, to protect its interests herein, it being acknowledged by the Customer that Digiflex would suffer irreparable harm by any such breach and that damages would not be an adequate remedy.

In the event that Digiflex breaches any of its obligations, or if Digiflex becomes insolvent, or files a petition in bankruptcy, then the Customer may, at its option terminate the License To Use granted hereunder upon written notice to Digiflex.

In the event of a termination of the License hereunder, the Package and all copies thereof shall forthwith be returned to Digiflex or, at Digiflex's option, destroyed or erased from electronic memories or other storage devices and thereafter Customer shall deliver to Digiflex a letter, from an officer of the Customer, certifying that all copies of the Software and any code or listings produced by the Software have been destroyed, returned or erased and that the Customer has discontinued use of the Package.

6. **TAXES.** All prices mentioned in this Agreement are EXCLUSIVE of Provincial, Federal, and other taxes.
7. **TRAINING.** Instruction and training in the use of the Software on the Designated Equipment will be available on a time and materials basis, based on Digiflex's standard per diem rates then in effect in accordance with those outlined in Schedule B - Rate Schedule.
8. **SOFTWARE MODIFICATIONS.** In the event the Customer wishes to pursue modifications, enhancements or improvements to the Software other than those included under the terms of this Agreement, Digiflex would provide a cost estimate to the Customer. Work would commence upon acceptance of the Scope of Work and



Price by Customer. All such modifications, enhancements and improvements shall be the property of Digiflex.

9. **PRICING CHANGES.** All rates specified in this agreement and any attachments, schedules, or enhancements are guaranteed for the initial 12 months of the term of this Agreement. Thereafter, Digiflex may increase such fees or charges by notifying Customer in writing at least thirty (30) days prior to the effective date of increase. Customer agrees that said notifications, or copy thereof, will be considered an amendment to this Agreement. The percentage increase shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or, failing which, for the Province of Alberta or, failing which, for Canada.
10. **LIMITATION OF LIABILITY.** The Customer agrees that Digiflex's liability to Customer or any third party arising out of or in any way relating to this Agreement shall be limited to the License To Use Fee and that under no circumstances shall Digiflex be liable for any special, direct or indirect, incidental or consequential damages of any nature whatsoever, including loss of use, loss of profits, revenue or business.

Customer acknowledges that its only remedy in the event of a program error shall be to require Digiflex to use best efforts to correct same and that Digiflex shall not be liable for any damages resulting from the occurrence of a program error however caused.

Except as expressly stated herein, Digiflex makes no warranties, express or implied, concerning the Package, and expressly disclaims and excludes any warranties of merchantability or fitness for a particular purpose.

11. **CONFIDENTIALITY.** Each party acknowledges that all material and information which has or will come into its possession or knowledge in connection with this Agreement or in the performance hereof, and in particular the terms and conditions of this agreement, consists of confidential and proprietary data, whose disclosure to or use by third parties will be damaging. Both parties, therefore, agree to hold such material and information in strictest confidence, not to make use thereof other than for the performance of this Agreement, to release it only to employees who need to know such information in the course of their employment, and not to release or disclose it to any other party. The obligation of both parties under this paragraph shall continue during and after the term of this License To Use agreement.

Neither Digiflex, nor Customer shall approach any employee of the other to provide employment services or consulting services to the other. This restriction shall continue for a period of one year after completion of the project. The company, which presently employs these individuals, may forego this restrictive covenant in writing by the approval of an officer of the company.

12. **PROPRIETARY RIGHTS, TRADE SECRETS AND TITLE.** Customer hereby acknowledges that the Package, any copies thereof and any updates, enhancements or modifications thereof, in whole or in part, and all copyright, patent, trade secret and other intellectual property and proprietary rights (collectively, "Proprietary Rights") therein, are and remain the valuable property of Digiflex. Customer agrees to communicate to any user of the Package Digiflex's Proprietary Rights by instruction, agreement or notice including but not limited to incorporating and maintaining Digiflex's copyright notice and proprietary warning on each copy of the Package. Customer acknowledges that the existence of any such copyright notice or proprietary warning shall not be construed as an admission or presumption of the publication of the Package. Notwithstanding anything else contained in this Agreement, Customer shall not be entitled to copy all or any part of the Supporting Documentation without Digiflex's prior consent, which consent may be arbitrarily withheld.
13. **GOVERNING LAW.** This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta, Canada.
14. **ENTIRE AGREEMENT.** This Agreement and attached Schedules including: Schedule A - Maintenance; Schedule B - Rate Schedule form part of this agreement and contain the entire Agreement between Customer and Digiflex herein of this date and supersedes all prior agreements, negotiations, representations and proposals, written and oral. Customer acknowledges and agrees that no agent, employee or other representative of Digiflex has authority to bind Digiflex to any obligation relating hereto not specifically set forth herein.
15. **ASSIGNABILITY.** This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party shall assign its rights under this Agreement without first obtaining the written consent of the other, such consent not to be unreasonably withheld.
16. **AUTHORITY.** Each party has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each has been properly authorized and empowered to enter into this Agreement. Each party further acknowledges that it has read the Agreement, understands it, and agrees that the Agreement is binding upon the parties hereof, their successors and assigns.



17. **NOTICE.** Any notice, request, demand, consent or other communication provided or permitted hereunder shall be in writing and given by personal delivery or sent by double registered mail or transmitted by telex, telegram, or facsimile, addressed to the party for which it is intended, addressed as follows:

If to Customer:

Loudon Bros. Ltd.
5445 8th Street N.E.
Calgary, Alberta, Canada T2K 5R9

If to Digiflex:

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

provided, however, that any party may change its address for purposes of receipt of any such communication by giving ten (10) days prior written notice of such change to the other party in the manner proscribed above. Any notice so given shall be deemed to have been received on the date on which it was delivered or transmitted by telex, telegram or facsimile or if double registered mail, on the date of authorized receipt.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed
on this _____ day of _____ in the year of _____
in the presence of:

Loudon Bros. Ltd.
5445 8th Street N.E.
Calgary, Alberta, Canada T2K 5R9

Name

Title

Date

Authorized Signatory

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

Name

Title

Date

Authorized Signatory



MAINTENANCE AGREEMENT

1. **DEFINITIONS.** In this Maintenance Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms, words and expressions shall have the meanings ascribed to them as follows:
 - A. “New Module” means a module, program, modification or enhancement, other than an Update, development by Digiflex and which, in Digiflex’s opinion, is substantially different from the Software or any module or application thereof and which Digiflex sells or proposes to sell to third parties;
 - B. “Update” means an update, error correction, modification or enhancement of or in respect of the Software and includes a complete rewritten version or release of the Software.
2. **AGREEMENT.** Upon the terms and subject to the conditions herein set forth, Digiflex agrees to provide to Customer and Customer agrees to accept the Maintenance Services. The term of this Maintenance Agreement shall begin upon installation of Software into a production environment. However that this Maintenance Agreement will be automatically renewed for successive one year terms upon terms to be agreed upon by the parties at the time of renewal unless notice of termination in writing is given by either party to the other at least thirty (30) days prior to the expiration of the term hereof or any renewal in which case this Maintenance Agreement shall terminate at the end of such term or renewal.
3. **CHARGES.** The customer shall pay an annual maintenance fee for services commencing upon installation of Software into a production environment. The maintenance fee shall be \$6,800 (*Six thousand and eight Hundred*) per year, paid in advance. Additional Maintenance fees will apply in the event that Software is installed in multiple branches on additional Server Systems as specified in Table 2.
4. **MAINTENANCE SERVICES**
 - A. Digiflex shall provide the following services during the term hereof:
 - i) **Operating System Compatibility.** Customer agrees to accept, implement and install all Updates provided to Customer under subparagraph (ii), as well as the same release or version of the operating system software issued by the manufacturer of the



Designated Equipment (meaning the computer hardware designated in the Software License To Use Agreement) in connection therewith as may be installed by Digiflex on its corresponding computer equipment. Digiflex's obligation to provide Maintenance Services shall terminate without notice to Customer if Customer shall fail to install the same release, or two previous updates, of the operating system as Digiflex shall have installed on its system, or if Customer shall install a more recent release of the operating system than Digiflex shall have installed.

- ii) Updates. Digiflex shall provide to Customer any Updates for the Software when such Updates are developed or published by Digiflex and made generally available to other licensees of the Software at no additional cost. Any New Modules developed or published by Digiflex will be offered to Customer at Digiflex's then current rates. All Updates shall become part of the Software, and Digiflex shall be free to offer these Updates to other persons. The determination of whether a New Module will be made generally available to licensees at no additional cost or will be made available only for an additional cost is the sole and exclusive right of Digiflex.

Any changes to program logic made under this Maintenance Agreement and which are to be provided to Customer shall be provided on a machine-readable medium specified by Customer. Customer shall pay the cost of any such media (including shipping charges) provided by Digiflex, in addition to any other charges required to be paid under this Maintenance Agreement.

Digiflex shall not remove any functionality from the Software if the said functionality is being used by the Customer.

Subject to paragraph (e) below, Digiflex shall be responsible for its out-of-pocket costs in correcting a Software error at Customer's premises.

- iii) Hotline Service. Digiflex shall provide Customer remote telephone access to Digiflex personnel on a 7 x 24 basis with respect to use of the Software. In providing such service, Digiflex will respond to a request from Customer, but not necessarily correct any error, within four (4) business hours of Customer's request.



- B. Digiflex representatives will have full access to the Software in order to effect the necessary Maintenance Services, and for these purposes Customer shall be responsible for providing all necessary ports, dial-in lines and compatible media at Customer's site and cost, and allow physical access to the Customer's site when required to perform maintenance On-Site.
 - C. Digiflex makes no express or implied warranties, including any with respect to merchantability and fitness for a particular purpose, with respect to the Maintenance Services. Digiflex does not represent or warrant that the Maintenance Services will be capable of achieving any particular result or results in the business or operations of Customer, or that the operation of the Software will be uninterrupted, or that all programming errors can be found in order to be corrected; however, Digiflex will use its best efforts to attempt to identify and correct such errors including, if appropriate in the circumstances, sending qualified personnel to Customer's business premises. In no event shall Digiflex be liable to Customer in damages, nor shall Digiflex be liable for damages in respect of special, incidental, indirect or consequential loss or lost profits, even if Digiflex has been advised of the possibility of such damages.
 - D. Customer agrees to read and be familiar with all Supporting Documentation provided by Digiflex with or in connection with the Software, and agrees to ensure that its users have sufficient operating knowledge of the Software. Customer acknowledges that there is no obligation on the part of Digiflex, except to the extent specifically set out herein, in the Software License To Use Agreement, or otherwise agreed in writing by Digiflex, to provide any training or instruction to Customer or its employees with respect to the Software.
 - E. Notwithstanding anything herein contained, if Digiflex determines in good faith in the course of performing any Maintenance Services that an error, problem or question raised by Customer in connection with the Software is a direct result of input of incorrect data or command by Customer, Customer shall reimburse Digiflex for its expenses in responding to Customer's inquiry and shall pay Digiflex a fee calculated at Digiflex's then current rates for such services.
5. **MAINTENANCE CHARGES.** The annual rate for Maintenance Charges shall be firm for the period of this Agreement. Subsequent annual Maintenance Charge renewals, as provided under paragraph 3, may be increased or decreased by Digiflex providing that Digiflex has given Customer written notice of such increase or



decrease not less than thirty (30) days prior to the end of the then current term of the Maintenance Agreement. The percentage increase, if any, in annual Maintenance Charges over those for the preceding year shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or failing which, for the Province of Alberta, or failing which, for Canada.

In the event that Digiflex should breach the terms of this Maintenance Agreement, such breach not to be correct following thirty (30) days notice of such by Customer, Digiflex shall return to Customer fees paid annually in advance for Maintenance Services, calculated on a pro-rated basis.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of _____ in the year of _____
in the presence of:

Loudon Bros. Ltd.
5445 8th Street N.E.
Calgary, Alberta, Canada T2M 4M5

Name

Title

Date

Authorized Signatory

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

Name

Title

Date

Authorized Signatory

RATE SCHEDULE**1. RATES**

The rates will be based upon the following table of Digiflex employee position. Digiflex rates are subject to an annual review.

Table B-1

	Hourly	Daily
Analysis & Design	\$175.00	\$1300.00
Project Management	\$175.00	\$1300.00
Programming	\$135.00	\$1000.00
Technical Support	\$135.00	\$1000.00
Training and Installation	\$135.00	\$1000.00

2. MINIMUM ON-SITE RATE

Minimum On-Site Rate within the City of Calgary shall be 4 hours based on the hourly rate schedule as specified in Table B-1. The Minimum On-Site Rate outside the City of Calgary shall be 1 day based on the daily rate schedule as specified in Table B-1.

In the event of traveling being required by Digiflex employees to Customer locations outside of Calgary, Alberta, the Customer shall pay all reasonable expenses incurred by Digiflex employees. This is separate from Rates specified in Table B-1.

3. MINIMUM OFF-SITE RATE.

Minimum Off-Site Rate shall be 2 hours based on the hourly rate schedule as specified in Table B-1.

SOFTWARE LICENSE AGREEMENT - ADDENDUM

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Loudon Bros. Ltd.
(hereinafter "Customer")

THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

1. **PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	ProCLASS Distribution Management System	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS Accounts Receivable	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS Accounts Payable	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS General Ledger	HP rx2620 Itanium Server	OpenVMS V8.3 or higher

2. **ADDITIONAL LICENSES.** Customer is hereby granted an additional 4 (four)-user ProCLASS DMS License for a total of 10 (ten)-user licenses, in consideration of which the Customer shall pay Digiflex a total of \$12,000, and Customer is hereby granted an additional 2 (two)-user CLASS Accounts Receivable License for a total of 6 (six)-user licenses, and Customer is hereby deducted 2 (two)-user CLASS General Ledger Licenses for a total of 4 (four)-user licenses. These license changes were applied on and they will be reflected in the Maintenance charges effective May 1, 2014.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on this _____ 8th _____ day of _____ May _____ in the year of _____ 2014.

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

Mohamad Z. Mardukhi

Name

President

Title

May 8th, 2014

Date

Authorized Signatory



2

SOFTWARE LICENSE AGREEMENT - ADDENDUM

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Loudon Bros. Ltd.
(hereinafter "Customer")

THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

1. **PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	ProCLASS Distribution Management System	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS Accounts Receivable	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS Accounts Payable	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS General Ledger	HP rx2620 Itanium Server	OpenVMS V8.3 or higher

2. **ADDITIONAL LICENSES.** Customer is hereby granted an additional 5 (five)-user ProCLASS DMS License for a total of 15 (fifteen)-user licenses, in consideration of which the Customer shall pay Digiflex a total of \$15,000, and Customer is hereby granted an additional 2 (two)-user CLASS Accounts Receivable License for a total of 8 (eight)-user licenses, in consideration of which the Customer shall pay Digiflex a total of \$2,000. These license changes were applied on and they will be reflected in the Maintenance charges effective June 1, 2014.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on this 6th day of June in the year of 2014.

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

Mohamad Z. Mardukhi

Name

President

Title

June 6th, 2014

Date

Authorized Signatory



This is Exhibit "F", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



Mohamad Zähed Mardukhi

From: Mohamad Zähed Mardukhi
Sent: July 22, 2024 13:34
To: Heather Miller
Cc: Cliff Harrison
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Heather,

This will simplify implantation and likely remediate system capacity concerns but a new software license will still be needed as legally this will be a new company. You already have the license fee table based on annual sales range.

Once licensing is done, we will discuss implementation and possible business process changes for the new company, along with their associated cost estimates.

Thank you,

Mohamad

From: Heather Miller <millerh@wacl.com>
Sent: Monday, July 22, 2024 12:08 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Cliff Harrison <harrisonc@wacl.com>
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Good Morning Mohamad,

After further discussion with Finance, they have confirmed that we do not require a separate company.

What we need is to change our company name and fiscal calendar to calendar month effective January 1st, 2025.

Effectively, we will end our fiscal year in October 2024 as normal, start our new fiscal year for Nov/Dec 2024 and then change to a new fiscal calendar based on calendar month with our company name changed on Jan 1st, 2025.

Please let me know what is needed to make these changes and any additional costs to update our system to reflect the change to our fiscal calendar and company name (including a new logo).

Thank you,
Heather

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Monday, July 15, 2024 4:32 PM
To: Heather Miller <millerh@wacl.com>
Cc: Cliff Harrison <harrisonc@wacl.com>
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

CAUTION: This email originated from an outside source. Do not open attachments or click on links unless you recognize the sender and have validated the content is safe.

Hi Heather,

Help Desk support will continue at the \$225K per year for as long as it is needed, as we have to maintain staff to provide that service.

Thanks,

Mohamad

From: Heather Miller <millerh@wac1.com>

Sent: Monday, July 15, 2024 3:02 PM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Cliff Harrison <harrisonc@wac1.com>

Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Mohamad,

Thank you for the additional information.

For the level 2 Helpdesk Support what would the cost be once the new company, WC and Loudons are no longer processing transactions in ProCLASS/CLASS and are all READ ONLY?

Thank you,
Heather

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Monday, July 15, 2024 9:31 AM

To: Heather Miller <millerh@wac1.com>

Cc: Cliff Harrison <harrisonc@wac1.com>

Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

CAUTION: This email originated from an outside source. Do not open attachments or click on links unless you recognize the sender and have validated the content is safe.

Hi Heather,

Here is the table with a column for \$300M annual sales:

System	Annual Sales \$100M	Annual Sales \$300M	Annual Sales \$600M	Annual Sale
	License Fee	License Fee	License Fee	License
ProCLASS	\$300,000	\$1,000,000	\$2,000,000	\$
CLASS A/P	\$60,000	\$200,000	\$400,000	
CLASS A/R	\$60,000	\$200,000	\$400,000	
CLASS G/L	\$60,000	\$200,000	\$400,000	
CLASS B/R	\$4,000	\$14,000	\$30,000	
Total License Fee:	\$484,000	\$1,614,000	\$3,230,000	\$
Annual Maintenance Fee:	\$169,400	\$403,500	\$807,500	

We do not have a subscription licensing option for the old systems.

We can offer the same type of level 2 Help Desk Support to the new company for \$180K per year. If you want to extend this support to W&C and/or Loudon for 2025, the combined rate will be \$225K for the year.

Thanks,

Mohamad

From: Heather Miller <millerh@wac1.com>

Sent: Friday, July 12, 2024 2:18 PM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Cliff Harrison <harrisonc@wac1.com>

Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Mohamad,

Thank you so much for getting this information to us.

Could you please provide me with an additional column in the table for Annual Sales of \$300M?

Also, is there any option available to buy subscription based licenses rather than perpetual with support on a month to month basis?

In addition, how does this impact our Helpdesk support and what would the annual support costs be once we retire Loudons and W&C to maintain read only environments for audit purposes?

Thank you,
Heather

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Friday, July 12, 2024 12:23 PM

To: Heather Miller <millerh@wac1.com>

Cc: Cliff Harrison <harrisonc@wac1.com>

Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

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Hi Heather,

The current annualized W&C sales is in the \$600M+ range and if the new company is going to provide the same services as W&C, annual sales should be even higher. In any case, here are quotes for license and maintenance fees based on \$100M, \$600M and \$700M annual sales:

System	Annual Sales \$100M	Annual Sales \$600M	Annual Sales \$700M
	License Fee	License Fee	License Fee



ProCLASS	\$300,000	\$2,000,000	\$2,400,000
CLASS A/P	\$60,000	\$400,000	\$480,000
CLASS A/R	\$60,000	\$400,000	\$480,000
CLASS G/L	\$60,000	\$400,000	\$480,000
CLASS B/R	\$4,000	\$30,000	\$35,000

Total License Fee:	\$484,000	\$3,230,000	\$3,875,000
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Annual Maintenance Fee:	\$169,400	\$807,500	\$968,750
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Whichever annual sales column you pick at the start, we would need the option to recalculate the license and maintenance fees based on the new company's sales in the first 3 months of 2025.

Half the license fee will be payable upon signing a license agreement, with the remaining half payable on January 2, 2025. Maintenance fee will also be payable on January 2, 2025.

Implementing these systems for the new company may cost somewhere in the range of \$80K (very simplest option of mostly continuing with W&C systems as at the end of December 2024) to \$450K (accounting for possible changes that the new company may want, as is often the case for a new implementation).

We are also assuming that after January 1, 2025, W&C systems will have minimal use, i.e., W&C systems will have a very small impact on system resources. In addition, Loudon's systems should be retired by then since all their normal processes (day-end, order processors, etc.) are still running and consuming system resources.

Mohamad

From: Heather Miller <millerh@wacl.com>

Sent: Friday, July 5, 2024 11:05 AM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Cliff Harrison <harrisonc@wacl.com>

Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Mohamad,

Ok, please use 100M for annual sales and provide the very rough estimate.

Thank you,
Heather

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Friday, July 5, 2024 10:44 AM

To: Heather Miller <millerh@wacl.com>

Cc: Cliff Harrison <harrisonc@wacl.com>

Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

CAUTION: This email originated from an outside source. Do not open attachments or click on links unless you recognize the sender and have validated the content is safe.

Hi Heather,

Based on past experiences, the 14 points that you have listed below are likely a very small fraction of decisions that have to be made when setting up the new company. Some of these decisions may have major impacts on the project. For that reason, even an estimate of the estimate is not feasible, as there is no way to estimate how long this decision-making process might take. Best we can do is to provide a very rough estimate that may end up being high but not likely to be low.

As with most software companies, our license fees are not set based a company's profitability, rather, they are based on annual sales, i.e., related to the number of transactions that go through the system. I am sure your finance people have budgets and projections for annual sales for the new company. We will provide license fees for all our systems based on this annual sales (range), possibly with provisions to adjust the fees later when actual sales numbers become clear.

Thanks,

Mohamad

From: Heather Miller <millerh@wacl.com>
Sent: Thursday, July 4, 2024 4:10 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Cliff Harrison <harrisonc@wacl.com>
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Mohamad,

What would the cost be to develop the estimate?

With respect to the license fees, as you know our margin varies by the product sold and an increase in sales does not directly affect our companies profitability.

Is there another way to license your software or can you provide the license fee cost based on a annual sales range?

Thank you,
Heather

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Thursday, July 4, 2024 3:12 PM
To: Heather Miller <millerh@wacl.com>
Cc: Cliff Harrison <harrisonc@wacl.com>
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

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Hi Heather,



It will take considerable effort to come up with a detailed project plan and cost estimates, and since they may decide not to proceed, we can't afford to spend all that time and not be compensated for it. So, either we bill you for time spent to develop the detailed plan, or we can come up with an extremely rough estimate that may end up within an order of magnitude of the actual cost (our rough estimate will have to be at the higher end of this range).

The license fees estimates will be simpler, all we need is the estimate for the new company's annual sales. The original W&C license fees were based on annual sales that were less than a tenth of what they ended up being in 2010's and early 2020's.

As is common for most software licenses, the fee schedule is not linear, e.g., fees for a company with \$200M annual sales will be much more than double that for a company with \$100M annual sales.

Thanks,

Mohamad

From: Heather Miller <millerh@wac1.com>

Sent: Thursday, July 4, 2024 2:47 PM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Cliff Harrison <harrisonc@wac1.com>

Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Mohamad,

Yes, we understand the magnitude and have discussed continuing with what we have, however the senior management team still wants to pursue getting the estimate.

We have significantly reduced our customer base so can you please provide more information on how the licensing is calculated so we can estimate the correct number?

Thank you,
Heather

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Thursday, July 4, 2024 2:16 PM

To: Heather Miller <millerh@wac1.com>

Cc: Cliff Harrison <harrisonc@wac1.com>

Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

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Hi Heather,

This is going to be quite a major project to implement, and because it is for a new company, substantial new license fees will apply. If all of this expenditure is going to be

for 3 or 6 months only, why can't they continue operating with the current set-up for that short period?

If that is not an option, we will need quite some time to define and plan the project. We will also need the approximate size (annual sales) of the new company so we can come up with a license fee.

Thanks,

Mohamad

From: Heather Miller <millerh@wacl.com>

Sent: Thursday, July 4, 2024 10:03 AM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Cliff Harrison <harrisonc@wacl.com>

Subject: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hello Mohamad,

We have a request to setup a completely separate ERP system using Digiflex software for our new distribution company. This system will operate temporarily from Jan 1st, 2025 to March 31st, 2025 (with a possible extension to June 30th, 2025).

The goal is to wind down Wallace & Carey so no invoices will be moved to the new distribution company.

Can you please provide a quote for the development, test and go-live support and ongoing maintenance and support agreements - details below:

This new company will require the following from WC:

- 1) Active items (item groups, families, family groups, customer guides)
- 2) Active customers and vendors
- 3) Item and customer cross references
- 4) WC users in group 1 and 3
- 5) Email groups, printers
- 6) Active GL accounts (list will be provided)
- 7) All sales reps, buyers, carriers, routes, stops, drivers, warehouses, locations and sections, reason codes
- 8) Customer item retails/classes, markups, add programs, promotional allowances, contracts,
- 9) Sales history required to determine demand forecasting for new purchases
- 10) Open orders and purchase orders
- 11) AR, AP, GL, Bank, Inventory balances (qty and \$'s) by warehouse
- 12) Rebrand to new company name and logo (screens, forms, reports)
- 13) System setup – same setup and processors with exception of accounting periods, fiscal year, bank accounts – these will be by calendar month, calendar year, scotia bank accounts only
- 14) Setup separate folder structure/logicals for output/input of data

We would like to have the new system available with a point in time setup including master data/balances loaded for testing by November 18th, 2024 and then reload/update master data/balances for go-live on Jan 1st, 2025.

Please provide your recommendations on anything you believe we may need or have missed stating above.

Thank you for your assistance!

Heather

This is Exhibit "G", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.



A Commissioner of Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta
Alex Jay Sinclair
Student-at-Law



Mohamad Zähed Mardukhi

From: Pat Carey <careyp@careymgmt.com>
Sent: September 9, 2024 13:28
To: Mohamad Zähed Mardukhi
Subject: Re: SEDCC discussions

Do you want me to share this with 7-Eleven?

Can you attach the pricing grid?

Get Outlook for iOS

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Monday, September 9, 2024 12:29:38 PM
To: Pat Carey <careyp@careymgmt.com>
Cc: David Morgan <morgand@wacl.com>
Subject: SEDCC discussions

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Good day,

Here is a summary of the major points we discussed in person and on the phone.

If 7-Eleven wants to use ProCLASS for SEDCC in January, the only option is to purchase a license, likely based on \$600M per year in sales. They will then pay 50% of the license fee upfront and pay the remaining 50% upon successful implementation in January. This option has several very significant advantages for 7-Eleven:

1. They will have the legal use of our software for as long as it is needed. They will no longer have to rush through implementation of another unproven software within a few months.
2. Rushing through implementation of another software will have a high chance of failure, as is very common with ERP implementations. Such a possible failure can be very costly, and certainly much more costly than our license and minimal implementation costs.
3. There is zero chance of implementation failure for our software as it has been running successfully under the W&C banner for over 20 years. SEDCC's will be a straightforward new instance of ProCLASS, of which we have implemented many for W&C over the years. There will even be no need for any new data entry/load beyond the few minutes it takes to change company name/addresses in set-up records.
4. Over the years, we implemented many ProCLASS customizations to satisfy 7-Eleven specific needs. It is very unlikely that you can find such features in any

other ERP software, and some of those features are very complex and will be costly to develop in any other ERP.

5. We already know that the existing ProCLASS hardware and software infrastructure can handle many times more business than \$600M per year without needing any upgrades. W&C reached over \$2B in sales a few years ago on the same platform.
6. If there are any concerns about the existing ProCLASS server (which, as of today, has been running 7x24 for 652 days non-stop, i.e., not a single hardware or software failure or reboot in that period), there is an emulation option available that will allow running our software exactly as is on a Windows server.
7. 7-Eleven can gain significant efficiencies by using the ProCLASS infrastructure, e.g., by moving some DSD items to corporate warehouses, by integrating store and warehouse pricing and promotions, by taking advantage of some corporate store features in ProCLASS that were not of use to W&C, etc.
8. We will use the license fee to fund the completion of our Windows version of ProCLASS that is already over 80% complete. This will then offer a modern and proven ERP option to 7-Eleven at minimal implementation and training costs.
9. 7-Eleven will be able to use ProCLASS (both existing and new modern version) for other divisions beyond SEDCC at reduced licensing fees and with minimal implementation costs.

Thanks,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.

Phone: +1 (604) 720-0485

Email: mardukhi@digiflex.ca

WWW: https://link.edgepilot.com/s/1d245caa/Mf_rPqFDUkOFzWo2WsGaFA?u=https://www.digiflex.ca/

Mohamad Zähed Mardukhi

From: Mohamad Zähed Mardukhi
Sent: September 5, 2024 12:13
To: David Morgan; 'Pat Carey'
Subject: SEDCC and our meeting on Sep. 4, 2024

Good day,

It was nice to meet in person yesterday, it had been 6 months since our last meeting.

One very important issue that I failed to mention yesterday is the fact that W&C systems (17 different instances of ProCLASS: production, training, and 15 archives from 2010 to 2023) will have to keep running for some time after SEDCC, both to apply closing transactions, and for audit and other investigative purposes. That means the existing maintenance and support agreements of roughly \$400K will be needed regardless of what SEDCC decides about its ERP system. Even if SEDCC does not need ProCLASS at all, and its operations start up using another ERP system from day 1, the \$400K fee for W&C systems will still be applicable until those systems have been shut down.

If SEDCC wants to use ProCLASS for any length of time, they will need to have a new software license so we can create a new instance of ProCLASS for them. In fact a new software license will be needed even if SEDCC was a division of W&C, as was the case with Loudon. So the license and maintenance fees that were passed on to Heather back in July (pasted below) are applicable if/when SEDCC decides to use ProCLASS, even for a very short period of time.

System	Annual Sales \$100M	Annual Sales \$300M	Annual Sales \$600M	Annual Sales \$1,200M
	License Fee	License Fee	License Fee	License Fee
ProCLASS	\$300,000	\$1,000,000	\$2,000,000	\$3,000,000
CLASS A/P	\$60,000	\$200,000	\$400,000	\$600,000
CLASS A/R	\$60,000	\$200,000	\$400,000	\$600,000
CLASS G/L	\$60,000	\$200,000	\$400,000	\$600,000
CLASS B/R	\$4,000	\$14,000	\$30,000	\$60,000
Total License Fee:	\$484,000	\$1,614,000	\$3,230,000	\$4,844,000
Annual Maintenance Fee:	\$169,400	\$403,500	\$807,500	\$1,614,000

Obviously I do not know how much progress SEDCC has made in implementing the other ERP system, but based on what little activity I have seen on the project, how extremely function-rich ProCLASS is, and 4 decades of experience in ERP implementations, my guess is that they are a couple of years and several million dollars away from a successful implementation.

The ProCLASS implementation cost estimate for SEDCC (which I could not find during our meeting) was mentioned in an email to Heather back in July:

Implementing these systems for the new company may cost somewhere in the range of \$80K (very simplest option of mostly continuing with W&C systems as at the end of December 2024) to \$450K (accounting for possible changes that the new company may want, as is often the case for a new implementation).

It was mentioned during our meeting yesterday that 7-Eleven may consider ProCLASS use at W&C a failure based on its recent financial troubles. Quite to the contrary, I think ProCLASS had a critical role in allowing W&C to grow from \$200M annual sales to over \$2B annual sales in less than 20 years. W&C financial troubles were mostly due to direct and indirect effects of COVID-19, and due to demanding and nonprofitable customers like 7-Eleven! And on a side note, your ProCLASS server and our software have been run without a single interruption (no software or hardware failures, no reboots) for 648 days.

Pat, please let me know when you want to have the phone conversation on Friday and I will make myself available.

Thanks,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: +1 (604) 720-0485
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Mohamad Zähed Mardukhi
Sent: July 29, 2024 10:09
To: David Morgan
Subject: RE: ProCLASS for SEDCC

Good morning David,

The original request from Heather was to set up new databases for SEDCC and to transfer partial data from W&C databases to the new ones. W&C was to continue with limited activity after January 1, and the new company to start operations on January 1st.

Heather/Finance then changed this request to have SEDCC use the same W&C databases on January 1 and for W&C to come to an end on the same day. This will be a simpler technical solution but I don't think it is a sound accounting practice. Either option can work technically but it will be odd for W&C not to be able to close its books properly with transactions beyond January 1st.

It is obviously your choice but I think the following (more complex) solution will be more appropriate from an accounting perspective:

1. W&C systems will continue operating beyond January 1 but activity will be limited to closing transactions in all systems, e.g., credits issued against W&C invoices, closing/delayed G/L transactions entered, payments applied to W&C invoices, payments made for W&C purchase orders, etc. These W&C systems will remain accessible for as long as needed and changed to act as an archive database at some point where no more updates will be allowed (to reduce entry mistakes).
2. Optionally, all inventory in W&C ProCLASS will be cleared out so any inventory after January 1 will only show up in the SEDCC books.
3. New SEDCC company and databases to be set up with copies of the W&C databases as of December 31, 2024, and optionally, certain parts of the new databases cleared out, e.g., all G/L transactions, all G/L balances & budgets, YTD stats on A/R accounts, YTD stats on A/P vendors, etc. The new company will have its own set of main menu options for ProCLASS and all 4 accounting modules.
4. The new company's ProCLASS will be set to a 4-4-5 week period structure (so quarters are a closer match between ProCLASS and accounting modules) and start its year on a Sunday, maybe December 29, 2024. It is important to maintain W&C's weekly structure so forecasting and movement statistics can remain accurate. All postings from ProCLASS to accounting systems will be made to the appropriate calendar-year fiscal structure for the new company (and not based on the period number in ProCLASS).
5. Open purchase orders after January 1st will only be received in the SEDCC ProCLASS.

6. The new company's accounting systems will be set to a calendar year structure and new period-end operations will be set to run on the last day of each month; year-ends will be on December 31st.

We will need to settle the licensing issue soon and you can choose between the 2 solutions mentioned above (or a new alternative).

Mohamad

From: David Morgan <morgan@wacI.com>
Sent: Sunday, July 28, 2024 2:33 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Subject: Re: ProCLASS for SEDCC

Good day Mohamad

Thank you for taking the time to talk with me on Thursday. I think I am clear with your direction.

Fiscal year 2024 will be closed in the normal manner & the 2024 historical databases will be set up.

Fiscal year 2025 periods 1 & 2 will be handled as normal. On December 31, the 2024 databases will be updated with the transactions from the start of 2025 fiscal year to the end of December (as normal).

Transactions & processes will continue as normal (i.e. daily, weekly & by period). However, reporting will be made available by month (date range). I know that ProCLASS has some options with date range extraction. I believe that some CLASS reports also have this date range option.

Am I correct in my observations?

David

Sent from my iPhone

On Jul 24, 2024, at 3:05 PM, Mohamad Zähed Mardukhi <mardukhi@digiflex.ca> wrote:

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Good day David,

How about 11:00 AM your time?

Mohamad

From: David Morgan <morgan@wacI.com>
Sent: Wednesday, July 24, 2024 1:40 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Subject: Re: ProCLASS for SEDCC

Good afternoon Mohamad

Will you be available for a phone call tomorrow morning? I will be available all morning tomorrow.

David

Sent from my iPhone

On Jul 22, 2024, at 3:38 PM, Mohamad Zähed Mardukhi
<mardukhi@digiflex.ca> wrote:

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Good day David,

Thank you, hope all has been well with you.

This was quite a surprise when I heard about it on July 4th in an email from Heather; that email and the subsequent back and forth is attached. The last email was exchanged earlier today.

Mohamad

-----Original Message-----

From: David Morgan <morgan@wac1.com>

Sent: Monday, July 22, 2024 2:26 PM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Subject: ProCLASS for SEDCC

Good day Mohamad

I hope you are well.

Pat has informed me that you have been asked to provide a quote to implement a new/modified ProCLASS for SEDCC, the new 7-Eleven company replacing W&C. Pat also asked me to find out the status of the quote. Can you please update me on the status. I have not been kept in the loop other than understanding that the new company will take effect January 1, 2025 & will switch to monthly financial reporting.

David

Sent from my iPhone
<mime-attachment>

This is Exhibit "H", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.



A Commissioner of Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



Mohamad Zähed Mardukhi

From: Mohamad Zähed Mardukhi
Sent: November 12, 2024 15:13
To: Buchanan, Joshua Graham (Josh)
Subject: RE: DigiFlex Maintenance Renewal
Attachments: License and Maintenance Contract - ProCLASS and CLASS - V1.pdf; RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Good afternoon Joshua,

We have still not received the payment for our helpdesk services invoice number 2817 that was due on November 1st, 2024. Please make sure this invoice is paid right away.

I have attached our license agreement for SEDCC for our software that has been in use by SEDCC since November 2023. We have confirmed with our lawyer that the previous license agreement with Wallace & Carey is not transferable and cannot be used by SEDCC. Please have this agreement signed by an authorized person and return it to us via email.

We will send you an invoice for the license fee and for the first year maintenance fee covering the period from November 1, 2024 to October 31, 2025, a year after it should have been in effect. Both of these invoices will be payable upon receipt.

We have assigned the license fee based on SEDCC's fiscal year 2024 annual sales that was \$602M (will be even higher if we extrapolate some recent period sales). Our license fee table was passed on to Heather back in July 2024 (see attached email).

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Sent: Monday, November 4, 2024 12:43 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

Mohamad,

The invoice needs to list the correct entity for it to be paid.

There's no issue explaining anything to W&C, we work together as a team every day.

We are curious at this point why:



- (a) This invoice is more than double what charged last year. (see attached)
- (b) Why this invoice is due at this point given that the last invoice covered a period up through January 31st of 2025.

Could you clarify the substantial price increase and why we're dealing with helpdesk coverage so far in front of the expiration of the current term.

Thank you,

Josh Buchanan

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Monday, November 4, 2024 2:00 PM
To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Hello Joshua,

We asked you about the bill-to for this invoice and you responded with "Seven Eleven Distribution Canada Corporation", i.e., not Wallace & Carey.

Now that our invoice is overdue, we shouldn't now have to explain this lengthy communication to Wallace & Carey, especially since we have never invoiced them as SEDCC.

Can you pass on the invoice and any other info Wallace & Carey might need and ask them to pay the invoice as soon as possible?

Thank you,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Sent: November 4, 2024 11:30
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

Mohammed,

Until W&C winds down next year, we'll need you to continue invoicing them.

Right now Proclass is being used by W&C and they will have to pay the invoice.

Thank you,

Josh Buchanan

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Friday, November 1, 2024 2:35 PM

To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Good day,

Our helpdesk support services' invoice (attached again to this email) is now overdue; your account statement is also attached. Has this invoice been passed on to your Accounts Payable for processing?

Please note that today is the start of our support window that is covered by the invoice.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: **mardukhi@digiflex.ca**

WWW: **HTTPS://www.digiflex.ca/**

From: Mohamad Zähed Mardukhi

Sent: October 24, 2024 14:07

To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Good afternoon,

According to paragraphs 15 and 16 of the attached legal document (also pasted and highlighted below), purchase of Wallace & Carey by 7-Eleven was completed on November 19, 2023. We were never made aware of this development which affects all our agreements with Wallace & Carey, including our software licenses.

As mentioned before, our Helpdesk Level-2 Support Agreement is not directly related to any licenses so we can offer its renewal to 7-Eleven for another year starting November 1, 2024; please see the attached invoice.

Our software Maintenance Agreement with Wallace & Carey though is directly related to our License Agreements which specifically mention "non-transferable" in their very first paragraph. As such, we will have to wait for a confirmation from our legal adviser before we can offer a renewal for the Maintenance Agreements. We will try to get back to you in that regard before the end of the year.

Paragraphs mentioned above:

15. Following the SISP, 7-Eleven Canada, Inc. (the "Purchaser") and the Applicants entered into a purchase and sale agreement (the "Sale Agreement"). The Sale Agreement was for the sale of the Applicants' personal property and equipment assets located in Alberta and British Columbia and the intellectual property, technology, software and systems relating to the entire Logistics Companies' logistics/distribution business across Canada. The Applicants are continuing to operate in various provinces across Canada, including BC, Alberta, Saskatchewan, Manitoba and Ontario.

16. Pursuant to the Sale Agreement and concurrent with the closing of that transaction, the Applicants and the Purchaser entered into a transition services agreement ("TSA") pursuant to which Wallace & Carey continues to provide logistics services to the Purchaser in accordance with the terms and conditions contained therein. Pursuant to the TSA, the Purchaser is required to fund substantially all of Wallace & Carey's and CM I's costs from and after the effective closing time, being 12:01 a.m. on November 19, 2023.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: +1 (604) 720-0485
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>

Sent: October 24, 2024 10:34

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique

<Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Mohammed,

Seven Eleven Distribution Canada Corporation will have the same address in Calgary that W&C has had in the past.

Thank you,

Josh Buchanan

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Thursday, October 24, 2024 12:30 PM

To: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>; Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Hello Anvaya,

We are still awaiting the bill-to information requested/mentioned below.

Thanks,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: **mardukhi@digiflex.ca**

WWW: **HTTPS://www.digiflex.ca/**

From: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Sent: October 24, 2024 10:28

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Hello @Mohamad Zähed Mardukhi,

Hope all is well ! Just wanted to follow up with you on our renewal quote request. Can you let us know the ETA for when you will be able to share the renewal quote?

Thank you

Regards,

Anvaya Naik | 7-Eleven, Inc | Store Support Center

Sr. Sourcing Manager| Strategic Sourcing | Enterprise Tech and Digital

500 Speedway Dr., Enon, OH 45323

O (937)-244-7339 | C (217) 979-5283| E Anvaya.Naik@7-11.com



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From: Naik, Anvaya Pradeep

Sent: Tuesday, October 15, 2024 3:52 PM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Hi Mohammad,

Thank you for the note and yes, we would like to continue with both the license maintenance and the help desk support portion. 7-Eleven does not intend to buy net new license agreement. There is also no immediate intent or capacity to move to your new ERP system. Our attorneys are reviewed and confirmed that the existing Wallace and Carey contracts will be in full force and effect on its current terms., I would recommend checking with your internal legal department to make sure you are considering that when you send us the order form/invoice.

@Buchanan, Joshua Graham (Josh) can you please confirm the bill to for Mohammad.

Thank you

Regards,



Anvaya Naik

Sr. Manager| Strategic Sourcing | Enterprise Tech and Digital

7-Eleven, Inc. | Store Support Center

500 Speedway Dr., Enon, OH 45323

Cell: (937)-244-7339, M: (217) 979-5283

Email: Anvaya.Naik@7-11.com

Co-Lead | 7-Eleven Network of Asian & Pacific Islander Professionals

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From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Tuesday, October 15, 2024 2:06 PM

To: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Good day Anvaya,

It appears that for all intent and purposes Wallace & Carey no longer exists as a legal entity, or at best, it has become a division of 7-Eleven. The "Wallace & Carey transactions" that you mention below are almost all for 7-Eleven businesses.

We currently have two agreements with Wallace & Carey: A software Maintenance Agreement that started in May 2000, and a Helpdesk Level 2 support agreement that started in June 2008 (at \$7,000 per month, more than 16 years ago) where we provide helpdesk support for both Digiflex products, the OpenVMS operating system, and the Itanium servers on a 7 x 24 basis.

We are awaiting advice regarding renewal of the existing Maintenance Agreement because a new License Agreement with 7-Eleven may be required before we can renew that agreement. Just as an aside, if 7-Eleven purchases a new license agreement, there will be no restrictions and 7-Eleven can transfer the Wallace & Carey business to a new instance of our ERP system under SEDCC and change its fiscal structure as needed.

The Helpdesk Level 2 support agreement is not directly related to our licensing agreement so we can offer renewal of that agreement to 7-Eleven for another year at \$192,000 per year. If you are interested in renewing this agreement, please send me the 7-Eleven bill-to information and we will send you an invoice.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Sent: October 8, 2024 06:57

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Morning @Mohamad Zähed Mardukhi, 7-Eleven Canada will be the buying entity but please note that only Wallace & Carey transactions will be carried on Digi flex.

Thank you

Regards,



Anvaya Naik

Sr. Manager | Strategic Sourcing | Enterprise Tech and Digital

7-Eleven, Inc. | Store Support Center

500 Speedway Dr., Enon, OH 45323

Cell: (937)-244-7339, M: (217) 979-5283

Email: Anvaya.Naik@7-11.com

Co-Lead | 7-Eleven Network of Asian & Pacific Islander Professionals

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please notify the sender by return e-mail and immediately delete this e-mail and all attachments from your computer. Any other use, retention, dissemination, forwarding, printing or copying of this e-mail and any attachments is unauthorized and strictly prohibited. Nothing in this email is intended to constitute a waiver of any confidentiality.

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Monday, October 7, 2024 4:21 PM
To: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Good afternoon Anvaya,

Will these agreements be with Wallace & Carey or with 7-Eleven? I do not know if Wallace & Carey still exists (or will exist in 2025) as a legal entity.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Sent: October 7, 2024 10:12
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: DigiFlex Maintenance Renewal

Hello Mohamad,

I am part of the 7-Eleven Sourcing team. Our business team has requested that we request maintenance renewal quote for 1 year term of existing Digiflex licenses that were acquired as part of the Wallace and Carey contract. Could you please send us the quote for that?

Let us know if you have any questions or concerns

Thank you
Regards,



Anvaya Naik
Sr. Manager | Strategic Sourcing | Enterprise Tech and Digital
7-Eleven, Inc. | Store Support Center
500 Speedway Dr., Enon, OH 45323
Cell: (937)-244-7339, M: (217) 979-5283
Email: Anvaya.Naik@7-11.com
Co-Lead | 7-Eleven Network of Asian & Pacific Islander Professionals
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A handwritten signature in black ink, appearing to be 'My' or similar, located in the bottom right corner of the page.

dissemination, forwarding, printing or copying of this e-mail and any attachments is unauthorized and strictly prohibited. Nothing in this email is intended to constitute a waiver of any confidentiality.

This is Exhibit "I", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



2611 Venables Street
Vancouver, British Columbia, Canada V5K 2R4
Email: AR@digitflex.ca
GST Number: 136104874

INVOICE

INVOICE DATE	INVOICE NO.	CUSTOMER NO.	PAGE
24-OCT-24	2817	512	1

ProCLASS and OpenVMS He1pdesk2
01-Nov-2024 to 31-Oct-2025

S O L D T O	7-Eleven Distribution Company 5445 8th Street NE Calgary, Alberta Canada	T2K 5R9
S H I P T O	7-Eleven Distribution Company 5445 8th Street NE Calgary, Alberta Canada	T2K 5R9

SALESREP:	1	ROUTE/STOP:	1/ 1	CARRIER:	1	TERMS:	7 DAYS	WAREHOUSE:	1	REFERENCE:	1
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[illegible]

This is Exhibit "J", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Tuesday, November 12, 2024 4:13 PM
To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

Good afternoon Joshua,

We have still not received the payment for our helpdesk services invoice number 2817 that was due on November 1st, 2024. Please make sure this invoice is paid right away.

I have attached our license agreement for SEDCC for our software that has been in use by SEDCC since November 2023. We have confirmed with our lawyer that the previous license agreement with Wallace & Carey is not transferable and cannot be used by SEDCC. Please have this agreement signed by an authorized person and return it to us via email.

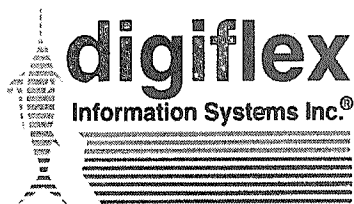
We will send you an invoice for the license fee and for the first year maintenance fee covering the period from November 1, 2024 to October 31, 2025, a year after it should have been in effect. Both of these invoices will be payable upon receipt.

We have assigned the license fee based on SEDCC's fiscal year 2024 annual sales that was \$602M (will be even higher if we extrapolate some recent period sales). Our license fee table was passed on to Heather back in July 2024 (see attached email).

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)



**SOFTWARE LICENSE AGREEMENT**

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Seven Eleven Distribution Canada Corporation
(hereinafter "Customer")

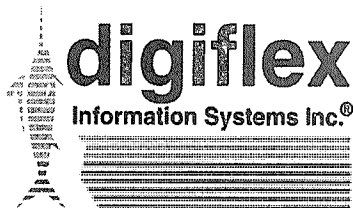
THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

1. **PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	ProCLASS Distribution Management System	HP rx2620 Serial#	OpenVMS V8.2 or higher
1	Runtime Version of LAZER DBMS	HP rx2620 Serial#	OpenVMS V8.2 or higher
1	CLASS Accounts Receivable	HP rx2620	OpenVMS V8.2 or higher
1	CLASS Accounts Payable	HP rx2620	OpenVMS V8.2 or higher

R1



1	CLASS General Ledger	HP rx2620	OpenVMS V8.2 or higher
1	CLASS Bank Reconciliation	HP rx2620	OpenVMS V8.2 or higher

2. GRANT OF LICENSE TO USE.

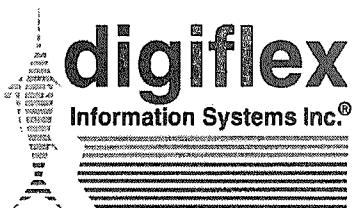
A. Digiflex hereby grants to Customer a non-transferable, non-exclusive, perpetual License, one (1) copy of a machine executable version of the Software together with the Supporting Documentation under the terms expressed herein, effective on the date this Agreement has been executed by both parties. The Software may, if the Designated Equipment is inoperable, be temporarily transferred to a suitable and compatible backup computer having the same operating system(s) specified in Table 1 provided that Customer shall first give written notice to Digiflex setting out the particulars of the backup computer and indicating the date by which Customer expects the Designated Equipment to be operable.

B. Customer may substitute a different computer system owned or leased by the Customer as the designated computer system hereunder provided prior written notice, specifying the model and serial number of the proposed substitute system, is given to Digiflex. Provided any new substitute system is a compatible system for the Software, Digiflex will provide one (1) machine executable version of the Package to Customer at the Designated Location within ten (10) days of written notice to Digiflex by the Customer setting out the particulars of the substitute computer and indicating the date by which Customer expects the designated equipment to be operable.

3. **TERMS OF LICENSE AGREEMENT.** This License Agreement shall commence upon its execution by the last of the parties to sign.

4. **LICENSE TO USE FEE.** The Customer shall pay to Digiflex a total of \$3,230,000.00 (*three million and two hundred and thirty thousand dollars*) for an unlimited-use License to Use Agreement.

A handwritten signature, possibly "KJ", is located in the bottom right corner of the page.



This unlimited License shall apply to the current Customer's business. New business acquisitions or startups are not covered under this unlimited use License.

5. **LICENSE TERMINATION.** If Customer breaches any of its obligations hereunder, or if the Customer becomes insolvent, files a petition in bankruptcy, or has filed against it an involuntary petition in bankruptcy, or has a receiver appointed over all or substantially all of its assets, then Digiflex may, at its option, if there are any amounts owing by Customer to Digiflex, immediately terminate the License To Use granted hereunder upon written notice to Customer. In case of receivership or bankruptcy the License To Use shall be continued provided the Receiver or Trustee in Bankruptcy assumes all of the Customer's obligations under this agreement. If the License To Use is so terminated, all the License fees paid hereunder will be deemed to have been paid for the use of the Package during the time it was in Customer's possession and Customer shall not be entitled to a refund of any portion of the License To Use fee. In addition, in the event of a breach by Customer of any of its obligations hereunder, Digiflex shall be entitled to seek equitable relief, including by way of injunction, to protect its interests herein, it being acknowledged by the Customer that Digiflex would suffer irreparable harm by any such breach and that damages would not be an adequate remedy.

In the event that Digiflex breaches any of its obligations, or if Digiflex becomes insolvent, or files a petition in bankruptcy, then the Customer may, at its option terminate the License To Use granted hereunder upon written notice to Digiflex.

In the event of a termination of the License hereunder, the Package and all copies thereof shall forthwith be returned to Digiflex or, at Digiflex's option, destroyed or erased from electronic memories or other storage devices and thereafter Customer shall deliver to Digiflex a letter, from an officer of the Customer, certifying that all copies of the Software and any code or listings produced by the Software have been destroyed, returned or erased and that the Customer has discontinued use of the Package.

6. **TAXES.** All prices mentioned in this Agreement are EXCLUSIVE of Provincial, Federal, and other taxes.
7. **TRAINING.** Instruction and training in the use of the Software on the Designated Equipment will be available on a time and materials basis, based on Digiflex's standard per diem rates then in effect in accordance with those outlined in Schedule B - Rate Schedule.
8. **SOFTWARE MODIFICATIONS.** In the event the Customer wishes to pursue modifications, enhancements or improvements to the Software other than those

A handwritten signature in dark ink, located in the bottom right corner of the page. The signature is stylized and appears to be a single letter 'M' or 'N' followed by a flourish.



included under the terms of this Agreement, Digiflex would provide a cost estimate to the Customer. Work would commence upon acceptance of the Scope of Work and Price by Customer. All such modifications, enhancements and improvements shall be the property of Digiflex.

9. PRICING CHANGES. All rates specified in this agreement and any attachments, schedules, or enhancements are guaranteed for the initial 12 months of the term of this Agreement. Thereafter, Digiflex may increase such fees or charges by notifying Customer in writing at least thirty (30) days prior to the effective date of increase. Customer agrees that said notifications, or copy thereof, will be considered an amendment to this Agreement. The percentage increase shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or, failing which, for the Province of Alberta or, failing which, for Canada.

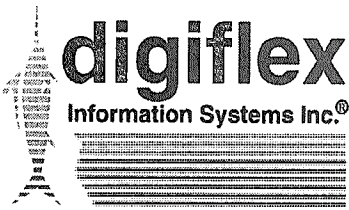
10. LIMITATION OF LIABILITY. The Customer agrees that Digiflex's liability to Customer or any third party arising out of or in any way relating to this Agreement shall be limited to the License To Use Fee and that under no circumstances shall Digiflex be liable for any special, direct or indirect, incidental or consequential damages of any nature whatsoever, including loss of use, loss of profits, revenue or business.

Customer acknowledges that its only remedy in the event of a program error shall be to require Digiflex to use best efforts to correct same and that Digiflex shall not be liable for any damages resulting from the occurrence of a program error however caused.

Except as expressly stated herein, Digiflex makes no warranties, express or implied, concerning the Package, and expressly disclaims and excludes any warranties of merchantability or fitness for a particular purpose.

11. CONFIDENTIALITY. Each party acknowledges that all material and information which has or will come into its possession or knowledge in connection with this Agreement or in the performance hereof, and in particular the terms and conditions of this agreement, consists of confidential and proprietary data, whose disclosure to or use by third parties will be damaging. Both parties, therefore, agree to hold such material and information in strictest confidence, not to make use thereof other than for the performance of this Agreement, to release it only to employees who need to know such information in the course of their employment, and not to release or disclose it to any other party. The obligation of both parties under this paragraph shall continue during and after the term of this License To Use agreement.

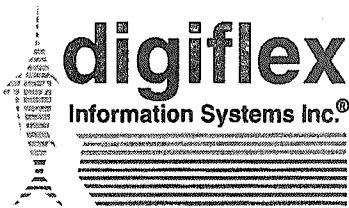
A handwritten signature in dark ink, located in the bottom right corner of the page. The signature is stylized and appears to be a cursive representation of a name.



Neither Digiflex, nor Customer shall approach any employee of the other to provide employment services or consulting services to the other. This restriction shall continue for a period of one year after completion of the project. The company, which presently employs these individuals, may forego this restrictive covenant in writing by the approval of an officer of the company.

12. **PROPRIETARY RIGHTS, TRADE SECRETS AND TITLE.** Customer hereby acknowledges that the Package, any copies thereof and any updates, enhancements or modifications thereof, in whole or in part, and all copyright, patent, trade secret and other intellectual property and proprietary rights (collectively, "Proprietary Rights") therein, are and remain the valuable property of Digiflex. Customer agrees to communicate to any user of the Package Digiflex's Proprietary Rights by instruction, agreement or notice including but not limited to incorporating and maintaining Digiflex's copyright notice and proprietary warning on each copy of the Package. Customer acknowledges that the existence of any such copyright notice or proprietary warning shall not be construed as an admission or presumption of the publication of the Package. Notwithstanding anything else contained in this Agreement, Customer shall not be entitled to copy all or any part of the Supporting Documentation without Digiflex's prior consent, which consent may be arbitrarily withheld.
13. **GOVERNING LAW.** This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta, Canada.
14. **ENTIRE AGREEMENT.** This Agreement and attached Schedules including: Schedule A - Maintenance; Schedule B - Rate Schedule form part of this agreement and contain the entire Agreement between Customer and Digiflex herein of this date and supersedes all prior agreements, negotiations, representations and proposals, written and oral. Customer acknowledges and agrees that no agent, employee or other representative of Digiflex has authority to bind Digiflex to any obligation relating hereto not specifically set forth herein.
15. **AUTHORITY.** Each party has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each has been properly authorized and empowered to enter into this Agreement. Each party further acknowledges that it has read the Agreement, understands it, and agrees that the Agreement is binding upon the parties hereof, their successors and assigns.

A handwritten signature, possibly "Ry", is located in the bottom right corner of the page.



16. NOTICE. Any notice, request, demand, consent or other communication provided or permitted hereunder shall be in writing and given by personal delivery or sent by double registered mail or transmitted by telex, telegram, or facsimile, addressed to the party for which it is intended, addressed as follows:

If to Customer:
Seven Eleven Distribution Canada Corp.
5445 – 8th Street N.E.
Calgary, Alberta, Canada T2K 5R9

If to Digiflex:
Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

provided, however, that any party may change its address for purposes of receipt of any such communication by giving ten (10) days prior written notice of such change to the other party in the manner proscribed above. Any notice so given shall be deemed to have been received on the date on which it was delivered or transmitted by telex, telegram or facsimile or if double registered mail, on the date of authorized receipt.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of _____ in the year of _____.
in the presence of:

Seven Eleven Distribution Canada Corp.
5445 – 8th Street N.E.
Calgary, Alberta, Canada T2K 5R9

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

Name

Title

Date

Authorized Signatory

M. Z. MARDUKHI
Name
President
Title
12-Nov-2024
Date
M. Z. Mardukhi
Authorized Signatory

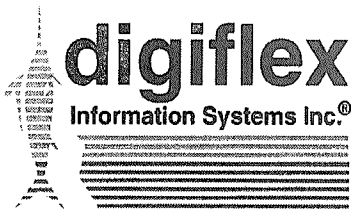
14



MAINTENANCE AGREEMENT

1. **DEFINITIONS.** In this Maintenance Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms, words and expressions shall have the meanings ascribed to them as follows:
 - A. "New Module" means a module, program, modification or enhancement, other than an Update, development by Digiflex and which, in Digiflex's opinion, is substantially different from the Software or any module or application thereof and which Digiflex sells or proposes to sell to third parties;
 - B. "Update" means an update, error correction, modification or enhancement of or in respect of the Software and includes a complete rewritten version or release of the Software.
2. **AGREEMENT.** Upon the terms and subject to the conditions herein set forth, Digiflex agrees to provide to Customer and Customer agrees to accept the Maintenance Services. The term of this Maintenance Agreement shall begin upon installation of Software into a production environment. However that this Maintenance Agreement will be automatically renewed for successive one year terms upon terms to be agreed upon by the parties at the time of renewal unless notice of termination in writing is given by either party to the other at least thirty (30) days prior to the expiration of the term hereof or any renewal in which case this Maintenance Agreement shall terminate at the end of such term or renewal.
3. **CHARGES.** The customer shall pay an annual maintenance fee for services commencing upon installation of Software into a production environment. The maintenance fee shall be \$807,000.00 (eight hundred and seven thousand dollars) for 1 year, paid in advance. Additional Maintenance fees will apply in the event that Software is installed in multiple branches on additional Server Systems as specified in Table 2.
4. **MAINTENANCE SERVICES**
 - A. Digiflex shall provide the following services during the term hereof:
 - i) **Operating System Compatibility.** Customer agrees to accept, implement and install all Updates provided to Customer under subparagraph (ii), as well as the same release or version of the

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Designated Equipment (meaning the computer hardware designated in the Software License To Use Agreement) in connection therewith as may be installed by Digiflex on its corresponding computer equipment. Digiflex's obligation to provide Maintenance Services shall terminate without notice to Customer if Customer shall fail to install the same release, or two previous updates, of the operating system as Digiflex shall have installed on its system, or if Customer shall install a more recent release of the operating system than Digiflex shall have installed.

- ii) Updates. Digiflex shall provide to Customer any Updates for the Software when such Updates are developed or published by Digiflex and made generally available to other licensees of the Software at no additional cost. Any New Modules developed or published by Digiflex will be offered to Customer at Digiflex's then current rates. All Updates shall become part of the Software, and Digiflex shall be free to offer these Updates to other persons. The determination of whether a New Module will be made generally available to licensees at no additional cost or will be made available only for an additional cost is the sole and exclusive right of Digiflex.

Any changes to program logic made under this Maintenance Agreement and which are to be provided to Customer shall be provided on a machine-readable medium specified by Customer. Customer shall pay the cost of any such media (including shipping charges) provided by Digiflex, in addition to any other charges required to be paid under this Maintenance Agreement.

Digiflex shall not remove any functionality from the Software if the said functionality is being used by the Customer.

Subject to paragraph (E) below, Digiflex shall be responsible for its out-of-pocket costs in correcting a Software error at Customer's premises.

- iii) Hotline Service. Digiflex shall provide Customer remote telephone access to Digiflex personnel on a 7 x 24 basis with respect to use of the Software. In providing such service, Digiflex will respond to a request from Customer, but not necessarily correct any error, within four (4) business hours of Customer's request.

A handwritten signature in the bottom right corner of the page, consisting of a stylized, cursive letter 'K' followed by a flourish.

- B. Digiflex representatives will have full access to the Software in order to effect the necessary Maintenance Services, and for these purposes Customer shall be responsible for providing all necessary ports, dial-in lines and compatible media at Customer's site and cost, and allow physical access to the Customer's site when required to perform maintenance On-Site.
- C. Digiflex makes no express or implied warranties, including any with respect to merchantability and fitness for a particular purpose, with respect to the Maintenance Services. Digiflex does not represent or warrant that the Maintenance Services will be capable of achieving any particular result or results in the business or operations of Customer, or that the operation of the Software will be uninterrupted, or that all programming errors can be found in order to be corrected; however, Digiflex will use its best efforts to attempt to identify and correct such errors including, if appropriate in the circumstances, sending qualified personnel to Customer's business premises. In no event shall Digiflex be liable to Customer in damages, nor shall Digiflex be liable for damages in respect of special, incidental, indirect or consequential loss or lost profits, even if Digiflex has been advised of the possibility of such damages.
- D. Customer agrees to read and be familiar with all Supporting Documentation provided by Digiflex with or in connection with the Software, and agrees to ensure that its users have sufficient operating knowledge of the Software. Customer acknowledges that there is no obligation on the part of Digiflex, except to the extent specifically set out herein, in the Software License To Use Agreement, or otherwise agreed in writing by Digiflex, to provide any training or instruction to Customer or its employees with respect to the Software.
- E. Notwithstanding anything herein contained, if Digiflex determines in good faith in the course of performing any Maintenance Services that an error, problem or question raised by Customer in connection with the Software is a direct result of input of incorrect data or command by Customer, Customer shall reimburse Digiflex for its expenses in responding to Customer's inquiry and shall pay Digiflex a fee calculated at Digiflex's then current rates for such services.

A handwritten signature, possibly reading "My", is located in the bottom right corner of the page.

5. **MAINTENANCE CHARGES.** The annual rate for Maintenance Charges shall be firm for the period of this Agreement. Subsequent annual Maintenance Charge renewals, as provided under paragraph 3, may be increased or decreased by Digiflex providing that Digiflex has given Customer written notice of such increase or decrease not less than thirty (30) days prior to the end of the then current term of the Maintenance Agreement. The percentage increase, if any, in annual Maintenance Charges over those for the preceding year shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or failing which, for the Province of Alberta, or failing which, for Canada.

In the event that Digiflex should breach the terms of this Maintenance Agreement, such breach not to be correct following thirty (30) days notice of such by Customer, Digiflex shall return to Customer fees paid annually in advance for Maintenance Services, calculated on a pro-rated basis.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of in the year of _____.
In the presence of:

Seven Eleven Distribution Canada Corp.
5445 – 8th Street N.E.
Calgary, Alberta, Canada T2K 5R9

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

Name

M. Z. MARDUKHI

Name

Title

President

Title

Date

12-Nov-2024

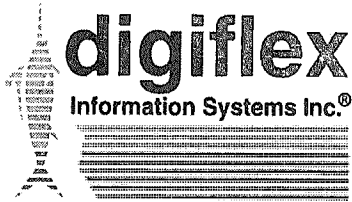
Date

Authorized Signatory

M. Z. MARDUKHI

Authorized Signatory

by



RATE SCHEDULE

1. RATES

The rates will be based upon the following table of Digiflex employee position. Digiflex rates are subject to an annual review.

Table B-1

	Hourly	Daily
Analysis & Design	\$295.00	\$2300.00
Project Management	\$295.00	\$2300.00
Programming	\$250.00	\$1900.00
Technical Support	\$250.00	\$1900.00
Training and Installation	\$250.00	\$1900.00

2. MINIMUM ON-SITE RATE

Minimum On-Site Rate within the City of Calgary shall be 4 hours based on the hourly rate schedule as specified in Table B-1. The Minimum On-Site Rate outside the City of Calgary shall be 1 day based on the daily rate schedule as specified in Table B-1.

In the event of traveling being required by Digiflex employees to Customer locations outside of Calgary, Alberta, the Customer shall pay all reasonable expenses incurred by Digiflex employees. This is separate from Rates specified in Table B-1.

3. MINIMUM OFF-SITE RATE.

Minimum Off-Site Rate shall be 2 hours based on the hourly rate schedule as specified in Table B-1.

A handwritten signature or mark, possibly initials, located in the bottom right corner of the page.

This is Exhibit "K", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Thursday, November 14, 2024 11:38 AM
To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

Good morning Joshua,

I have attached our invoices for license fees and one year of maintenance services for SEDCC; please ensure they get paid as they are due upon receipt.

And another reminder: our helpdesk services invoice is way overdue; please have its payment sent today so we can continue to provide those services.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: +1 (604) 720-0485
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)



INVOICE

INVOICE DATE 01-NOV-24	CUSTOMER NO. 512	INVOICE NO. 2821
CLASS and ProCLASS License Fee		
PAGE		1

S O L D	7-Eleven Distribution Canada 5445 8th Street NE
T O	Calgary, Alberta Canada
	T2K 5R9

SALESREP:	1	ROUTE/STOP:	1/ 1	CARRIER:	1	TERMS:	7 DAYS	WAREHOUSE:	1	REFERENCE:	1
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[illegible]

INVOICE

INVOICE DATE 01 - NOV - 24	CUSTOMER NO. 512	INVOICE NO. 2822
CLASS/ProCLASS Maintenance Fee 01-Nov-2024 to 31-Oct-2025		
PAGE		1

7-Eleven Distribution Canada 5445 8th Street NE Calgary, Alberta Canada	T2K 5R9
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SALESREP: 1	ROUTE/STOP: 1/ 1	CARRIER: 1	TERMS: 7 DAYS	WAREHOUSE: 1	REFERENCE: 1
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[illegible]

Please Pay [

ky

This is Exhibit "L", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta
Alex Jay Sinclair
Student-at-Law



From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Tuesday, December 03, 2024 12:09 PM
To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal
Importance: High

Good day Joshua,

Based on the lack of response, or even acknowledgment, of our new license agreement and 3 overdue invoices, we can only assume that your Epicor implementation project has finally been completed and you no longer need our systems or services.

If this is the case, please inform Wallace & Carey of this change and initiate the destruction of our software and documentation at Wallace & Carey, as stipulated in point 5 of our license agreements. As per the last paragraph of point 5, please send us a letter conforming that this destruction has been completed.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: +1 (604) 720-0485
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)



This is Exhibit "M", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student at Law



From: Mohamad Zähed Mardukhi
Sent: Tuesday, December 03, 2024 2:06 PM
To: 'jknight@ksvadvisory.com' <jknight@ksvadvisory.com>
Subject: 7-Eleven / Wallace & Carey

Good afternoon Jason,

I just listened to your voice message and thought an email will be more efficient than calling you back.

First, we have not threatened any termination, rather deduced from the lack of response or even acknowledgement from 7-Eleven to multiple emails that they no longer need our software or services. We were expecting this to happen even before 7-Eleven was involved since Wallace & Carey decided to implement another ERP system almost 3 years ago. So we have been expecting this and have planned our future without Wallace & Carey for some time now, although we are ready and able to reorganize again if 7-Eleven decides to use our software.

As for who owns or controls Wallace & Carey, all indications are 7-Eleven has effectively taken over the operations for more than a year now. They even requested that we set up a new company named "7-Eleven Distribution Canada Corporation" (SEDCC) on our ERP system starting in January 2025 (see the 1st attached email from July 2024). We reminded them that our license is not transferable and that the new company requires a new license; they did not proceed with the request.

We then received an email from 3 people at 7-Eleven, with not a single Wallace & Carey person copied in, requesting a renewal of our maintenance agreement (see bottom of the 2nd attached email chain). We responded that our Helpdesk services agreement is the only one that is not directly related to a software license and could be renewed without delay. We then asked who we should bill for this service and they responded with "Seven Eleven Distribution Canada Corporation" (see top of the 2nd attached email). We issued the invoice right away and it remains unpaid as of today (overdue by more than a month).

Even according to paragraphs 15 and 16 of an affidavit on your web site (which we only discovered in November 2024), Wallace & Carey was purchased by 7-Eleven Canada in November 2023 (so our license agreement with Wallace & Carey should not have been in effect from that



point in time):

15. Following the SISP, 7-Eleven Canada, Inc. (the "Purchaser") and the Applicants entered into a purchase and sale agreement (the "Sale Agreement"). The Sale Agreement was for the sale of the Applicants' personal property and equipment assets located in Alberta and British Columbia and the intellectual property, technology, software and systems relating to the entire Logistics Companies' logistics/distribution business across Canada. The Applicants are continuing to operate in various provinces across Canada, including BC, Alberta, Saskatchewan, Manitoba and Ontario.

16. Pursuant to the Sale Agreement and concurrent with the closing of that transaction, the Applicants and the Purchaser entered into a transition services agreement ("TSA") pursuant to which Wallace & Carey continues to provide logistics services to the Purchaser in accordance with the terms and conditions contained therein. Pursuant to the TSA, the Purchaser is required to fund substantially all of Wallace & Carey's and CM I's costs from and after the effective closing time, being 12:01 a.m. on November 19, 2023.

We had an excellent relationship with Wallace & Carey for over 23 years and this has been reflected in our extremely favourable rates and exceptional service levels. Our license agreement with Wallace & Carey explicitly states that it is not transferable in its very first paragraph, and our special rates do not apply to 7-Eleven.

It appears that 7-Eleven did not realize our license agreement is not transferable until we reminded them of this fact. They now want to pretend they are Wallace & Carey to avoid paying licensing and maintenance fees.

We have no desire to take this matter to litigation and hope that 7-Eleven does the right thing by signing our license agreement (sent on November 12, 2024), and pays our 3 overdue invoices. But we are ready and confident to proceed otherwise if needed.

If you respond, please do so via email as I often do not pick up phone calls from numbers that are not in my contacts list.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: **mardukhi@digiflex.ca**

WWW: **[HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)**



From: Heather Miller
To: Mohamad Zähed Mardukhi
Cc: Cliff Harrison
Subject: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation
Date: Thursday, July 04, 2024 11:02:51 AM
Attachments: image001.png

Hello Mohamad,

We have a request to setup a completely separate ERP system using Digiflex software for our new distribution company.

This system will operate temporarily from Jan 1st, 2025 to March 31st, 2025 (with a possible extension to June 30th, 2025).

The goal is to wind down Wallace & Carey so no invoices will be moved to the new distribution company.

Can you please provide a quote for the development, test and go-live support and ongoing maintenance and support agreements - details below:

This new company will require the following from WC:

1. Active items (item groups, families, family groups, customer guides)
2. Active customers and vendors
3. Item and customer cross references
4. WC users in group 1 and 3
5. Email groups, printers
6. Active GL accounts (list will be provided)
7. All sales reps, buyers, carriers, routes, stops, drivers, warehouses, locations and sections, reason codes
8. Customer item retails/classes, markups, add programs, promotional allowances, contracts,
9. Sales history required to determine demand forecasting for new purchases
10. Open orders and purchase orders
11. AR, AP, GL, Bank, Inventory balances (qty and \$'s) by warehouse
12. Rebrand to new company name and logo (screens, forms, reports)
13. System setup – same setup and processors with exception of accounting periods, fiscal year, bank accounts – these will be by calendar month, calendar year, scotia bank accounts only
14. Setup separate folder structure/logicals for output/input of data

We would like to have the new system available with a point in time setup including master data/balances loaded for testing by November 18th, 2024 and then reload/update master data/balances for go-live on Jan 1st, 2025.

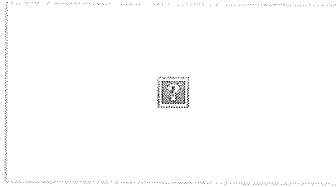
Please provide your recommendations on anything you believe we may need or have missed stating



above.

Thank you for your assistance!

Heather



Heather Miller

Director, Information Technology

5445 8th St NE | Calgary, AB | T2K 5R9

www.wacl.com

Follow **wallaceandcarey** on social media

#CareyKindness #WallaceAndCarey100

#MovingCanadiansForwardSince1921

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From: [Buchanan, Joshua Graham \(Josh\)](#)
To: [Mohamad Zähed Mardukhi](#); [Naik, Anvaya Pradeep](#)
Cc: [Hernandez, Christopher M](#); [Raya, Kendra Monique](#)
Subject: RE: DigiFlex Maintenance Renewal
Date: Thursday, October 24, 2024 11:33:35 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)

Mohammed,

Seven Eleven Distribution Canada Corporation will have the same address in Calgary that W&C has had in the past.

Thank you,

Josh Buchanan

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Thursday, October 24, 2024 12:30 PM
To: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>; Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Hello Anvaya,

We are still awaiting the bill-to information requested/mentioned below.

Thanks,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Sent: October 24, 2024 10:28
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal



Hello @Mohamad Zähed Mardukhi,

Hope all is well ! Just wanted to follow up with you on our renewal quote request. Can you let us know the ETA for when you will be able to share the renewal quote?

Thank you

Regards,

Anvaya Naik | 7-Eleven, Inc | Store Support Center

Sr. Sourcing Manager| Strategic Sourcing | Enterprise Tech and Digital
500 Speedway Dr., Enon, OH 45323

O (937)-244-7339 | **C** (217) 979-5283| **E** Anvaya.Naik@7-11.com

Co-Lead | 7-Eleven Network of Asian & Pacific Islander Professionals

Click here to Join 7APIN



This e-mail and any files transmitted with it are the property of 7-Eleven, Inc., are private, confidential, and are intended solely for the use of the individual or entity to whom this e-mail is addressed. If you are not the named recipient(s) or otherwise have reason to believe that you have received this e-mail in error, please notify the sender by return e-mail and immediately delete this e-mail and all attachments from your computer. Any other use, retention, dissemination, forwarding, printing, or copying of this e-mail and any attachments is unauthorized and strictly prohibited. Nothing in this email is intended to constitute a waiver of any confidentiality

From: Naik, Anvaya Pradeep

Sent: Tuesday, October 15, 2024 3:52 PM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Hi Mohammad,

Thank you for the note and yes, we would like to continue with both the license maintenance and the help desk support portion. 7-Eleven does not intend to buy net new license agreement. There is also no immediate intent or capacity to move to your new ERP system. Our attorneys are reviewed and confirmed that the existing Wallace and Carey contracts will be in full force and effect on its current terms., I would recommend checking with your internal legal department to make sure you are considering that when you send us the order form/invoice.

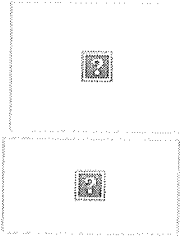
[@Buchanan, Joshua Graham \(Josh\)](#) can you please confirm the bill to for Mohammad.

Thank you

Regards,

Anvaya Naik

Sr. Manager| Strategic Sourcing | Enterprise Tech and Digital
7-Eleven, Inc. | Store Support Center



500 Speedway Dr., Enon, OH 45323
Cell: (937)-244-7339, M: (217) 979-5283
Email: Anvaya.Naik@7-11.com
Co-Lead | 7-Eleven Network of Asian & Pacific Islander
Professionals
[Click here to Join 7APIN](#)

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From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Tuesday, October 15, 2024 2:06 PM
To: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Good day Anvaya,

It appears that for all intent and purposes Wallace & Carey no longer exists as a legal entity, or at best, it has become a division of 7-Eleven. The "Wallace & Carey transactions" that you mention below are almost all for 7-Eleven businesses.

We currently have two agreements with Wallace & Carey: A software Maintenance Agreement that started in May 2000, and a Helpdesk Level 2 support agreement that started in June 2008 (at \$7,000 per month, more than 16 years ago) where we provide helpdesk support for both Digiflex products, the OpenVMS operating system, and the Itanium servers on a 7 x 24 basis.

We are awaiting advice regarding renewal of the existing Maintenance Agreement because a new License Agreement with 7-Eleven may be required before we can renew that agreement. Just as an aside, if 7-Eleven purchases a new license agreement, there will be no restrictions and 7-Eleven can transfer the Wallace & Carey business to a new instance of our ERP system under SEDCC and change its fiscal structure as needed.

The Helpdesk Level 2 support agreement is not directly related to our licensing agreement so we can offer renewal of that agreement to 7-Eleven for another year at \$192,000 per year. If you are interested in

renewing this agreement, please send me the 7-Eleven bill-to information and we will send you an invoice.

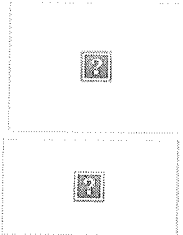
Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Sent: October 8, 2024 06:57
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

Morning @Mohamad Zähed Mardukhi, 7-Eleven Canada will be the buying entity but please note that only Wallace & Carey transactions will be carried on Digi flex.

Thank you
Regards,



Anvaya Naik

Sr. Manager| Strategic Sourcing | Enterprise Tech and Digital
7-Eleven, Inc. | Store Support Center
500 Speedway Dr., Enon, OH 45323
Cell: (937)-244-7339, M: (217) 979-5283
Email: Anvaya.Naik@7-11.com
Co-Lead | 7-Eleven Network of Asian & Pacific Islander
Professionals
[Click here to Join 7APIN](#)

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From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Monday, October 7, 2024 4:21 PM
To: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal



****External - Potential security risk - Exercise caution****

Good afternoon Anvaya,

Will these agreements be with Wallace & Carey or with 7-Eleven? I do not know if Wallace & Carey still exists (or will exist in 2025) as a legal entity.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Sent: October 7, 2024 10:12

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: DigiFlex Maintenance Renewal

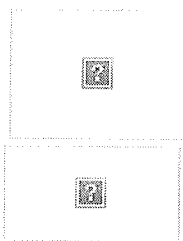
Hello Mohamad,

I am part of the 7-Eleven Sourcing team. Our business team has requested that we request maintenance renewal quote for 1 year term of existing Digiflex licenses that were acquired as part of the Wallace and Carey contract. Could you please send us the quote for that?

Let us know if you have any questions or concerns

Thank you

Regards,



Anvaya Naik

Sr. Manager| Strategic Sourcing | Enterprise Tech and Digital

7-Eleven, Inc. | Store Support Center

500 Speedway Dr., Enon, OH 45323

Cell: (937)-244-7339, M: (217) 979-5283

Email: Anvaya.Naik@7-11.com

Co-Lead | 7-Eleven Network of Asian & Pacific Islander

Professionals

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This is Exhibit "N", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



From: [Gagnon, Angeline](#)
To: [Mohamad Zähed Mardukhi](#)
Cc: [Thompson, Natalie](#)
Subject: Software License Agreement between DigiFlex Information Systems Inc. and Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]
Date: Tuesday, December 03, 2024 2:40:45 PM
Attachments: [image001.png](#)
[2024 12 03 - LT Digiflex Information Systems Inc..pdf](#)

Please see the attached correspondence sent on behalf of Jeffrey Oliver.

Thank you,



ANGELINE GAGNON
Legal Administrative Assistant
t: +1 587 441 7624
e: agagnon@cassels.com

Cassels Brock & Blackwell LLP | cassels.com
Suite 3810, Bankers Hall West, 888 3rd Street SW
Calgary, Alberta T2P 5C5 Canada

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M

Cassels

December 3, 2024

Via Email (mardukhi@digiflex.ca)

DigiFlex Information Systems Inc.
2611 Venables Street
Vancouver, BC V5K 2R4

joliver@cassels.com
tel: +1 403 351 2921
file # 54670-3

Attention: Mohamad Zähed Mardukhi

Dear Sir:

Re: Court File Number 2301-08305
ITMO the Compromise or Arrangement of Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc. (the "CCAA Proceedings")
Software License Agreement between DigiFlex Information Systems Inc. ("DigiFlex") and Wallace & Carey Inc. ("WCI") dated August 19, 2013 (the "Agreement")

We are counsel to KSV Restructuring Inc. in its capacity as Court-appointed Monitor (in such capacity, the "**Monitor**") of WCI, Loudon Bros Limited ("**LBL**"), and Carey Management Inc. ("**CMI**") and together with WCI and LBL, the "**Companies**"). We write further to various email exchanges between yourself and representatives of WCI and/or 7-Eleven Canada, Inc. ("**7-Eleven**"), and in particular, your emails dated September 9, 2024, November 4, 2024 and November 25, 2024 (the "**Renewal Emails**").

We are not aware of DigiFlex having retained legal counsel on this matter. However, we strongly encourage you to do so.

In your email correspondence dated November 4, 2024 you state that "...Wallace & Carey became a division of 7-Eleven as of November 2023...". This is incorrect. During the course of the CCAA Proceedings, subject to the terms of the Amended and Restated Initial Order granted by the Court of King's Bench of Alberta (the "**Court**") in the CCAA Proceedings on June 30, 2023 (the "**ARIO**"), WCI has continued to operate in the ordinary course of business. While 7-Eleven is currently funding the WCI business during the CCAA Proceedings pursuant to a Transition Services Agreement dated November 21, 2023, 7-Eleven is not the subject of the CCAA Proceedings, and the Agreement has not been assigned to 7-Eleven. Rather, WCI remains party to the Agreement, and 7-Eleven remains a separate legal entity from WCI.

We wish to direct your attention to paragraph of the ARIO, pursuant to which suppliers are compelled to provide services to WCI during the CCAA Proceedings in accordance with the terms of existing agreements. Paragraph 19 reads (emphasis added):

19. During the Stay Period, **all persons having:**

- (a) statutory or regulatory mandates for the supply of goods and/or services; or
- (b) oral or written agreements or arrangements with the [Companies], including without limitation all supply arrangements pursuant to purchase orders and

t: 403 351 2920
f: 403 648 1151
cassels.com

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Calgary, AB T2P 5C5 Canada



historical supply practices, **computer software**, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the [Companies],

are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the [Companies] or exercising any other remedy provided under such agreements or arrangements. The [Companies] shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the **usual prices or charges for all such goods** or services received after the date of this Order are paid by the [Companies] in accordance with the payment practices of the [Companies], or such other practices as may be agreed upon by the supplier or service provider and each of the [Companies] and the Monitor, or as may be ordered by this Court.

Further, paragraph 18 of the ARIO reads (emphasis added):

18. During the Stay Period, **no person shall** accelerate, suspend, 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 [Companies]**, except with the written consent of the [Companies] and the Monitor, or leave of this Court.

A copy of the ARIO is enclosed for your reference.

The Renewal Emails make demand for renewal at a significantly increased price. Your proposed price increase and the termination by you of the Agreement is expressly prohibited by paragraphs 18 and 19 of the ARIO.

If DigiFlex continues to pursue either price increases or a termination of the Agreement, the Monitor will bring an application to hold DigiFlex in contempt of Court on the basis that those actions are contrary to the ARIO. In such a hearing, the Monitor would also seek costs payable by DigiFlex to WCI on a solicitor and client own basis, and potentially damages.

Notwithstanding that DigiFlex could be required by the Court to provide its services at the rates set out in the Agreement, WCI has advised the Monitor that it is prepared to engage in good faith discussions with DigiFlex, with the intention of negotiating a one-year renewal of the Agreement on such terms.

Please contact Jason Knight at jknight@ksvadvisory.com not later than **5:00 PM (MT) on December 6, 2024** (the "**Deadline**") to discuss terms for renewal of the Agreement that are agreeable to all parties and in alignment with the ARIO.

If we do not hear from you prior to the Deadline, the Companies, with the support of the Monitor, will prepare a Court application to compel your cooperation.



Cassels

December 3, 2024
Page 3

Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in cursive script that reads "Jeffrey Oliver".

Jeffrey Oliver
Partner

JO/ag
Enclosure
LEGAL*66795391.1

A small, stylized handwritten mark or signature in the bottom right corner of the page.

This is Exhibit "O", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



From: Chris McKenzie <mckenziec@wac1.com>
Sent: Wednesday, December 04, 2024 9:09 AM
To: Help
Cc: Cliff Harrison
Subject: Additional Records to table(s)

Good morning, Digiflex Help Desk.

Our users are receiving the following message when attempting to add a new GL account in Class GL:

G/L WACI 6.2

Add Accounts

SINOF error: File is full

1 ACCOUNT	:	4001513	15 EXCH CODE	:	0
2 TYPE	:	1	16 UNIT BAL 1	:	
3 SUBSYSTEM	:	1	17 UNIT BAL 2	:	
4 R.C.C.	:	1	18 UNIT MES 1	:	
			19 UNIT MES 2	:	
5 DOWN FROM	:	SEDCC	20 P/P CODE 1	:	
6 PRIOR TO	:		21 P/P CODE 2	:	
7 DOWN TO	:		22 FLAGS	:	..
8 PERCENT	:	0.00%			
9 LOW LIMIT	:	0.00			
10 HIGH LIMIT	:	0.00			
11 LOW HITS	:	0			
12 HIGH HITS	:	0			
13 SHORT DESC	:	AUDIT ADJ NMO Groc 3P			
14 LONG DESC	:	AUDIT ADJ NMO Groc 3P			
CORRECT: Y					
7-Eleven Distribution CC					

They are requesting space for an additional 4000 records. Could you please make this adjustment to the necessary table(s)?

As always, thank you in advance for your assistance.

-- Chris

This is Exhibit "P", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law

Mohamad Zähed Mardukhi

From: Mohamad Zähed Mardukhi
Sent: December 6, 2024 11:20
To: Oliver, Jeffrey
Cc: Thompson, Natalie; 'Buchanan, Joshua Graham (Josh)'; Jason Knight; Bobby Kofman (bkofman@ksvadvisory.com)
Subject: RE: Software License Agreement between DigiFlex Information Systems Inc. and Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]

Jeffrey,

We did not just dream up the need for a new software license and the types of license fees involved, you can ask Wallace & Carey for emails initiated by Heather Miller starting on July 4, 2024. No one from 7-Eleven was copied onto these emails.

A second set of emails were initiated by Anvaya Naik at 7-Eleven on October 7, 2024. No one from Wallace & Carey was copied onto these emails. This begs the question: if Wallace & Carey is our client, why is 7-Eleven asking us for our invoices, and to have them billed to 7-Eleven?

Instead of acknowledging the need for a new license, 7-Eleven decided to hide behind CCAA and Wallace & Carey, and now they seem to be trying to set up the 7-Eleven Distribution Canada business inside the existing Wallace & Carey ERP databases.

Our stand on this matter remains unchanged from what I had specified in my email yesterday. Please stop sending me legal advice along with threats.

Should this matter go to court, and regardless of its outcome, there will be a zero chance of us providing our services beyond January 1, 2025. Slavery was abolished long ago.

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: +1 (604) 720-0485

Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Oliver, Jeffrey <joliver@cassels.com>

Sent: December 6, 2024 08:18

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Thompson, Natalie <nthompson@cassels.com>; 'Buchanan, Joshua Graham (Josh)' <Joshua.Buchanan@7-11.com>; Jason Knight <jknight@ksvadvisory.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>

Subject: RE: Software License Agreement between DigiFlex Information Systems Inc. and Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]

Mohamad,

We acknowledge receipt of your email. Unfortunately, you have chosen to ignore the content of our December 3rd letter, and continue to threaten to terminate services to Wallace and Carey in a fashion that is very clearly contrary to the terms of the Amended and Restated Order of the Court of King's Bench of Alberta dated June 30, 2023 (the "ARIO"), the terms of which you have had repeated notice of.

We note that the three invoices referenced below (and attached) for which you demand payment total approximately \$4.44 million from 7-Eleven Distribution Canada Inc. and are not justified by the terms of the License Agreement. We also note that if such invoices are not paid, you have threatened to make the ERP system unavailable to Wallace & Carey effective January 1, 2025. Not only is this conduct contrary to the ARIO, it is also in bad faith, and contrary to your obligation to act in good faith pursuant to section 18.6(1) of the CCAA. You are well aware that Wallace & Carey is operationally reliant on the ERP system and your intentional interference with that system will cause direct economic loss and damages to multiple parties, for which you will be liable.

In light of the foregoing, you have left the Monitor with no choice but to proceed with an urgent application before the Court of King's Bench of Alberta to seek an order of contempt, an injunction, and other forms of relief, including costs on a solicitor and client own basis against you and Digiflex. We urge you to retain counsel and reconsider your position, as courts typically take actions such as this very seriously, and can impose very considerable penalties and consequences on parties who are in contempt of court orders. If you require the names of local insolvency counsel to assist you, we would be pleased to provide you with that information.

Please advise us forthwith if you wish to reconsider your position, as we are now proceeding to book court time for the week of December 16th.

In the interest of time, we will not be responding to your points made about the purpose of the CCAA proceeding, but we disagree with them nonetheless.

Finally, if you would like to have a discussion to find a sensible and workable solution, please let us know. The Monitor would be pleased to try to facilitate a resolution.

Cassels | **JEFFREY OLIVER** (he/him/his)
Partner
t: +1 403 351 2921
e: joliver@cassels.com

Cassels Brock & Blackwell LLP | cassels.com
Suite 3810, Bankers Hall West, 888 3rd Street SW
Calgary, AB T2P 5C5 Canada
Services provided through a professional corporation

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Thursday, December 05, 2024 2:24 PM
To: Oliver, Jeffrey <joliver@cassels.com>
Cc: Thompson, Natalie <nthompson@cassels.com>; 'Buchanan, Joshua Graham (Josh)' <Joshua.Buchanan@7-11.com>; Jason Knight <jknight@ksvadvisory.com>
Subject: RE: Software License Agreement between DigiFlex Information Systems Inc. and Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]
Importance: High

CAUTION: External Email

Good day,



Our multiple emails and invoices to 7-Eleven were ignored for weeks, and now we have this threatening letter from a legal team. As a result, we have decided that we will not waste any more time on this matter, and we will not engage our lawyer. The best (or worst) that you can do is to force Digiflex into bankruptcy which will then seriously jeopardize 7-Eleven and Wallace & Carey operations.

This whole process is an abuse of the CCAA. If the judge in this case was aware of just the 2 facts below, they would prevent any further extensions (and likely question past extensions):

1. On July 4, 2024 we were asked to set up a whole new company on our ERP system, while continuing with the Wallace & Carey ERP system as is. This is not an act for a company under creditor protection.
2. On December 4, 2024 we were asked to allow for up to 4000 new accounts in our General Ledger system, an almost 100% increase from pre-CCAA numbers. Again, not an act for a company under creditor protection.

Going forward, we see only 2 options:

1. Our license agreement for 7-Eleven Distribution Canada Corporation (SEDCC), sent on November 12, 2024, is signed and our 3 overdue invoices are paid by December 20, 2024. SEDCC will then have the legal right to use our ERP as they see fit, for as long as they need, and they will have the same services and service levels we have provided to Wallace & Carey for over 24 years. Or,
2. We will continue to provide our support services to ensure continuous operation of our ERP system until January 1, 2025 and then our support/maintenance/helpdesk services will end.

This is certainly not how we wanted our long-term relationship with Wallace & Carey to come to an end. We had expected that Wallace & Carey would have finished implementing the replacement for our ERP system and that we would have parted ways amicably a year or more ago.

7-Eleven is likely thousands of times bigger than Digiflex but our small size does not mean we can be pushed around. At this point we are ready to take this all the way to shutting down Digiflex rather than provide our software and services under threats and intimidation.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: **mardukhi@digiflex.ca**

WWW: **[HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)**

This is Exhibit "Q", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



Mohamad Zähed Mardukhi

From: Mohamad Zähed Mardukhi
Sent: December 9, 2024 11:40
To: Heather Miller
Cc: 'Buchanan, Joshua Graham (Josh)'
Subject: FW: URGENT Request for Emergency Time on Commercial List - ITMO the Compromise or Arrangement of Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc. | Court File Number 2301-08305 [IWOV-LEGAL.FID4364182]
Attachments: 2024 12 09 - LT Justice Simard and Justice Mah re Emergency Time on the Commercial List.pdf
Importance: High

Good morning Heather,

I just received the email below threatening court action to force us to provide support to 7-Eleven, even though we have never had a license or maintenance agreement with them. I had told them last week that should they proceed with court action, and regardless of its outcome, that we will not provide support beyond January 1, 2025.

This note is to let you know that we will take our systems through the usual calendar year-end processes (please confirm if you want us to do so) and then we will no longer be able to provide maintenance or helpdesk services after January 1, 2025.

7-Eleven will then continue to risk using our software systems without a license.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Thompson, Natalie <nthompson@cassels.com>
Sent: December 9, 2024 11:00
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Oliver, Jeffrey <joliver@cassels.com>; Gagnon, Angeline <agagnon@cassels.com>
Subject: FW: URGENT Request for Emergency Time on Commercial List - ITMO the Compromise or Arrangement of Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc. | Court File Number 2301-08305 [IWOV-LEGAL.FID4364182]
Importance: High

Hi there,

Please see the attached correspondence, sent a few minutes ago.

Kind regards,



Cassels

NATALIE THOMPSON *(she/her/hers)*

Associate

+1 587 441 3064

nthompson@cassels.com

Cassels Brock & Blackwell LLP | cassels.com
Suite 3810, Bankers Hall West, 888 3rd Street SW
Calgary, Alberta T2P 5C5 Canada

From: Gagnon, Angeline <agagnon@cassels.com>

Sent: Monday, December 09, 2024 11:56 AM

To: CommercialCoordinator KBJCalgary <CommercialCoordinator.KBJCalgary@albertacourts.ca>

Cc: Oliver, Jeffrey <joliver@cassels.com>; Thompson, Natalie <nthompson@cassels.com>

Subject: URGENT Request for Emergency Time on Commercial List - ITMO the Compromise or Arrangement of Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc. | Court File Number 2301-08305 [IWOV-LEGAL.FID4364182]

Importance: High

Please see the attached correspondence sent on behalf of Jeffrey Oliver.

Thank you,

Cassels

ANGELINE GAGNON

Legal Administrative Assistant

+1 587 441 7624

agagnon@cassels.com

Cassels Brock & Blackwell LLP | cassels.com
Suite 3810, Bankers Hall West, 888 3rd Street SW
Calgary, Alberta T2P 5C5 Canada

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This is Exhibit "R", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.



A Commissioner of Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student at Law



Cassels

December 12, 2024

Via Email (mardukhi@digiflex.ca)

DigiFlex Information Systems Inc.
2611 Venables Street
Vancouver, BC V5K 2R4

joliver@cassels.com
tel: +1 403 351 2921
file # 54670-3

Attention: Mohamad Zähed Mardukhi

Dear Sir:

Re: Court File Number 2301-08305
ITMO the Compromise or Arrangement of Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc. (the "CCAA Proceedings")
Software License Agreement between DigiFlex Information Systems Inc. ("DigiFlex") and Wallace & Carey Inc. ("WCI") dated August 19, 2013 (the "Agreement")

As you are aware, we are counsel to KSV Restructuring Inc. in its capacity as Court-appointed Monitor (in such capacity, the "**Monitor**") of WCI, Loudon Bros Limited ("**LBL**"), and Carey Management Inc. ("**CMI**") and together with WCI and LBL, the "**Companies**"). We write further to various email exchanges between yourself and representatives of WCI and/or 7-Eleven Canada, Inc. ("**7-Eleven**"), and in particular, your email dated December 11, 2024 (the "**Termination Email**").

We understand DigiFlex has refused to retain legal counsel on this matter. However, we continue to strongly encourage you to do so.

On December 3, 2024 you received our letter which explicitly notified you that your interference with WCI's agreements and subsequent termination of the same are in breach of the terms of the Amended and Restated Initial Order (the "**ARIO**") granted by the Court of King's Bench of Alberta (the "**Court**"). You have also been advised repeatedly that your actions are in breach of the ARIO. Your continued breaches have required the Monitor to request urgent time before the court on December 17, 2024, at which time we will seek an order which will enforce the terms of the ARIO; prohibit the actions you have threatened in the Termination Email and seek costs payable from you in the amount of \$35,000 (the "**Emergency Application**").

The Termination Email has been affixed to this letter **which will be submitted to the Court** in advance of the Emergency Application. In the Termination Email, you have given formal notice that you will stop support, maintenance and helpdesk services on January 1st, 2025, **regardless of the outcome of the Emergency Application**.

Should you take the steps referenced in the Termination Email you will be in direct breach of an order of the Court. In that case, the Monitor will proceed on an emergency basis to the Court and intends to seek a further order citing DigiFlex and you personally in contempt of court under the *Alberta Rules of Court* rule 10.53(1) and (2). The punishments for civil contempt of court can include imprisonment until the contempt



has been purged or up to 2 years and additional fines and costs. In determining an appropriate punishment for civil contempt, the Court considers aggravating factors, certain of which are present in this matter.

You hereby are on notice that should you fail to comply with any Court order arising from the Emergency Application on December 17, 2024, the Monitor will seek a declaration finding you in civil contempt of court. The Monitor will further seek an order for imprisonment until the contempt is resolved and full costs for such an application.

Yours truly,

Cassels Brock & Blackwell LLP



Jeffrey Oliver
Partner

JO

Enclosure

cc: DLA Piper (Canada) LLP c/o Edmond Lamek (edmond.lamek@ca.dlapiper.com)
KSV Restructuring Inc. c/o Bobby Kofman (bkfman@ksvadvisory.com) & Jason Knight
(jknight@ksvadvisory.com)

LEGAL*66882733.3



This is Exhibit "S", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November, 2025.



A Commissioner of Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Monday, December 16, 2024 8:23 AM
To: Oliver, Jeffrey <joliver@cassels.com>
Cc: Thompson, Natalie <nthompson@cassels.com>; 'Buchanan, Joshua Graham (Josh)' <Joshua.Buchanan@7-11.com>; Jason Knight <jknight@ksvadvisory.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Heather Miller <millerh@wacI.com>
Subject: Re: URGENT Request for Emergency Time on Commercial List - Wallace & Carey Inc.

Good day,

I had several conversations with our lawyer in Alberta regarding your urgent application before the Court, and their advice was that despite our belief that Wallace & Carey is no longer our client, that nonetheless Digiflex is required to comply with the CCAA requirements and court orders.

As such, we offer the following compromise, contingent on the withdrawal of your urgent application before the court set for December 17, 2025:

1. We will continue to provide our software Maintenance services until its current end date of March 12, 2025. If you require our software Maintenance services beyond that date, we will extend them until the end of the CCAA Stay Period of April 30, 2025, based on rate schedules that were established with Wallace & Carey
2. If you get additional extensions to the CCAA Stay Period, we will agree to extend our software Maintenance services until the end of the new CCAA Stay Period, based on rate schedules that were established with Wallace & Carey.
3. We will continue to provide our Helpdesk services until the end of its current invoicing cycle on January 31, 2025. This service, which only started in June 2008, is not tied to our License or Maintenance or any other agreement, and thus it does not have a specified limit on annual increases. If our Helpdesk services are required beyond January 31, 2025, we will agree to a 1-year extension based on rates that we had previously passed on to 7-Eleven at \$192K for the year. Please note that this amount is less than the cost for a single senior



employee, and providing a 7 by 24 service requires at least two such employees to be available throughout the year.

If the above compromise is not acceptable, I will represent Digiflex via video conferencing during the court session on December 17, 2025 and argue our points in court. I will also forward our submission document to you later today.

I would like to remind you that a "win" in this court case that may result in any harm to Digiflex, or to myself, may end up harming 7-Eleven businesses even more, and by a considerable margin.

I have no illusion that we can win this case in court, even with legal representation, but this almost certain loss for us may end up being even a bigger loss for 7-Eleven. It does not take much harm to a small company like Digiflex for that harm to become irreparable, and then you will have no one that can provide our services.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: **mardukhi@digiflex.ca**

WWW: **[HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)**



This is Exhibit "T", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



From: Oliver, Jeffrey <joliver@cassels.com>
Sent: Monday, December 16, 2024 3:55 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Thompson, Natalie <nthompson@cassels.com>; 'Buchanan, Joshua Graham (Josh)' <Joshua.Buchanan@7-11.com>; Jason Knight <jknight@ksvadvisory.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Heather Miller <millerh@wac1.com>; Edmond.lamek@ca.dlapiper.com
Subject: RE: URGENT Request for Emergency Time on Commercial List - Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]

Mr. Mardukhi,

Thank you for the email. We have been able to connect with stakeholders and understand that your offer is acceptable, provided that its terms are included in a court order that will bind all parties. We are working on a draft in that regard and will get it to you as soon as we are able. Once it is settled, we will present it to the court to sign tomorrow.

Please let us know if you have any questions.

Regards

Cassels

JEFFREY OLIVER *(he/him/his)*
Partner
t: +1 403 351 2921
e: joliver@cassels.com

Cassels Brock & Blackwell LLP | cassels.com
Suite 3810, Bankers Hall West, 888 3rd Street SW
Calgary, AB T2P 5C5 Canada
Services provided through a professional corporation

14

This is Exhibit "U", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta
Alex Jay Sinclair
Student-at-Law



From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Tuesday, December 17, 2024 8:57 AM
To: Oliver, Jeffrey <joliver@cassels.com>
Cc: Thompson, Natalie <nthompson@cassels.com>; 'Buchanan, Joshua Graham (Josh)' <Joshua.Buchanan@7-11.com>; Jason Knight <jknight@ksvadvisory.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Heather Miller <millerh@wac.com>; Edmond.lamek@ca.dlapiper.com
Subject: RE: URGENT Request for Emergency Time on Commercial List - Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]

Good morning,

I have attached the original Word and the signed PDF version of the document.

Our hourly rates differ by type of service but the maximum is \$250 which is what I entered in the document.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: +1 (604) 720-0485
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Oliver, Jeffrey <joliver@cassels.com>
Sent: December 17, 2024 06:10
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Thompson, Natalie <nthompson@cassels.com>; 'Buchanan, Joshua Graham (Josh)' <Joshua.Buchanan@7-11.com>; Jason Knight <jknight@ksvadvisory.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Heather Miller <millerh@wac.com>; Edmond.lamek@ca.dlapiper.com
Subject: RE: URGENT Request for Emergency Time on Commercial List - Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]

Mr. Mardukhi,

Please find enclosed a copy of a Consent order for your review. Please let us know if you have any comments or questions. We are looking for historical information to insert into paragraph 4 regarding hourly support services rates. If you have that figure handy please let us know.

Court is at 11 am MT, so we would like to have this finalized and signed prior to then.

Thank you.

Cassels

JEFFREY OLIVER *(he/him/his)*

Partner

t: +1 403 351 2921

e: joliver@cassels.com

Cassels Brock & Blackwell LLP | cassels.com

Suite 3810, Bankers Hall West, 888 3rd Street SW

Calgary, AB T2P 5C5 Canada

Services provided through a professional corporation



COURT FILE NUMBER 2301 - 08305

Clerk's Stamp

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC 1985,
c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE
OF ARRANGEMENT OF WALLACE & CAREY
INC., LOUDON BROS. LIMITED, and CAREY
MANAGEMENT INC.

APPLICANT KSV RESTRUCTURING INC., in its capacity as Court-appointed Monitor of
Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc.

RESPONDENTS DIGIFLEX INFORMATION SYSTEMS INC. and MOHAMAD ZÄHED
MARDUKHI

DOCUMENT **CONSENT ORDER – DIGIFLEX INFORMATION SYSTEMS INC.**

ADDRESS FOR
SERVICE AND
CONTACT Bankers Hall West
3810, 888 3rd St SW
Calgary, AB T2P 5C5
INFORMATION OF
PARTY FILING THIS
DOCUMENT E: joliver@cassels.com
P: 403 351 2920

Attention: Jeffrey Oliver

File no. 54670-3

DATE ON WHICH ORDER WAS PRONOUNCED: December 17, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice Neilson

UPON THE APPLICATION of KSV Restructuring Inc., in its capacity as the Court-appointed Monitor (in such capacity, the "**Monitor**") of Wallace & Carey Inc. ("**Wallace & Carey**"), Loudon Bros Limited, and Carey Management Inc. (collectively, the "**Companies**") for an Order (among other things): (i) requiring DigiFlex Information Systems Inc. ("**DigiFlex**") and Mohamad Zahed Mardukhi ("**Mardukhi**"), as sole director and voting shareholder of DigiFlex, to continue to provide services to Wallace & Carey in the manner and at the rates and subject to the terms prescribed in the DigiFlex Agreements (as defined in the Fourteenth Report of the Monitor, dated December 13, 2024 (the "**Fourteenth Report**")); and (ii) restraining DigiFlex and Mardukhi, or any other parties on direction from DigiFlex or Mardukhi, from terminating or otherwise



interfering with the services provided under the terms of the DigiFlex Agreements and the services provided thereunder;

AND UPON having reviewed the Amended and Restated Initial Order of this Court pronounced June 30, 2023 (the "**ARIO**"); the Fourteenth Report; the TSA (as defined in the Fourteenth Report); and the Affidavit of Service of Angeline Gagnon, sworn December 17, 2024; **AND UPON** hearing counsel for the Monitor, counsel for the Companies, and any other interested parties appearing at the within application; **AND UPON** noting the consent of the Monitor, Wallace & Carey, DigiFlex, and Mardukhi; **AND UPON** being satisfied that it is appropriate to do so;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Fourteenth Report.

SERVICE

2. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and time for service of this application is abridged to that actually given.

CONTINUATION OF SERVICES

3. DigiFlex shall continue to provide maintenance services ("**Maintenance Services**") to Wallace & Carey in the manner, at the rates and subject to the terms prescribed in the Maintenance Agreement and subject to the terms of the ARIO until the later of:
 - (a) the expiration of the Stay Period, as may be extended by order(s) of this Court; and
 - (b) the expiration of the term for the Western Business (as defined in the TSA) set out in the TSA, subject to further extensions as permitted under the TSA or as otherwise ordered by the Court.

For greater certainty, in the event that the Stay Period is extended in the manner described in this paragraph 3, DigiFlex shall continue to provide Maintenance Services to Wallace & Carey in accordance with this paragraph pursuant to the Maintenance Agreement without further Order of this Court.

4. DigiFlex shall continue to provide helpdesk support services ("**Support Services**") to Wallace & Carey in the manner and at the rates established by the historical practices of DigiFlex and Wallace & Carey and pursuant to the ARIO until January 31, 2025, after which Wallace & Carey shall have the option to extend such Support Services for a one-year term at a cost of \$192,000



(excluding G.S.T.). In the event of an extension, the hourly rate charged by DigiFlex for Support Services shall not exceed \$250.

5. Without limitation to paragraphs 18 and 19 of the ARIO, which remain in full force and effect, during the Stay Period:
- (a) DigiFlex, Mardukhi and any other parties upon their direction are restrained from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Companies or exercising any other remedy provided under the DigiFlex Agreements or at law. The Companies shall be entitled to the continued use of the software and services provided by DigiFlex pursuant to the terms of the DigiFlex Agreements and DigiFlex and Mardukhi shall support the services provided to Wallace & Carey under the DigiFlex Agreements on the same basis as they did prior to the date of this Order.
 - (b) DigiFlex, Mardukhi and any party upon their direction shall not accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, license or permit in favour of or held by the Companies, except with the written consent of the Companies and the Monitor, or leave of this Court.

SERVICE OF ORDER


6. Service of this Order shall be deemed good and sufficient by:
- (a) serving the same on:
 - i. the persons listed on the service list created in these proceedings;
 - ii. any other person served with notice of the application for this Order; and
 - iii. any other parties attending or represented at the application for this Order; and
 - (b) posting a copy of this Order on the Monitor's website established in connection with these proceedings, for no less than six months from the date of this Order;
- and service on any other person is hereby dispensed with.
7. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier.

Justice of the Court of King's Bench of Alberta



Consented to this ____ day of December, 2024

DIGIFLEX INFORMATION SYSTEMS INC.

Per: 
Name: Mohamad Zähed Mardukhi
Title: Director
I have the authority to bind the corporation

WITNESS:


MOHAMAD ZÄHED MARDUKHI

MILLER THOMSON LLP, counsel to WALLACE & CAREY INC.

Per: _____
Name: James W. Reid
Title: Partner

KSV RESTRUCTURING INC., in its capacity as Monitor to the Companies

Per: _____
Name: _____
Title: _____



ky

COURT FILE NUMBER 2301 - 08305

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC 1985,
c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE
OF ARRANGEMENT OF WALLACE & CAREY
INC., LOUDON BROS. LIMITED, and CAREY
MANAGEMENT INC.

Clerk's Stamp

APPLICANT KSV RESTRUCTURING INC., in its capacity as Court-appointed Monitor of
Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc.

RESPONDENTS DIGIFLEX INFORMATION SYSTEMS INC. and MOHAMAD ZÄHED
MARDUKHI

DOCUMENT **CONSENT ORDER – DIGIFLEX INFORMATION SYSTEMS INC.**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT
Cassels Brock & Blackwell LLP
Bankers Hall West
3810, 888 3rd St SW
Calgary, AB T2P 5C5
E: joliver@cassels.com
P: 403 351 2920

Attention: Jeffrey Oliver

File no. 54670-3

DATE ON WHICH ORDER WAS PRONOUNCED: December 17, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice Neilson

UPON THE APPLICATION of KSV Restructuring Inc., in its capacity as the Court-appointed Monitor (in such capacity, the "**Monitor**") of Wallace & Carey Inc. ("**Wallace & Carey**"), Loudon Bros Limited, and Carey Management Inc. (collectively, the "**Companies**") for an Order (among other things): (i) requiring DigiFlex Information Systems Inc. ("**DigiFlex**") and Mohamad Zahed Mardukhi ("**Mardukhi**"), as sole director and voting shareholder of DigiFlex, to continue to provide services to Wallace & Carey in the manner and at the rates and subject to the terms prescribed in the DigiFlex Agreements (as defined in the Fourteenth Report of the Monitor, dated December 13, 2024 (the "**Fourteenth Report**")); and (ii) restraining DigiFlex and Mardukhi, or any other parties on direction from DigiFlex or Mardukhi, from terminating or otherwise



interfering with the services provided under the terms of the DigiFlex Agreements and the services provided thereunder;

AND UPON having reviewed the Amended and Restated Initial Order of this Court pronounced June 30, 2023 (the "**ARIO**"); the Fourteenth Report; the TSA (as defined in the Fourteenth Report); and the Affidavit of Service of Angeline Gagnon, sworn December 17, 2024; **AND UPON** hearing counsel for the Monitor, counsel for the Companies, and any other interested parties appearing at the within application; **AND UPON** noting the consent of the Monitor, Wallace & Carey, DigiFlex, and Mardukhi; **AND UPON** being satisfied that it is appropriate to do so;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Fourteenth Report.

SERVICE

2. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and time for service of this application is abridged to that actually given.

CONTINUATION OF SERVICES

3. DigiFlex shall continue to provide maintenance services ("**Maintenance Services**") to Wallace & Carey in the manner, at the rates and subject to the terms prescribed in the Maintenance Agreement and subject to the terms of the ARIO until the later of:
 - (a) the expiration of the Stay Period, as may be extended by order(s) of this Court; and
 - (b) the expiration of the term for the Western Business (as defined in the TSA) set out in the TSA, subject to further extensions as permitted under the TSA or as otherwise ordered by the Court.

For greater certainty, in the event that the Stay Period is extended in the manner described in this paragraph 3, DigiFlex shall continue to provide Maintenance Services to Wallace & Carey in accordance with this paragraph pursuant to the Maintenance Agreement without further Order of this Court.

4. DigiFlex shall continue to provide helpdesk support services ("**Support Services**") to Wallace & Carey in the manner and at the rates established by the historical practices of DigiFlex and Wallace & Carey and pursuant to the ARIO until January 31, 2025, after which Wallace & Carey shall have the option to extend such Support Services for a one-year term at a cost of \$192,000



(excluding G.S.T.). In the event of an extension, the hourly rate charged by DigiFlex for Support Services shall not exceed \$250.

5. Without limitation to paragraphs 18 and 19 of the ARIO, which remain in full force and effect, during the Stay Period:
- (a) DigiFlex, Mardukhi and any other parties upon their direction are restrained from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Companies or exercising any other remedy provided under the DigiFlex Agreements or at law. The Companies shall be entitled to the continued use of the software and services provided by DigiFlex pursuant to the terms of the DigiFlex Agreements and DigiFlex and Mardukhi shall support the services provided to Wallace & Carey under the DigiFlex Agreements on the same basis as they did prior to the date of this Order.
 - (b) DigiFlex, Mardukhi and any party upon their direction shall not accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, license or permit in favour of or held by the Companies, except with the written consent of the Companies and the Monitor, or leave of this Court.

SERVICE OF ORDER

6. Service of this Order shall be deemed good and sufficient by:
- (a) serving the same on:
 - i. the persons listed on the service list created in these proceedings;
 - ii. any other person served with notice of the application for this Order; and
 - iii. any other parties attending or represented at the application for this Order; and
 - (b) posting a copy of this Order on the Monitor's website established in connection with these proceedings, for no less than six months from the date of this Order;
- and service on any other person is hereby dispensed with.
7. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier.

Justice of the Court of King's Bench of Alberta



Consented to this ____ day of December, 2024

DIGIFLEX INFORMATION SYSTEMS INC.

Per: _____

Name: Mohamad Zâhed Mardukhi

Title: Director

I have the authority to bind the corporation

WITNESS:

MOHAMAD ZÂHED MARDUKHI

MILLER THOMSON LLP, counsel to WALLACE & CAREY INC.

Per: _____

Name: James W. Reid

Title: Partner

**KSV RESTRUCTURING INC., in its capacity as
Monitor to the Companies**

Per: _____

Name: _____

Title: _____



This is Exhibit "V", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



CERTIFIED *E. Wheaton*
by the Court Clerk as a true copy of
the document digitally filed on Dec
20, 2024

COURT FILE NUMBER 2301 - 08305

Clerk's Stamp

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC 1985,
c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE
OF ARRANGEMENT OF WALLACE & CAREY
INC., LOUDON BROS. LIMITED, and CAREY
MANAGEMENT INC.



APPLICANT

KSV RESTRUCTURING INC., in its capacity as Court-appointed Monitor of
Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc.

RESPONDENTS

DIGIFLEX INFORMATION SYSTEMS INC. and MOHAMAD ZÄHED
MARDUKHI

DOCUMENT

CONSENT ORDER – DIGIFLEX INFORMATION SYSTEMS INC.

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Cassels Brock & Blackwell LLP
Bankers Hall West
3810, 888 3rd St SW
Calgary, AB T2P 5C5

E: joliver@cassels.com
P: 403 351 2920

Attention: Jeffrey Oliver

File no. 54670-3

DATE ON WHICH ORDER WAS PRONOUNCED: December 17, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice Neilson

UPON THE APPLICATION of KSV Restructuring Inc., in its capacity as the Court-appointed Monitor (in such capacity, the "**Monitor**") of Wallace & Carey Inc. ("**Wallace & Carey**"), Loudon Bros Limited, and Carey Management Inc. (collectively, the "**Companies**") for an Order (among other things): (i) requiring DigiFlex Information Systems Inc. ("**DigiFlex**") and Mohamad Zahed Mardukhi ("**Mardukhi**"), as sole director and voting shareholder of DigiFlex, to continue to provide services to Wallace & Carey in the manner and at the rates and subject to the terms prescribed in the DigiFlex Agreements (as defined in the Fourteenth Report of the Monitor, dated December 13, 2024 (the "**Fourteenth Report**")); and (ii) restraining DigiFlex and Mardukhi, or any other parties on direction from DigiFlex or Mardukhi, from terminating or otherwise

A handwritten signature in the bottom right corner of the page.

interfering with the services provided under the terms of the DigiFlex Agreements and the services provided thereunder;

AND UPON having reviewed the Amended and Restated Initial Order of this Court pronounced June 30, 2023 (the "**ARIO**"); the Fourteenth Report; the TSA (as defined in the Fourteenth Report); and the Affidavit of Service of Angeline Gagnon, sworn December 17, 2024; **AND UPON** hearing counsel for the Monitor, counsel for the Companies, and any other interested parties appearing at the within application; **AND UPON** noting the consent of the Monitor, Wallace & Carey, DigiFlex, and Mardukhi; **AND UPON** being satisfied that it is appropriate to do so;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Fourteenth Report.

SERVICE

2. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and time for service of this application is abridged to that actually given.

CONTINUATION OF SERVICES

3. DigiFlex shall continue to provide maintenance services ("**Maintenance Services**") to Wallace & Carey in the manner, at the rates and subject to the terms prescribed in the Maintenance Agreement and subject to the terms of the ARIO until the later of:
 - (a) the expiration of the Stay Period, as may be extended by order(s) of this Court; and
 - (b) the expiration of the term for the Western Business (as defined in the TSA) set out in the TSA, subject to further extensions as permitted under the TSA or as otherwise ordered by the Court.

For greater certainty, in the event that the Stay Period is extended in the manner described in this paragraph 3, DigiFlex shall continue to provide Maintenance Services to Wallace & Carey in accordance with this paragraph pursuant to the Maintenance Agreement without further Order of this Court.

4. DigiFlex shall continue to provide helpdesk support services ("**Support Services**") to Wallace & Carey in the manner and at the rates established by the historical practices of DigiFlex and Wallace & Carey and pursuant to the ARIO until January 31, 2025, after which Wallace & Carey shall have the option to extend such Support Services for a one-year term at a cost of \$192,000



(excluding G.S.T.). In the event of an extension, the hourly rate charged by DigiFlex for Support Services shall not exceed \$250.

5. Without limitation to paragraphs 18 and 19 of the ARIO, which remain in full force and effect, during the Stay Period:
- (a) DigiFlex, Mardukhi and any other parties upon their direction are restrained from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Companies or exercising any other remedy provided under the DigiFlex Agreements or at law. The Companies shall be entitled to the continued use of the software and services provided by DigiFlex pursuant to the terms of the DigiFlex Agreements and DigiFlex and Mardukhi shall support the services provided to Wallace & Carey under the DigiFlex Agreements on the same basis as they did prior to the date of this Order.
 - (b) DigiFlex, Mardukhi and any party upon their direction shall not accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, license or permit in favour of or held by the Companies, except with the written consent of the Companies and the Monitor, or leave of this Court.

SERVICE OF ORDER

6. Service of this Order shall be deemed good and sufficient by:
- (a) serving the same on:
 - i. the persons listed on the service list created in these proceedings;
 - ii. any other person served with notice of the application for this Order; and
 - iii. any other parties attending or represented at the application for this Order; and
 - (b) posting a copy of this Order on the Monitor's website established in connection with these proceedings, for no less than six months from the date of this Order;
- and service on any other person is hereby dispensed with.
7. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier.



Justice of the Court of King's Bench of Alberta

Consented to this 17th day of December, 2024

DIGIFLEX INFORMATION SYSTEMS INC.

Per: 

Name: Mohamad Zähed Mardukhi

Title: Director

I have the authority to bind the corporation

WITNESS:



MOHAMAD ZÄHED MARDUKHI

MILLER THOMSON LLP, counsel to WALLACE & CAREY INC.

Per: 

Name: James W. Reid

Title: Partner

CASSELS BROCK & BLACKWELL LLP, counsel to KSV RESTRUCTURING INC., in its capacity as Monitor to the Companies

Per: 

Name: Jeffrey Oliver

Title: Partner



This is Exhibit "W", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca> **On Behalf Of** Digiflex - Accounts Receivable

Sent: Thursday, October 23, 2025 1:27 PM

To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>

Cc: AP@sedcc.ca; Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Subject: RE: Digiflex Maintenance Renewal

Good day,

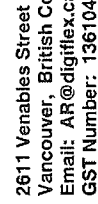
Please see the attached Digiflex invoice #2850 for maintenance services for SEDCC, covering the period from November 1, 2025 to October 31, 2026. This invoice reflects a 2.5% increase over previous year's rates and its payment is due on October 31, 2025.

We have also attached your account statement which shows our invoices #2821 and #2822 are way overdue.

Regards,

Accounts Receivable
Digiflex Information Systems Inc.





2611 Venables Street
Vancouver, British Columbia, Canada V5K 2R4
Email: AR@digiflex.ca
GST Number: 136104874

^a Columbia, Canada V5K 2R4
874

7-Eleven Distribution Canada 5445 8th Street NE Calgary, Alberta Canada	T2K 5R9
7-Eleven Distribution Canada 5445 8th Street NE Calgary, Alberta Canada	T2K 5R9

[illegible]

827687.50

0.00

Please Pay	869076.90
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This is Exhibit "X", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
~~Student at Law~~



From: Cliff Harrison <harrisonc@wacl.com>
Sent: Wednesday, August 27, 2025 12:45 PM
To: Help
Subject: Supplier PO details to CSV

Hello,

I have a request from our procurement team to output a CSV with the PO Details any time a PO is printed (Sent to a vendor either by e-mail or EDI)

From the header the ask is for the below columns

PO#
Issue Date
Due Date
Vendor#,
Vendor Name,
PO Amount Totals (Vendor Program, Total Value)

And then have everything that shows up in the item line sections of the PO's (UPC, Item #, Description , Pack , Size , Quantity, Weight, Cube, TI, HI, Price, P.A. , Debit, Vnd Prg and Net Value

Does there happen to be any sort of file output anywhere when a PO is printed that we could possibly pick up and use to convert to a CSV format for them? If not would you be able to provide a quote on how much this may cost to implement? We would have to collect the CSV files and then remove them ourselves to prevent the files from piling up.

They want the dollar amounts to show exactly as they do on the PO form.



10/1



5445 - 8th Street N.E.
CALGARY, ALBERTA T2K 5R9
Tel: (403) 275-7360 Fax: (403) 275-3921 (403) 274-0461

PURCHASE ORDER

7-ELEVEN CALGARY FOOD CENTRE
2626 COUNTRY HILLS BLVD NE
BAY#50
CALGARY, AB
CANADA T2N 1A7

Calgary Warehouse
5445 - 8TH STREET N.E.
CALGARY, ALBERTA
CANADA T2K 5R9

ISSUE DATE 21-AUG-2025
DUE DATE 25-AUG-2025
VENDOR NO. 75747
P.O. NO. 64727
Net 30 Days
0.0% 0 Days
PAGE 1

NOTE: ORD M->W T->R W->F R->M F->T (4032580895)
BROKER: ALISHA
BUYER: RICKY CHEN-FOODSERVICE

SALESMAN: BUYER NO.: 14
CARRIER BRANCH 1 CALGARY PICK UP (101)
MINIMUM BUY: 1\$

UPC	ITEM	DESCRIPTION	PACK	SIZE	QUANTITY	WEIGHT	CUBE	TI	HI	PRICE	P.A.	DEBIT	VND PRG	NET VALUE
10057459251573	464920	OLYMEAL BACON 375G	1	375.00G	1 CA	216.00	20.16	1	1	140.100	0.00	0.00	0.00	140.10
23285														
00421401007182	556116	CONDIMENT SAUERKRAUT 8CT	1	8.00CT	16 CA	29.12	3.20	8	10	13.410	0.00	0.00	0.00	214.56
00421401007199	556117	CONDIMENT RELISH 4CT	1	4.00CT	16 CA	28.80	3.04	8	10	8.420	0.00	0.00	0.00	134.72
00421401007175	556118	CONDIMENT DILL PICKLES 4CT	1	4.00CT	32 CA	54.08	5.44	8	10	11.100	0.00	0.00	0.00	355.20
00421401007632	556123	FC PCK CREAM SALAD BASE 4CT	1	4.00CT	8 CA	12.72	1.68	4	10	15.620	0.00	0.00	0.00	124.96
00421401007595	556125	FC PCK PIZZA SAUCE 4CT	1	4.00CT	8 CA	14.24	1.52	4	10	24.020	0.00	0.00	0.00	192.16
00421401008387	556135	FC PCK MAYONNAISE 4CT 1/2 FAT	1	4.00CT	4 CA	8.36	0.80	4	10	12.910	0.00	0.00	0.00	51.64
00421401008455	556137	FC PCK SMT CHL SC 4CT	1	4.00CT	12 CA	22.92	8.52	4	10	16.030	0.00	0.00	0.00	192.36
00421401008431	556138	FC PCK ELS EYE BBQ SC 4CT	1	4.00CT	2 CA	4.38	0.38	4	10	34.190	0.00	0.00	0.00	68.38
00421401008448	556139	FC PCK HNY GRILC SC 4CT	1	4.00CT	48 CA	240.00	34.08	4	10	17.260	0.00	0.00	0.00	828.48
00421401008684	556142	CONDIMENT KETCHUP 4CT	1	4.00CT	8 CA	32.24	2.96	4	10	22.030	0.00	0.00	0.00	176.24
00421401008707	556143	CONDIMENT MUSTARD 4CT	1	4.00CT	4 CA	17.20	1.28	4	10	21.300	0.00	0.00	0.00	85.20
00421401011677	556599	ROASTED PEPPER DICED 4CT	1	4.00CT	4 CA	48.80	0.20	8	10	10.370	0.00	0.00	0.00	41.48
00421401008028	565210	EGG SALAD MIX	1	1.00EG	10 CA	10.00	32.90	4	10	15.620	0.00	0.00	0.00	156.20
00421401019956	711352	FC PCK BUFFALO SAUCE 4CT	1	4.00CT	8 CA	29.92	3.68	4	10	25.880	0.00	0.00	0.00	207.04
10057459574672	765142	OLYMEAL BOLOGNA	1	500.00G	1 CA	18.00	4.92	19	5	36.740	0.00	0.00	0.00	36.74
00057459574675														
TOTALS:														

Terms and Conditions: 1. PO may be subject to an SEDCC Vendor Program. 2. All goods received must be accompanied by our PO number. 3. Substitutions or changes will not be accepted unless authorized.

Handwritten signature

This is Exhibit "Y", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta
Alex Jay Sinclair
Student-at-Law



From: Cliff Harrison <harrisonc@wac1.com>
Sent: Friday, October 17, 2025 8:00 PM
To: Mohamad Zâhed Mardukhi; Help
Subject: RE: Fiscal Year End

Follow Up Flag: Follow up
Due By: Thursday, October 30, 2025 5:00 PM
Flag Status: Flagged

Hi Mohamad,

Have confirmed that removing 2012 and 2013 is ok.

Cliff Harrison | I.T. Manager – Enterprise Systems
7-Eleven Distribution Canada Corp.
Office Phone: 403-730-2247
E-Mail: harrisonc@sedcc.ca
5445 – 8 ST. NE Calgary | Alberta | T2K 5R9



From: Mohamad Zâhed Mardukhi <mardukhi@digiflex.ca>
Sent: Friday, October 17, 2025 11:02 AM
To: Cliff Harrison <harrisonc@wac1.com>; Digiflex Helpdesk <Help@digiflex.ca>
Subject: RE: Fiscal Year End

CAUTION: This email originated from an outside source. Do not open attachments or click on links unless you recognize the sender and have validated the content is safe.

Hi Cliff,

In order to make room for 2025 archive databases, we will need to remove archives for 2012 and 2013 (shown below). Since there is enough disk space, we can leave these 2 archives on disk and can provide access to them in the future, if needed. Can you confirm with users that this is OK?

ky

1. Demo & Training	16. Wallace & Carey Inc. - Year 2015
2. Wallace & Carey Inc.	17. Wallace & Carey Inc. - Year 2016
3. Wallace & Carey Inc. - Read Only	18. Wallace & Carey Inc. - Year 2017
	19. Wallace & Carey Inc. - Year 2018
5. Loudon Bros. Limited	20. Wallace & Carey Inc. - Year 2019
6. Loudon Bros. Limited - Test	21. Wallace & Carey Inc. - Year 2020
7. Loudon Bros. Limited - Year 2019	22. Wallace & Carey Inc. - Year 2021
8. Loudon Bros. Limited - Year 2020	23. Wallace & Carey Inc. - Year 2022
9. Loudon Bros. Limited - Year 2021	24. Wallace & Carey Inc. - Year 2023
10. Loudon Bros. Limited - Year 2022	25. Loudon Bros. Limited - Year 2023
11. Loudon Bros. Limited - Year 2014	26. Wallace & Carey Inc. - Year 2024
12. Loudon Bros. Limited - Year 2015	27. Loudon Bros. Limited - Year 2024
13. Loudon Bros. Limited - Year 2016	28. Wallace & Carey Inc. - Year 2012
14. Loudon Bros. Limited - Year 2017	29. Wallace & Carey Inc. - Year 2013
15. Loudon Bros. Limited - Year 2018	30. Wallace & Carey Inc. - Year 2014

Option: ♦♦♦♦♦

Mohamad

From: Cliff Harrison <harrisonc@wac1.com>
Sent: October 15, 2025 16:40
To: Help <Help@digiflex.ca>
Subject: Fiscal Year End

Good afternoon,

We have our fiscal year end at the end of the month, just want to check with you to verify if you'll be running the normal fiscal year end processes?



This is Exhibit "Z", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student at Law



From: Cliff Harrison <harrisonc@wacl.com>
Sent: Friday, September 05, 2025 12:10 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Subject: Automatic reply: Error processing order

Thank you for your email. I am currently out of the office and will be returning on Sept 10th. Please contact openticket@sedcc.ca for any urgent matters.

A handwritten signature in black ink, located in the bottom right corner of the page. The signature is stylized and appears to be the initials 'MH'.

This is Exhibit "AA", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student at Law





Home



My Network



Jobs



Messaging



Notifications



Me



For Business



Try Premium for CA\$0

Cliff Harrison

IT Manager

Calgary, Alberta, Canada · [Contact info](#)

135 connections

[Message](#)

[+ Follow](#)

[More](#)

Activity

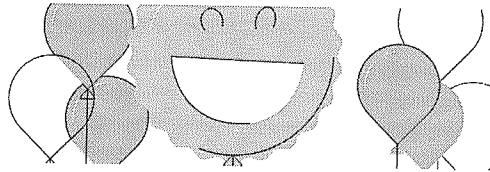
137 followers

Cliff Harrison · 3rd ·

IT Manager

10mo ·

I'm happy to share that I'm starting a new position as IT Manager at SEDCC!



Starting a New Position

18 · 10 comments



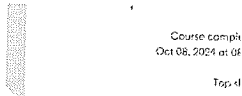
[Show all posts](#) →

Cliff Harrison

IT Manager

10mo ·

Just finished "Ten Tips for by Walt Ritscher! Check i out: <https://lnkd.in/gt2b>!



Certificate of Completion

[linkedin.com](https://www.linkedin.com)

3

Enhance your own profile by adding a work experience. [Add experience](#)



Experience

IT Manager

7-Eleven Distribution Canada Corp

Jan 2025 – Present · 11 mos

10/1

IT Manager
SEDCC
Jan 2025 - Present · 11 mos

EDI Analyst/ Buisness process analyst
Carey Management Inc.
Jan 2025



Wallace & Carey Inc.
13 yrs 11 mos

Enterprise Application Team Lead
Permanent Full-time
Oct 2021 - Jan 2025 · 3 yrs 4 mos

EDI & Operations/Data Management
Mar 2011 - Jan 2025 · 13 yrs 11 mos

Assistant Grocery Manager
Sobeys
Jan 2004 - Feb 2011 · 7 yrs 2 mos

Licenses & certifications



Designing RESTful APIs
LinkedIn
Issued Oct 2024

Show credential

REST APIs



Microservices Foundations
LinkedIn
Issued Aug 2024

Show credential

Microservices

Show all 11 licenses & certifications →

Skills

Integration



Endorsed by 4 colleagues at Wallace & Carey Inc.



9 endorsements

Business Analysis



Endorsed by 4 colleagues at Wallace & Carey Inc.



8 endorsements

Show all 43 skills →

Interests

Top Voices Companies Groups



Daniel Solove

Professor, GW Law School + CEO, TeachPrivacy + Organizer,
Privacy+Security Forum
1,048,717 followers



Larry Fink 
Chairman and CEO at BlackRock
1,211,252 followers

+ Follow

Causes

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Chris Pratt  · 3rd+

Information Technology Manager 7-Eleven Canada Corporation

Message




Anthony Wilson · 3rd+

Project Manager with PMP and CISSP

Message




Tammy Mutter-Stiles  · 3rd+

Customer Service Representative at 7-Eleven Distribution Canada Corp

Message



Kaye Pasenau  · 3rd+

On sabbatical

Message


Mark Currie  · 3rd+

Technology Director | Expertise in building and leading development teams delivering best-in-class digital experiences.

Message

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Aasma Mehreen Tariq  · 3rd+

1st Year Student at Schulich School of Business


Message

My




Puneet Kaur  · 3rd+


📍 Human Resource Management Student at NAIT
• Aspiring HR Professional | ...

 Message



Yashvi Makrubiya  · 3rd+

Student at The University of Winnipeg

 Message


People you may know

From Cliff's industry



Bruce Forde


CEO at Cambian

 Connect



Charles Tsoi


CEO, Sudden Technologies

 Connect




Sal Alhakkak 

Internet Entrepreneur Technologist

 Connect

Staijan Kim 


FM @ Black and McDonald | PM @ Protean | CHBE @ UBC

 Connect




(Philip) Sung Jae Cho

CTO at From Knowledge. | Author | Educator

 Connect

Show all

This is Exhibit "AB", referred to in the
Affidavit of Mohamad Mardukhi,
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A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student at Law





Welcome to Wallace & Carey

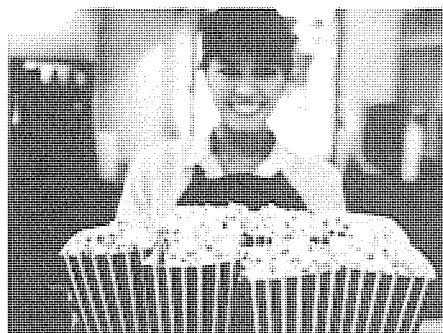
As one of the nation's leading distribution and logistics companies, we service more than 7,000 customer locations across the country including some of the largest retail and theatre chains, along with Canada's most successful independent businesses.

The Wallace & Carey team provides innovative, efficient, courteous, and cost-effective service. With more than 1,000 deliveries a day, adding up to millions of delivered items each year, we work hard to make sure our customers get what they need when they need it, and we get it right the first time!

Who We Are



Convenience / Grocery / Foodservice



Entertainment / Theaters



Third Party Supply Chain

Wallace and Carey

Central Office

5445 - 11 St. NE, Calgary, AB T2C 5K6

Phone (403) 275-7300

Fax (403) 275-3821

Toll Free (800) 399-5504

Quick Links

W/C



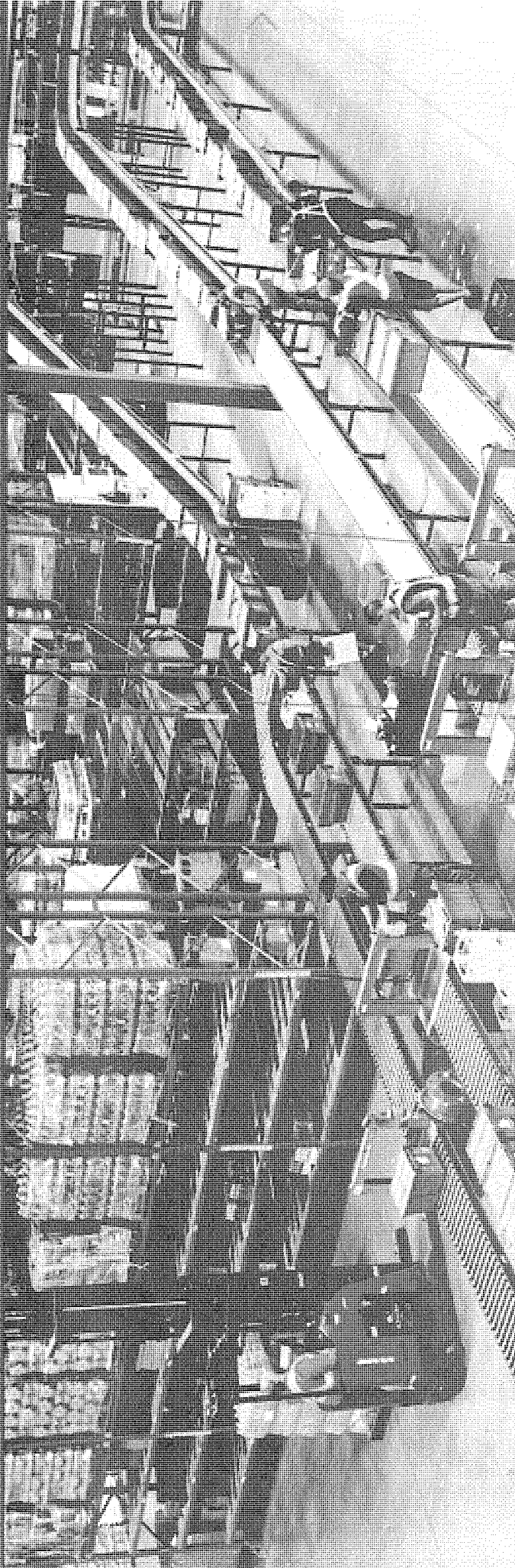
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[Contact Us](#)

[Customer Login](#)

[Teammate Login](#)



Under Construction - Coming Soon

7-Eleven Distribution Canada Corp.

Central Office

5445 - 8 ST. NE Calgary, AB T2K 5N9

Phone (403) 275-7360

Fax (403) 275-5321

Toll Free (800) 581-1504

[Quick Links](#)

[Customer Login](#)

[Teammate Login](#)

[Supply Chains Act](#)

14

This is Exhibit "AC", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner of Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student at Law



Court File Number **2301 - 08305**

Court **COURT OF KING'S BENCH OF ALBERTA**

Judicial Centre **CALGARY**

Applicants **IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, RSC 1985, c. C-36, as amended**

**AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF WALLACE & CAREY INC., LOUDON
BROS LIMITED and CAREY MANAGEMENT INC.**

Respondent **DIGIFLEX INFORMATION SYSTEMS INC.
2611 VENABLES STREET
VANCOUVER, BC V5K 2R4**

 Attention: **Mohamad Z. Mardukhi**
 Telephone: **604-720-0485**
 Email: **mardukhi@digiflex.ca**

Written Reply Submission of the Respondent

Remedy sought by the Respondent

Digiflex Information Systems Inc. ("Digiflex") seeks from the Honourable Court:

- a) To declare all License Agreement in place between Wallace & Carey Inc. ("Wallace & Carey") and Digiflex terminated, as early as November 17, 2023, when a Sales Agreement between 7-Eleven Canada ("7-Eleven") and Wallace & Carey was finalized.
- b) To block 7-Eleven from using Digiflex software without a license and to pay Digiflex any profits it earned from this infringement of Digiflex's intellectual property rights since November 17, 2023. Or alternatively, to force 7-Eleven to pay our license fee invoice dated November 13, 2024 in the amount of \$3,230,000 plus interest, and to pay our maintenance fee invoice for the period from November 1, 2024 to October 31, 2025 in the amount of \$807,500 plus interest.
- c) Any further relief for damages caused to Digiflex that this Honourable Court may deem appropriate.

Background

1. Wallace & Carey and Digiflex signed a software licencing agreement for the use of Digiflex's ProCLASS Distribution Management System ("ProCLASS") on March 9, 2000. The very first paragraph in this, and in all other Digiflex licensing agreements, states (**Appendix "C" of the Applicant's FOURTEENTH REPORT OF THE MONITOR**):

THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a **non-transferable**, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

2. Wallace & Carey and Digiflex signed a second software licencing agreement for the use of Digiflex's CLASS Financial Systems ("CLASS Financials") on August 12, 2003.
3. Loudon Bros. Ltd., a division of Wallace & Carey, and Digiflex signed a third software licencing agreement for the use of Digiflex's ProCLASS and CLASS Financials on February 18, 2013. This is further proof that the license granted to

Wallace & Carey did not even apply to a company fully owned by Wallace & Carey.

4. The 23+ year relationship between Wallace & Carey and Digiflex has been of great mutual benefit to both parties. Wallace & Carey managed to grow from annual sales of \$200 million to over \$2 billion and greatly expanded their business just prior to the COVID-19 pandemic. Digiflex grew its business and its software products during the same period.
5. Digiflex's software systems have been exceptionally trouble free and have run uninterrupted in 7 by 24 mode for multiple years at a time. Digiflex has always provided software enhancements in record time and at minimal expense when compared to other software providers with similar software offerings.

Developments since CCAA

6. On July 4, 2024, Digiflex was asked to set up a completely new company on Digiflex's software and to have it go live on January 1st, 2025. This new company was then identified as 7-Eleven Distribution Canada Corporation ("SEDCC"). In subsequent response emails, Digiflex identified the need for a new software license for the new company and provided a table of applicable license fees for different ranges of annual sales (shown below). This project seemed to get stalled at that point.

	Annual Sales \$100M	Annual Sales \$300M	Annual Sales \$600M	Annual Sales \$700M
System	License Fee	License Fee	License Fee	License Fee
ProCLASS	\$300,000	\$1,000,000	\$2,000,000	\$2,400,000
CLASS A/P	\$60,000	\$200,000	\$400,000	\$480,000
CLASS A/R	\$60,000	\$200,000	\$400,000	\$480,000
CLASS G/L	\$60,000	\$200,000	\$400,000	\$480,000
CLASS B/R	\$4,000	\$14,000	\$30,000	\$35,000
Total License Fee:	\$484,000	\$1,614,000	\$3,230,000	\$3,875,000

Annual Maintenance Fee:	\$169,400	\$403,500	\$807,500	\$968,750
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7. On October 7, 2024, Digiflex received an email from four 7-Eleven USA staff requesting a quote on renewal of the Maintenance Agreement in place with Wallace & Carey. Digiflex informed 7-Eleven USA that a new software license is required before we can establish a new Maintenance Agreement, but that Digiflex's Helpdesk services agreement was not tied to a license agreement, and we asked who we should bill that invoice to. Joshua Buchanan of 7-Eleven USA responded with "Seven Eleven Distribution Canada Corporation will have the same address in Calgary that W&C has had in the past."
8. Digiflex informed 7-Eleven USA that according to point 15 on Affidavit Number 5 of Patrick Carey, filed on July 29, 2024 and available at KSV Advisory web site:

15. Following the SISP, 7-Eleven Canada, Inc. (the "Purchaser") and the Applicants entered into a purchase and sale agreement (the "Sale Agreement"). The Sale Agreement was for the sale of the Applicants' personal property and equipment assets located in Alberta and British Columbia and the intellectual property, technology, software and systems relating to the entire Logistics Companies' logistics/distribution business across Canada. The Applicants are continuing to operate in various provinces across Canada, including BC, Alberta, Saskatchewan, Manitoba and Ontario.

Digiflex software is not owned by Wallace & Carey and cannot be sold by them. Wallace & Carey only has a non-transferable license-to-use for Digiflex software. The continued use of Digiflex's software by SEDCC without a legal license constitutes copyright infringement under the Copyright Act.


9. On October 24, 2024, Digiflex forwarded an invoice for Helpdesk Services for one year to 7-Eleven USA.
10. On November 12, 2024, Digiflex forwarded a software License Agreement and invoices for the license fee plus a 1-year software Maintenance fee to 7-Eleven USA. 7-Eleven USA has continued to ignore these documents.
11. On December 3, 2024, Digiflex sent an email to 7-Eleven USA, stating:

Based on the lack of response, or even acknowledgment, of our new license agreement and 3 overdue invoices, we can only assume that your Epicor implementation project has finally been completed, and you no longer need our systems or services.


If this is the case, please inform Wallace & Carey of this change and initiate the destruction of our software and documentation at Wallace & Carey, as stipulated in point 5 of our license agreements. As per the last paragraph of point 5, please send us a letter confirming that this destruction has been completed.

This email has also been ignored by 7-Eleven USA.

12. In less than 3 hours after sending the email in point 11 above, we received a letter from Jeffrey Oliver threatening court action to "compel your cooperation". Our argument that according to their own affidavit, referenced in point 8 above, 7-Eleven bought our software and systems from Wallace & Carey on or before November 17, 2023, was never addressed. The fact that our software was not owned by Wallace & Carey and could not be bought from them by anyone was not addressed either.
13. We assert that based on these facts, summarized below:
 - a) Request to set up Digiflex software systems for SEDCC and have them ready for production use on January 1, 2025.
 - b) Request for renewal of Maintenance agreements sent to Digiflex by 7-Eleven USA, with no one from Wallace & Carey copied onto the request.
 - c) Request to expand Wallace & Carey databases so SEDCC operations can be conducted in our software, but this time using Wallace & Carey databases and implementations, in an attempt to hide SEDCC operations behind a Wallace & Carey façade.
 - d) SEDCC has been making changes to our systems to hide the fact that they are conducting business as SEDCC and not as Wallace & Carey; and they are doing this without obtaining a legal license for our software. As an example, the helpdesk team at SEDCC attached a purchase order form to an email request that shows they have replaced the Wallace & Carey logo with the SEDCC logo:

		5445 - 8th Street N.E. CALGARY, ALBERTA T2K 5R9 Tel: (403) 275-7360 Fax: (403) 275-3921 (403) 274-0461		PURCHASE ORDER										
7-ELEVEN CALGARY FOOD CENTRE 2626 COUNTRY HILLS BLVD NE BAY#50 CALGARY, AB CANADA T2N 1A7		Calgary Warehouse 5445 - 8TH STREET N.E. CALGARY, ALBERTA CANADA T2K 5R9		ISSUE DATE: 21-AUG-2025 DUE DATE: 25-AUG-2025 VENDOR NO: 75747 P.O. NO: 64727										
NOTE: (KID M-DW T-XR W-XF R-DW F-DT) (4032580895) BROKER: ALISHA BUYER: RICKY CHAN-FOODSERVICE		SALESMAN: BUYER NO.: 14		TERMS: Net 30 Days 0.0% 0 Days CARRIER: BRANCH 1 CALGARY PICK UP (101) MINIMUM BUY: 1\$										
UPC	ITEM	DESCRIPTION	PACK	SIZE	QUANTITY	WEIGHT	CUBE	TI	HI	PRICE	P.A.	DEBT	VND PRG	NET VALUE

The original purchase order form that Digiflex created for Wallace & Carey many years ago looks like this:

		5445 - 8th Street N.E. CALGARY, ALBERTA T2K 5R9 Tel: (403) 275-7360 Fax: (403) 275-3921 (403) 274-0461		PURCHASE ORDER										
ITWAL LIMITED - FULL PALLETS 440 RAILSIDE DRIVE BRAMPTON, ON CANADA L7A 1L1		Wallace & Carey Inc. Edmonton 14434-157 Avenue Northwest Division No. 11 EDMONTON, ALBERTA CANADA T6V 0R8		ISSUE DATE: 01-NOV-2021 DUE DATE: 15-NOV-2021 VENDOR NO: 22394 P.O. NO: 902500										
NOTE: FULL PALLET PRODUCT ONLY (9058400954) BROKER: BUYER: BRANDON CIZEK - ITWAL (4037309351)		SALESMAN: KAREN KING / JOSIE LICATA (9048409400) BUYER NO.: 5		TERMS: Net 0 Days 0.0% 0 Days CARRIER: DELIVERED BY VENDOR (99) MINIMUM BUY:										
UPC	ITEM	DESCRIPTION	PACK	SIZE	QUANTITY	WEIGHT	CUBE	TI	HI	PRICE	P.A.	DEBT	VND PRG	NET VALUE

Digiflex has always created and maintained all system forms for Wallace & Carey but in this case SEDCC reverse-engineered our PO form and replaced the Wallace & Carey logo with that of SEDCC, in an obvious attempt to hide this change from Digiflex.

- e) Email addresses for former Wallace & Carey IT department have been changed to the SEDCC domain. Here is an autoreply to one of our emails to a previous Wallace & Carey IT employee:

"Thank you for your email. I am currently out of the office and will be returning on Sept 10th. Please contact openticket@sedcc.ca for any urgent matters."

The Need for Urgent Relief

As set out above, we believe 7-Eleven is abusing the CCAA process that is meant to protect companies in distress, hiding behind CCAA, and pretending to be conducting business as Wallace & Carey.



7-Eleven has continued this abuse of the CCAA process by extending the original Stay Period ending on July 1, 2023, to end date of September 20, 2023, then to April 30, 2025, then to August 20, 2025, and again to September 30, 2025 (the Applicants requested an end date of February 15, 2026 but the Honourable Justice M. A. Marion only allowed an extension to September 30, 2025). The Applicants are now attempting once again to extend the Stay Period to February 15, 2026. Through this ongoing abuse of the process, 7-Eleven wants to continue to use the Digiflex software without a license and to continue to infringe on Digiflex's intellectual property rights.

7-Eleven's attempt at extending TSA multiple times appears to be primarily directed at Digiflex. Documents available online at KSV Advisory do not seem to mention any other creditors or vendors but they are all full of references to **Digiflex**. As an example, the "**SEVENTEENTH REPORT OF THE MONITOR**", dated August 13, 2025, mentions **Digiflex** 107 times.

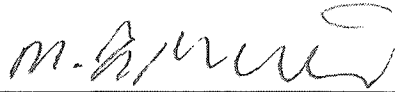
7-Eleven is well aware that **Digiflex** is a very small Canadian company that in no way can afford legal representation that can come anywhere close to the legal representation available to 7-Eleven. Through the CCAA process, 7-Eleven has threatened Digiflex with financial penalties, including the threat of imprisonment for myself. We believe the main reason for 7-Eleven to continuously request to extend the TSA is to avoid paying for a software license and to continue using Digiflex's software illegally.

We are in no way questioning the need for and the merits of the CCAA process that is meant to protect distressed Canadian companies, their employees and their partners. But allowing a multinational and multi-billion-dollar corporation to abuse the CCAA process for its own benefit only weakens the much-needed CCAA.

It is profitable for 7-Eleven to spend several hundred thousand dollars on lawyers and the Monitor in order to avoid paying a higher amount to Digiflex for a legal software license. But 7-Eleven should not be allowed to infringe on Digiflex's intellectual property rights and to abuse the CCAA process for their own financial benefit.

Digiflex is microscopic in a size comparison with 7-Eleven. We plead with this Honourable Court not to allow any abuse of the process by 7-Eleven who is trying to squash a very small Canadian company. Digiflex has provided extremely valuable software and services to many Canadian companies, in particular to Wallace & Carey, throughout its 32-year history. Digiflex has not had a single conflict with its many clients over those years until this one brought on by 7-Eleven.

All of which is respectfully submitted



12-Sep-2025

Mohamad Z. Mardukhi, president
Digiflex Information Systems Inc.



This is Exhibit "AD", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner of Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta
Alex Jay Sinclair
Student-at-Law



Court File Number **2301 - 08305**

Court **COURT OF KING'S BENCH OF ALBERTA**

Judicial Centre **CALGARY**

Applicants **IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, RSC 1985, c. C-36, as amended**

**AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF WALLACE & CAREY INC., LOUDON
BROS LIMITED and CAREY MANAGEMENT INC.**

Respondent **DIGIFLEX INFORMATION SYSTEMS INC.
2611 VENABLES STREET
VANCOUVER, BC V5K 2R4**

 Attention: **Mohamad Z. Mardukhi**
 Telephone: **604-720-0485**
 Email: **mardukhi@digiflex.ca**

Written Reply Submission of the Respondent

to

Second Supplement to the Seventeenth Report of the Monitor

Remedy sought by the Respondent

Regardless of what the Monitor or 7-Eleven Distribution Canada Corporation ("SEDCC") may think about Digiflex Information Systems Inc. ("Digiflex"), or its ProCLASS Distribution and Financial Management Systems ("ProCLASS"), the fact remains that SEDCC has been using ProCLASS without a license since at least November 17, 2023. For this infringement of Digiflex's intellectual property rights, we seek from the Honourable Court:

- a) To declare all License Agreement in place between Wallace & Carey Inc. ("Wallace & Carey") and Digiflex terminated, as early as November 17, 2023, when a Sales Agreement between SEDCC and Wallace & Carey was finalized.
- b) To block SEDCC from using Digiflex software without a license and to force SEDCC to pay our license fee invoice dated November 1, 2024 in the amount of \$3,230,000 plus interest, and our maintenance fee invoice for the year ending on October 31, 2025 in the amount of \$807,500 plus interest (attached as **Appendix "A"**).
- c) Any further relief for damages caused to Digiflex that this Honourable Court may deem appropriate.

Background

1. Development of ProCLASS began in 1985 when I was the IT manager at Canalta Data Services in Calgary. Although I was the main architect of this Software, at peak, we had a team of 25 people working on this development. Over a hundred million dollars have been spent on developing, enhancing, and maintaining ProCLASS over the past 40 years.
2. ProCLASS was the first integrated distribution solution that included functionality for Retail, Wholesale, and Foodservice distribution operations in a single system. This allowed us to implement ProCLASS in a variety of business types and sizes. ProCLASS was first implemented at Associated Grocers and Associated Foodservice in 1990, eleven years before Wallace & Carey purchased a license for ProCLASS. ProCLASS was not developed for any specific customer and in fact the exact same version of the software was implemented for these customers over the past 35 years:
 - Associated Grocers, based in Calgary, AB.
 - Associated Foodservice, based in Calgary, AB.
 - Thrifty Foods, based in Victoria, BC.



- Centennial Foods Corp, now operating as Centennial Foodservice; they are still using the exact same ProCLASS versions that Wallace & Carey has been using for the past 25 years.
 - Overwaitea Food Group, based in Langley, BC.
 - Best Direct Distributors, a Division of Maple Leaf Meats Inc., based in Calgary, AB.
 - Canada West Foods, based in Chilliwack, BC and Innisfail, AB.
 - Hardy Sales, based in Langley, BC.
 - Turner Distribution Systems, based in Surrey, BC.
 - Loudon Bros. Inc., based in Thunder Bay, ON.
 - Sell Canada, based in Calgary, AB.
 - Eastern Alliance Corp., based in Sibu, Sarawak, Malaysia.
 - New Food Classics, based in Calgary, AB.
 - Frobisher International, based in Delta, BC.
3. ProCLASS was developed for hardware from Digital Equipment Corporation (“DEC”). In 1998, DEC was acquired by Compaq. Compaq later merged with Hewlett-Packard (HP) in 2002. In 2014, HP abandoned its software and hardware offerings that we used to develop ProCLASS. This resulted in Digiflex to stop marketing ProCLASS.
 4. Digiflex then started to port ProCLASS to a new platform based on software offerings from Microsoft and non-proprietary hardware. As this project generates no revenue for Digiflex until its completion, we have only worked on it when we had no other revenue-generating projects, so this porting project has been advancing on a very slow timeline. This project is currently around 80% complete.
 5. When Wallace & Carey put out an RFP for a new ERP system in 2021, primarily due to ProCLASS’s hardware base being abandoned by HP, Digiflex took part in the RFP process. But because our new ProCLASS version was still in development, and because we could not afford to speed up its development by hiring more staff, Wallace & Carey chose the ERP system from Epicor Software Corp., based in Austin, Texas.
 6. In meetings with the Wallace & Carey management in 2024, I was told that Wallace & Carey is abandoning Epicor’s ERP, presumably because this very “modern” ERP could not satisfy the critical operational requirements of the Wallace & Carey business.
 7. Even if SEDCC is now reviving the Epicor ERP implementation project, or they are attempting to implement another ERP system by the end of their current

TSA extension application to February 15, 2026, does not change the fact that SEDCC has been using our ProCLASS systems without a license, and has been doing so since at least November 2023.

8. SEDCC should not be allowed to continue to use our ProCLASS software without a license. SEDCC's ignorance of the fact that they did not have a license for ProCLASS (as proved by their abandoned request on July 4, 2024, for Digiflex to set up ProCLASS systems for SEDCC), nor SEDCC's ignorance of the complexities of Wallace & Carey business operations, can be used as an excuse by SEDCC to use our ProCLASS without a license.
9. Even if this Honourable Court grants a TSA extension to February 15, 2026, it does not change the fact that SEDCC has been using ProCLASS without a license since at least November 2023. SEDCC should be forced to buy a valid license from Digiflex and/or to compensate Digiflex for any profits gained through the unlicensed use of ProCLASS.

References to the Monitor's Second Supplement to Seventeenth Report

10. In point 2.0.1, the Monitor mentions SEDCC manages over 5,000 products, presumably to show the complex nature of SEDCC business. In some of our past ProCLASS implementations listed above in point 2, we had clients with more than ten times the number of products, or vendors, or customers.
11. In point 2.1.1, the Monitor states that without the use of the ERP software, it would be impossible for SEDCC to continue operating the Logistics Business. This is a known fact for all ERP systems, and it enforces our argument that SEDCC should not risk its entire operations on ERP software without a license.
12. In point 2.1.3, the Monitor mentions that SEDCC will have an Integration Software fully operational by February 15, 2026. This does not mention whether ProCLASS will be part of that integration, but even if it is not, it will mean that SEDCC is asking for another 5 months to continue to use ProCLASS without a license.
13. In point 2.1.8, the Monitor lists invoice amounts for Maintenance and Helpdesk services along with percentage increases. But the Monitor fails to mention that our Helpdesk service is not part any agreement, and that we are not obligated to provide that service. We told SEDCC that we cannot afford to provide the Helpdesk service to them at the same rate as we did for Wallace & Carey, as it needs at least two employees to be available 7 x 24 to provide that service, and



even the increased amount we charged SEDCC was not sufficient to cover our costs for a single employee.

Our maintenance services have always had a discount when clients paid for multiple years at once. For example, our maintenance service fee for 2003 to 2005 was discounted by more than 10% because Wallace & Carey renewed the maintenance for 2 years. Accordingly, our latest maintenance agreements with SEDCC were for one month or less, thus the Renewal Rates are higher than the previous annual rates.

14. In point 2.2.1.c, the Monitor mentions that without our ERP Software the SEDCC business will be disrupted, resulting in potential widespread job losses. This is more reason that SEDCC should get a legal license for our ERP software and not risk the fate of a large number of employees by using unlicensed software.
15. In point 2.2.1.d, the Monitor mentions that "DigiFlex has been, and will continue to be, paid for the continued use,...", this is incorrect, our 2 invoices issued to SEDCC on November 1, 2024, for license fees and one year of Maintenance fees remain unpaid.
16. In point 2.2.1.e, the Monitor claims that our "ERP Software is not otherwise saleable to any third-party as it was specifically designed for ... Wallace & Carey..."; this claim is false and point 2 above lists the businesses that have used, and are still using, the exact same ERP Software.
17. In point 2.2.1.g, the Monitor repeats some of the same statements regarding "not saleable" software, and Digiflex invoices having been paid, that have been refuted above.
18. In point 3.0.1, the Monitor is "requesting an extension of the Stay to February 15, 2026". The Monitor also stated in point 2.2.1.h, that no other stakeholders will be significantly prejudiced by the extension of the TSA Term. What he fails to mention is that Digiflex is hugely impacted by any extension if it allows SEDCC to continue to use our ProCLASS ERP systems without a license. However, if SEDCC pays our 2 overdue invoices for license fee and annual maintenance, plus interest, Digiflex will have no objections to extending the TSA term even beyond February 15, 2026.

The Need for Urgent Relief

Each day of unauthorized use of ProCLASS constitutes an infringement of Digiflex's copyright and contractual rights. If SEDCC, a large corporation with enormous legal resources, is allowed to ignore the law in this case, they will be ignoring Copyright Law, Contract Law, Computer-Specific / IT laws, and even potentially Criminal Law for unauthorized use of copyrighted software.

On the one hand, the Monitor and SEDCC paint Digiflex and its software systems as some simple software that does not have the necessary functionality to be used by SEDCC, while also repeating the fact that our ProCLASS software is critical to the SEDCC operations. Whichever of these opinions this Honourable Court accepts, it does not change the fact SEDCC has been using this same Digiflex software without a license for two years.

Digiflex is not responsible for mistakes made by SEDCC, first by not knowing what they were buying when they bought Wallace & Carey, and second by thinking that they could implement a "modern" ERP system by November 2023, or by multiple other TSA extension dates.

SEDCC should have acquired a valid software license from Digiflex as soon as they bought Wallace & Carey, or at least as soon as Digiflex informed SEDCC that the licenses Digiflex granted to Wallace & Carey were not transferable to anyone, and that SEDCC needs to buy a new license.

We respectfully request that this Honourable Court prohibit SEDCC from using the Digiflex Software without a license and compel SEDCC to obtain a valid license by paying our two invoices issued on November 1, 2024, together with interest.

All of which is respectfully submitted

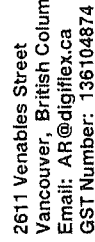


16-Sep-2025

Mohamad Z. Mardukhi, president
Digiflex Information Systems Inc.



Appendix A



2611 Venables Street
Vancouver, British Columbia, Canada V5K 2R4
Email: AR@digiflex.ca
GST Number: 136104874

INVOICE

S O L D	7-Eleven Distribution Canada 5445 8th Street NE Calgary, Alberta Canada
S H I P	7-Eleven Distribution Canada 5445 8th Street NE Calgary, Alberta Canada
T O	T2K 5R9

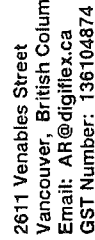
TERMS: 7 DAYS

CARRIER: 1

ROUTE/STOP: 1/1

CAIESBEP. 1

[illegible]



2611 Venables Street
Vancouver, British Columbia, Canada V5K 2R4
Email: AR@digiflex.ca
GST Number: 136104874

INVOICE

INVOICE DATE 01-NOV-24	CUSTOMER NO. 512	INVOICE NO. 2822
CLASS/ProCLASS Maintenance Fee 01-Nov-2024 to 31-Oct-2025		
		PAGE 1

S O L D	7-Eleven Distribution Canada 5445 8th Street NE	S H P	7-Eleven Distribution Canada 5445 8th Street NE
T O	Calgary, Alberta Canada	T O	Calgary, Alberta Canada
	T2K 5R9		T2K 5R9

SALESREP:	1	ROUTE/STOP:	1/ 1	CARRIER:	1	TERMS:	7 DAYS	WAREHOUSE:	1	REFERENCE:	1
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[illegible]

This is Exhibit "AE", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta
Alex Jay Sinclair
Student-at-Law



CERTIFIED *E. Wheaton*
by the Court Clerk as a true copy of
the document digitally filed on Sep
22, 2025

COURT FILE NUMBER 2301 - 08305

COURT

COURT OF KING'S BENCH OF ALBERTA

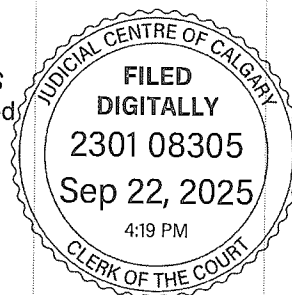
JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, RSC 1985, c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OF
ARRANGEMENT OF WALLACE & CAREY INC.,
LOUDON BROS LIMITED, and CAREY
MANAGEMENT INC.

Clerk's Stamp



APPLICANT

KSV RESTRUCTURING INC., in its capacity as Court-appointed Monitor of
Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc.

DOCUMENT

ORDER APPROVING STAY EXTENSION AND THIRD TSA AMENDMENT

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Cassels Brock & Blackwell LLP
Bankers Hall West
3810, 888 3rd St SW
Calgary, AB T2P 5C5

E: joliver@cassels.com
P: 403 351 2920

Attention: Jeffrey Oliver

File no. 54670-3

DATE ON WHICH ORDER WAS PRONOUNCED: September 19, 2025

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice C. Feasby

UPON THE APPLICATION of KSV Restructuring Inc., in its capacity as the court-appointed Monitor with enhanced powers (in such capacity, the "**Monitor**") of Wallace & Carey Inc., Loudon Bros Limited, and Carey Management Inc. (collectively, the "**Companies**") for an Order (among other things) approving the extension of the Stay Period to February 15, 2026 and approving the Third TSA Amendment (as defined herein); **AND UPON** having reviewed the Amended and Restated Initial Order of this Court pronounced June 30, 2023 (the "**ARIO**"); the Monitor's Fourteenth Report to Court dated December, 13, 2024; the Monitor's Seventeenth Report to Court dated August 13, 2025 (the "**Seventeenth Report**"); the Monitor's Supplement to the Seventeenth Report to Court dated August 21, 2025 (the "**Supplement to Seventeenth Report**"); the Monitor's Second Supplement to the Seventeenth Report to Court dated September 11, 2025 (the "**Second Supplement to Seventeenth Report**"); the Affidavit of Joshua Buchanan sworn September 8, 2025; and the Affidavit of Service of Angeline Gagnon, sworn September 16, 2025; **AND UPON** hearing counsel for the Monitor, and any other interested parties appearing at the within application; **AND UPON**

being satisfied that it is appropriate to do so;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the ARIO or the Second Supplement to Seventeenth Report.

SERVICE

2. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and time for service of this application is abridged to that actually given.

STAY EXTENSION

3. The Stay Period is hereby extended from September 30, 2025 to February 15, 2026.

THIRD TSA AMENDMENT

4. The third amendment to the Transition Services Agreement (the "**Third TSA Amendment**") attached as Appendix "A" to the Second Supplement to Seventeenth Report, is hereby approved with the following amendment at paragraph 2(a):

“(a) The Term (the "**Term**") of this TSA will commence on the Effective Date and will terminate on February 15, 2026, or on such other date as may be agreed to by the parties in writing prior to February 15, 2026.”

5. The execution of the Third TSA Amendment by the Monitor is hereby authorized and approved, with such minor amendments as SEC and the Monitor may deem necessary.
6. The Monitor is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable to give effect to the Third TSA Amendment.
7. This Order shall be without prejudice to the rights of DigiFlex Information Systems Inc. ("**DigiFlex**") to bring an application before this Honourable Court seeking the termination of the Transition Services Agreement (the "**TSA**") or to otherwise commence proceedings against SEC, provided that:
 - (a) DigiFlex shall comply with all applicable procedural requirements to bring any such application or to commence any such proceeding, including but not limited to those set out in the *Alberta Rules of Court*, Alta Reg 124/2010, and any other relevant statutes and

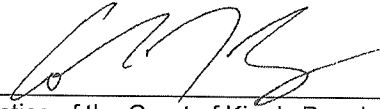


regulations; and

- (b) DigiFlex shall be represented by legal counsel in such application or proceeding, duly appointed in accordance with section 106(1) of the *Legal Profession Act*, RSA 2000, c L-8, rule 2.23 of the *Alberta Rules of Court*, and any other applicable statutes or regulations.

SERVICE OF ORDER

- 2. Service of this Order shall be deemed good and sufficient by:
 - (a) serving the same on:
 - i. the persons listed on the service list created in these proceedings;
 - ii. any other person served with notice of the application for this Order; and
 - iii. any other parties attending or represented at the application for this Order; and
 - (b) posting a copy of this Order on the Monitor's website established in connection with these proceedings, for no less than six months from the date of this Order; and service on any other person is hereby dispensed with.
- 3. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier.


Justice of the Court of King's Bench of Alberta



This is Exhibit "AF", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.



A Commissioner for Oaths in and for
the Province of Alberta

ALEX JAY SINCLAIR
Commissioner for Oaths/Notary Public
In and For the Province of Alberta

Alex Jay Sinclair
Student-at-Law



Business

Software crash hits Sobeys hard

CBC News · Posted: Jan 25, 2001 4:59 PM PST | Last Updated: January 25, 2001



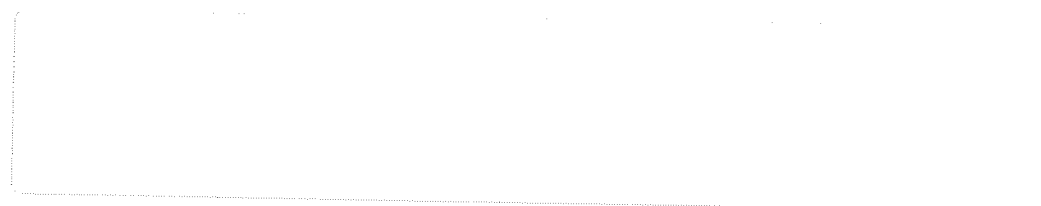
Listen to this article 

Estimated 3 minutes

A technological nightmare has cost Grocery chain Sobeys Inc. millions of dollars and forced the company to issue a third-quarter profits warning.

Canada's second largest supermarket operator announced Wednesday it will take an after-tax charge of \$49.9 million, or 82 cents a share, because it was forced to scrap a key software system.

Bill McEwan, Sobeys' president and CEO, said the company was dropping its SAP software and systems after two years of problems that culminated this December with a massive five-day crash. McEwan said the company took four to five weeks to fully recover from the disruption and costs associated with it will result in quarterly operating earnings "well below our previously expected results."



SAP is the biggest software company in Europe and the world's leading supplier of inter-enterprise software with more than 21,700 employees in more than 50 countries.

A spokesperson for SAP says the company has yet to receive official word from Sobeys that it's being dropped, adding senior executives have plans to meet with Sobeys executives Friday to discuss problems.

McEwan however, told a conference call that, "we have come to the conclusion that what appeared to be growing pains with the implementation of enterprise-wide system are in fact systemic problems of a more serious nature."

"The bottom line is that SAP was not going to create a sustainable system solution for this organization," he said. "We remain confident our fourth-quarter earnings will



materialize as expected."

McEwan forecast Sobeys will have year-end earnings of \$1.48 per share or \$11.4 billion, and a net income of \$90 million. After the charge, the company forecast fiscal 2001 earnings per share of about 66 cents and fourth-quarter earnings per share of about 42 cents.

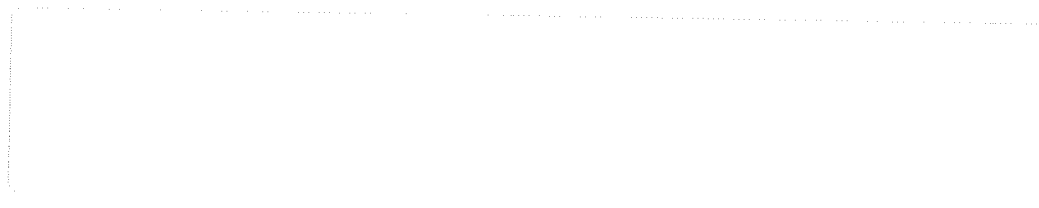
McEwan, who took over the company only a few days before the disaster hit, also said a new chief information officer will be joining the company within a few weeks and plans for an IT solution are in the works.

"We have determined that there is insufficient core functionality in SAP software component of our enterprise-wide systems to effectively deal with the extremely high number of transactions in our retail operating environment," McEwan said.

The SAP software will be phased out of Sobeys' Atlantic Division and its 30 corporately owned stores in Ontario. The company's outlets in Quebec and Western Canada, the Serca national food service unit and the 379 IGA and other former Oshawa Group stores in Ontario were never fitted with the SAP system.

Sobeys has about 400 company-owned stores and 1,000 franchised outlets.

Sobeys' stock fell 13.77 per cent, or \$3.25, to \$20.35 on Thursday. The stock, which has moved in a yearly range of \$28.25 to \$16.25, had been halted before the close Wednesday pending the news.



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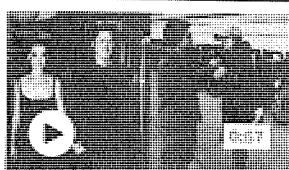
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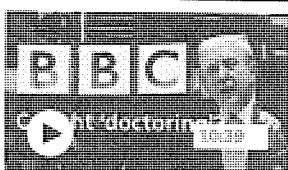
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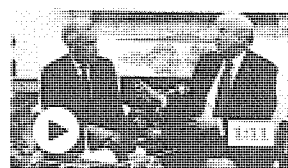
CBC News



VIDEO

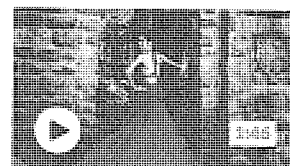
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About That With Andrew Chang



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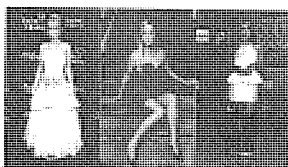


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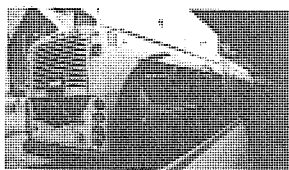
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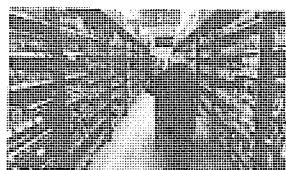
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Natalie Stechyson
World



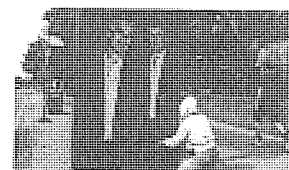
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Amina Zafar
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Mike Crawley
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Hamilton culture bullying misco

Justin
Canada

My

SECURITY

Sobeys fires SAP over ERP debacle

CDN STAFF

FEBRUARY 9, 2001



Jennifer Brown

Canadian grocery giant Sobeys Inc. said it has no plans to reconsider its decision to pull the plug on its year-old, SAP-powered ERP system.

The Stellarton, N.S.-based company claims the system caused its database to crash in early December, leaving it unable to process the transactions moving through the stores' systems. Bill McEwan, Sobeys' chief executive, said the problem created a five-week backlog just before the holiday shopping period.

The second-largest supermarket chain in Canada, Sobeys has 400 company stores and 1,000 franchise stores including IGA, Foodland and Price Chopper outlets.

On Jan. 24, McEwan announced the company was ditching the software because it couldn't handle its ordering and data processing needs for its stores in Ontario and Atlantic Canada.

However, SAP officials said they only learned of the decision through a press release issued two days before a scheduled meeting with Sobeys brass.

"We're both surprised and disappointed by the announcement made by Sobeys," said William Wohl, spokesperson for SAP America in Philadelphia. "We've had such a good dialogue with Sobeys all along."

Despite attempts by SAP to repair the relationship, Sobeys officials are adamant the ERP project will be dismantled.

"It was a situation where we had a business disruption. We looked at an evaluation of our enterprise-wide software and that resulted in the decision, so I would be surprised if there was a change in conclusion," said Stewart Mahoney, vice-president of treasury and investor relations for Empire Company Ltd., which owns 62 per cent of Sobeys.

"We indicated we plan to move ahead without SAP and Mr. McEwan and the Sobeys' board of directors were quite clear in terms of Sobeys coming to that conclusion," he said.

Mahoney added the project will cost the company \$89.1 million and Sobeys is predicting the interruption of business will cut its quarterly operating profit by 16 cents a share.

"We're through with that period. But there was an opportunity cost there because that's a busy period for us leading up to the Christmas period," Mahoney said.

SAP has been working with the company prior to this project, implementing a human resources and financial system. In fact, SAP and IBM were using Sobeys as an example of a satisfied customer.

Sobeys has not said what they will use to replace the SAP system but will continue to use the software for its financial and human resource needs. In a statement issued after a meeting on Jan. 26, SAP said it "agreed to continue discussions with Sobeys in private."

"It is true we have had discussions with Sobeys about various aspects of its projects that needed to be resolved," said Wohl.

Angela Carmichael, an IBM Canada Ltd. spokesperson said there was a problem with Sobeys' DB2 database but it was addressed and Sobeys remains a customer. "We put our best people on it and fixed it as fast as we could," she said, "They're still using DB2 in other parts of their business."

Wohl suggested a change in leadership at Sobeys may have precipitated the decision to dump the project. He pointed to McEwan's arrival Nov. 25, just as the crash occurred.

Derek Prior, SAP research director with Stamford, Conn.-based Gartner Group Inc., said SAP is ahead of other ERP software vendors at sizing the infrastructure for their applications, but said ongoing assessment of an ERP life cycle is also needed.

"You don't hear of these failures frequently. The successes are much higher, but successes aren't news," said Prior.

"Overall, SAP has a good record of getting sizing performance right. But within the retail sector there have been projects which run into problems due to the very high volumes and narrow time windows involved."

Prior also questioned why Sobeys waited so long into the project to reject SAP.



Mahoney said the system has been problematic since its launch a year ago. "We had been behind our timeline and there had been a number of issues," he said.

Plesman Communications

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COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

RESONDANTS IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, RSC 1985, c. C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF WALLACE & CAREY INC., LOUDON BROS
LIMITED and CAREY MANAGEMENT INC.

APPLICANTS DIGIFLEX INFORMATION SYSTEMS INC.

DOCUMENT **AFFIDAVIT OF MOHAMAD Z. MARDUKHI**

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File No. 79894-1

AFFIDAVIT OF MOHAMAD MARDUKHI

Affirmed on November 14, 2025

I, Mohamad Mardukhi, of Vancouver, British Columbia, AFFIRM AND SAY THAT:

1. I am the President, Chief Executive Officer, sole director, sole shareholder and founder of the Applicant, Digiflex Information Systems Inc. (**Digiflex**). I have personal knowledge of the matters deposed to in this Affidavit, except where stated to be based on information and belief, in which case, I believe the information to be true.
2. I make this affidavit in support of Digiflex's application pursuant to section 11 of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the **CCAA**), seeking, among other things, an order declaring that Digiflex is not required to provide 7-Eleven Inc., 7-Eleven Canada Inc., or 7-Eleven

Distribution Canada Corporation (**SEDCC**, together with 7-Eleven Inc. and 7-Eleven Canada Inc., **7-Eleven**), access to the Digiflex ERP Software (defined below) or any associated maintenance or support services.

Background


My educational background and work history

3. My training is in computer sciences. I studied computer science at the undergraduate level at the University of Toronto in the Engineering Science Department from 1973 to 1976, and at the University of Calgary in the Computer Science Department from 1978 to 1979. I also took several computer science courses at the graduate level at the University of Calgary from 1979 to 1980.

4. After graduation, I started working in the information technology (**IT**) industry for the grocery distribution and food services industry, which I have done now for over 45 years. I began my career in May 1980 at Canalta Data Services (**Canalta**) where I was involved in all aspects of software development from analysis, design, coding, quality assurance, implementation, user training, writing reference manuals to managing the entire process.

5. Canalta was later acquired by Great Pacific Industries Inc. (**Great Pacific**), a subsidiary of the Jim Pattison Group, which operated a number of grocery retail and wholesale chains, including Associated Grocers and Overwaitea Food Group. This part of my career spanned from May 1980 to May 1995.

6. From March 1996 to August 1998, I was the Chief Information Officer of Overwaitea Food Group, where I was responsible for managing the IT department. I left this position in August 1998 to concentrate all my efforts on Digiflex.



Digiflex and its ERP Software


7. In 1993, I started Digiflex. Digiflex was formed to develop and market an integrated suite of applications for the grocery distribution and food service industries. Digiflex offers a range of software solutions, including a full enterprise resource planning (**ERP**) suite encompassing all aspects of distribution management, financials, and business intelligence.

8. ERP software is a type of business management software that helps companies manage and integrate the core processes of their business, such as finance and accounting, human resources, supply chain management, inventory and procurement, and manufacturing and production. A key benefit of ERP software is that it collects data across many business functions and can therefore provide a business with a comprehensive view of their operations and allows them to optimize and add efficiencies to their business. This is much more difficult for a company to do if it is not using an ERP system but rather a number of different software applications that have their own separate databases. ERP is critical for companies in supply chain management as it optimizes inventory, planning, and purchasing. Common brands of ERP software that the general population are familiar with are SAP and Oracle.

Digiflex ERP Software

9. Digiflex's ERP software consists of a number of ERP modules and associated software programs.

10. **ProCLASS.** Digiflex's ProCLASS Distribution Management System (**ProCLASS**) is the ERP module which handles, among other things, purchasing, inbound control and receiving, warehouse management and inventory control, order processing and billing, logistics, shipping control, and consolidated reporting. ProCLASS was the first ERP system to handle the business requirements of small to very large businesses in wholesale, retail, food service, and manufacturing of food and non-food products in one integrated system.



11. **CLASS Financials.** Digiflex's CLASS Financials are the ERP modules which focus on a distributor's financial data. CLASS Financials software programs include CLASS Accounts Receivable, CLASS Accounts Payable, and CLASS General Ledger.
12. **LAZER DBMS.** LAZER DBMS is the software program that is the database management system for the ProCLASS and CLASS Financials ERP modules.
13. ProCLASS and CLASS Financials are both ERP modules; however, ProCLASS was the first module and is the backbone of the system. Hence, occasionally when I am speaking of the **Digiflex ERP Software** as a whole (which includes ProCLASS, CLASS Financials, and LAZER DBMS), I merely state **ProCLASS**.
14. I started the development of ProCLASS and the associated modules and software in 1985 when I was the IT Manager at Canalta. I was the lead architect on a 25-person team that designed and developed ProCLASS. In June 1993, I entered into a sales agreement with Great Pacific (who had now acquired Canalta) whereby Great Pacific assigned the ownership of ProCLASS and other associated software to myself. I then subsequently assigned my rights to Digiflex. My goal for Digiflex was to sell the Digiflex ERP Software that I had been building while I was at Canalta, and then at Great Pacific, to other grocery and food distributors and build my own business.
15. Since the inception of Digiflex ERP Software, it has undergone multiple upgrades and enhancements to expand its functionality and to improve its efficiency.
16. Digiflex ERP Software was originally developed for the OpenVMS operating system, which runs on AlphaServer and Itanium servers (i.e. hardware) from Hewlett-Packard Enterprise, which are no longer offered for sale and therefore no longer widely available. There is, however, a technical solution which is to upgrade to a modern standard server and run Digiflex ERP Software with the OpenVMS version from a

company called VMS Software Inc. (VSI). Digiflex currently has one client that is running Digiflex ERP Software on a standard server using OpenVMS from VSI.

17. Digiflex has also been developing a version of the Digiflex ERP Software that would work on the Windows operating system and would run on any modern standard server and can also be cloud-based. The project is currently around 80% complete but has not been the company's focus over the past few years.

Digiflex's ERP Software is covered by copyright

18. In 1999, I registered the software as copyrights with the Canadian Intellectual Property Office. Copies of the copyright registrations for ProCLASS, CLASS Accounts Receivable, CLASS Accounts Payable, CLASS General Ledger, and LAZER DBMS are attached as **Exhibit A**.


19. Digiflex includes the following copyright warnings with all our source code, database, schemas, and documentation:

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!*****
!*
!* Copyright (c) 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005,
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Digiflex's licensing model

20. Digiflex's business model is to license its software to companies in a wide range of industries and sizes, and Digiflex has done so for the last 30 years throughout Canada, the United States, and Malaysia.
21. To license Digiflex ERP Software, a client enters into two agreements: (1) a software license agreement, which permits the client to use the ERP Software but does not transfer Digiflex's ownership rights in the ERP Software itself; and (2) a maintenance agreement which relates to, among other things, software upgrades and enhancements, operating system compatibility, as well as a 24/7 support line for the software. A 24/7 support line for any ERP software is critical given that even a few minutes of downtime at a critical time can lead to operational nightmares, especially for companies in the food distribution business.
22. In terms of costs, for the software license, Digiflex charges a single, one-time, lump-sum fee that gives the client a limited-user or unlimited-user, perpetual license. The license fee is based on the client's annual sales which is commonly proportional to the number of transactions that run through the Digiflex ERP Software.
23. The cost of the maintenance agreement is an annual fee that may vary from year to year. Typically, it is based on 15 to 25% of the original license fee, which is a standard maintenance fee for software licenses. The maintenance agreement is not perpetual but will renew automatically each year on terms to be agreed upon between Digiflex and the client, unless either party gives 30 days written notice of termination.
24. Over the years, many companies have purchased licenses to use Digiflex ERP Software, including, Best Direct Distributors, Canada West Foods, Centennial Foodservice, Thrifty Foods, New Food Classics, and two of the debtor companies in the CCAA proceeding – Wallace & Carey Inc. (**Wallace & Carey**) and Loudon Bros Limited (**Loudon Bros**).
- 

Digiflex's Relationship with the Debtor Companies: Wallace & Carey and Loudon Bros

25. Wallace & Carey and Loudon Bros were two of Digiflex's long term customers. Digiflex and Wallace & Carey's business relationship started in 2000 when Digiflex was successful in an RFP process for Wallace & Carey's ERP software. For over 23 years, Digiflex and Wallace & Carey had a positive relationship of mutual benefit. Digiflex provided Wallace & Carey with reliable software and support, while Wallace & Carey grew its business from annual sales of \$200 million to over \$2 billion.

The Debtor Company's Software Licenses


26. During the span of their relationship, Digiflex entered into four license agreements between the two debtor companies.

27. With Wallace & Carey, Digiflex had three software license agreements:

- (a) a software license agreement entered into on March 9, 2000 to allow Wallace & Carey to use the ProCLASS Software and LAZER DMBS, a copy of which is attached as **Exhibit B**;
- (b) a software license agreement entered into on August 12, 2003 to allow Wallace & Carey to use the CLASS Financials Software, a copy of which is attached as **Exhibit C**;
- (c) a software license agreement entered into on April 23, 2012 to allow Wallace & Carey to use the ProCLASSBI Intelligence Suite, a copy of which is attached as **Exhibit D**.

28. I refer collectively to the three Wallace & Carey software licenses as the **W&C Software Licenses**.

29. With respect to Loudon Bros, Digiflex entered into one software license agreement on February 18, 2013, which was to allow Loudon Bros to use the ProCLASS Software, CLASS Financials Software, and LAZER DMBS for a limited number of concurrent users (the **LB Software License**). Additional user



licenses were added via addendums. A copy of the license agreement with the addendums are attached as **Exhibit E**.

30. Loudon Bros, a related company of Wallace & Carey, still required its own license even though Wallace & Carey had a license to. Separate companies require separate license agreements and both need to pay maintenance fees.

The Debtor Companies Maintenance Agreements

31. All four licenses incorporate the same maintenance agreement, which is attached as Schedule "A" to all the W&C Software Licenses and the LB Software License (the **W&C Maintenance Agreement**).


Digiflex provided general IT Helpdesk Services to Wallace & Carey

32. In addition to the W&C Software Licenses and W&C Maintenance Agreement, Digiflex also provided general IT helpdesk support to Wallace & Carey – also known as Helpdesk Level 2 (**Helpdesk Services**) – which began in June 2008. There is no written contract between Wallace & Carey related to the Helpdesk Services.

33. The Helpdesk Services were not tied to the Digiflex ERP Software but were for any general IT issue, including problems with the OpenVMS operating system, servers, or other computer issues. This was not a standard service that was offered by Digiflex. It was only offered to Wallace & Carey given our long-term relationship to save them the cost of hiring additional full-time employees to be available 24/7.

Wallace & Carey's request for a new ERP system

34. In 2021, Wallace & Carey issued an RFP for a new ERP system. While Digiflex participated in the RFP process, it was not selected. Patrick Carey, Wallace & Carey's CEO at the time, told me that the reason was because Digiflex's new ERP system was still in development and we did not offer a monthly fee-per-



user charge like other ERP providers (we only offer a one-time license fee option). Wallace & Carey selected an ERP system from Epicor Software Corporation (**Epicor**) based in Austin, Texas.

Timeline of events since discovering that 7-Eleven was in the picture

Wallace & Carey requests ERP software for a new company

35. The first time I became aware that Wallace & Carey was in the process of winding down and that a new distribution company would be taking over was in July 2024 via an email exchange I had with Wallace & Carey's Director of IT, Heather Miller. A copy of my email correspondence between me and Ms. Miller between July 4, 2024 to July 22, 2024 is attached as **Exhibit F**, which should be read starting from the last page first to proceed in chronological order.

36. On July 4, 2024 at 10:03 AM, I received an email from Ms. Miller with the subject line: "New Company – ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation". In the email, Ms. Miller wrote:

We have a request to setup a completely separate ERP system using Digiflex software for our new distribution company. This system will operate temporarily from Jan 1st, 2025 to March 31st, 2025 (with a possible extension to June 30th, 2025).

The goal is to wind down Wallace & Carey so no invoices will be moved to the new distribution company.

Can you please provide a quote for the development, test and go-live support and ongoing maintenance and support agreements – details below:

[...]

We would like to have the new system available with a point in time setup including master data / balances loaded for testing by November 18th, 2024 and then reload/update master data / balances for go-live on Jan 1st, 2025.

37. Ms. Miller's request was not typical. The last time I had received a request from Wallace & Carey for a new ERP system was in 2013 when they requested a system for Loudon Bros. This resulted in a new software license – the LB Software License – that I mentioned above.

38. I replied to Ms. Miller on the same day at 2:16 PM, advising that this was a major project and because it was a new company, substantial new license fees would apply. I also wrote: "If all of this expenditure is going to be for 3 or 6 months only, why can't they continue operating with the current set-up for that short period?" By this I meant that if the new company was only going to be operating temporarily on the Digiflex ERP Software, that Wallace & Carey should continue operations as is for the 3-to-6-month period, and then the new company could launch on whatever software they were going to be using. In response, Ms. Miller confirmed that they understood it was a major project but that senior management still wanted the estimate.

39. On July 12, 2024 at 12:23 PM, I provided Ms. Miller with a range of quotes for the software licenses (to use ProCLASS and CLASS Financials) and annual maintenance fees based on annual sales of \$100 million, \$600 million, and \$700 million annual sales. I provided Ms. Miller with this table:

System	Annual Sales \$100M License Fee	Annual Sales \$600M License Fee	Annual Sales \$700M License Fee
ProCLASS	\$300,000	\$2,000,000	\$2,400,000
CLASS A/P	\$60,000	\$400,000	\$480,000
CLASS A/R	\$60,000	\$400,000	\$480,000
CLASS G/L	\$60,000	\$400,000	\$480,000
CLASS B/R	\$4,000	\$30,000	\$35,000
Total License Fee:	\$484,000	\$3,230,000	\$3,875,000
Annual Maintenance Fee:	\$169,400	\$807,500	\$968,750

40. I also advised that the implementation cost range would be approximately \$80,000 to \$450,000. I advised that the license fee would be payable in two installments, half on signing, and half on January 2, 2025, the day after the new company was to launch. I also advised that the maintenance fee would be payable on January 2, 2025.

41. Ms. Miller responded on the same day at 2:18 PM, asking for an additional quote based on \$300 million annual sales. She also inquired whether it was possible to buy subscription-based licenses rather than perpetual and asked about the Helpdesk Services.

42. On July 15, 2024 at 9:31 AM, I provided Ms. Miller with the additional quote and advised that Helpdesk Services would be \$180,000 per year for the new company or a combined rate of \$225,000 for both the new company and Wallace & Carey and/or Loudon.

43. On July 22, 2024 at 12:08 PM, Ms. Miller replied stating that, instead of starting a separate company, Wallace & Carey wanted to change its company name and fiscal year end:


After further discussion with Finance, they have confirmed that we do not require a separate company.

What we need is to change our company name and fiscal calendar to calendar month effective January 1st, 2025.

Effectively, we will end our fiscal year in October 2024 as normal, start our new fiscal year for Nov/Dec 2024 and then change to a new fiscal calendar based on calendar month with our company name changed on Jan 1st, 2025.

44. I responded to Ms. Miller on the same day at 13:34, advising her that a new software license would still be needed given that it would be a new company.

45. At no time in July 2024 when I was having these discussions with Ms. Miller did anyone advise me of the CCAA proceeding, the TSA, or any court orders that would allow the new company to use the Digiflex ERP Software without a license.



Wallace & Carey's CEO and Senior IT Staff relay my points to 7-Eleven

46. Between the end of July 2024 and beginning of September 2024, I had a number of conversations with senior executives at Wallace & Carey about a license for 7-Eleven and their need for a license to use the software, including Patrick Carey, the former CEO, and David Morgan, a Director at Wallace & Carey. I believed that they were trying to help me. A copy of the email correspondence between myself, Mr. Morgan, and Mr. Carey is attached as **Exhibit G**, which should be read starting from the last page first to proceed in chronological order.

47. On July 22, 2024 at 2:26 PM, the same day that Ms. Miller advised me that only a company name change would be required, I received an email from Mr. Morgan, with the subject line: "ProCLASS for SEDCC". In the email, Mr. Morgan wrote:

Pat [Carey] has informed me that you have been asked to provide a quote to implement a new/modified ProCLASS for SEDCC, the new 7-Eleven company replacing W&C. Pat also asked me to find out the status of the quote. Can you please update me on the status. I have not been kept in the loop other than understanding that the new company will take effect January 1, 2025 & will switch to a monthly financial reporting.

48. This was the first time that I learnt that the "new distribution company" that Ms. Miller had spoken of was SEDCC.

49. In the subsequent email exchange, Mr. Morgan and I discussed the logistics of setting up SEDCC on the Digiflex ERP Software and I reiterated the need for SEDCC to have a license regardless of the method used to onboard SEDCC onto the system.

50. On September 4, 2024, I had an in-person meeting with Mr. Carey and Mr. Morgan. There, Mr. they advised me that SEDCC was considering implementing a different ERP system (i.e. a system not owned by Digiflex).

51. On September 5, 2024 at 12:13 PM, I emailed Mr. Carey and Mr. Morgan to remind them that, regardless of if SEDCC was able to begin using a new ERP system on January 1, 2025, Wallace & Carey's



ERP systems would need to remain active for a period of time after SEDCC was set up, for the purpose of applying closing transactions, as well as for audit and other investigative purposes. This would require them to continue to pay maintenance fees. I also reiterated that if SEDCC decided to proceed with the Digiflex ERP Software, it would need to have a new software license. I advised that based on my four decades of working in ERP implementations, I could not foresee SEDCC being up and running with a new ERP system anytime soon and that they were likely "a couple of years and several million dollars away from a successful implementation."

52. On September 9, 2024 at 12:29 PM, I sent Mr. Morgan and Mr. Carey an email summarizing the key points from my meetings with Mr. Carey. My email stated:

If 7-Eleven wants to use ProCLASS for SEDCC in January, the only option is to purchase a license, likely based on \$600M per year in sales. They will then pay 50% of the license fee upfront and pay the remaining 50% upon successful implementation in January. This option has several significant advantages for 7-Eleven:

1. They will have the legal use of our software for as long as it is needed. They will no longer have to rush through implementation of another unproven software within a few months.
2. Rushing through implementation of another software will have a high chance of failure, as is very common with ERP implementations. Such a possible failure can be very costly, and certainly much more costly than our license and minimal implementation costs.
3. There is zero chance of implementation failure of our software as it has been running successfully under the W&C banner for over 20 years. SEDCC's will be a straightforward new instance of ProCLASS, of which we have implemented many for W&C over the years. There will even be no need for any new data entry / load beyond the new minutes it takes to change company name / addresses in set-up records.
4. Over the years, we implemented many ProCLASS customizations to satisfy 7-Eleven specific needs. It is very unlikely that you can find such features in any other ERP software, and some of those features are very complex and will be costly to develop in any other ERP.
5. We already know that the existing ProCLASS hardware and software infrastructure can handle many times more business than \$600M per year without needing any upgrades. W&C reached over \$2B in sales a few years ago on the same platform.

6. If there are any concerns about the existing ProCLASS server (which, as of today, has been running 7x24 for 652 days non-stop, i.e., not a single hardware or software failure or reboot in that period), there is an emulation option available that will allow running our software exactly as is on a Windows server.

7. 7-Eleven can gain significant efficiencies by using the ProCLASS infrastructure, e.g., by moving some DSD items to corporate warehouses, by integrating store and warehouse pricing and promotions, by taking advantage of some corporate store features in ProCLASS that were not of use to W&C, etc.

8. We will use the license fee to fund the completion of our Windows version of ProCLASS that is already over 80% complete. This will then offer a modern and proven ERP option to 7-Eleven at minimal implementation and training costs.

9. 7-Eleven will be able to use ProCLASS (both existing and new modern version) for other divisions beyond SEDCC at reduced licensing fees and with minimal implementation costs.

53. Mr. Carey subsequently asked me if he could pass these on to 7-Eleven, to which I agreed.

7-Eleven starts emailing me about the Digiflex ERP Software

54. Beginning on October 7, 2024 and continuing to early November 2024, I started to receive emails from 7-Eleven about the Digiflex ERP Software and maintenance agreements. Throughout this correspondence, I received conflicting information about whether it was Wallace & Carey using the software or 7-Eleven. A copy of the email correspondence between myself and various individuals at 7-Eleven is attached as **Exhibit H**, which should be read starting from the last page first to proceed in chronological order.

55. On October 7, 2024 at 10:12 AM, I received an email from Anvaya Naik, Senior Manager of Strategic Sourcing at 7-Eleven, Inc., requesting a "maintenance renewal quote for 1 year term of the existing Digiflex licenses that were acquired as part of the Wallace [&] Carey contract." I responded to Ms. Naik on the same day to clarify if the contemplated agreements would be with Wallace & Carey or 7-Eleven. I noted that I did not know if Wallace & Carey exists (or would still exist as of 2025) as a legal entity.

56. On October 8, 2024, Ms. Naik responded that "7-Eleven Canada will be buying entity but ... that only Wallace [& Carey] transactions will be carried on [Digiflex]."

57. On October 15, 2024 at 2:06 PM, I replied to Ms. Naik advising her that Digiflex was waiting to hear about a new license agreement with 7-Eleven, which needed to be sorted before they could speak about the maintenance agreement. However, given that the Helpdesk Services was not tied to any license agreement, I advised that Digiflex could offer that service to 7-Eleven for a year at \$192,000. I advised that I would need the 7-Eleven billing information to issue the invoice.

58. Ms. Naik responded on the same day at 3:52 PM and informed me that 7-Eleven had no intention to acquire a new license and that, based on legal advice, "the existing Wallace [&] Carey contracts will be in full force and effect on its current terms." Notwithstanding, Ms. Naik also advised that 7-Eleven wished to proceed with paying for another year of maintenance and the Helpdesk Services. She copied Joshua Buchanan, 7-Eleven Inc.'s Director of Logistics, to her response and asked him to provide me with billing information for the invoice.

59. On October 24, 2024 at 10:34 AM, in response to my query on who to bill, Mr. Buchanan responded that SEDCC "will have the same address in Calgary that W&C has had in the past."

60. On October 24, 2024 at 14:07, I advised Mr. Buchanan and Ms. Naik that no one told Digiflex that 7-Eleven had purchased Wallace & Carey's assets and that, according to Affidavit No. 5 of Patrick Carey, the transaction included all "personal property and equipment assets located in Alberta and British Columbia and the intellectual property, technology, software and systems relating to the entire Logistics Companies' logistics/distribution business across Canada." I advised that the transaction affected all of the agreements with Wallace & Carey, including the software licenses which were "non-transferable".

61. In the same email, I reiterated what I had told Ms. Naik on October 15, 2024, that the Helpdesk Services were not tied to any software license, so Digiflex was prepared to offer that service to 7-Eleven for a one-year term starting on November 1, 2024. I attached a copy of the invoice I issued for the Helpdesk Services (the **SEDCC Helpdesk Invoice**). A copy of the SEDCC Helpdesk Invoice is attached as **Exhibit**

62. After this, I did not hear anything from Mr. Buchanan or Ms. Naik. I subsequently followed up on November 1, 2024 at 2:35 PM (as shown in Exhibit H), inquiring on the payment of the SEDCC Helpdesk Invoice, which was now overdue. On November 4, 2024 at 11:30, Mr. Buchanan replied, "Until W&C winds down next year, we'll need you to continue invoicing them. Right now, Proclass being used by W&C and they will have to pay the invoice." Mr. Buchanan's response was puzzling because earlier he had advised that I should bill SEDCC, not Wallace & Carey. I said this to Mr. Buchanan.

63. On November 12, 2024 at 15:13 (as shown in Exhibit H), I emailed Mr. Buchanan, reminding him that the SEDCC Helpdesk Invoice issued to 7-Eleven had still not been paid and asked that it be paid right away. I also confirmed that the W&C License Agreements were non-transferable and therefore SEDCC could not be using the Digiflex ERP Software under W&C Software Licenses. I attached a new license agreement for SEDCC's execution and included a license fee based on SEDCC's fiscal year 2024 annual sales which were \$602 million. A copy of my email to Mr. Buchanan and the attached license agreement is attached as **Exhibit J**. I also advised that I would be sending SEDCC invoices for the SEDCC license fee and the first year of maintenance fee coverage for the period from November 1, 2024 to October 31, 2025. I asked that the invoices be paid upon receipt.

64. On November 14, 2024, I sent Mr. Buchanan two invoices addressed to SEDCC: (1) for license fees in the amount of \$3,391,500 (the **SEDCC License Invoice**), and (2) for one year of maintenance service in the amount of \$847,875 (the **SEDCC 2025 Maintenance Invoice**). A copy of my email to Mr. Buchanan and the attached invoices are attached as **Exhibit K**.

65. After my email dated November 14, 2024, I did not receive a response from Mr. Buchanan or from any other 7-Eleven employee regarding the payment of the invoices. Based on the lack of response, I assumed that SEDCC, who I understood would be launching on January 1, 2025, would not be using the Digiflex ERP Software and had managed to launch the Epicor system that Wallace & Carey selected back in 2021. As such, on December 3, 2024, I emailed Mr. Buchanan, stating:



Based on the lack of response, or even acknowledgment, of our new license agreement and 3 overdue invoices, we can only assume that your Epicor implementation project has finally been completed and you no longer need our systems or services.

If this is the case, please inform Wallace & Carey of this change and initiate the destruction of our software and documentation at Wallace & Carey, as stipulated in point 5 of our license agreements. As per the last paragraph of point 5, please send us a letter confirming that this destruction has been completed.


66. A copy of my email is attached as **Exhibit L**.

67. Mr. Buchanan never responded to my email.

Counsel for the Monitor informs me that Wallace & Carey "continued to operate in the ordinary course of business" and we agree to a Consent Order

68. On December 3, 2024, after I sent my email to Mr. Buchanan requesting that they destroy the Digiflex software and documentation, I received a call from Jason Knight at KSV Advisory, who I understand is the Monitor for the CCAA proceedings. This was the first time I had been contacted by the Monitor. I did not answer the call because I did not know who it was from but Mr. Knight left a voicemail. Mr. Knight advised me that the Digiflex ERP Software was still being used by Wallace & Carey, not 7-Eleven, and under the CCAA proceeding, Digiflex could not terminate the W&C Software Licenses.

69. I responded to Mr. Knight's voicemail by email, also on December 3, 2024. I indicated that my email to Mr. Buchanan was not meant to threaten termination of legitimate services that were owed to Wallace & Carey under any existing contracts with Wallace & Carey. But rather, I had deduced from the lack of response from Mr. Buchanan, that 7-Eleven (a new company, not Wallace & Carey) had no intention of using the Digiflex ERP Software. I had also reiterated that the W&C Software Licenses were non-transferable and that I believed that Wallace & Carey was no longer operating and only 7-Eleven was. I attached the emails I had with 7-Eleven and Wallace & Carey that supported my belief. I also indicated that Wallace & Carey's pricing structure, who was a long-term client, would not apply to 7-Eleven. A copy of email to Mr. Knight, and the attachments I provided, are attached as **Exhibit M**.



70. Also on December 3, 2024, I received an email from Jeffrey Oliver, who I understand is counsel for the Monitor. The email attached a letter which stated:

In your email correspondence dated November 4, 2024 you state that "...Wallace & Carey became a division of 7-Eleven as of November 2023...". This is incorrect. During the course of the CCAA Proceedings, subject to the terms of the Amended and Restated Initial Order granted by the Court of King's Bench of Alberta (the "**Court**") in the CCAA Proceedings on June 30, 2023 (the "**ARIO**"), WCI has continued to operate in the ordinary course of business. While 7-Eleven is currently funding the WCI business during the CCAA Proceedings pursuant to a Transition Services Agreement dated November 21, 2023, 7-Eleven is not the subject of the CCAA Proceedings, and the Agreement has not been assigned to 7-Eleven. Rather WCI remains party to the Agreement, and 7-Eleven remains a separate legal entity from WCI.

71. A copy of the ARIO was enclosed and I was referred to paragraphs 18 and 19. My understanding of his letter was that Wallace & Carey was still "operating in the ordinary course of business" and that, as a result, as per paragraphs 18 and 19 of the ARIO, Digiflex could not terminate the W&C Software Licenses or increase the prices that Wallace & Carey was currently paying tied to the W&C Maintenance Agreement or the Helpdesk Services. Mr. Oliver advised that if Digiflex continued to pursue price increases or termination of the W&C Software Licenses, the Monitor would bring an application to hold Digiflex in contempt of Court. Mr. Oliver also suggested that I reach out to him to negotiate a renewal on terms appropriate to all parties. A copy of Mr. Oliver's email and the attached letter is attached as **Exhibit N**.

72. At this point I was frustrated, given that, from all that I could see, Wallace & Carey was not operating in the ordinary course of business. I had even been told by multiple individuals (Mr. Carey, Mr. Morgan, Ms. Miller, Mr. Buchanan) that Wallace & Carey would be wound down by the new year, which was only 4 weeks away, and that SEDCC would be taking over. I had also started to receive requests for changes to the software, which were not actions I believed were to support Wallace & Carey's business but rather, had to be for SEDCC. For example, on December 4, 2024, I received a request to add an additional 4000 General Ledger (G/L) accounts because they had filled up the G/L tables. A copy of this request is attached as **Exhibit O**.

73. Given that January 1, 2025 was quickly approaching, on December 5 2024 at 2:24 PM, I wrote to Mr. Oliver with two options:


- (a) for SEDCC to sign the new license agreement and pay the overdue invoices (the SEDCC License Invoice, the SEDCC Helpdesk Invoice, and the SEDCC 2025 Maintenance Invoice) by December 20, 2024, at which point SEDCC would have the right to use the Digiflex ERP Software as it sees fit; or
- (b) for SEDCC to not sign or pay, and Digiflex's support and maintenance services would end on January 1, 2025.

74. A copy of my December 5, 2024 email to Mr. Oliver is attached in **Exhibit P**, which is the last email in the thread.

75. On December 6, 2024 at 8:18, Mr. Oliver responded, again reiterating the Monitor's position that it was Wallace & Carey who would be using the software. Mr. Oliver advised that the Monitor would be bringing an urgent application before the Court of King's Bench to continue to force Digiflex to continue to make the software available to Wallace & Carey. A copy of Mr. Oliver's response is attached in **Exhibit P**, which is the second last email in the thread.

76. On December 9, 2024, I received an email from Mr. Oliver that the Monitor had filed an emergency application regarding the termination of maintenance and support services and that the matter was scheduled to be heard on December 17, 2024. I forwarded these emails to Mr. Buchanan and others at SEDCC as well as to Ms. Miller and told them that support and maintenance services would end on January 1, 2025 regardless of the court outcome. The email chain is attached as **Exhibit Q**.

77. I understand that my reaction to the Court application being filed was not professional. However, I was frustrated and stressed with the situation. This was not just a matter of 7-Eleven refusing to purchase a license; it was a matter of being forced to maintain services for a different company.



78. On December 12, 2024, Mr. Oliver sent a letter to me in which he warned that the Monitor would seek a further order citing Digiflex – and me personally – in contempt of court and that punishment for civil contempt could include imprisonment for up to two years. The letter from Mr. Oliver is attached as **Exhibit**

R. The threat to throw me in prison further added to my stress.

79. On December 16, 2025, after I had a few days to calm down and think things through, I emailed Mr. Oliver and proposed a solution so that the parties would not need to proceed with an application. My offer was based on Mr. Oliver's representation that Wallace & Carey was still operating in the ordinary course of business, and, if true, I had no desire to breach the ARIO. Specifically, my offer was:

1. We will continue to provide our software Maintenance services until its current end date of March 12, 2025. If you require our software Maintenance services beyond that date, we will extend them until the end of the CCAA Stay Period of April 30, 2025, based on rate schedules that were established with Wallace & Carey

2. If you get additional extensions to the CCAA Stay Period, we will agree to extend our software Maintenance services until the end of the new CCAA Stay Period, based on rate schedules that were established with Wallace & Carey.

3. We will continue to provide our Helpdesk services until the end of its current invoicing cycle on January 31, 2025. This service only started in Jun 2008, is not tied to our License Maintenance or any other agreement, and thus it does not have a specified limit on annual increases. If our Helpdesk services are required beyond January 31, 2025, we will agree to a 1-year extension based on rates that we had previously passed on to 7-Eleven at \$192K for the year. [...]

80. A copy of my email with my offer is attached as **Exhibit S.**

81. In response to my officer, Mr. Oliver wrote:

Thank you for the email. We have been able to connect with stakeholders and understand that your offer is acceptable, provided that its terms are included in a court order that will bind all parties. We are working on a draft in that regard and will get it to you as soon as we are able. Once it is settled, we will present it to the court to sign tomorrow.

82. A copy of Mr. Oliver's email is attached as **Exhibit T.**

83. Mr. Oliver subsequently provided me with a draft consent order, which I subsequently signed. Copies of our emails and the draft consent order are attached as **Exhibit U**. The Consent Order was issued by the Honourable Justice Neilson on December 17, 2024 (the **Consent Order**), which is attached as **Exhibit V**.

84. When entering the Consent Order, I was simply agreeing to respect the contracts Digiflex had with Wallace & Carey, for as long as Wallace & Carey was in business. At the time, I did not expect Wallace & Carey to be in business much longer in light of my knowledge that Wallace & Carey would be wound down by January 1, 2025. With Wallace & Carey out of business, I did not expect for the CCAA Stay Period to be extended far beyond the then expiry date of April 30, 2025.


Digiflex's compensation since 7-Eleven's involvement

85. Since I discovered that 7-Eleven was involved with Wallace & Carey, Digiflex has been paid but only for maintenance services related to Wallace & Carey and Loudon Bros. Digiflex has never been paid for 7-Eleven's use of the software or maintenance services.

86. 7-Eleven continues to refuse to pay the SEDCC License Invoice and the SEDCC 2025 Maintenance Invoice. Recently, I also issued an invoice to 7-Eleven for maintenance fees for the period from November 1, 2025 to October 31, 2026, for \$869,076.90 (the **SEDCC 2026 Maintenance Invoice**). I sent this invoice to Mr. Buchanan on October 23, 2025 by email. A copy of the email and the attached SEDCC 2026 Maintenance Invoice are attached as **Exhibit W**. Mr. Buchanan has not replied to my email.

Events Following the Consent Order

87. Since the Consent Order was agreed to in December 2024, it is my understanding and belief that Wallace & Carey is no longer operating and that SEDCC continues to use the Digiflex ERP Software without a license.



88. For example, on August 27, 2025, I received an email that attached a purchase order that showed that the Wallace & Carey logo (which was originally developed and always maintained by Digiflex) had been changed to show the SEDCC logo, without any notice to Digiflex that they had modified a Digiflex form:

WALLACE & CAREY INC.		PURCHASE ORDER																
WALLACE & CAREY INC. 440 RAILSIDE DRIVE BRAMPTON, ON CANADA L7A 1L1		5445 - 8th Street N.E. CALGARY, ALBERTA T2K 5R6 Tel: (403) 275-7365 Fax: (403) 275-3921 (403) 274-0481																
VENDOR: ITWAL LIMITED - FULL PALLETS BROKER: FULL PALLET PRODUCT ONLY (9058400954)		SHIP TO: Wallace & Carey Inc. Edmonton 14434-157 Avenue Northwest Division No. 11 EDMONTON, ALBERTA CANADA T6V 0Y8																
BUYER: BRANCON CIZEK - ITWAL (4037309351)		SALESMAN: KAREN KING / JOSIE LICATA (9048409400) BUYER NO.: 5																
CARRIER: DELIVERED BY VENDOR (99)		MINIMUM BUY:																
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7 DISTRIBUTION CANADA CORP.		PURCHASE ORDER																
7 DISTRIBUTION CANADA CORP. 7-ELAVEN CALGARY FOOD CENTRE 2626 COUNTRY HILLS BLVD NE CALGARY, AB CANADA T2N 1A7		5445 - 8th Street N.E. CALGARY, ALBERTA T2K 5R6 Tel: (403) 275-7365 Fax: (403) 275-3921 (403) 274-0481																
VENDOR: 7-ELAVEN CALGARY FOOD CENTRE BROKER: ALISON (4032580895)		SHIP TO: Calgary Warehouse 5445 - 8TH STREET N.E. CALGARY, ALBERTA CANADA T2K 5R6																
BUYER: RICKY CHEN-FOODSERVICE		SALESMAN: BUYER NO.: 14																
CARRIER: BRANCON 1 CALGARY PICK UP (101)		MINIMUM BUY: 15																
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89. A copy of the email with the attached SEDCC purchase order is attached at **Exhibit X**.

90. While I still receive emails from IT professionals via their Wallace & Carey emails, I understand that they are no longer Wallace & Carey employees but SEDCC employees. As an example, **Exhibit Y** is an email I received from Cliff Harrison. Cliff Harrison worked at Wallace & Carey in IT for many years. I routinely interacted with him and still do to this day. While he sends emails from his Wallace & Carey account, his e-mail signature shows that he works for SEDCC:

Cliff Harrison | I.T. Manager – Enterprise Systems

7-Eleven Distribution Canada Corp.

Office Phone: 403-730-2247

E-Mail: harrisonc@sedcc.ca

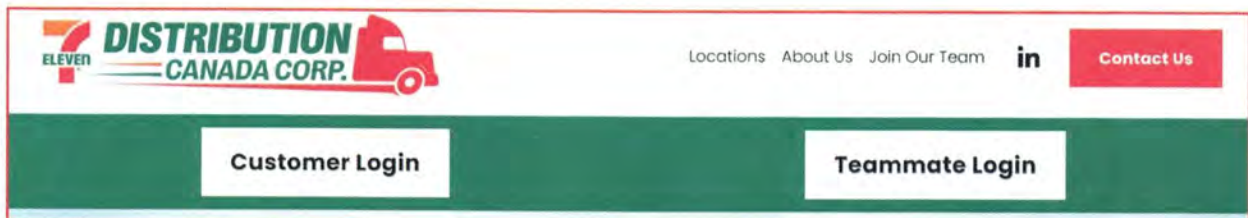
5445 – 8 ST. NE Calgary | Alberta | T2K 5R9



91. By way of another example, on September 5, 2025, I received an "out of office" automatic email reply from Mr. Harrison, which directs people to contact "openticket@sedcc.ca" for urgent matters in his absence. A copy of this email is attached as **Exhibit Z**.

92. **Exhibit AA** is a copy of Mr. Harrison's LinkedIn profile, which shows that he started at SEDCC as of January 2025.

93. On October 5, 2025, I also discovered that the SEDCC website (www.sedcc.ca), although "Under Construction", is very similar to the Wallace & Carey website. There have also been changes made to the Wallace & Carey website (www.wacl.com), such that customers can no longer login. Rather, the login has moved to the SEDCC website:



94. I attach at **Exhibit AB**, PDF print outs of the main pages of the website that I instructed BD&P to take.

Objections to further TSA extension

95. I understand that 7-Eleven's position is no longer that the ARIO / the CCAA Stay requires Digiflex to continue to provide access to the Digiflex ERP Software, but rather it is the TSA. I understand that SEDCC believes that the TSA gives it the right to use the Digiflex ERP Software and requires Digiflex to continue to provide maintenance services and helpdesk services. SEDCC recently applied to the Court for extensions to the TSA, which were granted, first to September 30, 2025 (related to an application that was held on August 18, 2025), and then to February 15, 2026 (related to an application that was held on September 19, 2025). For both extensions, I personally appeared before the Court and provided written submissions as to why the TSA should not be extended. The copy of my submissions related to the August 18th application is attached as **Exhibit AC**, and the copy of my submissions related to the September 19th application is attached as **Exhibit AD**.

96. At the September 19th hearing, I was granted leave to bring an application to terminate the TSA or to otherwise commence proceedings against 7-Eleven, provided that I retain a lawyer. A copy of the Order is attached as **Exhibit AE**.

SEDCC's Conduct Has Caused Digiflex and Myself Harm

97. SEDCC's actions have caused Digiflex and myself harm in more ways than one. I describe them below.

Digiflex has lived in uncertainty for the past year and continues to do so

98. Digiflex has been in a constant state of uncertainty since it discovered that 7-Eleven has been in the picture. 7-Eleven keeps extending the time that it needs to have access to the Digiflex ERP Software. For example, when I first heard about the "new distribution company", Ms. Miller indicated that it would



only be using the Digiflex ERP Software until March 2025, with a possible extension to June 2025.¹ It is now November 2025, and 7-Eleven continues to ask for extensions to use the Digiflex ERP Software.

99. I am not surprised that 7-Eleven has required more time to transition to a new ERP system. Moving from one ERP system to another can be a difficult task, especially involving distribution companies, and timelines for such projects routinely get extended.

100. I experienced this firsthand when I was with Associated Grocers, who was subsequently acquired by Overwaitea Food Group. At the time of the acquisition, Associated Grocers was using the Digiflex ERP Software, and Overwaitea wanted to implement a new ERP system for both companies. To do so, Overwaitea spent around \$1,000,000 on a new license and spent over \$13 million in implementation, trying to make the new system work, but ultimately walked away after three years of trying. When the project failed, Overwaitea offered me the CIO position, since I had personally warned Overwaitea management that the project would most likely not work.


101. Another well-known story of an ERP transition gone wrong in the distribution business was when SAP could not get its software to work for Sobeys, after trying for more than two years and spending millions of dollars (reports range between \$50 and \$89.1 million). I attach articles from CBC News and Channel Daily News related to this at **Exhibit AF**.

102. In fact, when I first learnt about SEDCC's takeover and its plan to move to a new ERP system, I raised the ERP implementation issue with Patrick Carey and David Morgan. On September 9, 2024, at 12:29 PM, I emailed them and stated:

2. Rushing through implementation of another software will have a high chance of failure, as is very common with ERP implementations. Such a possible failure can be very costly, and certainly much more costly than our license and minimal implementation costs.²

¹ Email from Ms. Miller dated July 4, 2024 at 10:03 AM, as shown in Exhibit F.

² Email from myself to Mr. Carey and Mr. Morgan dated September 9, 2024 at 12:29 PM, as shown in Exhibit G.




103. I have had no insight into SEDCC's new ERP implementation progress, but each time 7-Eleven asks for another extension from the Court, Digiflex is forced to spend time, effort, and now legal fees, to raise its rights.

Prejudice to my own life's work

104. This CCAA proceeding has caused me immense stress and it was a very sad way to end Digiflex's relationship with Wallace & Carey. I am incredibly proud of the Digiflex ERP Software that I built which has helped many companies achieve success over the years. To see it essentially be stolen from under me has been shocking.

105. I do not understand why 7-Eleven continues to refuse to pay for the Digiflex ERP Software that it has admitted is so crucial to its business. While I understand that 7-Eleven does not want to use the Digiflex ERP Software over the long term, they are still using the software now without a license and have been for the last two years.

106. The only reason 7-Eleven has been able to gain access to the Digiflex ERP Software without paying for a license is because it bought Wallace & Carey's physical assets in Alberta and British Columbia, which I assume would have included Wallace & Carey's servers that have been installed with the Digiflex ERP Software, and the Wallace & Carey personal computers that use the Digiflex ERP Software. While I have the ability to turn off 7-Eleven's access to the Digiflex ERP Software, I have not done so due to the Monitor's representations that Wallace & Carey was carrying on business in the ordinary course, and threats that there are legal orders in place that prevent me from doing so. I am thus urging this Court for an Order that makes clear that Digiflex has no obligation to provide 7-Eleven access to the Digiflex ERP Software or provide any further services related to the software, without 7-Eleven entering a license and paying our outstanding invoices. I ask that an Order be issued as soon as possible.



107. If 7-Eleven enters a license and pays our outstanding fees, Digiflex would be happy to support 7-Eleven moving forward. Digiflex would be pleased to discuss additional projects that could benefit 7-Eleven, including hiring more Digiflex staff, and completing the ProCLASS upgrade to Windows and standard modern servers. I would also be happy to assist with 7-Eleven's transfer from the Digiflex ERP Software to SEDCC's new proposed ERP provider.

108. The deponent was not physically present before the commissioner but was linked with the commissioner utilizing video technology, and the process for remote commissioning of affidavits was utilized as described in the March 25, 2020 *Notice to the Profession and Public: Remote Commissioning of Affidavits for use in Civil and Family Proceedings during the COVID-19 Pandemic*.

AFFIRMED BEFORE ME BY VIDEO)
 CONFERENCE at the City of Calgary, in the)
 Province of Alberta, this 14th day of November,)
 2025.)
)
)

 A Commissioner for Oaths in and for the Province
 of Alberta.



Mohamad Mardukhi



This is Exhibit "A", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.

A Commissioner of Oaths in and for
the Province of Alberta





Droit d'auteur

CERTIFICATION

Copyright

CERTIFICATION

*Le (la) sousignée certifie par la présente
que les documents ci-joints sont des
copies authentiques de ce qui suit:*

*The undersigned hereby certifies that the
attached documents are true copies of:*

Agent certificateur
Certifying officer

*Certificat d'enregistrement du droit d'auteur
no. 474852 tel qu'enregistré le 19 janvier
1999.*

*Certificate of registration of copyright no.
474852 as registered on January 19,
1999.*

Émis / Issued
6 nov/Nov 2025



Droit d'auteur

CERTIFICAT D'ENREGISTREMENT

474852

Numéro d'enregistrement
Registration number

*Ce certificat d'enregistrement est émis
conformément aux articles 49 et 53 de la
Loi sur le droit d'auteur. Le droit d'auteur sur
l'oeuvre a été enregistré à la date
d'enregistrement et selon les détails indiqués
dans les présentes.*

*This Certificate of Registration is issued
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Copyright Act. The copyright in the work
was registered on the date of registration
and as detailed herein.*

Membre du personnel du bureau du commissaire aux brevets
Officer of the Office of the Commissioner of Patents

Copyright

CERTIFICATE OF REGISTRATION

Date d'enregistrement /
Date of registration
19 JANV / JAN 1999

Titre /
Title
PROCLASS DISTRIBUTION MANAGEMENT
SYSTEM

Catégorie /
Category
LITTÉRAIRE / LITERARY

Titulaire(s) /
Owner(s)
MOHAMAD Z. MARDUKHI
903 DUBLIN STREET
NEW WESTMINSTER, BRITISH COLUMBIA
CANADA, V3M 2Y5

Auteur(s) /
Author(s)
MOHAMAD Z. MARDUKHI

DAVID SILLS

BOH WON

KIM LUONG

TUAN HUYNH

DOUGLAS MASON

HUNG PHAM

KHANH LAM

LILI VU

VARSHA WANI

Canada



Droit d'auteur

CERTIFICAT D'ENREGISTREMENT

Copyright

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Numéro d'enregistrement
Registration number

STEVE HOCEVAR

Première publication /
First publication
22 JUIN / JUN 1989

Lieu de première publication /
Place of first publication
CALGARY, ALBERTA, CANADA

Date d'émission /
Date of issuance
06 NOV / NOV 2025

Canada

mtj



Droit d'auteur

CERTIFICATION

Copyright

CERTIFICATION

*Le (la) sousignée certifie par la présente
que les documents ci-joints sont des
copies authentiques de ce qui suit:*

*The undersigned hereby certifies that the
attached documents are true copies of:*

Agent certificateur
Certifying officer

*Certificat d'enregistrement du droit d'auteur
no. 474853 tel qu'enregistré le 19 janvier
1999.*

*Certificate of registration of copyright no.
474853 as registered on January 19,
1999.*

Émis / Issued
7 nov/Nov 2025



Droit d'auteur

CERTIFICAT D'ENREGISTREMENT

Copyright

CERTIFICATE OF REGISTRATION

474853

Numéro d'enregistrement
Registration number

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conformément aux articles 49 et 53 de la
Loi sur le droit d'auteur. Le droit d'auteur sur
l'oeuvre a été enregistré à la date
d'enregistrement et selon les détails indiqués
dans les présentes.*

*This Certificate of Registration is issued
pursuant to sections 49 and 53 of the
Copyright Act. The copyright in the work
was registered on the date of registration
and as detailed herein.*

Membre du personnel du bureau du commissaire aux brevets
Officer of the Office of the Commissioner of Patents

Date d'enregistrement /
Date of registration
19 JANV / JAN 1999

Titre /
Title
CLASS ACCOUNTS RECEIVABLE

Catégorie /
Category
LITTÉRAIRE / LITERARY

Titulaire(s) /
Owner(s)
MOHAMAD Z. MARDUKHI
903 DUBLIN STREET
NEW WESTMINSTER, BRITISH COLUMBIA
CANADA, V3M 2Y5

Auteur(s) /
Author(s)
MOHAMAD Z. MARDUKHI

KEITH RAE

DOUGLAS MASON

BOH WON

VARSHA WANI

STEVE HOCEVAR

Première publication /
First publication
17 JUIL / JUL 1989

Lieu de première publication /
Place of first publication
CALGARY, ALBERTA, CANADA

Canada



Droit d'auteur

CERTIFICAT D'ENREGISTREMENT



Copyright

CERTIFICATE OF REGISTRATION

07 NOV 2025
Date of issuance

474853

Numéro d'enregistrement
Registration number

Canada



Droit d'auteur

CERTIFICATION

Copyright

CERTIFICATION

*Le (la) sousignée certifie par la présente
que les documents ci-joints sont des
copies authentiques de ce qui suit:*

*The undersigned hereby certifies that the
attached documents are true copies of:*

Agent certificateur
Certifying officer

*Certificat d'enregistrement du droit d'auteur
no. 474854 tel qu'enregistré le 19 janvier
1999.*

*Certificate of registration of copyright no.
474854 as registered on January 19,
1999.*

Émis / Issued
7 nov/Nov 2025



Droit d'auteur

CERTIFICAT D'ENREGISTREMENT

Copyright

CERTIFICATE OF REGISTRATION

474854

Numéro d'enregistrement
Registration number

*Ce certificat d'enregistrement est émis
conformément aux articles 49 et 53 de la
Loi sur le droit d'auteur. Le droit d'auteur sur
l'oeuvre a été enregistré à la date
d'enregistrement et selon les détails indiqués
dans les présentes.*

*This Certificate of Registration is issued
pursuant to sections 49 and 53 of the
Copyright Act. The copyright in the work
was registered on the date of registration
and as detailed herein.*

Membre du personnel du bureau du commissaire aux brevets
Officer of the Office of the Commissioner of Patents

Date d'enregistrement /
Date of registration
19 JANV / JAN 1999

Titre /
Title
CLASS ACCOUNTS PAYABLE

Catégorie /
Category
LITTÉRAIRE / LITERARY

Titulaire(s) /
Owner(s)
MOHAMAD Z. MARDUKHI
903 DUBLIN STREET
NEW WESTMINSTER, BRITISH COLUMBIA
CANADA, V3M 2Y5

Auteur(s) /
Author(s)
MOHAMAD Z. MARDUKHI

DAVID SILLS

KIM LUONG

BOB MARSHAL

JIM MALYK

Première publication /
First publication
17 JUIL / JUL 1989

Lieu de première publication /
Place of first publication
CALGARY, ALBERTA, CANADA

Canada



Droit d'auteur

CERTIFICAT D'ENREGISTREMENT

Copyright

CERTIFICATE OF REGISTRATION

07 NOV 2025
Date of issuance

474854

Numéro d'enregistrement
Registration number

Canada



Droit d'auteur

CERTIFICATION

Copyright

CERTIFICATION

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que les documents ci-joints sont des
copies authentiques de ce qui suit:*

*The undersigned hereby certifies that the
attached documents are true copies of:*

Agent certificateur
Certifying officer

*Certificat d'enregistrement du droit d'auteur
no. 474857 tel qu'enregistré le 19 janvier
1999.*

*Certificate of registration of copyright no.
474857 as registered on January 19,
1999.*

Émis / Issued
7 nov/Nov 2025





Droit d'auteur

CERTIFICAT D'ENREGISTREMENT

Copyright

CERTIFICATE OF REGISTRATION

474857

Numéro d'enregistrement
Registration number

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d'enregistrement et selon les détails indiqués
dans les présentes.*

*This Certificate of Registration is issued
pursuant to sections 49 and 53 of the
Copyright Act. The copyright in the work
was registered on the date of registration
and as detailed herein.*

Membre du personnel du bureau du commissaire aux brevets
Officer of the Office of the Commissioner of Patents

Date d'enregistrement /
Date of registration
19 JANV / JAN 1999

Titre /
Title
CLASS GENERAL LEDGER

Catégorie /
Category
LITTÉRAIRE / LITERARY

Titulaire(s) /
Owner(s)
MOHAMAD Z. MARDUKHI
903 DUBLIN STREET
NEW WESTMINSTER, BRITISH COLUMBIA
CANADA, V3M 2Y5

Auteur(s) /
Author(s)
MOHAMAD Z. MARDUKHI

DOUGLAS MASON

KEITH RAE

TUAN HUYNH

Première publication /
First publication
17 JUIL / JUL 1989

Lieu de première publication /
Place of first publication
CALGARY, ALBERTA, CANADA

Date d'émission /
Date of issuance
07 NOV / NOV 2025

Canada



Droit d'auteur

CERTIFICATION

Copyright

CERTIFICATION

*Le (la) soussignée certifie par la présente
que les documents ci-joints sont des
copies authentiques de ce qui suit:*

*The undersigned hereby certifies that the
attached documents are true copies of:*

Agent certificateur
Certifying officer

*Certificat d'enregistrement du droit d'auteur
no. 474858 tel qu'enregistré le 19 janvier
1999.*

*Certificate of registration of copyright no.
474858 as registered on January 19,
1999.*

Émis / Issued
7 nov/Nov 2025



Droit d'auteur

CERTIFICAT D'ENREGISTREMENT

Copyright

CERTIFICATE OF REGISTRATION

474858

Numéro d'enregistrement
Registration number

*Ce certificat d'enregistrement est émis
conformément aux articles 49 et 53 de la
Loi sur le droit d'auteur. Le droit d'auteur sur
l'oeuvre a été enregistré à la date
d'enregistrement et selon les détails indiqués
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and as detailed herein.*

Membre du personnel du bureau du commissaire aux brevets
Officer of the Office of the Commissioner of Patents

Date d'enregistrement /
Date of registration
19 JANV / JAN 1999

Titre /
Title
LAZER DBMS

Catégorie /
Category
LITTÉRAIRE / LITERARY

Titulaire(s) /
Owner(s)
MOHAMAD Z. MARDUKHI
903 DUBLIN STREET
NEW WESTMINSTER, BRITISH COLUMBIA
CANADA, V3M 2Y5

Auteur(s) /
Author(s)
MOHAMAD Z. MARDUKHI

Première publication /
First publication
1 MAI / MAY 1984

Lieu de première publication /
Place of first publication
CALGARY, ALBERTA, CANADA

Date d'émission /
Date of issuance
07 NOV / NOV 2025

Canada

This is Exhibit "**B**", referred to in the Affidavit of
Mohamad Mardukhi, affirmed before me by
video conference on the 14th day of November ,
2025.

A Commissioner of Oaths in and for
the Province of Alberta



**SOFTWARE LICENSE AGREEMENT**

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Wallace & Carey Inc.
(hereinafter "Customer")

THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

1. **PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	ProCLASS Distribution Management System	AlphaServer DS20E Serial#	OpenVMS V6.2 or higher
1	Runtime Version of LAZER DBMS	AlphaServer DS20E Serial#	OpenVMS V6.2 or higher
1	NEXUS Communications	AlphaServer DS20E Serial#	OpenVMS V6.2 or higher

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2. GRANT OF LICENSE TO USE.

A. Digiflex hereby grants to Customer a non-transferable, non-exclusive, perpetual License, one (1) copy of a machine executable version of the Software together with the Supporting Documentation under the terms expressed herein, effective on the date this Agreement has been executed by both parties. The Software may, if the Designated Equipment is inoperable, be temporarily transferred to a suitable and compatible backup computer having the same operating system(s) specified in Table 1 provided that Customer shall first give written notice to Digiflex setting out the particulars of the backup computer and indicating the date by which Customer expects the Designated Equipment to be operable.

B. Customer may substitute a different computer system owned or leased by the Customer as the designated computer system hereunder provided prior written notice, specifying the model and serial number of the proposed substitute system, is given to Digiflex. Provided any new substitute system is a compatible system for the Software, Digiflex will provide one (1) machine executable version of the Package to Customer at the Designated Location within ten (10) days of written notice to Digiflex by the Customer setting out the particulars of the substitute computer and indicating the date by which Customer expects the designated equipment to be operable.

3. **TERMS OF LICENSE AGREEMENT.** This License Agreement shall commence upon its execution by the last of the parties to sign.

4. **LICENSE TO USE FEE.** The Customer shall pay to Digiflex a total of \$280,000.00 (*Two hundred and eighty thousand dollars*) for an unlimited-use License to Use Agreement. The initial payment of \$70,000.00 (*Seventy thousand dollars*) shall be made to Digiflex upon signing this agreement, and the remaining balance of \$210,000.00 (*two hundred & ten thousand*), at 3% financing, is payable over a two year period at \$9,026.05 monthly in advance, commencing upon contract signing.

This unlimited License shall apply to the current Customer's business. New business acquisitions or startups are not covered under this unlimited use License.

5. **LICENSE TERMINATION.** If Customer breaches any of its obligations hereunder, or if the Customer becomes insolvent, files a petition in bankruptcy, or has filed against it an involuntary petition in bankruptcy, or has a receiver appointed over all or substantially all of its assets, then Digiflex may, at its option, if there are

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any amounts owing by Customer to Digiflex, immediately terminate the License To Use granted hereunder upon written notice to Customer. In case of receivership or bankruptcy the License To Use shall be continued provided the Receiver or Trustee in Bankruptcy assumes all of the Customer's obligations under this agreement. If the License To Use is so terminated, all the License fees paid hereunder will be deemed to have been paid for the use of the Package during the time it was in Customer's possession and Customer shall not be entitled to a refund of any portion of the License To Use fee. In addition, in the event of a breach by Customer of any of its obligations hereunder, Digiflex shall be entitled to seek equitable relief, including by way of injunction, to protect its interests herein, it being acknowledged by the Customer that Digiflex would suffer irreparable harm by any such breach and that damages would not be an adequate remedy.

In the event that Digiflex breaches any of its obligations, or if Digiflex becomes insolvent, or files a petition in bankruptcy, then the Customer may, at its option terminate the License To Use granted hereunder upon written notice to Digiflex.

In the event of a termination of the License hereunder, the Package and all copies thereof shall forthwith be returned to Digiflex or, at Digiflex's option, destroyed or erased from electronic memories or other storage devices and thereafter Customer shall deliver to Digiflex a letter, from an officer of the Customer, certifying that all copies of the Software and any code or listings produced by the Software have been destroyed, returned or erased and that the Customer has discontinued use of the Package.

6. **TAXES.** All prices mentioned in this Agreement are EXCLUSIVE of Provincial, Federal, and other taxes.
7. **TRAINING.** Instruction and training in the use of the Software on the Designated Equipment will be available on a time and materials basis, based on Digiflex's standard per diem rates then in effect in accordance with those outlined in Schedule B - Rate Schedule.
8. **SOFTWARE MODIFICATIONS.** In the event the Customer wishes to pursue modifications, enhancements or improvements to the Software other than those included under the terms of this Agreement, Digiflex would provide a cost estimate to the Customer. Work would commence upon acceptance of the Scope of Work and Price by Customer. All such modifications, enhancements and improvements shall be the property of Digiflex.

A handwritten signature in blue ink, located in the bottom right corner of the page. The signature is stylized and appears to be a first name followed by a last name.

9. **PRICING CHANGES.** All rates specified in this agreement and any attachments, schedules, or enhancements are guaranteed for the initial 12 months of the term of this Agreement. Thereafter, Digiflex may increase such fees or charges by notifying Customer in writing at least thirty (30) days prior to the effective date of increase. Customer agrees that said notifications, or copy thereof, will be considered an amendment to this Agreement. The percentage increase shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or, failing which, for the Province of Alberta or, failing which, for Canada.

10. **LIMITATION OF LIABILITY.** The Customer agrees that Digiflex's liability to Customer or any third party arising out of or in any way relating to this Agreement shall be limited to the License To Use Fee and that under no circumstances shall Digiflex be liable for any special, direct or indirect, incidental or consequential damages of any nature whatsoever, including loss of use, loss of profits, revenue or business.

Customer acknowledges that its only remedy in the event of a program error shall be to require Digiflex to use best efforts to correct same and that Digiflex shall not be liable for any damages resulting from the occurrence of a program error however caused.

Except as expressly stated herein, Digiflex makes no warranties, express or implied, concerning the Package, and expressly disclaims and excludes any warranties of merchantability or fitness for a particular purpose.

11. **CONFIDENTIALITY.** Each party acknowledges that all material and information which has or will come into its possession or knowledge in connection with this Agreement or in the performance hereof, and in particular the terms and conditions of this agreement, consists of confidential and proprietary data, whose disclosure to or use by third parties will be damaging. Both parties, therefore, agree to hold such material and information in strictest confidence, not to make use thereof other than for the performance of this Agreement, to release it only to employees who need to know such information in the course of their employment, and not to release or disclose it to any other party. The obligation of both parties under this paragraph shall continue during and after the term of this License To Use agreement.

Neither Digiflex, nor Customer shall approach any employee of the other to provide employment services or consulting services to the other. This restriction shall continue for a period of one year after completion of the project. The company,

which presently employs these individuals, may forego this restrictive covenant in writing by the approval of an officer of the company.

12. **PROPRIETARY RIGHTS, TRADE SECRETS AND TITLE.** Customer hereby acknowledges that the Package, any copies thereof and any updates, enhancements or modifications thereof, in whole or in part, and all copyright, patent, trade secret and other intellectual property and proprietary rights (collectively, "Proprietary Rights") therein, are and remain the valuable property of Digiflex. Customer agrees to communicate to any user of the Package Digiflex's Proprietary Rights by instruction, agreement or notice including but not limited to incorporating and maintaining Digiflex's copyright notice and proprietary warning on each copy of the Package. Customer acknowledges that the existence of any such copyright notice or proprietary warning shall not be construed as an admission or presumption of the publication of the Package. Notwithstanding anything else contained in this Agreement, Customer shall not be entitled to copy all or any part of the Supporting Documentation without Digiflex's prior consent, which consent may be arbitrarily withheld.
13. **GOVERNING LAW.** This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta, Canada.
14. **ENTIRE AGREEMENT.** This Agreement and attached Schedules including: Schedule A - Maintenance; Schedule B - Rate Schedule form part of this agreement and contain the entire Agreement between Customer and Digiflex herein of this date and supersedes all prior agreements, negotiations, representations and proposals, written and oral. Customer acknowledges and agrees that no agent, employee or other representative of Digiflex has authority to bind Digiflex to any obligation relating hereto not specifically set forth herein.
15. **ASSIGNABILITY.** This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party shall assign its rights under this Agreement without first obtaining the written consent of the other, such consent not to be unreasonably withheld.
16. **AUTHORITY.** Each party has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each has been properly authorized and empowered to enter into this Agreement. Each party further acknowledges that it has read the Agreement, understands it, and agrees that the Agreement is binding upon the parties hereof, their successors and assigns.

A handwritten signature in blue ink, located in the bottom right corner of the page. The signature is stylized and appears to be a combination of letters, possibly "M" and "J".



17. **NOTICE.** Any notice, request, demand, consent or other communication provided or permitted hereunder shall be in writing and given by personal delivery or sent by double registered mail or transmitted by telex, telegram, or facsimile, addressed to the party for which it is intended, addressed as follows:

If to Customer:

Wallace & Carey Inc.
5445 - 8th Street N.E.
P.O. Bag 3959 STN. "B"
Calgary, Alberta, Canada T2M 4M5

If to Digiflex:

Digiflex Information Systems Inc.
Suite 104, 7710 - 5th Street S.E.
Calgary, Alberta, Canada T2H 2L9

provided, however, that any party may change its address for purposes of receipt of any such communication by giving ten (10) days prior written notice of such change to the other party in the manner proscribed above. Any notice so given shall be deemed to have been received on the date on which it was delivered or transmitted by telex, telegram or facsimile or if double registered mail, on the date of authorized receipt.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this 9th day of March in the year of 2000.
in the presence of:

Wallace & Carey Inc.
5445 - 8th Street N.E.
P.O. Bag 3959 STN. "B"
Calgary, Alberta, Canada T2M 4M5

T. M. HEYWOOD
Name

CFO
Title

March 9, 2000
Date

T. M. Heywood
Authorized Signatory

Digiflex Information Systems Inc.
Suite 104, 7710 - 5th Street S.E.
Calgary, Alberta, Canada T2H 2L9

MOHAMAD MARDUHKI
Name

PRESIDENT
Title

MARCH 9, 2000
Date

Authorized Signatory

Handwritten signature

MAINTENANCE AGREEMENT

1. **DEFINITIONS.** In this Maintenance Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms, words and expressions shall have the meanings ascribed to them as follows:
 - A. “New Module” means a module, program, modification or enhancement, other than an Update, development by Digiflex and which, in Digiflex’s opinion, is substantially different from the Software or any module or application thereof and which Digiflex sells or proposes to sell to third parties;
 - B. “Update” means an update, error correction, modification or enhancement of or in respect of the Software and includes a complete rewritten version or release of the Software.
2. **AGREEMENT.** Upon the terms and subject to the conditions herein set forth, Digiflex agrees to provide to Customer and Customer agrees to accept the Maintenance Services. The term of this Maintenance Agreement shall begin upon installation of ProCLASS into a production environment. However that this Maintenance Agreement will be automatically renewed for successive one year terms upon terms to be agreed upon by the parties at the time of renewal unless notice of termination in writing is given by either party to the other at least thirty (30) days prior to the expiration of the term hereof or any renewal in which case this Maintenance Agreement shall terminate at the end of such term or renewal.
3. **CHARGES.** The customer shall pay an annual maintenance fee for services commencing upon installation of ProCLASS into a production environment. The maintenance fee shall be \$84,000.00 for 2 years paid in advance. Additional Maintenance fees of 25%, of the annual maintenance fee, will apply in the event that ProCLASS is installed in multiple branches on additional Server Systems.
4. **MAINTENANCE SERVICES**
 - A. Digiflex shall provide the following services during the term hereof:
 - i) Operating System Compatibility. Customer agrees to accept, implement and install all Updates provided to Customer under subparagraph (ii), as well as the same release or version of the operating system software issued by the manufacturer of the

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Designated Equipment (meaning the computer hardware designated in the Software License To Use Agreement) in connection therewith as may be installed by Digiflex on its corresponding computer equipment. Digiflex's obligation to provide Maintenance Services shall terminate without notice to Customer if Customer shall fail to install the same release, or two previous updates, of the operating system as Digiflex shall have installed on its system, or if Customer shall install a more recent release of the operating system than Digiflex shall have installed.

- ii) Updates. Digiflex shall provide to Customer any Updates for the Software when such Updates are developed or published by Digiflex and made generally available to other licensees of the Software at no additional cost. Any New Modules developed or published by Digiflex will be offered to Customer at Digiflex's then current rates. All Updates shall become part of the Software, and Digiflex shall be free to offer these Updates to other persons. The determination of whether a New Module will be made generally available to licensees at no additional cost or will be made available only for an additional cost is the sole and exclusive right of Digiflex.

Any changes to program logic made under this Maintenance Agreement and which are to be provided to Customer shall be provided on a machine-readable medium specified by Customer. Customer shall pay the cost of any such media (including shipping charges) provided by Digiflex, in addition to any other charges required to be paid under this Maintenance Agreement.

Digiflex shall not remove any functionality from the Software if the said functionality is being used by the Customer.

Subject to paragraph (e) below, Digiflex shall be responsible for its out-of-pocket costs in correcting a Software error at Customer's premises.

- iii) Hotline Service. Digiflex shall provide Customer remote telephone access to Digiflex personnel on a 7 x 24 basis with respect to use of the Software. In providing such service, Digiflex will respond to a request from Customer, but not necessarily correct any error, within four (4) business hours of Customer's request.

A handwritten signature in blue ink, located in the bottom right corner of the page.



- B. Digiflex representatives will have full access to the Software in order to effect the necessary Maintenance Services, and for these purposes Customer shall be responsible for providing all necessary ports, dial-in lines and compatible media at Customer's site and cost, and allow physical access to the Customer's site when required to perform maintenance On-Site.
- C. Digiflex makes no express or implied warranties, including any with respect to merchantability and fitness for a particular purpose, with respect to the Maintenance Services. Digiflex does not represent or warrant that the Maintenance Services will be capable of achieving any particular result or results in the business or operations of Customer, or that the operation of the Software will be uninterrupted, or that all programming errors can be found in order to be corrected; however, Digiflex will use its best efforts to attempt to identify and correct such errors including, if appropriate in the circumstances, sending qualified personnel to Customer's business premises. In no event shall Digiflex be liable to Customer in damages, nor shall Digiflex be liable for damages in respect of special, incidental, indirect or consequential loss or lost profits, even if Digiflex has been advised of the possibility of such damages.
- D. Customer agrees to read and be familiar with all Supporting Documentation provided by Digiflex with or in connection with the Software, and agrees to ensure that its users have sufficient operating knowledge of the Software. Customer acknowledges that there is no obligation on the part of Digiflex, except to the extent specifically set out herein, in the Software License To Use Agreement, or otherwise agreed in writing by Digiflex, to provide any training or instruction to Customer or its employees with respect to the Software.
- E. Notwithstanding anything herein contained, if Digiflex determines in good faith in the course of performing any Maintenance Services that an error, problem or question raised by Customer in connection with the Software is a direct result of input of incorrect data or command by Customer, Customer shall reimburse Digiflex for its expenses in responding to Customer's inquiry and shall pay Digiflex a fee calculated at Digiflex's then current rates for such services.
5. **MAINTENANCE CHARGES.** The annual rate for Maintenance Charges shall be firm for the period of this Agreement. Subsequent annual Maintenance Charge renewals, as provided under paragraph 3, may be increased or decreased by Digiflex providing that Digiflex has given Customer written notice of such increase or

A handwritten signature in blue ink, appearing to be "mky", is located in the bottom right corner of the page.



decrease not less than thirty (30) days prior to the end of the then current term of the Maintenance Agreement. The percentage increase, if any, in annual Maintenance Charges over those for the preceding year shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or failing which, for the Province of Alberta, or failing which, for Canada.

In the event that Digiflex should breach the terms of this Maintenance Agreement, such breach not to be correct following thirty (30) days notice of such by Customer, Digiflex shall return to Customer fees paid annually in advance for Maintenance Services, calculated on a pro-rated basis.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this March 9th day of in the year of 2000.
In the presence of:

Wallace & Carey Inc.
5445 – 8th Street N.E.
P.O. Bag 3959 STN. "B"
Calgary, Alberta, Canada T2M 4M5

T. M. HEYWOOD

Name

CFO

Title

March 9, 2000

Date

T. M. Heywood
Authorized Signatory

Digiflex Information Systems Inc.
Suite 104, 7710 – 5th Street S.E.
Calgary, Alberta, Canada T2H 2L9

MOHAMAD MARDUHKI

Name

PRESIDENT

Title

MARCH 9, 2000

Date

M. Marduhki
Authorized Signatory

Handwritten signature/initials

RATE SCHEDULE**1. RATES**

The rates will be based upon the following table of Digiflex employee position. Digiflex rates are subject to an annual review.

Table B-1

	Hourly	Daily
Analysis & Design	\$145.00	\$1087.50
Project Management	\$145.00	\$1087.50
Programming	\$115.00	\$862.50
Technical Support	\$115.00	\$862.50
Training and Installation	\$90.00	\$675.00

2. MINIMUM ON-SITE RATE

Minimum On-Site Rate within the City of Calgary shall be 4 hours based on the hourly rate schedule as specified in Table B-1. The Minimum On-Site Rate outside the City of Calgary shall be 1 day based on the daily rate schedule as specified in Table B-1.

In the event of traveling being required by Digiflex employees to Customer locations outside of Calgary, Alberta, the Customer shall pay all reasonable expenses incurred by Digiflex employees. This is separate from Rates specified in Table B-1.

3. MINIMUM OFF-SITE RATE.

Minimum Off-Site Rate shall be 2 hours based on the hourly rate schedule as specified in Table B-1.

A handwritten signature in blue ink, located in the bottom right corner of the page.



Digiflex agrees not to license the Software, as specified in the Software License to Use Agreement, for a period of one year from this contract date, to any of the following organizations provided by Customer, and listed as follows, with addresses of main offices:

1. *Coremark International*

2. *Kohl & Frisch*

mt

This is Exhibit "C", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



**SOFTWARE LICENSE AGREEMENT**

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Wallace & Carey Inc.
(hereinafter "Customer")

THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

1. **PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	CLASS Accounts Receivable	AlphaServer 4500	OpenVMS V6.2 or higher
1	CLASS Accounts Payable	AlphaServer 4500	OpenVMS V6.2 or higher
1	CLASS General Ledger	AlphaServer 4500	OpenVMS V6.2 or higher

A handwritten signature in blue ink, located in the bottom right corner of the page.

2. GRANT OF LICENSE TO USE.

A. Digiflex hereby grants to Customer a non-transferable, non-exclusive, perpetual License, one (1) copy of a machine executable version of the Software together with the Supporting Documentation under the terms expressed herein, effective on the date this Agreement has been executed by both parties. The Software may, if the Designated Equipment is inoperable, be temporarily transferred to a suitable and compatible backup computer having the same operating system(s) specified in Table 1 provided that Customer shall first give written notice to Digiflex setting out the particulars of the backup computer and indicating the date by which Customer expects the Designated Equipment to be operable.

B. Customer may substitute a different computer system owned or leased by the Customer as the designated computer system hereunder provided prior written notice, specifying the model and serial number of the proposed substitute system, is given to Digiflex. Provided any new substitute system is a compatible system for the Software, Digiflex will provide one (1) machine executable version of the Package to Customer at the Designated Location within ten (10) days of written notice to Digiflex by the Customer setting out the particulars of the substitute computer and indicating the date by which Customer expects the designated equipment to be operable.

3. **TERMS OF LICENSE AGREEMENT.** This License Agreement shall commence upon its execution by the last of the parties to sign.

4. **LICENSE FEE.** The Customer shall pay to Digiflex a total of \$52,500 (*fifty two thousand and five hundred dollars*) for an unlimited-use License Agreement for each Package. Total license fee for the three Packages will be \$157,500 and each Package license fee will be paid at the start of the Package implementation project.

This unlimited License shall apply to the current Customer's business. New business acquisitions or startups are not covered under this unlimited use License.

5. **LICENSE TERMINATION.** If Customer breaches any of its obligations hereunder, or if the Customer becomes insolvent, files a petition in bankruptcy, or has filed against it an involuntary petition in bankruptcy, or has a receiver appointed over all or substantially all of its assets, then Digiflex may, at its option, if there are any amounts owing by Customer to Digiflex, immediately terminate the License To Use granted hereunder upon written notice to Customer. In case of receivership or bankruptcy the License To Use shall be continued provided the Receiver or Trustee

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in Bankruptcy assumes all of the Customer's obligations under this agreement. If the License To Use is so terminated, all the License fees paid hereunder will be deemed to have been paid for the use of the Package during the time it was in Customer's possession and Customer shall not be entitled to a refund of any portion of the License To Use fee. In addition, in the event of a breach by Customer of any of its obligations hereunder, Digiflex shall be entitled to seek equitable relief, including by way of injunction, to protect its interests herein, it being acknowledged by the Customer that Digiflex would suffer irreparable harm by any such breach and that damages would not be an adequate remedy.

In the event that Digiflex breaches any of its obligations, or if Digiflex becomes insolvent, or files a petition in bankruptcy, then the Customer may, at its option terminate the License To Use granted hereunder upon written notice to Digiflex.

In the event of a termination of the License hereunder, the Package and all copies thereof shall forthwith be returned to Digiflex or, at Digiflex's option, destroyed or erased from electronic memories or other storage devices and thereafter Customer shall deliver to Digiflex a letter, from an officer of the Customer, certifying that all copies of the Software and any code or listings produced by the Software have been destroyed, returned or erased and that the Customer has discontinued use of the Package.

6. **TAXES.** All prices mentioned in this Agreement are EXCLUSIVE of Provincial, Federal, and other taxes.
7. **TRAINING.** Instruction and training in the use of the Software on the Designated Equipment will be available on a time and materials basis, based on Digiflex's standard per diem rates then in effect in accordance with those outlined in Schedule B - Rate Schedule.
8. **SOFTWARE MODIFICATIONS.** In the event the Customer wishes to pursue modifications, enhancements or improvements to the Software other than those included under the terms of this Agreement, Digiflex would provide a cost estimate to the Customer. Work would commence upon acceptance of the Scope of Work and Price by Customer. All such modifications, enhancements and improvements shall be the property of Digiflex.
9. **PRICING CHANGES.** All rates specified in this agreement and any attachments, schedules, or enhancements are guaranteed for the initial 12 months of the term of this Agreement. Thereafter, Digiflex may increase such fees or charges by notifying

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Customer in writing at least thirty (30) days prior to the effective date of increase. Customer agrees that said notifications, or copy thereof, will be considered an amendment to this Agreement. The percentage increase shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or, failing which, for the Province of Alberta or, failing which, for Canada.

- 10. LIMITATION OF LIABILITY.** The Customer agrees that Digiflex's liability to Customer or any third party arising out of or in any way relating to this Agreement shall be limited to the License To Use Fee and that under no circumstances shall Digiflex be liable for any special, direct or indirect, incidental or consequential damages of any nature whatsoever, including loss of use, loss of profits, revenue or business.

Customer acknowledges that its only remedy in the event of a program error shall be to require Digiflex to use best efforts to correct same and that Digiflex shall not be liable for any damages resulting from the occurrence of a program error however caused.

Except as expressly stated herein, Digiflex makes no warranties, express or implied, concerning the Package, and expressly disclaims and excludes any warranties of merchantability or fitness for a particular purpose.

- 11. CONFIDENTIALITY.** Each party acknowledges that all material and information, which has or will come into its possession or knowledge in connection with this Agreement or in the performance hereof, and in particular the terms and conditions of this agreement, consists of confidential and proprietary data, whose disclosure to or use by third parties will be damaging. Both parties, therefore, agree to hold such material and information in strictest confidence, not to make use thereof other than for the performance of this Agreement, to release it only to employees who need to know such information in the course of their employment, and not to release or disclose it to any other party. The obligation of both parties under this paragraph shall continue during and after the term of this License To Use agreement.

Neither Digiflex, nor Customer shall approach any employee of the other to provide employment services or consulting services to the other. This restriction shall continue for a period of one year after completion of the project. The company, which presently employs these individuals, may forego this restrictive covenant in writing by the approval of an officer of the company.

A handwritten signature in blue ink, located in the bottom right corner of the page.

- 12. PROPRIETARY RIGHTS, TRADE SECRETS AND TITLE.** Customer hereby acknowledges that the Package, any copies thereof and any updates, enhancements or modifications thereof, in whole or in part, and all copyright, patent, trade secret and other intellectual property and proprietary rights (collectively, "Proprietary Rights") therein, are and remain the valuable property of Digiflex. Customer agrees to communicate to any user of the Package Digiflex's Proprietary Rights by instruction, agreement or notice including but not limited to incorporating and maintaining Digiflex's copyright notice and proprietary warning on each copy of the Package. Customer acknowledges that the existence of any such copyright notice or proprietary warning shall not be construed as an admission or presumption of the publication of the Package. Notwithstanding anything else contained in this Agreement, Customer shall not be entitled to copy all or any part of the Supporting Documentation without Digiflex's prior consent, which consent may be arbitrarily withheld.
- 13. GOVERNING LAW.** This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta, Canada.
- 14. ENTIRE AGREEMENT.** This Agreement and attached Schedules including: Schedule A - Maintenance; Schedule B - Rate Schedule form part of this agreement and contain the entire Agreement between Customer and Digiflex herein of this date and supersedes all prior agreements, negotiations, representations and proposals, written and oral. Customer acknowledges and agrees that no agent, employee or other representative of Digiflex has authority to bind Digiflex to any obligation relating hereto not specifically set forth herein.
- 15. ASSIGNABILITY.** This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party shall assign its rights under this Agreement without first obtaining the written consent of the other, such consent not to be unreasonably withheld.
- 16. AUTHORITY.** Each party has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each has been properly authorized and empowered to enter into this Agreement. Each party further acknowledges that it has read the Agreement, understands it, and agrees that the Agreement is binding upon the parties hereof, their successors and assigns.

A handwritten signature in blue ink, located in the bottom right corner of the page.

17. NOTICE. Any notice, request, demand, consent or other communication provided or permitted hereunder shall be in writing and given by personal delivery or sent by double registered mail or transmitted by telex, telegram, or facsimile, addressed to the party for which it is intended, addressed as follows:

If to Customer:
Wallace & Carey Inc.
5445 – 8th Street N.E.
P.O. Bag 3959 STN. "B"
Calgary, Alberta, Canada T2M 4M5

If to Digiflex:
Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

provided, however, that any party may change its address for purposes of receipt of any such communication by giving ten (10) days prior written notice of such change to the other party in the manner proscribed above. Any notice so given shall be deemed to have been received on the date on which it was delivered or transmitted by telex, telegram or facsimile or if double registered mail, on the date of authorized receipt.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed
on this _____ day of _____ in the year of _____.
in the presence of:

Wallace & Carey Inc.
5445 – 8th Street N.E.
P.O. Bag 3959 STN. "B"
Calgary, Alberta, Canada T2M 4M5

TOM HEYWOOD
Name

CFO
Title

August 12, 2003
Date

[Signature]
Authorized Signatory

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

M. Z. MARDUKHI
Name

PRESIDENT
Title

JUNE 27, 2003
Date

[Signature]
Authorized Signatory

[Signature]

MAINTENANCE AGREEMENT

1. **DEFINITIONS.** In this Maintenance Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms, words and expressions shall have the meanings ascribed to them as follows:
 - A. "New Module" means a module, program, modification or enhancement, other than an Update, development by Digiflex and which, in Digiflex's opinion, is substantially different from the Software or any module or application thereof and which Digiflex sells or proposes to sell to third parties;
 - B. "Update" means an update, error correction, modification or enhancement of or in respect of the Software and includes a complete rewritten version or release of the Software.
2. **AGREEMENT.** Upon the terms and subject to the conditions herein set forth, Digiflex agrees to provide to Customer and Customer agrees to accept the Maintenance Services. The term of this Maintenance Agreement shall begin upon installation of each Package into a production environment. However that this Maintenance Agreement will be automatically renewed for successive one year terms upon terms to be agreed upon by the parties at the time of renewal unless notice of termination in writing is given by either party to the other at least thirty (30) days prior to the expiration of the term hereof or any renewal in which case this Maintenance Agreement shall terminate at the end of such term or renewal.
3. **CHARGES.** The customer shall pay an annual maintenance fee for services commencing upon installation of each Package into a production environment. The maintenance fee per Package shall be \$9,450 for one year, paid in advance. Total annual maintenance fees for the three Packages shall be \$28,350. Additional Maintenance fees will apply in the event that a Package is installed in multiple branches on additional Server Systems.
4. **MAINTENANCE SERVICES**
 - A. Digiflex shall provide the following services during the term hereof:
 - i) Operating System Compatibility. Customer agrees to accept, implement and install all Updates provided to Customer under subparagraph (ii), as well as the same release or version of the

operating system software issued by the manufacturer of the Designated Equipment (meaning the computer hardware designated in the Software License To Use Agreement) in connection therewith as may be installed by Digiflex on its corresponding computer equipment. Digiflex's obligation to provide Maintenance Services shall terminate without notice to Customer if Customer shall fail to install the same release, or two previous updates, of the operating system as Digiflex shall have installed on its system, or if Customer shall install a more recent release of the operating system than Digiflex shall have installed.

- ii) Updates. Digiflex shall provide to Customer any Updates for the Software when such Updates are developed or published by Digiflex and made generally available to other licensees of the Software at no additional cost. Any New Modules developed or published by Digiflex will be offered to Customer at Digiflex's then current rates. All Updates shall become part of the Software, and Digiflex shall be free to offer these Updates to other persons. The determination of whether a New Module will be made generally available to licensees at no additional cost or will be made available only for an additional cost is the sole and exclusive right of Digiflex.

Any changes to program logic made under this Maintenance Agreement and which are to be provided to Customer shall be provided on a machine-readable medium specified by Customer. Customer shall pay the cost of any such media (including shipping charges) provided by Digiflex, in addition to any other charges required to be paid under this Maintenance Agreement.

Digiflex shall not remove any functionality from the Software if the said functionality is being used by the Customer.

Subject to paragraph (e) below, Digiflex shall be responsible for its out-of-pocket costs in correcting a Software error at Customer's premises.

- iii) Hotline Service. Digiflex shall provide Customer remote telephone access to Digiflex personnel on a 7 x 24 basis with respect to use of the Software. In providing such service, Digiflex will respond to a request from Customer, but not necessarily



correct any error, within four (4) business hours of Customer's request.

- B. Digiflex representatives will have full access to the Software in order to effect the necessary Maintenance Services, and for these purposes Customer shall be responsible for providing all necessary ports, dial-in lines and compatible media at Customer's site and cost, and allow physical access to the Customer's site when required to perform maintenance On-Site.
- C. Digiflex makes no express or implied warranties, including any with respect to merchantability and fitness for a particular purpose, with respect to the Maintenance Services. Digiflex does not represent or warrant that the Maintenance Services will be capable of achieving any particular result or results in the business or operations of Customer, or that the operation of the Software will be uninterrupted, or that all programming errors can be found in order to be corrected; however, Digiflex will use its best efforts to attempt to identify and correct such errors including, if appropriate in the circumstances, sending qualified personnel to Customer's business premises. In no event shall Digiflex be liable to Customer in damages, nor shall Digiflex be liable for damages in respect of special, incidental, indirect or consequential loss or lost profits, even if Digiflex has been advised of the possibility of such damages.
- D. Customer agrees to read and be familiar with all Supporting Documentation provided by Digiflex with or in connection with the Software, and agrees to ensure that its users have sufficient operating knowledge of the Software. Customer acknowledges that there is no obligation on the part of Digiflex, except to the extent specifically set out herein, in the Software License To Use Agreement, or otherwise agreed in writing by Digiflex, to provide any training or instruction to Customer or its employees with respect to the Software.
- E. Notwithstanding anything herein contained, if Digiflex determines in good faith in the course of performing any Maintenance Services that an error, problem or question raised by Customer in connection with the Software is a direct result of input of incorrect data or command by Customer, Customer shall reimburse Digiflex for its expenses in responding to Customer's inquiry and shall pay Digiflex a fee calculated at Digiflex's then current rates for such services.

5. **MAINTENANCE CHARGES.** The annual rate for Maintenance Charges shall be firm for the period of this Agreement. Subsequent annual Maintenance Charge renewals, as provided under paragraph 3, may be increased or decreased by Digiflex providing that Digiflex has given Customer written notice of such increase or decrease not less than thirty (30) days prior to the end of the then current term of the Maintenance Agreement. The percentage increase, if any, in annual Maintenance Charges over those for the preceding year shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or failing which, for the Province of Alberta, or failing which, for Canada.

In the event that Digiflex should breach the terms of this Maintenance Agreement, such breach not to be correct following thirty (30) days notice of such by Customer, Digiflex shall return to Customer fees paid annually in advance for Maintenance Services, calculated on a pro-rated basis.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of in the year of _____.

In the presence of:

Wallace & Carey Inc.
5445 - 8th Street N.E.
P.O. Bag 3959 STN. "B"
Calgary, Alberta, Canada T2M 4M5

TOM HEYWOOD
Name

CFO
Title

August 12, 2003
Date

T. Heywood
Authorized Signatory

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

M. Z. MARDUKHI
Name

PRESIDENT
Title

JUNE 27, 2003
Date

M. Z. Mardukhi
Authorized Signatory

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RATE SCHEDULE**1. RATES**

The rates will be based upon the following table of Digiflex employee position. Digiflex rates are subject to an annual review.

Table B-1

	Hourly	Daily
Analysis & Design	\$145.00	\$1087.50
Project Management	\$145.00	\$1087.50
Programming	\$115.00	\$862.50
Technical Support	\$115.00	\$862.50
Training and Installation	\$115.00	\$862.00

2. MINIMUM ON-SITE RATE

Minimum On-Site Rate within the City of Calgary shall be 4 hours based on the hourly rate schedule as specified in Table B-1. The Minimum On-Site Rate outside the City of Calgary shall be 1 day based on the daily rate schedule as specified in Table B-1.

In the event of traveling being required by Digiflex employees to Customer locations outside of Calgary, Alberta, the Customer shall pay all reasonable expenses incurred by Digiflex employees. This is separate from Rates specified in Table B-1.

3. MINIMUM OFF-SITE RATE.

Minimum Off-Site Rate shall be 2 hours based on the hourly rate schedule as specified in Table B-1.

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This is Exhibit "**D**", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.

A Commissioner of Oaths in and for
the Province of Alberta



SOFTWARE LICENSE AGREEMENT

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Wallace & Carey Inc.
(hereinafter "Customer")

THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

- 1. PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	ProCLASSBI Business Intelligence Suite	X64 processors	Windows Server 2012

2. GRANT OF LICENSE TO USE.


- A. Digiflex hereby grants to Customer a non-transferable, non-exclusive, perpetual License, one (1) copy of a machine executable version of the Software together with the Supporting Documentation under the terms expressed herein, effective on the date this Agreement has been executed by both parties. The Software may, if the Designated Equipment is inoperable, be temporarily transferred to a suitable and compatible backup computer having

the same operating system(s) specified in Table 1 provided that Customer shall first give written notice to Digiflex setting out the particulars of the backup computer and indicating the date by which Customer expects the Designated Equipment to be operable.

- B. Customer may substitute a different computer system owned or leased by the Customer as the designated computer system hereunder provided prior written notice, specifying the model and serial number of the proposed substitute system, is given to Digiflex. Provided any new substitute system is a compatible system for the Software, Digiflex will provide one (1) machine executable version of the Package to Customer at the Designated Location within ten (10) days of written notice to Digiflex by the Customer setting out the particulars of the substitute computer and indicating the date by which Customer expects the designated equipment to be operable.

3. **TERMS OF LICENSE AGREEMENT.** This License Agreement shall commence upon its execution by the last of the parties to sign.
4. **LICENSE TO USE FEE.** The Customer shall pay to Digiflex a total of \$300,000.00 (*three hundred thousand dollars*) for an unlimited-use License to Use Agreement. An initial payment of \$150,000.00 (*one hundred & fifty thousand dollars*) was made to Digiflex on April 23, 2012, and the remaining balance is \$150,000.00 (*one hundred & fifty thousand dollars*).


This unlimited License shall apply to the current Customer's business. New business acquisitions or startups are not covered under this unlimited use License.

5. **LICENSE TERMINATION.** If Customer breaches any of its obligations hereunder, or if the Customer becomes insolvent, files a petition in bankruptcy, or has filed against it an involuntary petition in bankruptcy, or has a receiver appointed over all or substantially all of its assets, then Digiflex may, at its option, if there are any amounts owing by Customer to Digiflex, immediately terminate the License To Use granted hereunder upon written notice to Customer. In case of receivership or bankruptcy the License To Use shall be continued provided the Receiver or Trustee in Bankruptcy assumes all of the Customer's obligations under this agreement. If the License To Use is so terminated, all the License fees paid hereunder will be deemed to have been paid for the use of the Package during the time it was in Customer's possession and Customer shall not be entitled to a refund of any portion of the License To Use fee. In addition, in the event of a breach by Customer of any of its obligations hereunder, Digiflex shall be entitled to seek equitable relief, including by way of injunction, to protect its interests herein, it being acknowledged by the
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Customer that Digiflex would suffer irreparable harm by any such breach and that damages would not be an adequate remedy.

In the event that Digiflex breaches any of its obligations, or if Digiflex becomes insolvent, or files a petition in bankruptcy, then the Customer may, at its option terminate the License To Use granted hereunder upon written notice to Digiflex.

In the event of a termination of the License hereunder, the Package and all copies thereof shall forthwith be returned to Digiflex or, at Digiflex's option, destroyed or erased from electronic memories or other storage devices and thereafter Customer shall deliver to Digiflex a letter, from an officer of the Customer, certifying that all copies of the Software and any code or listings produced by the Software have been destroyed, returned or erased and that the Customer has discontinued use of the Package.

6. **TAXES.** All prices mentioned in this Agreement are EXCLUSIVE of Provincial, Federal, and other taxes.
 7. **TRAINING.** Instruction and training in the use of the Software on the Designated Equipment will be available on a time and materials basis, based on Digiflex's standard per diem rates then in effect in accordance with those outlined in Schedule B - Rate Schedule.
 8. **SOFTWARE MODIFICATIONS.** In the event the Customer wishes to pursue modifications, enhancements or improvements to the Software other than those included under the terms of this Agreement, Digiflex would provide a cost estimate to the Customer. Work would commence upon acceptance of the Scope of Work and Price by Customer. All such modifications, enhancements and improvements shall be the property of Digiflex.
 9. **PRICING CHANGES.** All rates specified in this agreement and any attachments, schedules, or enhancements are guaranteed for the initial 12 months of the term of this Agreement. Thereafter, Digiflex may increase such fees or charges by notifying Customer in writing at least thirty (30) days prior to the effective date of increase. Customer agrees that said notifications, or copy thereof, will be considered an amendment to this Agreement. The percentage increase shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or, failing which, for the Province of Alberta or, failing which, for Canada.
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- 10. LIMITATION OF LIABILITY.** The Customer agrees that Digiflex's liability to Customer or any third party arising out of or in any way relating to this Agreement shall be limited to the License To Use Fee and that under no circumstances shall Digiflex be liable for any special, direct or indirect, incidental or consequential damages of any nature whatsoever, including loss of use, loss of profits, revenue or business.

Customer acknowledges that its only remedy in the event of a program error shall be to require Digiflex to use best efforts to correct same and that Digiflex shall not be liable for any damages resulting from the occurrence of a program error however caused.

Except as expressly stated herein, Digiflex makes no warranties, express or implied, concerning the Package, and expressly disclaims and excludes any warranties of merchantability or fitness for a particular purpose.

- 11. CONFIDENTIALITY.** Each party acknowledges that all material and information which has or will come into its possession or knowledge in connection with this Agreement or in the performance hereof, and in particular the terms and conditions of this agreement, consists of confidential and proprietary data, whose disclosure to or use by third parties will be damaging. Both parties, therefore, agree to hold such material and information in strictest confidence, not to make use thereof other than for the performance of this Agreement, to release it only to employees who need to know such information in the course of their employment, and not to release or disclose it to any other party. The obligation of both parties under this paragraph shall continue during and after the term of this License To Use agreement.

Neither Digiflex, nor Customer shall approach any employee of the other to provide employment services or consulting services to the other. This restriction shall continue for a period of one year after completion of the project. The company, which presently employs these individuals, may forego this restrictive covenant in writing by the approval of an officer of the company.

- 12. PROPRIETARY RIGHTS, TRADE SECRETS AND TITLE.** Customer hereby acknowledges that the Package, any copies thereof and any updates, enhancements or modifications thereof, in whole or in part, and all copyright, patent, trade secret and other intellectual property and proprietary rights (collectively, "Proprietary Rights") therein, are and remain the valuable property of Digiflex. Customer agrees to communicate to any user of the Package Digiflex's Proprietary Rights by instruction, agreement or notice including but not limited to incorporating and maintaining Digiflex's copyright notice and proprietary warning on each copy of the Package. Customer acknowledges that the existence of any such copyright notice or

proprietary warning shall not be construed as an admission or presumption of the publication of the Package. Notwithstanding anything else contained in this Agreement, Customer shall not be entitled to copy all or any part of the Supporting Documentation without Digiflex's prior consent, which consent may be arbitrarily withheld.

13. **GOVERNING LAW.** This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta, Canada.
14. **ENTIRE AGREEMENT.** This Agreement and attached Schedules including: Schedule A - Maintenance; Schedule B - Rate Schedule form part of this agreement and contain the entire Agreement between Customer and Digiflex herein of this date and supersedes all prior agreements, negotiations, representations and proposals, written and oral. Customer acknowledges and agrees that no agent, employee or other representative of Digiflex has authority to bind Digiflex to any obligation relating hereto not specifically set forth herein.
15. **ASSIGNABILITY.** This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party shall assign its rights under this Agreement without first obtaining the written consent of the other, such consent not to be unreasonably withheld.
16. **AUTHORITY.** Each party has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each has been properly authorized and empowered to enter into this Agreement. Each party further acknowledges that it has read the Agreement, understands it, and agrees that the Agreement is binding upon the parties hereof, their successors and assigns.

17. NOTICE. Any notice, request, demand, consent or other communication provided or permitted hereunder shall be in writing and given by personal delivery or sent by double registered mail or transmitted by telex, telegram, or facsimile, addressed to the party for which it is intended, addressed as follows:

If to Customer:

Wallace & Carey Inc.

5445 – 8th Street N.E.

Calgary, Alberta, Canada T2K 5R9

If to Digiflex:

Digiflex Information Systems Inc.

2611 Venables Street

Vancouver, BC, Canada V5K 2R4

provided, however, that any party may change its address for purposes of receipt of any such communication by giving ten (10) days prior written notice of such change to the other party in the manner proscribed above. Any notice so given shall be deemed to have been received on the date on which it was delivered or transmitted by telex, telegram or facsimile or if double registered mail, on the date of authorized receipt.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of _____ in the year of _____
in the presence of:

Wallace & Carey Inc.
5445 – 8th Street N.E.
Calgary, Alberta, Canada
T2K 5R9

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada
V5K 2R4

Name

Name

Title

Title

Date

Date

Authorized Signatory

Authorized Signatory

MAINTENANCE AGREEMENT

1. **DEFINITIONS.** In this Maintenance Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms, words and expressions shall have the meanings ascribed to them as follows:
 - A. “New Module” means a module, program, modification or enhancement, other than an Update, development by Digiflex and which, in Digiflex’s opinion, is substantially different from the Software or any module or application thereof and which Digiflex sells or proposes to sell to third parties;
 - B. “Update” means an update, error correction, modification or enhancement of or in respect of the Software and includes a complete rewritten version or release of the Software.
2. **AGREEMENT.** Upon the terms and subject to the conditions herein set forth, Digiflex agrees to provide to Customer and Customer agrees to accept the Maintenance Services. The term of this Maintenance Agreement shall begin upon installation of ProCLASSBI into a production environment. However that this Maintenance Agreement will be automatically renewed for successive one year terms upon terms to be agreed upon by the parties at the time of renewal unless notice of termination in writing is given by either party to the other at least thirty (30) days prior to the expiration of the term hereof or any renewal in which case this Maintenance Agreement shall terminate at the end of such term or renewal.
3. **CHARGES.** The customer shall pay an annual maintenance fee for services commencing upon installation of ProCLASSBI into a production environment. The maintenance fee shall be \$60,000.00 (sixty thousand dollars) per year, paid in advance. Additional Maintenance fees will apply in the event that ProCLASSBI is installed in multiple branches on additional Server Systems as specified in Table 2.
4. **MAINTENANCE SERVICES**
 - A. Digiflex shall provide the following services during the term hereof:
 - i) Operating System Compatibility. Customer agrees to accept, implement and install all Updates provided to Customer under subparagraph (ii), as well as the same release or version of the operating system software issued by the manufacturer of the

Designated Equipment (meaning the computer hardware designated in the Software License To Use Agreement) in connection therewith as may be installed by Digiflex on its corresponding computer equipment. Digiflex's obligation to provide Maintenance Services shall terminate without notice to Customer if Customer shall fail to install the same release, or two previous updates, of the operating system as Digiflex shall have installed on its system, or if Customer shall install a more recent release of the operating system than Digiflex shall have installed.

- ii) Updates. Digiflex shall provide to Customer any Updates for the Software when such Updates are developed or published by Digiflex and made generally available to other licensees of the Software at no additional cost. Any New Modules developed or published by Digiflex will be offered to Customer at Digiflex's then current rates. All Updates shall become part of the Software, and Digiflex shall be free to offer these Updates to other persons. The determination of whether a New Module will be made generally available to licensees at no additional cost or will be made available only for an additional cost is the sole and exclusive right of Digiflex.

Any changes to program logic made under this Maintenance Agreement and which are to be provided to Customer shall be provided on a machine-readable medium specified by Customer. Customer shall pay the cost of any such media (including shipping charges) provided by Digiflex, in addition to any other charges required to be paid under this Maintenance Agreement.

Digiflex shall not remove any functionality from the Software if the said functionality is being used by the Customer.

Subject to paragraph (e) below, Digiflex shall be responsible for its out-of-pocket costs in correcting a Software error at Customer's premises.

- iii) Hotline Service. Digiflex shall provide Customer remote telephone access to Digiflex personnel on a 7 x 24 basis with respect to use of the Software. In providing such service, Digiflex will respond to a request from Customer, but not necessarily correct any error, within four (4) business hours of Customer's request.

- B. Digiflex representatives will have full access to the Software in order to effect the necessary Maintenance Services, and for these purposes Customer shall be responsible for providing all necessary ports, dial-in lines and compatible media at Customer's site and cost, and allow physical access to the Customer's site when required to perform maintenance On-Site.
- C. Digiflex makes no express or implied warranties, including any with respect to merchantability and fitness for a particular purpose, with respect to the Maintenance Services. Digiflex does not represent or warrant that the Maintenance Services will be capable of achieving any particular result or results in the business or operations of Customer, or that the operation of the Software will be uninterrupted, or that all programming errors can be found in order to be corrected; however, Digiflex will use its best efforts to attempt to identify and correct such errors including, if appropriate in the circumstances, sending qualified personnel to Customer's business premises. In no event shall Digiflex be liable to Customer in damages, nor shall Digiflex be liable for damages in respect of special, incidental, indirect or consequential loss or lost profits, even if Digiflex has been advised of the possibility of such damages.
- D. Customer agrees to read and be familiar with all Supporting Documentation provided by Digiflex with or in connection with the Software, and agrees to ensure that its users have sufficient operating knowledge of the Software. Customer acknowledges that there is no obligation on the part of Digiflex, except to the extent specifically set out herein, in the Software License To Use Agreement, or otherwise agreed in writing by Digiflex, to provide any training or instruction to Customer or its employees with respect to the Software.
- E. Notwithstanding anything herein contained, if Digiflex determines in good faith in the course of performing any Maintenance Services that an error, problem or question raised by Customer in connection with the Software is a direct result of input of incorrect data or command by Customer, Customer shall reimburse Digiflex for its expenses in responding to Customer's inquiry and shall pay Digiflex a fee calculated at Digiflex's then current rates for such services.

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- 5. MAINTENANCE CHARGES.** The annual rate for Maintenance Charges shall be firm for the period of this Agreement. Subsequent annual Maintenance Charge renewals, as provided under paragraph 3, may be increased or decreased by Digiflex providing that Digiflex has given Customer written notice of such increase or decrease not less than thirty (30) days prior to the end of the then current term of the Maintenance Agreement. The percentage increase, if any, in annual Maintenance Charges over those for the preceding year shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or failing which, for the Province of Alberta, or failing which, for Canada.

In the event that Digiflex should breach the terms of this Maintenance Agreement, such breach not to be correct following thirty (30) days notice of such by Customer, Digiflex shall return to Customer fees paid annually in advance for Maintenance Services, calculated on a pro-rated basis.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of in the year of _____.

Wallace & Carey Inc.
5445 – 8th Street N.E.
Calgary, Alberta, Canada
T2M 5R9

 Name

 Title

 Date

 Authorized Signatory
Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada
V5K 2R4

 Name

 Title

 Date

 Authorized Signatory

RATE SCHEDULE**1. RATES**

The rates will be based upon the following table of Digiflex employee position. Digiflex rates are subject to an annual review.

Table B-1

	Hourly	Daily
Analysis & Design	\$175.00	\$1300.00
Project Management	\$175.00	\$1300.00
Programming	\$135.00	\$1000.00
Technical Support	\$135.00	\$1000.00
Training and Installation	\$135.00	\$1000.00


2. MINIMUM ON-SITE RATE

Minimum On-Site Rate within the City of Calgary shall be 4 hours based on the hourly rate schedule as specified in Table B-1. The Minimum On-Site Rate outside the City of Calgary shall be 1 day based on the daily rate schedule as specified in Table B-1.

In the event of traveling being required by Digiflex employees to Customer locations outside of Calgary, Alberta, the Customer shall pay all reasonable expenses incurred by Digiflex employees. This is separate from Rates specified in Table B-1.

3. MINIMUM OFF-SITE RATE.

Minimum Off-Site Rate shall be 2 hours based on the hourly rate schedule as specified in Table B-1.



This is Exhibit "E", referred to in the Affidavit of
Mohamad Mardukhi, affirmed before me by
video conference on the 14th day of November ,
2025.

A Commissioner of Oaths in and for
the Province of Alberta



SOFTWARE LICENSE AGREEMENT

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Loudon Bros. Ltd.
(hereinafter "Customer")

THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

- 1. PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	ProCLASS Distribution Management System	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS Accounts Receivable	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS Accounts Payable	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS General Ledger	HP rx2620 Itanium Server	OpenVMS V8.3 or higher

1	Runtime Version of LAZER DBMS	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
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2. GRANT OF LICENSE TO USE.


A. Digiflex hereby grants to Customer a non-transferable, non-exclusive, perpetual License, one (1) copy of a machine executable version of the Software together with the Supporting Documentation under the terms expressed herein, effective on the date this Agreement has been executed by both parties. The Software may, if the Designated Equipment is inoperable, be temporarily transferred to a suitable and compatible backup computer having the same operating system(s) specified in Table 1 provided that Customer shall first give written notice to Digiflex setting out the particulars of the backup computer and indicating the date by which Customer expects the Designated Equipment to be operable.

B. Customer may substitute a different computer system owned or leased by the Customer as the designated computer system hereunder provided prior written notice, specifying the model and serial number of the proposed substitute system, is given to Digiflex. Provided any new substitute system is a compatible system for the Software, Digiflex will provide one (1) machine executable version of the Package to Customer at the Designated Location within ten (10) days of written notice to Digiflex by the Customer setting out the particulars of the substitute computer and indicating the date by which Customer expects the designated equipment to be operable.

3. TERMS OF LICENSE AGREEMENT. This License Agreement shall commence upon its execution by the last of the parties to sign.

4. LICENSE TO USE FEE. The Customer shall pay to Digiflex a total of \$34,000.00 (*Thirty four thousand dollars*) for a 6-user ProCLASS Distribution Management License, 4-user CLASS Accounts Receivable License, 6-user CLASS Accounts Payable License, and 6-user CLASS General Ledger License. Additional user licenses can be added at a cost of \$3,000 (*Three thousand dollars*) per user for ProCLASS Distribution Management and \$1,000 (*One thousand dollars*) for any of the CLASS Accounts Receivable, CLASS Accounts Payable, or CLASS General Ledger packages.


This License shall apply to the current Customer's business. New business acquisitions or startups are not covered under this License.



5. **LICENSE TERMINATION.** If Customer breaches any of its obligations hereunder, or if the Customer becomes insolvent, files a petition in bankruptcy, or has filed against it an involuntary petition in bankruptcy, or has a receiver appointed over all or substantially all of its assets, then Digiflex may, at its option, if there are any amounts owing by Customer to Digiflex, immediately terminate the License To Use granted hereunder upon written notice to Customer. In case of receivership or bankruptcy the License To Use shall be continued provided the Receiver or Trustee in Bankruptcy assumes all of the Customer's obligations under this agreement. If the License To Use is so terminated, all the License fees paid hereunder will be deemed to have been paid for the use of the Package during the time it was in Customer's possession and Customer shall not be entitled to a refund of any portion of the License To Use fee. In addition, in the event of a breach by Customer of any of its obligations hereunder, Digiflex shall be entitled to seek equitable relief, including by way of injunction, to protect its interests herein, it being acknowledged by the Customer that Digiflex would suffer irreparable harm by any such breach and that damages would not be an adequate remedy.

In the event that Digiflex breaches any of its obligations, or if Digiflex becomes insolvent, or files a petition in bankruptcy, then the Customer may, at its option terminate the License To Use granted hereunder upon written notice to Digiflex.

In the event of a termination of the License hereunder, the Package and all copies thereof shall forthwith be returned to Digiflex or, at Digiflex's option, destroyed or erased from electronic memories or other storage devices and thereafter Customer shall deliver to Digiflex a letter, from an officer of the Customer, certifying that all copies of the Software and any code or listings produced by the Software have been destroyed, returned or erased and that the Customer has discontinued use of the Package.

6. **TAXES.** All prices mentioned in this Agreement are EXCLUSIVE of Provincial, Federal, and other taxes.
7. **TRAINING.** Instruction and training in the use of the Software on the Designated Equipment will be available on a time and materials basis, based on Digiflex's standard per diem rates then in effect in accordance with those outlined in Schedule B - Rate Schedule.
8. **SOFTWARE MODIFICATIONS.** In the event the Customer wishes to pursue modifications, enhancements or improvements to the Software other than those included under the terms of this Agreement, Digiflex would provide a cost estimate to the Customer. Work would commence upon acceptance of the Scope of Work and
- 


Price by Customer. All such modifications, enhancements and improvements shall be the property of Digiflex.

9. **PRICING CHANGES.** All rates specified in this agreement and any attachments, schedules, or enhancements are guaranteed for the initial 12 months of the term of this Agreement. Thereafter, Digiflex may increase such fees or charges by notifying Customer in writing at least thirty (30) days prior to the effective date of increase. Customer agrees that said notifications, or copy thereof, will be considered an amendment to this Agreement. The percentage increase shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or, failing which, for the Province of Alberta or, failing which, for Canada.


10. **LIMITATION OF LIABILITY.** The Customer agrees that Digiflex's liability to Customer or any third party arising out of or in any way relating to this Agreement shall be limited to the License To Use Fee and that under no circumstances shall Digiflex be liable for any special, direct or indirect, incidental or consequential damages of any nature whatsoever, including loss of use, loss of profits, revenue or business.

Customer acknowledges that its only remedy in the event of a program error shall be to require Digiflex to use best efforts to correct same and that Digiflex shall not be liable for any damages resulting from the occurrence of a program error however caused.

Except as expressly stated herein, Digiflex makes no warranties, express or implied, concerning the Package, and expressly disclaims and excludes any warranties of merchantability or fitness for a particular purpose.

11. **CONFIDENTIALITY.** Each party acknowledges that all material and information which has or will come into its possession or knowledge in connection with this Agreement or in the performance hereof, and in particular the terms and conditions of this agreement, consists of confidential and proprietary data, whose disclosure to or use by third parties will be damaging. Both parties, therefore, agree to hold such material and information in strictest confidence, not to make use thereof other than for the performance of this Agreement, to release it only to employees who need to know such information in the course of their employment, and not to release or disclose it to any other party. The obligation of both parties under this paragraph shall continue during and after the term of this License To Use agreement.
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Neither Digiflex, nor Customer shall approach any employee of the other to provide employment services or consulting services to the other. This restriction shall continue for a period of one year after completion of the project. The company, which presently employs these individuals, may forego this restrictive covenant in writing by the approval of an officer of the company.

- 12. PROPRIETARY RIGHTS, TRADE SECRETS AND TITLE.** Customer hereby acknowledges that the Package, any copies thereof and any updates, enhancements or modifications thereof, in whole or in part, and all copyright, patent, trade secret and other intellectual property and proprietary rights (collectively, "Proprietary Rights") therein, are and remain the valuable property of Digiflex. Customer agrees to communicate to any user of the Package Digiflex's Proprietary Rights by instruction, agreement or notice including but not limited to incorporating and maintaining Digiflex's copyright notice and proprietary warning on each copy of the Package. Customer acknowledges that the existence of any such copyright notice or proprietary warning shall not be construed as an admission or presumption of the publication of the Package. Notwithstanding anything else contained in this Agreement, Customer shall not be entitled to copy all or any part of the Supporting Documentation without Digiflex's prior consent, which consent may be arbitrarily withheld.
 - 13. GOVERNING LAW.** This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta, Canada.
 - 14. ENTIRE AGREEMENT.** This Agreement and attached Schedules including: Schedule A - Maintenance; Schedule B - Rate Schedule form part of this agreement and contain the entire Agreement between Customer and Digiflex herein of this date and supersedes all prior agreements, negotiations, representations and proposals, written and oral. Customer acknowledges and agrees that no agent, employee or other representative of Digiflex has authority to bind Digiflex to any obligation relating hereto not specifically set forth herein.
 - 15. ASSIGNABILITY.** This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party shall assign its rights under this Agreement without first obtaining the written consent of the other, such consent not to be unreasonably withheld.
 - 16. AUTHORITY.** Each party has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each has been properly authorized and empowered to enter into this Agreement. Each party further acknowledges that it has read the Agreement, understands it, and agrees that the Agreement is binding upon the parties hereof, their successors and assigns.
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- 17. NOTICE.** Any notice, request, demand, consent or other communication provided or permitted hereunder shall be in writing and given by personal delivery or sent by double registered mail or transmitted by telex, telegram, or facsimile, addressed to the party for which it is intended, addressed as follows:

If to Customer:

Loudon Bros. Ltd.
5445 8th Street N.E.
Calgary, Alberta, Canada T2K 5R9

If to Digiflex:

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

provided, however, that any party may change its address for purposes of receipt of any such communication by giving ten (10) days prior written notice of such change to the other party in the manner proscribed above. Any notice so given shall be deemed to have been received on the date on which it was delivered or transmitted by telex, telegram or facsimile or if double registered mail, on the date of authorized receipt.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of _____ in the year of _____
in the presence of:

Loudon Bros. Ltd.
5445 8th Street N.E.
Calgary, Alberta, Canada T2K 5R9

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

Name

Name

Title

Title

Date

Date

Authorized Signatory

Authorized Signatory

MAINTENANCE AGREEMENT

1. **DEFINITIONS.** In this Maintenance Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms, words and expressions shall have the meanings ascribed to them as follows:
 - A. "New Module" means a module, program, modification or enhancement, other than an Update, development by Digiflex and which, in Digiflex's opinion, is substantially different from the Software or any module or application thereof and which Digiflex sells or proposes to sell to third parties;
 - B. "Update" means an update, error correction, modification or enhancement of or in respect of the Software and includes a complete rewritten version or release of the Software.
2. **AGREEMENT.** Upon the terms and subject to the conditions herein set forth, Digiflex agrees to provide to Customer and Customer agrees to accept the Maintenance Services. The term of this Maintenance Agreement shall begin upon installation of Software into a production environment. However that this Maintenance Agreement will be automatically renewed for successive one year terms upon terms to be agreed upon by the parties at the time of renewal unless notice of termination in writing is given by either party to the other at least thirty (30) days prior to the expiration of the term hereof or any renewal in which case this Maintenance Agreement shall terminate at the end of such term or renewal.
3. **CHARGES.** The customer shall pay an annual maintenance fee for services commencing upon installation of Software into a production environment. The maintenance fee shall be \$6,800 (*Six thousand and eight Hundred*) per year, paid in advance. Additional Maintenance fees will apply in the event that Software is installed in multiple branches on additional Server Systems as specified in Table 2.
4. **MAINTENANCE SERVICES**
 - A. Digiflex shall provide the following services during the term hereof:
 - i) Operating System Compatibility. Customer agrees to accept, implement and install all Updates provided to Customer under subparagraph (ii), as well as the same release or version of the operating system software issued by the manufacturer of the

Designated Equipment (meaning the computer hardware designated in the Software License To Use Agreement) in connection therewith as may be installed by Digiflex on its corresponding computer equipment. Digiflex's obligation to provide Maintenance Services shall terminate without notice to Customer if Customer shall fail to install the same release, or two previous updates, of the operating system as Digiflex shall have installed on its system, or if Customer shall install a more recent release of the operating system than Digiflex shall have installed.

- ii) Updates. Digiflex shall provide to Customer any Updates for the Software when such Updates are developed or published by Digiflex and made generally available to other licensees of the Software at no additional cost. Any New Modules developed or published by Digiflex will be offered to Customer at Digiflex's then current rates. All Updates shall become part of the Software, and Digiflex shall be free to offer these Updates to other persons. The determination of whether a New Module will be made generally available to licensees at no additional cost or will be made available only for an additional cost is the sole and exclusive right of Digiflex.

Any changes to program logic made under this Maintenance Agreement and which are to be provided to Customer shall be provided on a machine-readable medium specified by Customer. Customer shall pay the cost of any such media (including shipping charges) provided by Digiflex, in addition to any other charges required to be paid under this Maintenance Agreement.

Digiflex shall not remove any functionality from the Software if the said functionality is being used by the Customer.

Subject to paragraph (e) below, Digiflex shall be responsible for its out-of-pocket costs in correcting a Software error at Customer's premises.

- iii) Hotline Service. Digiflex shall provide Customer remote telephone access to Digiflex personnel on a 7 x 24 basis with respect to use of the Software. In providing such service, Digiflex will respond to a request from Customer, but not necessarily correct any error, within four (4) business hours of Customer's request.

- B. Digiflex representatives will have full access to the Software in order to effect the necessary Maintenance Services, and for these purposes Customer shall be responsible for providing all necessary ports, dial-in lines and compatible media at Customer's site and cost, and allow physical access to the Customer's site when required to perform maintenance On-Site.
 - C. Digiflex makes no express or implied warranties, including any with respect to merchantability and fitness for a particular purpose, with respect to the Maintenance Services. Digiflex does not represent or warrant that the Maintenance Services will be capable of achieving any particular result or results in the business or operations of Customer, or that the operation of the Software will be uninterrupted, or that all programming errors can be found in order to be corrected; however, Digiflex will use its best efforts to attempt to identify and correct such errors including, if appropriate in the circumstances, sending qualified personnel to Customer's business premises. In no event shall Digiflex be liable to Customer in damages, nor shall Digiflex be liable for damages in respect of special, incidental, indirect or consequential loss or lost profits, even if Digiflex has been advised of the possibility of such damages.
 - D. Customer agrees to read and be familiar with all Supporting Documentation provided by Digiflex with or in connection with the Software, and agrees to ensure that its users have sufficient operating knowledge of the Software. Customer acknowledges that there is no obligation on the part of Digiflex, except to the extent specifically set out herein, in the Software License To Use Agreement, or otherwise agreed in writing by Digiflex, to provide any training or instruction to Customer or its employees with respect to the Software.
 - E. Notwithstanding anything herein contained, if Digiflex determines in good faith in the course of performing any Maintenance Services that an error, problem or question raised by Customer in connection with the Software is a direct result of input of incorrect data or command by Customer, Customer shall reimburse Digiflex for its expenses in responding to Customer's inquiry and shall pay Digiflex a fee calculated at Digiflex's then current rates for such services.
5. **MAINTENANCE CHARGES.** The annual rate for Maintenance Charges shall be firm for the period of this Agreement. Subsequent annual Maintenance Charge renewals, as provided under paragraph 3, may be increased or decreased by Digiflex providing that Digiflex has given Customer written notice of such increase or

decrease not less than thirty (30) days prior to the end of the then current term of the Maintenance Agreement. The percentage increase, if any, in annual Maintenance Charges over those for the preceding year shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or failing which, for the Province of Alberta, or failing which, for Canada.

In the event that Digiflex should breach the terms of this Maintenance Agreement, such breach not to be correct following thirty (30) days notice of such by Customer, Digiflex shall return to Customer fees paid annually in advance for Maintenance Services, calculated on a pro-rated basis.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of _____ in the year of _____
in the presence of:

Loudon Bros. Ltd.
5445 8th Street N.E.
Calgary, Alberta, Canada T2M 4M5

Name

Title

Date

Authorized Signatory

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

Name

Title

Date

Authorized Signatory

RATE SCHEDULE**1. RATES**

The rates will be based upon the following table of Digiflex employee position. Digiflex rates are subject to an annual review.

Table B-1

	Hourly	Daily
Analysis & Design	\$175.00	\$1300.00
Project Management	\$175.00	\$1300.00
Programming	\$135.00	\$1000.00
Technical Support	\$135.00	\$1000.00
Training and Installation	\$135.00	\$1000.00


2. MINIMUM ON-SITE RATE

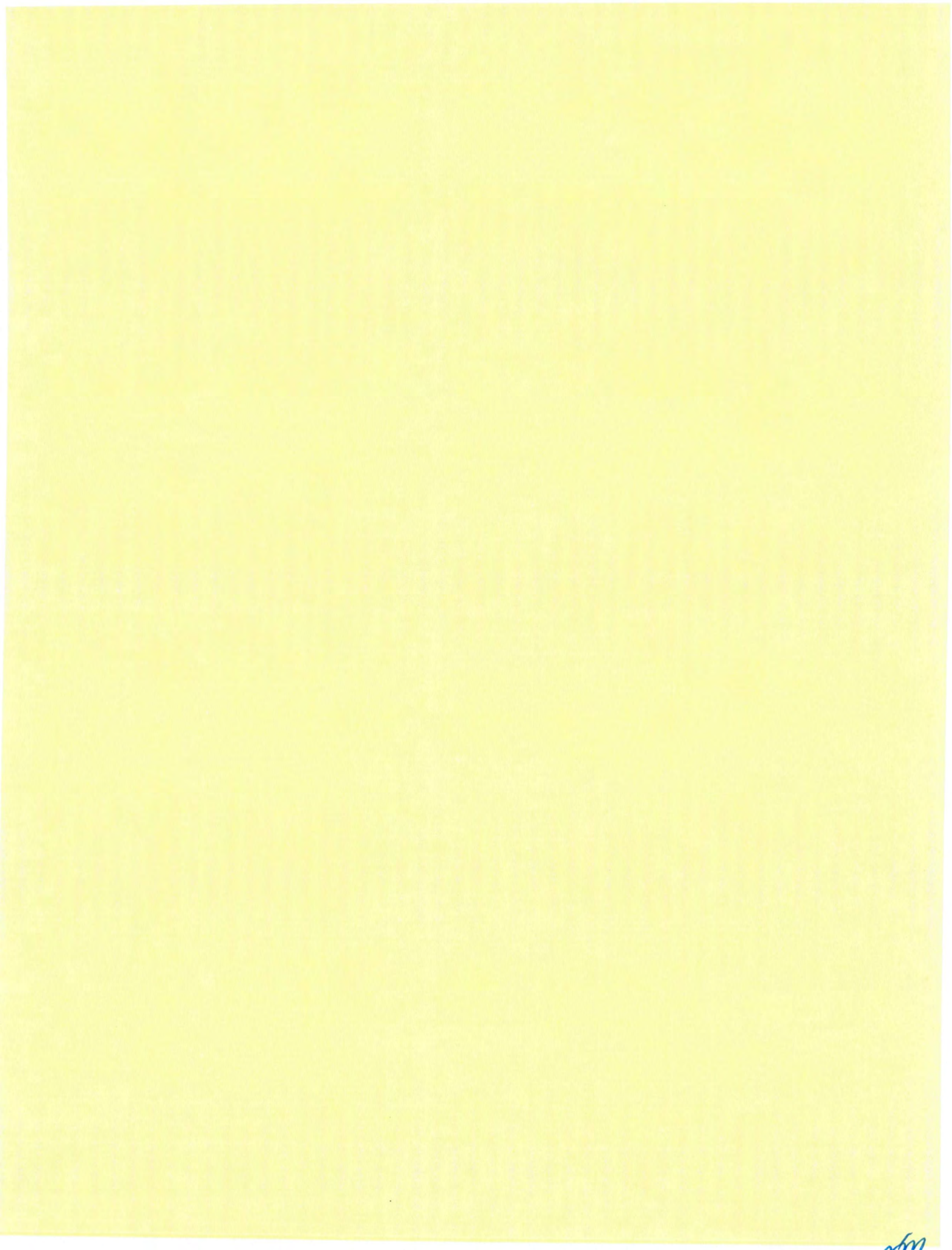
Minimum On-Site Rate within the City of Calgary shall be 4 hours based on the hourly rate schedule as specified in Table B-1. The Minimum On-Site Rate outside the City of Calgary shall be 1 day based on the daily rate schedule as specified in Table B-1.

In the event of traveling being required by Digiflex employees to Customer locations outside of Calgary, Alberta, the Customer shall pay all reasonable expenses incurred by Digiflex employees. This is separate from Rates specified in Table B-1.

3. MINIMUM OFF-SITE RATE.

Minimum Off-Site Rate shall be 2 hours based on the hourly rate schedule as specified in Table B-1.





SOFTWARE LICENSE AGREEMENT - ADDENDUM

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Loudon Bros. Ltd.
(hereinafter "Customer")

THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

1. **PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	ProCLASS Distribution Management System	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS Accounts Receivable	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS Accounts Payable	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS General Ledger	HP rx2620 Itanium Server	OpenVMS V8.3 or higher

2. **ADDITIONAL LICENSES.** Customer is hereby granted an additional 4 (four)-user ProCLASS DMS License for a total of 10 (ten)-user licenses, in consideration of which the Customer shall pay Digiflex a total of \$12,000, and Customer is hereby granted an additional 2 (two)-user CLASS Accounts Receivable License for a total of 6 (six)-user licenses, and Customer is hereby deducted 2 (two)-user CLASS General Ledger Licenses for a total of 4 (four)-user licenses. These license changes were applied on and they will be reflected in the Maintenance charges effective May 1, 2014.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on this _____ 8th _____ day of _____ May _____ in the year of _____ 2014.

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

Mohamad Z. Mardukhi

Name


President

Title

May 8th, 2014

Date

Authorized Signatory



SOFTWARE LICENSE AGREEMENT - ADDENDUM

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Loudon Bros. Ltd.
(hereinafter "Customer")

THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

1. **PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	ProCLASS Distribution Management System	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS Accounts Receivable	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS Accounts Payable	HP rx2620 Itanium Server	OpenVMS V8.3 or higher
1	CLASS General Ledger	HP rx2620 Itanium Server	OpenVMS V8.3 or higher

2. **ADDITIONAL LICENSES.** Customer is hereby granted an additional 5 (five)-user ProCLASS DMS License for a total of 15 (fifteen)-user licenses, in consideration of which the Customer shall pay Digiflex a total of \$15,000, and Customer is hereby granted an additional 2 (two)-user CLASS Accounts Receivable License for a total of 8 (eight)-user licenses, in consideration of which the Customer shall pay Digiflex a total of \$2,000. These license changes were applied on and they will be reflected in the Maintenance charges effective June 1, 2014.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on this 6th day of June in the year of 2014.

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

Mohamad Z. Mardukhi

Name


President

Title

June 6th, 2014

Date

Authorized Signatory



This is Exhibit "F", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



Mohamad Zähed Mardukhi

From: Mohamad Zähed Mardukhi
Sent: July 22, 2024 13:34
To: Heather Miller
Cc: Cliff Harrison
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Heather,

This will simplify implantation and likely remediate system capacity concerns but a new software license will still be needed as legally this will be a new company. You already have the license fee table based on annual sales range.

Once licensing is done, we will discuss implementation and possible business process changes for the new company, along with their associated cost estimates.

Thank you,

Mohamad

From: Heather Miller <millerh@wac1.com>
Sent: Monday, July 22, 2024 12:08 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Cliff Harrison <harrisonc@wac1.com>
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Good Morning Mohamad,

After further discussion with Finance, they have confirmed that we do not require a separate company.

What we need is to change our company name and fiscal calendar to calendar month effective January 1st, 2025.

Effectively, we will end our fiscal year in October 2024 as normal, start our new fiscal year for Nov/Dec 2024 and then change to a new fiscal calendar based on calendar month with our company name changed on Jan 1st, 2025.

Please let me know what is needed to make these changes and any additional costs to update our system to reflect the change to our fiscal calendar and company name (including a new logo).

Thank you,
Heather

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Monday, July 15, 2024 4:32 PM
To: Heather Miller <millerh@wac1.com>
Cc: Cliff Harrison <harrisonc@wac1.com>
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

CAUTION: This email originated from an outside source. Do not open attachments or click on links unless you recognize the sender and have validated the content is safe.

Hi Heather,

Help Desk support will continue at the \$225K per year for as long as it is needed, as we have to maintain staff to provide that service.

Thanks,

Mohamad

From: Heather Miller <millerh@wac1.com>

Sent: Monday, July 15, 2024 3:02 PM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Cliff Harrison <harrisonc@wac1.com>

Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Mohamad,

Thank you for the additional information.

For the level 2 Helpdesk Support what would the cost be once the new company, WC and Loudons are no longer processing transactions in ProCLASS/CLASS and are all READ ONLY?

Thank you,
Heather

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Monday, July 15, 2024 9:31 AM

To: Heather Miller <millerh@wac1.com>

Cc: Cliff Harrison <harrisonc@wac1.com>

Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

CAUTION: This email originated from an outside source. Do not open attachments or click on links unless you recognize the sender and have validated the content is safe.

Hi Heather,

Here is the table with a column for \$300M annual sales:

System	Annual Sales \$100M License Fee	Annual Sales \$300M License Fee	Annual Sales \$600M License Fee	Annual Sales \$900M License Fee
ProCLASS	\$300,000	\$1,000,000	\$2,000,000	
CLASS A/P	\$60,000	\$200,000	\$400,000	
CLASS A/R	\$60,000	\$200,000	\$400,000	
CLASS G/L	\$60,000	\$200,000	\$400,000	
CLASS B/R	\$4,000	\$14,000	\$30,000	
Total License Fee:	\$484,000	\$1,614,000	\$3,230,000	
Annual Maintenance Fee:	\$169,400	\$403,500	\$807,500	

We do not have a subscription licensing option for the old systems.

We can offer the same type of level 2 Help Desk Support to the new company for \$180K per year. If you want to extend this support to W&C and/or Loudon for 2025, the combined rate will be \$225K for the year.

Thanks,

Mohamad

From: Heather Miller <millerh@wac1.com>
Sent: Friday, July 12, 2024 2:18 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Cliff Harrison <harrisonc@wac1.com>
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Mohamad,

Thank you so much for getting this information to us.

Could you please provide me with an additional column in the table for Annual Sales of \$300M?

Also, is there any option available to buy subscription based licenses rather than perpetual with support on a month to month basis?

In addition, how does this impact our Helpdesk support and what would the annual support costs be once we retire Loudons and W&C to maintain read only environments for audit purposes?

Thank you,
Heather

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Friday, July 12, 2024 12:23 PM
To: Heather Miller <millerh@wac1.com>
Cc: Cliff Harrison <harrisonc@wac1.com>
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

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Hi Heather,

The current annualized W&C sales is in the \$600M+ range and if the new company is going to provide the same services as W&C, annual sales should be even higher. In any case, here are quotes for license and maintenance fees based on \$100M, \$600M and \$700M annual sales:

	Annual Sales \$100M	Annual Sales \$600M	Annual Sales \$700M
System	License Fee	License Fee	License Fee

ProCLASS	\$300,000	\$2,000,000	\$2,400,000
CLASS A/P	\$60,000	\$400,000	\$480,000
CLASS A/R	\$60,000	\$400,000	\$480,000
CLASS G/L	\$60,000	\$400,000	\$480,000
CLASS B/R	\$4,000	\$30,000	\$35,000

Total License Fee:	\$484,000	\$3,230,000	\$3,875,000
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Annual Maintenance Fee:	\$169,400	\$807,500	\$968,750
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Whichever annual sales column you pick at the start, we would need the option to recalculate the license and maintenance fees based on the new company's sales in the first 3 months of 2025.

Half the license fee will be payable upon signing a license agreement, with the remaining half payable on January 2, 2025. Maintenance fee will also be payable on January 2, 2025.

Implementing these systems for the new company may cost somewhere in the range of \$80K (very simplest option of mostly continuing with W&C systems as at the end of December 2024) to \$450K (accounting for possible changes that the new company may want, as is often the case for a new implementation).

We are also assuming that after January 1, 2025, W&C systems will have minimal use, i.e., W&C systems will have a very small impact on system resources. In addition, Loudon's systems should be retired by then since all their normal processes (day-end, order processors, etc.) are still running and consuming system resources.

Mohamad

From: Heather Miller <millerh@wacl.com>

Sent: Friday, July 5, 2024 11:05 AM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Cliff Harrison <harrisonc@wacl.com>

Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Mohamad,

Ok, please use 100M for annual sales and provide the very rough estimate.

Thank you,
Heather

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Friday, July 5, 2024 10:44 AM

To: Heather Miller <millerh@wacl.com>

Cc: Cliff Harrison <harrisonc@wacl.com>

Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Heather,

Based on past experiences, the 14 points that you have listed below are likely a very small fraction of decisions that have to be made when setting up the new company. Some of these decisions may have major impacts on the project. For that reason, even an estimate of the estimate is not feasible, as there is no way to estimate how long this decision-making process might take. Best we can do is to provide a very rough estimate that may end up being high but not likely to be low.

As with most software companies, our license fees are not set based a company's profitability, rather, they are based on annual sales, i.e., related to the number of transactions that go through the system. I am sure your finance people have budgets and projections for annual sales for the new company. We will provide license fees for all our systems based on this annual sales (range), possibly with provisions to adjust the fees later when actual sales numbers become clear.

Thanks,

Mohamad

From: Heather Miller <millerh@wac1.com>
Sent: Thursday, July 4, 2024 4:10 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Cliff Harrison <harrisonc@wac1.com>
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Mohamad,

What would the cost be to develop the estimate?

With respect to the license fees, as you know our margin varies by the product sold and an increase in sales does not directly affect our companies profitability.

Is there another way to license your software or can you provide the license fee cost based on a annual sales range?

Thank you,
Heather

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Thursday, July 4, 2024 3:12 PM
To: Heather Miller <millerh@wac1.com>
Cc: Cliff Harrison <harrisonc@wac1.com>
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Heather,

It will take considerable effort to come up with a detailed project plan and cost estimates, and since they may decide not to proceed, we can't afford to spend all that time and not be compensated for it. So, either we bill you for time spent to develop the detailed plan, or we can come up with an extremely rough estimate that may end up within an order of magnitude of the actual cost (our rough estimate will have to be at the higher end of this range).

The license fees estimates will be simpler, all we need is the estimate for the new company's annual sales. The original W&C license fees were based on annual sales that were less than a tenth of what they ended up being in 2010's and early 2020's.

As is common for most software licenses, the fee schedule is not linear, e.g., fees for a company with \$200M annual sales will be much more than double that for a company with \$100M annual sales.

Thanks,

Mohamad

From: Heather Miller <millerh@wacl.com>
Sent: Thursday, July 4, 2024 2:47 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Cliff Harrison <harrisonc@wacl.com>
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hi Mohamad,

Yes, we understand the magnitude and have discussed continuing with what we have, however the senior management team still wants to pursue getting the estimate.

We have significantly reduced our customer base so can you please provide more information on how the licensing is calculated so we can estimate the correct number?

Thank you,
Heather

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Thursday, July 4, 2024 2:16 PM
To: Heather Miller <millerh@wacl.com>
Cc: Cliff Harrison <harrisonc@wacl.com>
Subject: RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

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Hi Heather,

This is going to be quite a major project to implement, and because it is for a new company, substantial new license fees will apply. If all of this expenditure is going to be

for 3 or 6 months only, why can't they continue operating with the current set-up for that short period?

If that is not an option, we will need quite some time to define and plan the project. We will also need the approximate size (annual sales) of the new company so we can come up with a license fee.

Thanks,

Mohamad

From: Heather Miller <millerh@wacl.com>
Sent: Thursday, July 4, 2024 10:03 AM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Cliff Harrison <harrisonc@wacl.com>
Subject: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Hello Mohamad,

We have a request to setup a completely separate ERP system using Digiflex software for our new distribution company. This system will operate temporarily from Jan 1st, 2025 to March 31st, 2025 (with a possible extension to June 30th, 2025).

The goal is to wind down Wallace & Carey so no invoices will be moved to the new distribution company.

Can you please provide a quote for the development, test and go-live support and ongoing maintenance and support agreements - details below:

This new company will require the following from WC:

- 1) Active items (item groups, families, family groups, customer guides)
- 2) Active customers and vendors
- 3) Item and customer cross references
- 4) WC users in group 1 and 3
- 5) Email groups, printers
- 6) Active GL accounts (list will be provided)
- 7) All sales reps, buyers, carriers, routes, stops, drivers, warehouses, locations and sections, reason codes
- 8) Customer item retails/classes, markups, add programs, promotional allowances, contracts,
- 9) Sales history required to determine demand forecasting for new purchases
- 10) Open orders and purchase orders
- 11) AR, AP, GL, Bank, Inventory balances (qty and \$'s) by warehouse
- 12) Rebrand to new company name and logo (screens, forms, reports)
- 13) System setup – same setup and processors with exception of accounting periods, fiscal year, bank accounts – these will be by calendar month, calendar year, scotia bank accounts only
- 14) Setup separate folder structure/logicals for output/input of data

We would like to have the new system available with a point in time setup including master data/balances loaded for testing by November 18th, 2024 and then reload/update master data/balances for go-live on Jan 1st, 2025.

Please provide your recommendations on anything you believe we may need or have missed stating above.

Thank you for your assistance!

Heather

This is Exhibit "G", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.

A Commissioner of Oaths in and for
the Province of Alberta



Mohamad Zähed Mardukhi

From: Pat Carey <careyp@careymgmt.com>
Sent: September 9, 2024 13:28
To: Mohamad Zähed Mardukhi
Subject: Re: SEDCC discussions

Do you want me to share this with 7-Eleven?

Can you attach the pricing grid?

Get [Outlook for iOS](#)

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Monday, September 9, 2024 12:29:38 PM
To: Pat Carey <careyp@careymgmt.com>
Cc: David Morgan <morgand@wacl.com>
Subject: SEDCC discussions

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Good day,

Here is a summary of the major points we discussed in person and on the phone.

If 7-Eleven wants to use ProCLASS for SEDCC in January, the only option is to purchase a license, likely based on \$600M per year in sales. They will then pay 50% of the license fee upfront and pay the remaining 50% upon successful implementation in January. This option has several very significant advantages for 7-Eleven:

1. They will have the legal use of our software for as long as it is needed. They will no longer have to rush through implementation of another unproven software within a few months.
2. Rushing through implementation of another software will have a high chance of failure, as is very common with ERP implementations. Such a possible failure can be very costly, and certainly much more costly than our license and minimal implementation costs.
3. There is zero chance of implementation failure for our software as it has been running successfully under the W&C banner for over 20 years. SEDCC's will be a straightforward new instance of ProCLASS, of which we have implemented many for W&C over the years. There will even be no need for any new data entry/load beyond the few minutes it takes to change company name/addresses in set-up records.
4. Over the years, we implemented many ProCLASS customizations to satisfy 7-Eleven specific needs. It is very unlikely that you can find such features in any

other ERP software, and some of those features are very complex and will be costly to develop in any other ERP.

5. We already know that the existing ProCLASS hardware and software infrastructure can handle many times more business than \$600M per year without needing any upgrades. W&C reached over \$2B in sales a few years ago on the same platform.
6. If there are any concerns about the existing ProCLASS server (which, as of today, has been running 7x24 for 652 days non-stop, i.e., not a single hardware or software failure or reboot in that period), there is an emulation option available that will allow running our software exactly as is on a Windows server.
7. 7-Eleven can gain significant efficiencies by using the ProCLASS infrastructure, e.g., by moving some DSD items to corporate warehouses, by integrating store and warehouse pricing and promotions, by taking advantage of some corporate store features in ProCLASS that were not of use to W&C, etc.
8. We will use the license fee to fund the completion of our Windows version of ProCLASS that is already over 80% complete. This will then offer a modern and proven ERP option to 7-Eleven at minimal implementation and training costs.
9. 7-Eleven will be able to use ProCLASS (both existing and new modern version) for other divisions beyond SEDCC at reduced licensing fees and with minimal implementation costs.

Thanks,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: mardukhi@digiflex.ca

WWW: https://link.edgepilot.com/s/1d245caa/Mf_rPqFDUkOFzWo2WsGaFA?u=https://www.digiflex.ca/

Mohamad Zähed Mardukhi

From: Mohamad Zähed Mardukhi
Sent: September 5, 2024 12:13
To: David Morgan; 'Pat Carey'
Subject: SEDCC and our meeting on Sep. 4, 2024

Good day,

It was nice to meet in person yesterday, it had been 6 months since our last meeting.

One very important issue that I failed to mention yesterday is the fact that W&C systems (17 different instances of ProCLASS: production, training, and 15 archives from 2010 to 2023) will have to keep running for some time after SEDCC, both to apply closing transactions, and for audit and other investigative purposes. That means the existing maintenance and support agreements of roughly \$400K will be needed regardless of what SEDCC decides about its ERP system. Even if SEDCC does not need ProCLASS at all, and its operations start up using another ERP system from day 1, the \$400K fee for W&C systems will still be applicable until those systems have been shut down.

If SEDCC wants to use ProCLASS for any length of time, they will need to have a new software license so we can create a new instance of ProCLASS for them. In fact a new software license will be needed even if SEDCC was a division of W&C, as was the case with Loudon. So the license and maintenance fees that were passed on to Heather back in July (pasted below) are applicable if/when SEDCC decides to use ProCLASS, even for a very short period of time.

System	Annual Sales \$100M	Annual Sales \$300M	Annual Sales \$600M	Annual Sales \$1200M
	License Fee	License Fee	License Fee	License Fee
ProCLASS	\$300,000	\$1,000,000	\$2,000,000	\$4,000,000
CLASS A/P	\$60,000	\$200,000	\$400,000	\$800,000
CLASS A/R	\$60,000	\$200,000	\$400,000	\$800,000
CLASS G/L	\$60,000	\$200,000	\$400,000	\$800,000
CLASS B/R	\$4,000	\$14,000	\$30,000	\$60,000
Total License Fee:	\$484,000	\$1,614,000	\$3,230,000	\$6,464,000
Annual Maintenance Fee:	\$169,400	\$403,500	\$807,500	\$1,615,000

Obviously I do not know how much progress SEDCC has made in implementing the other ERP system, but based on what little activity I have seen on the project, how extremely function-rich ProCLASS is, and 4 decades of experience in ERP implementations, my guess is that they are a couple of years and several million dollars away from a successful implementation.



The ProCLASS implementation cost estimate for SEDCC (which I could not find during our meeting) was mentioned in an email to Heather back in July:

Implementing these systems for the new company may cost somewhere in the range of \$80K (very simplest option of mostly continuing with W&C systems as at the end of December 2024) to \$450K (accounting for possible changes that the new company may want, as is often the case for a new implementation).

It was mentioned during our meeting yesterday that 7-Eleven may consider ProCLASS use at W&C a failure based on its recent financial troubles. Quite to the contrary, I think ProCLASS had a critical role in allowing W&C to grow from \$200M annual sales to over \$2B annual sales in less than 20 years. W&C financial troubles were mostly due to direct and indirect effects of COVID-19, and due to demanding and nonprofitable customers like 7-Eleven! And on a side note, your ProCLASS server and our software have been run without a single interruption (no software or hardware failures, no reboots) for 648 days.

Pat, please let me know when you want to have the phone conversation on Friday and I will make myself available.

Thanks,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

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Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Mohamad Zähed Mardukhi
Sent: July 29, 2024 10:09
To: David Morgan
Subject: RE: ProCLASS for SEDCC

Good morning David,

The original request from Heather was to set up new databases for SEDCC and to transfer partial data from W&C databases to the new ones. W&C was to continue with limited activity after January 1, and the new company to start operations on January 1st.

Heather/Finance then changed this request to have SEDCC use the same W&C databases on January 1 and for W&C to come to an end on the same day. This will be a simpler technical solution but I don't think it is a sound accounting practice. Either option can work technically but it will be odd for W&C not to be able to close its books properly with transactions beyond January 1st.

It is obviously your choice but I think the following (more complex) solution will be more appropriate from an accounting perspective:

1. W&C systems will continue operating beyond January 1 but activity will be limited to closing transactions in all systems, e.g., credits issued against W&C invoices, closing/delayed G/L transactions entered, payments applied to W&C invoices, payments made for W&C purchase orders, etc. These W&C systems will remain accessible for as long as needed and changed to act as an archive database at some point where no more updates will be allowed (to reduce entry mistakes).
2. Optionally, all inventory in W&C ProCLASS will be cleared out so any inventory after January 1 will only show up in the SEDCC books.
3. New SEDCC company and databases to be set up with copies of the W&C databases as of December 31, 2024, and optionally, certain parts of the new databases cleared out, e.g., all G/L transactions, all G/L balances & budgets, YTD stats on A/R accounts, YTD stats on A/P vendors, etc. The new company will have its own set of main menu options for ProCLASS and all 4 accounting modules.
4. The new company's ProCLASS will be set to a 4-4-5 week period structure (so quarters are a closer match between ProCLASS and accounting modules) and start its year on a Sunday, maybe December 29, 2024. It is important to maintain W&C's weekly structure so forecasting and movement statistics can remain accurate. All postings from ProCLASS to accounting systems will be made to the appropriate calendar-year fiscal structure for the new company (and not based on the period number in ProCLASS).
5. Open purchase orders after January 1st will only be received in the SEDCC ProCLASS.

6. The new company's accounting systems will be set to a calendar year structure and new period-end operations will be set to run on the last day of each month; year-ends will be on December 31st.

We will need to settle the licensing issue soon and you can choose between the 2 solutions mentioned above (or a new alternative).

Mohamad

From: David Morgan <morgan@wacl.com>
Sent: Sunday, July 28, 2024 2:33 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Subject: Re: ProCLASS for SEDCC

Good day Mohamad

Thank you for taking the time to talk with me on Thursday. I think I am clear with your direction.

Fiscal year 2024 will be closed in the normal manner & the 2024 historical databases will be set up.

Fiscal year 2025 periods 1 & 2 will be handled as normal. On December 31, the 2024 databases will be updated with the transactions from the start of 2025 fiscal year to the end of December (as normal).

Transactions & processes will continue as normal (i.e. daily, weekly & by period). However, reporting will be made available by month (date range). I know that ProCLASS has some options with date range extraction. I believe that some CLASS reports also have this date range option.

Am I correct in my observations?

David

Sent from my iPhone

On Jul 24, 2024, at 3:05 PM, Mohamad Zähed Mardukhi <mardukhi@digiflex.ca> wrote:

CAUTION: This email originated from an outside source. Do not open attachments or click on links unless you recognize the sender and have validated the content is safe.

Good day David,

How about 11:00 AM your time?

Mohamad

From: David Morgan <morgan@wacl.com>
Sent: Wednesday, July 24, 2024 1:40 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Subject: Re: ProCLASS for SEDCC

Good afternoon Mohamad

Will you be available for a phone call tomorrow morning? I will be available all morning tomorrow.

David

Sent from my iPhone

On Jul 22, 2024, at 3:38 PM, Mohamad Zähed Mardukhi
<mardukhi@digiflex.ca> wrote:

CAUTION: This email originated from an outside source. Do not open attachments or click on links unless you recognize the sender and have validated the content is safe.

Good day David,

Thank you, hope all has been well with you.

This was quite a surprise when I heard about it on July 4th in an email from Heather; that email and the subsequent back and forth is attached. The last email was exchanged earlier today.

Mohamad

-----Original Message-----

From: David Morgan <morgan@wac1.com>

Sent: Monday, July 22, 2024 2:26 PM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Subject: ProCLASS for SEDCC

Good day Mohamad

I hope you are well.

Pat has informed me that you have been asked to provide a quote to implement a new/modified ProCLASS for SEDCC, the new 7-Eleven company replacing W&C. Pat also asked me to find out the status of the quote. Can you please update me on the status. I have not been kept in the loop other than understanding that the new company will take effect January 1, 2025 & will switch to monthly financial reporting.

David

Sent from my iPhone

<mime-attachment>

This is Exhibit "**H**", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.

A Commissioner of Oaths in and for
the Province of Alberta



Mohamad Zähed Mardukhi

From: Mohamad Zähed Mardukhi
Sent: November 12, 2024 15:13
To: Buchanan, Joshua Graham (Josh)
Subject: RE: DigiFlex Maintenance Renewal
Attachments: License and Maintenance Contract - ProCLASS and CLASS - V1.pdf; RE: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation

Good afternoon Joshua,

We have still not received the payment for our helpdesk services invoice number 2817 that was due on November 1st, 2024. Please make sure this invoice is paid right away.

I have attached our license agreement for SEDCC for our software that has been in use by SEDCC since November 2023. We have confirmed with our lawyer that the previous license agreement with Wallace & Carey is not transferable and cannot be used by SEDCC. Please have this agreement signed by an authorized person and return it to us via email.

We will send you an invoice for the license fee and for the first year maintenance fee covering the period from November 1, 2024 to October 31, 2025, a year after it should have been in effect. Both of these invoices will be payable upon receipt.

We have assigned the license fee based on SEDCC's fiscal year 2024 annual sales that was \$602M (will be even higher if we extrapolate some recent period sales). Our license fee table was passed on to Heather back in July 2024 (see attached email).

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>

Sent: Monday, November 4, 2024 12:43 PM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Mohamad,

The invoice needs to list the correct entity for it to be paid.

There's no issue explaining anything to W&C, we work together as a team every day.

We are curious at this point why:

- (a) This invoice is more than double what charged last year. (see attached)
- (b) Why this invoice is due at this point given that the last invoice covered a period up through January 31st of 2025.

Could you clarify the substantial price increase and why we're dealing with helpdesk coverage so far in front of the expiration of the current term.

Thank you,

Josh Buchanan

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Monday, November 4, 2024 2:00 PM
To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Hello Joshua,

We asked you about the bill-to for this invoice and you responded with "Seven Eleven Distribution Canada Corporation", i.e., not Wallace & Carey.

Now that our invoice is overdue, we shouldn't now have to explain this lengthy communication to Wallace & Carey, especially since we have never invoiced them as SEDCC.

Can you pass on the invoice and any other info Wallace & Carey might need and ask them to pay the invoice as soon as possible?

Thank you,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Sent: November 4, 2024 11:30
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

Mohammed,

Until W&C winds down next year, we'll need you to continue invoicing them.

Right now Proclass is being used by W&C and they will have to pay the invoice.

Thank you,

Josh Buchanan

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Friday, November 1, 2024 2:35 PM

To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Good day,

Our helpdesk support services' invoice (attached again to this email) is now overdue; your account statement is also attached. Has this invoice been passed on to your Accounts Payable for processing?

Please note that today is the start of our support window that is covered by the invoice.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Mohamad Zähed Mardukhi

Sent: October 24, 2024 14:07

To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Good afternoon,

According to paragraphs 15 and 16 of the attached legal document (also pasted and highlighted below), purchase of Wallace & Carey by 7-Eleven was completed on November 19, 2023. We were never made aware of this development which affects all our agreements with Wallace & Carey, including our software licenses.

As mentioned before, our Helpdesk Level-2 Support Agreement is not directly related to any licenses so we can offer its renewal to 7-Eleven for another year starting November 1, 2024; please see the attached invoice.

Our software Maintenance Agreement with Wallace & Carey though is directly related to our License Agreements which specifically mention "non-transferable" in their very first paragraph. As such, we will have to wait for a confirmation from our legal adviser before we can offer a renewal for the Maintenance Agreements. We will try to get back to you in that regard before the end of the year.

Paragraphs mentioned above:

15. Following the SISP, 7-Eleven Canada, Inc. (the "Purchaser") and the Applicants entered into a purchase and sale agreement (the "Sale Agreement"). The Sale Agreement was for the sale of the Applicants' personal property and equipment assets located in Alberta and British Columbia and the intellectual property, technology, software and systems relating to the entire Logistics Companies' logistics/distribution business across Canada. The Applicants are continuing to operate in various provinces across Canada, including BC, Alberta, Saskatchewan, Manitoba and Ontario.

16. Pursuant to the Sale Agreement and concurrent with the closing of that transaction, the Applicants and the Purchaser entered into a transition services agreement ("TSA") pursuant to which Wallace & Carey continues to provide logistics services to the Purchaser in accordance with the terms and conditions contained therein. Pursuant to the TSA, the Purchaser is required to fund substantially all of Wallace & Carey's and CM I's costs from and after the effective closing time, being 12:01 a.m. on November 19, 2023.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>

Sent: October 24, 2024 10:34

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique

<Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Mohammed,

Seven Eleven Distribution Canada Corporation will have the same address in Calgary that W&C has had in the past.

Thank you,

Josh Buchanan

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Thursday, October 24, 2024 12:30 PM

To: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>; Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Hello Anvaya,

We are still awaiting the bill-to information requested/mentioned below.

Thanks,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Sent: October 24, 2024 10:28

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Hello @Mohamad Zähed Mardukhi,

Hope all is well ! Just wanted to follow up with you on our renewal quote request. Can you let us know the ETA for when you will be able to share the renewal quote?

Thank you

Regards,

Anvaya Naik | 7-Eleven, Inc | Store Support Center

Sr. Sourcing Manager | Strategic Sourcing | Enterprise Tech and Digital

500 Speedway Dr., Enon, OH 45323

O (937)-244-7339 | C (217) 979-5283 | E Anvaya.Naik@7-11.com

[Click here to Join 7APIN](#)



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From: Naik, Anvaya Pradeep

Sent: Tuesday, October 15, 2024 3:52 PM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Hi Mohammad,

Thank you for the note and yes, we would like to continue with both the license maintenance and the help desk support portion. 7-Eleven does not intend to buy net new license agreement. There is also no immediate intent or capacity to move to your new ERP system. Our attorneys are reviewed and confirmed that the existing Wallace and Carey contracts will be in full force and effect on its current terms., I would recommend checking with your internal legal department to make sure you are considering that when you send us the order form/invoice.

@Buchanan, Joshua Graham (Josh) can you please confirm the bill to for Mohammad.

Thank you

Regards,



Anvaya Naik

Sr. Manager| Strategic Sourcing | Enterprise Tech and Digital

7-Eleven, Inc. | Store Support Center

500 Speedway Dr., Enon, OH 45323

Cell: (937)-244-7339, M: (217) 979-5283

Email: Anvaya.Naik@7-11.com

Co-Lead | 7-Eleven Network of Asian & Pacific Islander Professionals

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From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Tuesday, October 15, 2024 2:06 PM

To: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Good day Anvaya,

It appears that for all intent and purposes Wallace & Carey no longer exists as a legal entity, or at best, it has become a division of 7-Eleven. The "Wallace & Carey transactions" that you mention below are almost all for 7-Eleven businesses.

We currently have two agreements with Wallace & Carey: A software Maintenance Agreement that started in May 2000, and a Helpdesk Level 2 support agreement that started in June 2008 (at \$7,000 per month, more than 16 years ago) where we provide helpdesk support for both Digiflex products, the OpenVMS operating system, and the Itanium servers on a 7 x 24 basis.

We are awaiting advice regarding renewal of the existing Maintenance Agreement because a new License Agreement with 7-Eleven may be required before we can renew that agreement. Just as an aside, if 7-Eleven purchases a new license agreement, there will be no restrictions and 7-Eleven can transfer the Wallace & Carey business to a new instance of our ERP system under SEDCC and change its fiscal structure as needed.

The Helpdesk Level 2 support agreement is not directly related to our licensing agreement so we can offer renewal of that agreement to 7-Eleven for another year at \$192,000 per year. If you are interested in renewing this agreement, please send me the 7-Eleven bill-to information and we will send you an invoice.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Sent: October 8, 2024 06:57

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Morning @Mohamad Zähed Mardukhi, 7-Eleven Canada will be the buying entity but please note that only Wallace & Carey transactions will be carried on Digi flex.

Thank you

Regards,



Anvaya Naik

Sr. Manager| Strategic Sourcing | Enterprise Tech and Digital

7-Eleven, Inc. | Store Support Center

500 Speedway Dr., Enon, OH 45323

Cell: (937)-244-7339, M: (217) 979-5283

Email: Anvaya.Naik@7-11.com

Co-Lead | 7-Eleven Network of Asian & Pacific Islander Professionals

[Click here to Join 7APIN](#)

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Monday, October 7, 2024 4:21 PM
To: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Good afternoon Anvaya,

Will these agreements be with Wallace & Carey or with 7-Eleven? I do not know if Wallace & Carey still exists (or will exist in 2025) as a legal entity.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Sent: October 7, 2024 10:12
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: DigiFlex Maintenance Renewal

Hello Mohamad,

I am part of the 7-Eleven Sourcing team. Our business team has requested that we request maintenance renewal quote for 1 year term of existing Digiflex licenses that were acquired as part of the Wallace and Carey contract. Could you please send us the quote for that?

Let us know if you have any questions or concerns

Thank you
Regards,



Anvaya Naik

Sr. Manager | Strategic Sourcing | Enterprise Tech and Digital

7-Eleven, Inc. | Store Support Center

500 Speedway Dr., Enon, OH 45323

Cell: (937)-244-7339, M: (217) 979-5283

Email: Anvaya.Naik@7-11.com

Co-Lead | 7-Eleven Network of Asian & Pacific Islander Professionals

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This is Exhibit "I", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



INVOICE

INVOICE DATE 24-OCT-24	CUSTOMER NO. 512	INVOICE NO. 2817
ProCLASS and OpenVMS Helpdesk2 01-Nov-2024 to 31-Oct-2025		PAGE 1

S O L D	7-Eleven Distribution Company 5445 8th Street NE
T O	Calgary, Alberta Canada
	T2K 5R9

SALESREP:	1	ROUTE/STOP:	1/ 1	CARRIER:	1	TERMS:	7 DAYS	WAREHOUSE:	1	REFERENCE:	1
-----------	---	-------------	------	----------	---	--------	--------	------------	---	------------	---

[illegible]

This is Exhibit "**J**", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Tuesday, November 12, 2024 4:13 PM
To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

Good afternoon Joshua,

We have still not received the payment for our helpdesk services invoice number 2817 that was due on November 1st, 2024. Please make sure this invoice is paid right away.

I have attached our license agreement for SEDCC for our software that has been in use by SEDCC since November 2023. We have confirmed with our lawyer that the previous license agreement with Wallace & Carey is not transferable and cannot be used by SEDCC. Please have this agreement signed by an authorized person and return it to us via email.

We will send you an invoice for the license fee and for the first year maintenance fee covering the period from November 1, 2024 to October 31, 2025, a year after it should have been in effect. Both of these invoices will be payable upon receipt.

We have assigned the license fee based on SEDCC's fiscal year 2024 annual sales that was \$602M (will be even higher if we extrapolate some recent period sales). Our license fee table was passed on to Heather back in July 2024 (see attached email).

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)



**SOFTWARE LICENSE AGREEMENT**

made and entered into by

Digiflex Information Systems Inc.
(hereinafter "Digiflex")

and

Seven Eleven Distribution Canada Corporation
(hereinafter "Customer")

THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a non-transferable, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

1. **PACKAGE.** For the purposes of this Agreement, the expression "Software" shall mean and include the application computer program(s) described below (Table 1); and other supporting materials and documentation furnished by Digiflex to Customer with such programs, and "Package" shall mean the Software and the Supporting Documentation and any enhancements thereof.

Table 1

QTY	APPLICATION AND DESCRIPTION	DESIGNATED EQUIPMENT (TYPE/ SER.NO./LOCATION)	OPERATING SYSTEM VERSION
1	ProCLASS Distribution Management System	HP rx2620 Serial#	OpenVMS V8.2 or higher
1	Runtime Version of LAZER DBMS	HP rx2620 Serial#	OpenVMS V8.2 or higher
1	CLASS Accounts Receivable	HP rx2620	OpenVMS V8.2 or higher
1	CLASS Accounts Payable	HP rx2620	OpenVMS V8.2 or higher



1	CLASS General Ledger	HP rx2620	OpenVMS V8.2 or higher
1	CLASS Bank Reconciliation	HP rx2620	OpenVMS V8.2 or higher

2. GRANT OF LICENSE TO USE.

- A. Digiflex hereby grants to Customer a non-transferable, non-exclusive, perpetual License, one (1) copy of a machine executable version of the Software together with the Supporting Documentation under the terms expressed herein, effective on the date this Agreement has been executed by both parties. The Software may, if the Designated Equipment is inoperable, be temporarily transferred to a suitable and compatible backup computer having the same operating system(s) specified in Table 1 provided that Customer shall first give written notice to Digiflex setting out the particulars of the backup computer and indicating the date by which Customer expects the Designated Equipment to be operable.
- B. Customer may substitute a different computer system owned or leased by the Customer as the designated computer system hereunder provided prior written notice, specifying the model and serial number of the proposed substitute system, is given to Digiflex. Provided any new substitute system is a compatible system for the Software, Digiflex will provide one (1) machine executable version of the Package to Customer at the Designated Location within ten (10) days of written notice to Digiflex by the Customer setting out the particulars of the substitute computer and indicating the date by which Customer expects the designated equipment to be operable.

3. **TERMS OF LICENSE AGREEMENT.** This License Agreement shall commence upon its execution by the last of the parties to sign.

4. **LICENSE TO USE FEE.** The Customer shall pay to Digiflex a total of \$3,230,000.00 (*three million and two hundred and thirty thousand dollars*) for an unlimited-use License to Use Agreement.

A handwritten signature in blue ink, consisting of a stylized 'm' or 'n' shape.

This unlimited License shall apply to the current Customer's business. New business acquisitions or startups are not covered under this unlimited use License.

5. **LICENSE TERMINATION.** If Customer breaches any of its obligations hereunder, or if the Customer becomes insolvent, files a petition in bankruptcy, or has filed against it an involuntary petition in bankruptcy, or has a receiver appointed over all or substantially all of its assets, then Digiflex may, at its option, if there are any amounts owing by Customer to Digiflex, immediately terminate the License To Use granted hereunder upon written notice to Customer. In case of receivership or bankruptcy the License To Use shall be continued provided the Receiver or Trustee in Bankruptcy assumes all of the Customer's obligations under this agreement. If the License To Use is so terminated, all the License fees paid hereunder will be deemed to have been paid for the use of the Package during the time it was in Customer's possession and Customer shall not be entitled to a refund of any portion of the License To Use fee. In addition, in the event of a breach by Customer of any of its obligations hereunder, Digiflex shall be entitled to seek equitable relief, including by way of injunction, to protect its interests herein, it being acknowledged by the Customer that Digiflex would suffer irreparable harm by any such breach and that damages would not be an adequate remedy.

In the event that Digiflex breaches any of its obligations, or if Digiflex becomes insolvent, or files a petition in bankruptcy, then the Customer may, at its option terminate the License To Use granted hereunder upon written notice to Digiflex.

In the event of a termination of the License hereunder, the Package and all copies thereof shall forthwith be returned to Digiflex or, at Digiflex's option, destroyed or erased from electronic memories or other storage devices and thereafter Customer shall deliver to Digiflex a letter, from an officer of the Customer, certifying that all copies of the Software and any code or listings produced by the Software have been destroyed, returned or erased and that the Customer has discontinued use of the Package.

6. **TAXES.** All prices mentioned in this Agreement are EXCLUSIVE of Provincial, Federal, and other taxes.
7. **TRAINING.** Instruction and training in the use of the Software on the Designated Equipment will be available on a time and materials basis, based on Digiflex's standard per diem rates then in effect in accordance with those outlined in Schedule B - Rate Schedule.
8. **SOFTWARE MODIFICATIONS.** In the event the Customer wishes to pursue modifications, enhancements or improvements to the Software other than those

included under the terms of this Agreement, Digiflex would provide a cost estimate to the Customer. Work would commence upon acceptance of the Scope of Work and Price by Customer. All such modifications, enhancements and improvements shall be the property of Digiflex.

9. **PRICING CHANGES.** All rates specified in this agreement and any attachments, schedules, or enhancements are guaranteed for the initial 12 months of the term of this Agreement. Thereafter, Digiflex may increase such fees or charges by notifying Customer in writing at least thirty (30) days prior to the effective date of increase. Customer agrees that said notifications, or copy thereof, will be considered an amendment to this Agreement. The percentage increase shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or, failing which, for the Province of Alberta or, failing which, for Canada.
10. **LIMITATION OF LIABILITY.** The Customer agrees that Digiflex's liability to Customer or any third party arising out of or in any way relating to this Agreement shall be limited to the License To Use Fee and that under no circumstances shall Digiflex be liable for any special, direct or indirect, incidental or consequential damages of any nature whatsoever, including loss of use, loss of profits, revenue or business.

Customer acknowledges that its only remedy in the event of a program error shall be to require Digiflex to use best efforts to correct same and that Digiflex shall not be liable for any damages resulting from the occurrence of a program error however caused.

Except as expressly stated herein, Digiflex makes no warranties, express or implied, concerning the Package, and expressly disclaims and excludes any warranties of merchantability or fitness for a particular purpose.

11. **CONFIDENTIALITY.** Each party acknowledges that all material and information which has or will come into its possession or knowledge in connection with this Agreement or in the performance hereof, and in particular the terms and conditions of this agreement, consists of confidential and proprietary data, whose disclosure to or use by third parties will be damaging. Both parties, therefore, agree to hold such material and information in strictest confidence, not to make use thereof other than for the performance of this Agreement, to release it only to employees who need to know such information in the course of their employment, and not to release or disclose it to any other party. The obligation of both parties under this paragraph shall continue during and after the term of this License To Use agreement.

A handwritten signature in blue ink, located in the bottom right corner of the page.

Neither Digiflex, nor Customer shall approach any employee of the other to provide employment services or consulting services to the other. This restriction shall continue for a period of one year after completion of the project. The company, which presently employs these individuals, may forego this restrictive covenant in writing by the approval of an officer of the company.

- 12. PROPRIETARY RIGHTS, TRADE SECRETS AND TITLE.** Customer hereby acknowledges that the Package, any copies thereof and any updates, enhancements or modifications thereof, in whole or in part, and all copyright, patent, trade secret and other intellectual property and proprietary rights (collectively, "Proprietary Rights") therein, are and remain the valuable property of Digiflex. Customer agrees to communicate to any user of the Package Digiflex's Proprietary Rights by instruction, agreement or notice including but not limited to incorporating and maintaining Digiflex's copyright notice and proprietary warning on each copy of the Package. Customer acknowledges that the existence of any such copyright notice or proprietary warning shall not be construed as an admission or presumption of the publication of the Package. Notwithstanding anything else contained in this Agreement, Customer shall not be entitled to copy all or any part of the Supporting Documentation without Digiflex's prior consent, which consent may be arbitrarily withheld.
- 13. GOVERNING LAW.** This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta, Canada.
- 14. ENTIRE AGREEMENT.** This Agreement and attached Schedules including: Schedule A - Maintenance; Schedule B - Rate Schedule form part of this agreement and contain the entire Agreement between Customer and Digiflex herein of this date and supersedes all prior agreements, negotiations, representations and proposals, written and oral. Customer acknowledges and agrees that no agent, employee or other representative of Digiflex has authority to bind Digiflex to any obligation relating hereto not specifically set forth herein.
- 15. AUTHORITY.** Each party has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each has been properly authorized and empowered to enter into this Agreement. Each party further acknowledges that it has read the Agreement, understands it, and agrees that the Agreement is binding upon the parties hereof, their successors and assigns.

A handwritten signature in blue ink, located at the bottom right of the page.



16. NOTICE. Any notice, request, demand, consent or other communication provided or permitted hereunder shall be in writing and given by personal delivery or sent by double registered mail or transmitted by telex, telegram, or facsimile, addressed to the party for which it is intended, addressed as follows:

If to Customer:

Seven Eleven Distribution Canada Corp.
5445 – 8th Street N.E.
Calgary, Alberta, Canada T2K 5R9

If to Digiflex:

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

provided, however, that any party may change its address for purposes of receipt of any such communication by giving ten (10) days prior written notice of such change to the other party in the manner proscribed above. Any notice so given shall be deemed to have been received on the date on which it was delivered or transmitted by telex, telegram or facsimile or if double registered mail, on the date of authorized receipt.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of _____ in the year of _____.
in the presence of:

Seven Eleven Distribution Canada Corp.
5445 – 8th Street N.E.
Calgary, Alberta, Canada T2K 5R9

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

Name

Title

Date

Authorized Signatory

M. Z. MARDUKHI
Name

President
Title

12-Nov-2024
Date

M. Z. MARDUKHI
Authorized Signatory

MAINTENANCE AGREEMENT

1. **DEFINITIONS.** In this Maintenance Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms, words and expressions shall have the meanings ascribed to them as follows:
 - A. "New Module" means a module, program, modification or enhancement, other than an Update, development by Digiflex and which, in Digiflex's opinion, is substantially different from the Software or any module or application thereof and which Digiflex sells or proposes to sell to third parties;
 - B. "Update" means an update, error correction, modification or enhancement of or in respect of the Software and includes a complete rewritten version or release of the Software.
2. **AGREEMENT.** Upon the terms and subject to the conditions herein set forth, Digiflex agrees to provide to Customer and Customer agrees to accept the Maintenance Services. The term of this Maintenance Agreement shall begin upon installation of Software into a production environment. However that this Maintenance Agreement will be automatically renewed for successive one year terms upon terms to be agreed upon by the parties at the time of renewal unless notice of termination in writing is given by either party to the other at least thirty (30) days prior to the expiration of the term hereof or any renewal in which case this Maintenance Agreement shall terminate at the end of such term or renewal.
3. **CHARGES.** The customer shall pay an annual maintenance fee for services commencing upon installation of Software into a production environment. The maintenance fee shall be \$807,000.00 (eight hundred and seven thousand dollars) for 1 year, paid in advance. Additional Maintenance fees will apply in the event that Software is installed in multiple branches on additional Server Systems as specified in Table 2.
4. **MAINTENANCE SERVICES**
 - A. Digiflex shall provide the following services during the term hereof:
 - i) Operating System Compatibility. Customer agrees to accept, implement and install all Updates provided to Customer under subparagraph (ii), as well as the same release or version of the

Designated Equipment (meaning the computer hardware designated in the Software License To Use Agreement) in connection therewith as may be installed by Digiflex on its corresponding computer equipment. Digiflex's obligation to provide Maintenance Services shall terminate without notice to Customer if Customer shall fail to install the same release, or two previous updates, of the operating system as Digiflex shall have installed on its system, or if Customer shall install a more recent release of the operating system than Digiflex shall have installed.

- ii) Updates. Digiflex shall provide to Customer any Updates for the Software when such Updates are developed or published by Digiflex and made generally available to other licensees of the Software at no additional cost. Any New Modules developed or published by Digiflex will be offered to Customer at Digiflex's then current rates. All Updates shall become part of the Software, and Digiflex shall be free to offer these Updates to other persons. The determination of whether a New Module will be made generally available to licensees at no additional cost or will be made available only for an additional cost is the sole and exclusive right of Digiflex.

Any changes to program logic made under this Maintenance Agreement and which are to be provided to Customer shall be provided on a machine-readable medium specified by Customer. Customer shall pay the cost of any such media (including shipping charges) provided by Digiflex, in addition to any other charges required to be paid under this Maintenance Agreement.

Digiflex shall not remove any functionality from the Software if the said functionality is being used by the Customer.

Subject to paragraph (E) below, Digiflex shall be responsible for its out-of-pocket costs in correcting a Software error at Customer's premises.

- iii) Hotline Service. Digiflex shall provide Customer remote telephone access to Digiflex personnel on a 7 x 24 basis with respect to use of the Software. In providing such service, Digiflex will respond to a request from Customer, but not necessarily correct any error, within four (4) business hours of Customer's request.

mb

- B. Digiflex representatives will have full access to the Software in order to effect the necessary Maintenance Services, and for these purposes Customer shall be responsible for providing all necessary ports, dial-in lines and compatible media at Customer's site and cost, and allow physical access to the Customer's site when required to perform maintenance On-Site.
- C. Digiflex makes no express or implied warranties, including any with respect to merchantability and fitness for a particular purpose, with respect to the Maintenance Services. Digiflex does not represent or warrant that the Maintenance Services will be capable of achieving any particular result or results in the business or operations of Customer, or that the operation of the Software will be uninterrupted, or that all programming errors can be found in order to be corrected; however, Digiflex will use its best efforts to attempt to identify and correct such errors including, if appropriate in the circumstances, sending qualified personnel to Customer's business premises. In no event shall Digiflex be liable to Customer in damages, nor shall Digiflex be liable for damages in respect of special, incidental, indirect or consequential loss or lost profits, even if Digiflex has been advised of the possibility of such damages.
- D. Customer agrees to read and be familiar with all Supporting Documentation provided by Digiflex with or in connection with the Software, and agrees to ensure that its users have sufficient operating knowledge of the Software. Customer acknowledges that there is no obligation on the part of Digiflex, except to the extent specifically set out herein, in the Software License To Use Agreement, or otherwise agreed in writing by Digiflex, to provide any training or instruction to Customer or its employees with respect to the Software.
- E. Notwithstanding anything herein contained, if Digiflex determines in good faith in the course of performing any Maintenance Services that an error, problem or question raised by Customer in connection with the Software is a direct result of input of incorrect data or command by Customer, Customer shall reimburse Digiflex for its expenses in responding to Customer's inquiry and shall pay Digiflex a fee calculated at Digiflex's then current rates for such services.

- 5. MAINTENANCE CHARGES.** The annual rate for Maintenance Charges shall be firm for the period of this Agreement. Subsequent annual Maintenance Charge renewals, as provided under paragraph 3, may be increased or decreased by Digiflex providing that Digiflex has given Customer written notice of such increase or decrease not less than thirty (30) days prior to the end of the then current term of the Maintenance Agreement. The percentage increase, if any, in annual Maintenance Charges over those for the preceding year shall not exceed the percentage increase in the Consumer Price Index for the same period as published by Statistics Canada for the City of Calgary, or failing which, for the Province of Alberta, or failing which, for Canada.

In the event that Digiflex should breach the terms of this Maintenance Agreement, such breach not to be correct following thirty (30) days notice of such by Customer, Digiflex shall return to Customer fees paid annually in advance for Maintenance Services, calculated on a pro-rated basis.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed

on this _____ day of in the year of _____.

In the presence of:

Seven Eleven Distribution Canada Corp.
5445 – 8th Street N.E.
Calgary, Alberta, Canada T2K 5R9

Name

Title

Date

Authorized Signatory

Digiflex Information Systems Inc.
2611 Venables Street
Vancouver, BC, Canada V5K 2R4

M. Z. MARDUKHI

Name

President

Title

12. Nov. 2024

Date

M. Z. MARDUKHI

Authorized Signatory

Handwritten initials



RATE SCHEDULE

1. RATES

The rates will be based upon the following table of Digiflex employee position. Digiflex rates are subject to an annual review.

Table B-1

	Hourly	Daily
Analysis & Design	\$295.00	\$2300.00
Project Management	\$295.00	\$2300.00
Programming	\$250.00	\$1900.00
Technical Support	\$250.00	\$1900.00
Training and Installation	\$250.00	\$1900.00

2. MINIMUM ON-SITE RATE

Minimum On-Site Rate within the City of Calgary shall be 4 hours based on the hourly rate schedule as specified in Table B-1. The Minimum On-Site Rate outside the City of Calgary shall be 1 day based on the daily rate schedule as specified in Table B-1.

In the event of traveling being required by Digiflex employees to Customer locations outside of Calgary, Alberta, the Customer shall pay all reasonable expenses incurred by Digiflex employees. This is separate from Rates specified in Table B-1.

3. MINIMUM OFF-SITE RATE.

Minimum Off-Site Rate shall be 2 hours based on the hourly rate schedule as specified in Table B-1.

A handwritten signature in blue ink, located in the bottom right corner of the page.

This is Exhibit "**K**", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Thursday, November 14, 2024 11:38 AM
To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

Good morning Joshua,

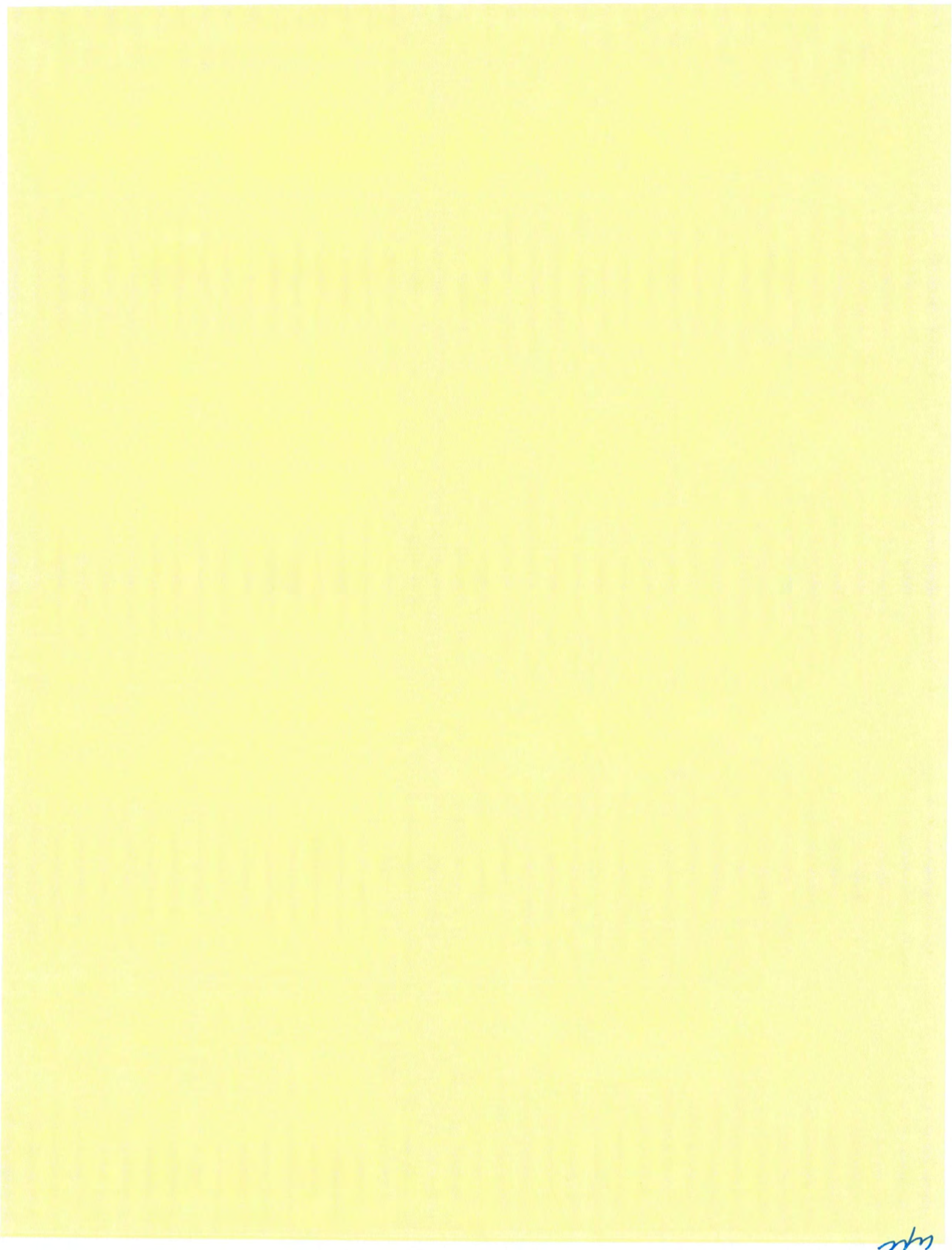
I have attached our invoices for license fees and one year of maintenance services for SEDCC; please ensure they get paid as they are due upon receipt.

And another reminder: our helpdesk services invoice is way overdue; please have its payment sent today so we can continue to provide those services.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)





INVOICE

INVOICE DATE 01-NOV-24	CUSTOMER NO. 512	INVOICE NO. 2821
CLASS and ProCLASS License Fee		PAGE 1

7-Eleven Distribution Canada
5445 8th Street NE
Calgary, Alberta
Canada T2K 5R9

7-Eleven Distribution Canada
5445 8th Street NE
Calgary, Alberta
Canada T2K 5R9

WAREHOUSE: 1 REFERENCE:

CARRIER: 1 TERMS: 7 DAYS

[illegible]

olumbia, Canada V5K 2R4
a
874

INVOICE

INVOICE DATE 01-NOV-24	CUSTOMER NO. 512	INVOICE NO. 2822
CLASS/ProCLASS Maintenance Fee 01-Nov-2024 to 31-Oct-2025		PAGE 1

S O L D T O	7-Eleven Distribution Canada 5445 8th Street NE Calgary, Alberta Canada	T2K 5R9
S H I P T O	7-Eleven Distribution Canada 5445 8th Street NE Calgary, Alberta Canada	T2K 5R9

SALESREP:	1	ROUTE/STOP:	1/	1	CARRIER:	1	TERMS:	7 DAYS	WAREHOUSE:	1	REFERENCE:	1
-----------	---	-------------	----	---	----------	---	--------	--------	------------	---	------------	---

[illegible]

This is Exhibit "L", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Tuesday, December 03, 2024 12:09 PM
To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal
Importance: High

Good day Joshua,

Based on the lack of response, or even acknowledgment, of our new license agreement and 3 overdue invoices, we can only assume that your Epicor implementation project has finally been completed and you no longer need our systems or services.

If this is the case, please inform Wallace & Carey of this change and initiate the destruction of our software and documentation at Wallace & Carey, as stipulated in point 5 of our license agreements. As per the last paragraph of point 5, please send us a letter conforming that this destruction has been completed.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)



This is Exhibit "**M**", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



From: Mohamad Zähed Mardukhi
Sent: Tuesday, December 03, 2024 2:06 PM
To: 'jknights@ksvadvisory.com' <jknights@ksvadvisory.com>
Subject: 7-Eleven / Wallace & Carey

Good afternoon Jason,

I just listened to your voice message and thought an email will be more efficient than calling you back.

First, we have not threatened any termination, rather deduced from the lack of response or even acknowledgement from 7-Eleven to multiple emails that they no longer need our software or services. We were expecting this to happen even before 7-Eleven was involved since Wallace & Carey decided to implement another ERP system almost 3 years ago. So we have been expecting this and have planned our future without Wallace & Carey for some time now, although we are ready and able to reorganize again if 7-Eleven decides to use our software.

As for who owns or controls Wallace & Carey, all indications are 7-Eleven has effectively taken over the operations for more than a year now. They even requested that we set up a new company named "7-Eleven Distribution Canada Corporation" (SEDCC) on our ERP system starting in January 2025 (see the 1st attached email from July 2024). We reminded them that our license is not transferable and that the new company requires a new license; they did not proceed with the request.

We then received an email from 3 people at 7-Eleven, with not a single Wallace & Carey person copied in, requesting a renewal of our maintenance agreement (see bottom of the 2nd attached email chain). We responded that our Helpdesk services agreement is the only one that is not directly related to a software license and could be renewed without delay. We then asked who we should bill for this service and they responded with "Seven Eleven Distribution Canada Corporation" (see top of the 2nd attached email). We issued the invoice right away and it remains unpaid as of today (overdue by more than a month).

Even according to paragraphs 15 and 16 of an affidavit on your web site (which we only discovered in November 2024), Wallace & Carey was purchased by 7-Eleven Canada in November 2023 (so our license agreement with Wallace & Carey should not have been in effect from that



point in time):

15. Following the SISP, 7-Eleven Canada, Inc. (the "Purchaser") and the Applicants entered into a purchase and sale agreement (the "Sale Agreement"). The Sale Agreement was for the sale of the Applicants' personal property and equipment assets located in Alberta and British Columbia and the intellectual property, technology, software and systems relating to the entire Logistics Companies' logistics/distribution business across Canada. The Applicants are continuing to operate in various provinces across Canada, including BC, Alberta, Saskatchewan, Manitoba and Ontario.

16. Pursuant to the Sale Agreement and concurrent with the closing of that transaction, the Applicants and the Purchaser entered into a transition services agreement ("TSA") pursuant to which Wallace & Carey continues to provide logistics services to the Purchaser in accordance with the terms and conditions contained therein. Pursuant to the TSA, the Purchaser is required to fund substantially all of Wallace & Carey's and CM I's costs from and after the effective closing time, being 12:01 a.m. on November 19, 2023.

We had an excellent relationship with Wallace & Carey for over 23 years and this has been reflected in our extremely favourable rates and exceptional service levels. Our license agreement with Wallace & Carey explicitly states that it is not transferable in its very first paragraph, and our special rates do not apply to 7-Eleven.

It appears that 7-Eleven did not realize our license agreement is not transferable until we reminded them of this fact. They now want to pretend they are Wallace & Carey to avoid paying licensing and maintenance fees.

We have no desire to take this matter to litigation and hope that 7-Eleven does the right thing by signing our license agreement (sent on November 12, 2024), and pays our 3 overdue invoices. But we are ready and confident to proceed otherwise if needed.

If you respond, please do so via email as I often do not pick up phone calls from numbers that are not in my contacts list.



Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)



From: [Heather Miller](#)
To: [Mohamad Zähed Mardukhi](#)
Cc: [Cliff Harrison](#)
Subject: New Company - ProCLASS, CLASSAP, CLASSAR, CLASSGL, CLASS Bank Reconciliation
Date: Thursday, July 04, 2024 11:02:51 AM
Attachments: [image001.png](#)

Hello Mohamad,

We have a request to setup a completely separate ERP system using Digiflex software for our new distribution company.

This system will operate temporarily from Jan 1st, 2025 to March 31st, 2025 (with a possible extension to June 30th, 2025).

The goal is to wind down Wallace & Carey so no invoices will be moved to the new distribution company.

Can you please provide a quote for the development, test and go-live support and ongoing maintenance and support agreements - details below:

This new company will require the following from WC:

1. Active items (item groups, families, family groups, customer guides)
2. Active customers and vendors
3. Item and customer cross references
4. WC users in group 1 and 3
5. Email groups, printers
6. Active GL accounts (list will be provided)
7. All sales reps, buyers, carriers, routes, stops, drivers, warehouses, locations and sections, reason codes
8. Customer item retails/classes, markups, add programs, promotional allowances, contracts,
9. Sales history required to determine demand forecasting for new purchases
10. Open orders and purchase orders
11. AR, AP, GL, Bank, Inventory balances (qty and \$'s) by warehouse
12. Rebrand to new company name and logo (screens, forms, reports)
13. System setup – same setup and processors with exception of accounting periods, fiscal year, bank accounts – these will be by calendar month, calendar year, scotia bank accounts only
14. Setup separate folder structure/logicals for output/input of data

We would like to have the new system available with a point in time setup including master data/balances loaded for testing by November 18th, 2024 and then reload/update master data/balances for go-live on Jan 1st, 2025.

Please provide your recommendations on anything you believe we may need or have missed stating



above.

Thank you for your assistance!

Heather



Heather Miller

Director, Information Technology

5445 8th St NE | Calgary, AB | T2K 5R9

www.wacl.com

Follow **wallaceandcarey** on social media

[#CareyKindness](#) [#WallaceAndCarey100](#)

[#MovingCanadiansForwardSince1921](#)

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From: [Buchanan, Joshua Graham \(Josh\)](#)
To: [Mohamad Zähed Mardukhi](#); [Naik, Anvaya Pradeep](#)
Cc: [Hernandez, Christopher M](#); [Raya, Kendra Monique](#)
Subject: RE: DigiFlex Maintenance Renewal
Date: Thursday, October 24, 2024 11:33:35 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)

Mohammed,

Seven Eleven Distribution Canada Corporation will have the same address in Calgary that W&C has had in the past.

Thank you,

Josh Buchanan

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Thursday, October 24, 2024 12:30 PM
To: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>; Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Hello Anvaya,

We are still awaiting the bill-to information requested/mentioned below.

Thanks,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>
Sent: October 24, 2024 10:28
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>
Subject: RE: DigiFlex Maintenance Renewal

Hello @Mohamad Zähed Mardukhi,

Hope all is well ! Just wanted to follow up with you on our renewal quote request. Can you let us know the ETA for when you will be able to share the renewal quote?

Thank you

Regards,

Anvaya Naik | 7-Eleven, Inc | Store Support Center

Sr. Sourcing Manager | Strategic Sourcing | Enterprise Tech and Digital

500 Speedway Dr., Enon, OH 45323

O (937)-244-7339 | C (217) 979-5283 | E Anvaya.Naik@7-11.com

Co-Lead | 7-Eleven Network of Asian & Pacific Islander Professionals

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From: Naik, Anvaya Pradeep

Sent: Tuesday, October 15, 2024 3:52 PM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>; Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>

Cc: Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Hi Mohammad,

Thank you for the note and yes, we would like to continue with both the license maintenance and the help desk support portion. 7-Eleven does not intend to buy net new license agreement. There is also no immediate intent or capacity to move to your new ERP system. Our attorneys are reviewed and confirmed that the existing Wallace and Carey contracts will be in full force and effect on its current terms., I would recommend checking with your internal legal department to make sure you are considering that when you send us the order form/invoice.

[@Buchanan, Joshua Graham \(Josh\)](#) can you please confirm the bill to for Mohammad.

Thank you

Regards,

Anvaya Naik

Sr. Manager | Strategic Sourcing | Enterprise Tech and Digital

7-Eleven, Inc. | Store Support Center



500 Speedway Dr., Enon, OH 45323
Cell: (937)-244-7339, M: (217) 979-5283
Email: Anvaya.Naik@7-11.com

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From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Tuesday, October 15, 2024 2:06 PM

To: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Good day Anvaya,

It appears that for all intent and purposes Wallace & Carey no longer exists as a legal entity, or at best, it has become a division of 7-Eleven. The "Wallace & Carey transactions" that you mention below are almost all for 7-Eleven businesses.

We currently have two agreements with Wallace & Carey: A software Maintenance Agreement that started in May 2000, and a Helpdesk Level 2 support agreement that started in June 2008 (at \$7,000 per month, more than 16 years ago) where we provide helpdesk support for both Digiflex products, the OpenVMS operating system, and the Itanium servers on a 7 x 24 basis.

We are awaiting advice regarding renewal of the existing Maintenance Agreement because a new License Agreement with 7-Eleven may be required before we can renew that agreement. Just as an aside, if 7-Eleven purchases a new license agreement, there will be no restrictions and 7-Eleven can transfer the Wallace & Carey business to a new instance of our ERP system under SEDCC and change its fiscal structure as needed.

The Helpdesk Level 2 support agreement is not directly related to our licensing agreement so we can offer renewal of that agreement to 7-Eleven for another year at \$192,000 per year. If you are interested in

renewing this agreement, please send me the 7-Eleven bill-to information and we will send you an invoice.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Sent: October 8, 2024 06:57

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

Morning @Mohamad Zähed Mardukhi, 7-Eleven Canada will be the buying entity but please note that only Wallace & Carey transactions will be carried on Digi flex.

Thank you

Regards,



Anvaya Naik

Sr. Manager| Strategic Sourcing | Enterprise Tech and Digital

7-Eleven, Inc. | Store Support Center

500 Speedway Dr., Enon, OH 45323

Cell: (937)-244-7339, M: (217) 979-5283

Email: Anvaya.Naik@7-11.com

Co-Lead | 7-Eleven Network of Asian & Pacific Islander Professionals

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From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Monday, October 7, 2024 4:21 PM

To: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: RE: DigiFlex Maintenance Renewal

****External - Potential security risk - Exercise caution****

Good afternoon Anvaya,

Will these agreements be with Wallace & Carey or with 7-Eleven? I do not know if Wallace & Carey still exists (or will exist in 2025) as a legal entity.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>

Sent: October 7, 2024 10:12

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Raya, Kendra Monique <Kendra.Raya@7-11.com>

Subject: DigiFlex Maintenance Renewal

Hello Mohamad,

I am part of the 7-Eleven Sourcing team. Our business team has requested that we request maintenance renewal quote for 1 year term of existing Digiflex licenses that were acquired as part of the Wallace and Carey contract. Could you please send us the quote for that?

Let us know if you have any questions or concerns

Thank you

Regards,



Anvaya Naik

Sr. Manager| Strategic Sourcing | Enterprise Tech and Digital

7-Eleven, Inc. | Store Support Center

500 Speedway Dr., Enon, OH 45323

Cell: (937)-244-7339, M: (217) 979-5283

Email: Anvaya.Naik@7-11.com

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This is Exhibit "N", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

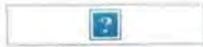
A Commissioner for Oaths in and for
the Province of Alberta



From: [Gagnon, Angeline](#)
To: [Mohamad Zähed Mardukhi](#)
Cc: [Thompson, Natalie](#)
Subject: Software License Agreement between DigiFlex Information Systems Inc. and Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]
Date: Tuesday, December 03, 2024 2:40:45 PM
Attachments: [image001.png](#)
[2024 12 03 - LT DigiFlex Information Systems Inc..pdf](#)

Please see the attached correspondence sent on behalf of Jeffrey Oliver.

Thank you,



ANGELINE GAGNON

Legal Administrative Assistant

t: +1 587 441 7624

e: agagnon@cassels.com

Cassels Brock & Blackwell LLP | cassels.com

Suite 3810, Bankers Hall West, 888 3rd Street SW

Calgary, Alberta T2P 5C5 Canada

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Handwritten signature



December 3, 2024

Via Email (mardukhi@digiflex.ca)

DigiFlex Information Systems Inc.
2611 Venables Street
Vancouver, BC V5K 2R4

joliver@cassels.com
tel: +1 403 351 2921
file # 54670-3

Attention: Mohamad Zähed Mardukhi

Dear Sir:

**Re: Court File Number 2301-08305
ITMO the Compromise or Arrangement of Wallace & Carey Inc., Loudon Bros Limited and
Carey Management Inc. (the "CCAA Proceedings")
Software License Agreement between DigiFlex Information Systems Inc. ("DigiFlex") and
Wallace & Carey Inc. ("WCI") dated August 19, 2013 (the "Agreement")**

We are counsel to KSV Restructuring Inc. in its capacity as Court-appointed Monitor (in such capacity, the "**Monitor**") of WCI, Loudon Bros Limited ("**LBL**"), and Carey Management Inc. ("**CMI**" and together with WCI and LBL, the "**Companies**"). We write further to various email exchanges between yourself and representatives of WCI and/or 7-Eleven Canada, Inc. ("**7-Eleven**"), and in particular, your emails dated September 9, 2024, November 4, 2024 and November 25, 2024 (the "**Renewal Emails**").

We are not aware of DigiFlex having retained legal counsel on this matter. However, we strongly encourage you to do so.

In your email correspondence dated November 4, 2024 you state that "...Wallace & Carey became a division of 7-Eleven as of November 2023...". This is incorrect. During the course of the CCAA Proceedings, subject to the terms of the Amended and Restated Initial Order granted by the Court of King's Bench of Alberta (the "**Court**") in the CCAA Proceedings on June 30, 2023 (the "**ARIO**"), WCI has continued to operate in the ordinary course of business. While 7-Eleven is currently funding the WCI business during the CCAA Proceedings pursuant to a Transition Services Agreement dated November 21, 2023, 7-Eleven is not the subject of the CCAA Proceedings, and the Agreement has not been assigned to 7-Eleven. Rather, WCI remains party to the Agreement, and 7-Eleven remains a separate legal entity from WCI.

We wish to direct your attention to paragraph of the ARIO, pursuant to which suppliers are compelled to provide services to WCI during the CCAA Proceedings in accordance with the terms of existing agreements. Paragraph 19 reads (emphasis added):

19. During the Stay Period, **all persons having:**

- (a) statutory or regulatory mandates for the supply of goods and/or services; or
- (b) oral or written agreements or arrangements with the [Companies], including without limitation all supply arrangements pursuant to purchase orders and

historical supply practices, **computer software**, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the [Companies],

are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the [Companies] or exercising any other remedy provided under such agreements or arrangements. The [Companies] shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the **usual prices or charges for all such goods** or services received after the date of this Order are paid by the [Companies] in accordance with the payment practices of the [Companies], or such other practices as may be agreed upon by the supplier or service provider and each of the [Companies] and the Monitor, or as may be ordered by this Court.

Further, paragraph 18 of the ARIO reads (emphasis added):

18. During the Stay Period, **no person shall** accelerate, suspend, 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 [Companies]**, except with the written consent of the [Companies] and the Monitor, or leave of this Court.

A copy of the ARIO is enclosed for your reference.

The Renewal Emails make demand for renewal at a significantly increased price. Your proposed price increase and the termination by you of the Agreement is expressly prohibited by paragraphs 18 and 19 of the ARIO.

If DigiFlex continues to pursue either price increases or a termination of the Agreement, the Monitor will bring an application to hold DigiFlex in contempt of Court on the basis that those actions are contrary to the ARIO. In such a hearing, the Monitor would also seek costs payable by DigiFlex to WCI on a solicitor and client own basis, and potentially damages.

Notwithstanding that DigiFlex could be required by the Court to provide its services at the rates set out in the Agreement, WCI has advised the Monitor that it is prepared to engage in good faith discussions with DigiFlex, with the intention of negotiating a one-year renewal of the Agreement on such terms.

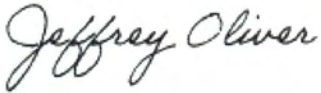
Please contact Jason Knight at jknight@ksvadvisory.com not later than **5:00 PM (MT) on December 6, 2024** (the "**Deadline**") to discuss terms for renewal of the Agreement that are agreeable to all parties and in alignment with the ARIO.

If we do not hear from you prior to the Deadline, the Companies, with the support of the Monitor, will prepare a Court application to compel your cooperation.



Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in black ink that reads "Jeffrey Oliver". The signature is written in a cursive style with a large, stylized "J" and "O".

Jeffrey Oliver
Partner

JO/ag
Enclosure
LEGAL*66795391.1

A small, handwritten mark in blue ink, possibly initials or a signature, located in the bottom right corner of the page.

This is Exhibit "O", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



From: Chris McKenzie <mckenziec@wac.com>
Sent: Wednesday, December 04, 2024 9:09 AM
To: Help
Cc: Cliff Harrison
Subject: Additional Records to table(s)

Good morning, Digiflex Help Desk.

Our users are receiving the following message when attempting to add a new GL account in Class GL:

G/L WACI 6.2		Add Accounts	
SINOF error: File is full			
1 ACCOUNT	: 4001513	15 EXCH CODE	: 0
2 TYPE	: 1	16 UNIT BAL 1	:
3 SUBSYSTEM	: 1	17 UNIT BAL 2	:
4 R.C.C.	: 1	18 UNIT MES 1	:
		19 UNIT MES 2	:
5 DOWN FROM	: SEDCC	20 P/P CODE 1	:
6 PRIOR TO	:	21 P/P CODE 2	:
7 DOWN TO	:		
8 PERCENT	: 0.00%	22 FLAGS	: ..
9 LOW LIMIT	: 0.00		
10 HIGH LIMIT	: 0.00		
11 LOW HITS	: 0		
12 HIGH HITS	: 0		
13 SHORT DESC	: AUDIT ADJ NMO Groc 3P		
14 LONG DESC	: AUDIT ADJ NMO Groc 3P		
CORRECT: Y		7-Eleven Distribution CC	



They are requesting space for an additional 4000 records. Could you please make this adjustment to the necessary table(s)?

As always, thank you in advance for your assistance.

-- Chris



This is Exhibit "P", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta

mtm

Mohamad Zähed Mardukhi

From: Mohamad Zähed Mardukhi
Sent: December 6, 2024 11:20
To: Oliver, Jeffrey
Cc: Thompson, Natalie; 'Buchanan, Joshua Graham (Josh)'; Jason Knight; Bobby Kofman (bkofman@ksvadvisory.com)
Subject: RE: Software License Agreement between DigiFlex Information Systems Inc. and Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]

Jeffrey,

We did not just dream up the need for a new software license and the types of license fees involved, you can ask Wallace & Carey for emails initiated by Heather Miller starting on July 4, 2024. No one from 7-Eleven was copied onto these emails.

A second set of emails were initiated by Anvaya Naik at 7-Eleven on October 7, 2024. No one from Wallace & Carey was copied onto these emails. This begs the question: if Wallace & Carey is our client, why is 7-Eleven asking us for our invoices, and to have them billed to 7-Eleven?

Instead of acknowledging the need for a new license, 7-Eleven decided to hide behind CCAA and Wallace & Carey, and now they seem to be trying to set up the 7-Eleven Distribution Canada business inside the existing Wallace & Carey ERP databases.

Our stand on this matter remains unchanged from what I had specified in my email yesterday. Please stop sending me legal advice along with threats.

Should this matter go to court, and regardless of its outcome, there will be a zero chance of us providing our services beyond January 1, 2025. Slavery was abolished long ago.

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Oliver, Jeffrey <joliver@cassels.com>

Sent: December 6, 2024 08:18

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Thompson, Natalie <nthompson@cassels.com>; 'Buchanan, Joshua Graham (Josh)' <Joshua.Buchanan@7-11.com>; Jason Knight <jknight@ksvadvisory.com>; Bobby Kofman (bkofman@ksvadvisory.com) <bkofman@ksvadvisory.com>

Subject: RE: Software License Agreement between DigiFlex Information Systems Inc. and Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]

Mohamad,

We acknowledge receipt of your email. Unfortunately, you have chosen to ignore the content of our December 3rd letter, and continue to threaten to terminate services to Wallace and Carey in a fashion that is very clearly contrary to the terms of the Amended and Restated Order of the Court of King's Bench of Alberta dated June 30, 2023 (the "ARIO"), the terms of which you have had repeated notice of.

We note that the three invoices referenced below (and attached) for which you demand payment total approximately \$4.44 million from 7-Eleven Distribution Canada Inc. and are not justified by the terms of the License Agreement. We also note that if such invoices are not paid, you have threatened to make the ERP system unavailable to Wallace & Carey effective January 1, 2025. Not only is this conduct contrary to the ARIO, it is also in bad faith, and contrary to your obligation to act in good faith pursuant to section 18.6(1) of the CCAA. You are well aware that Wallace & Carey is operationally reliant on the ERP system and your intentional interference with that system will cause direct economic loss and damages to multiple parties, for which you will be liable.

In light of the foregoing, you have left the Monitor with no choice but to proceed with an urgent application before the Court of King's Bench of Alberta to seek an order of contempt, an injunction, and other forms of relief, including costs on a solicitor and client own basis against you and Digiflex. We urge you to retain counsel and reconsider your position, as courts typically take actions such as this very seriously, and can impose very considerable penalties and consequences on parties who are in contempt of court orders. If you require the names of local insolvency counsel to assist you, we would be pleased to provide you with that information.

Please advise us forthwith if you wish to reconsider your position, as we are now proceeding to book court time for the week of December 16th.

In the interest of time, we will not be responding to your points made about the purpose of the CCAA proceeding, but we disagree with them nonetheless.

Finally, if you would like to have a discussion to find a sensible and workable solution, please let us know. The Monitor would be pleased to try to facilitate a resolution.

Cassels

JEFFREY OLIVER (he/him/his)

Partner

+1 403 351 2921

joliver@cassels.com

Cassels Brock & Blackwell LLP | cassels.com
Suite 3810, Bankers Hall West, 888 3rd Street SW
Calgary, AB T2P 5C5 Canada
Services provided through a professional corporation

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Sent: Thursday, December 05, 2024 2:24 PM

To: Oliver, Jeffrey <joliver@cassels.com>

Cc: Thompson, Natalie <nthompson@cassels.com>; 'Buchanan, Joshua Graham (Josh)' <Joshua.Buchanan@7-11.com>; Jason Knight <jknight@ksvadvisory.com>

Subject: RE: Software License Agreement between DigiFlex Information Systems Inc. and Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]

Importance: High

CAUTION: External Email

Good day,

Our multiple emails and invoices to 7-Eleven were ignored for weeks, and now we have this threatening letter from a legal team. As a result, we have decided that we will not waste any more time on this matter, and we will not engage our lawyer. The best (or worst) that you can do is to force Digiflex into bankruptcy which will then seriously jeopardize 7-Eleven and Wallace & Carey operations.

This whole process is an abuse of the CCAA. If the judge in this case was aware of just the 2 facts below, they would prevent any further extensions (and likely question past extensions):

1. On July 4, 2024 we were asked to set up a whole new company on our ERP system, while continuing with the Wallace & Carey ERP system as is. This is not an act for a company under creditor protection.
2. On December 4, 2024 we were asked to allow for up to 4000 new accounts in our General Ledger system, an almost 100% increase from pre-CCAA numbers. Again, not an act for a company under creditor protection.

Going forward, we see only 2 options:

1. Our license agreement for 7-Eleven Distribution Canada Corporation (SEDCC), sent on November 12, 2024, is signed and our 3 overdue invoices are paid by December 20, 2024. SEDCC will then have the legal right to use our ERP as they see fit, for as long as they need, and they will have the same services and service levels we have provided to Wallace & Carey for over 24 years. Or,
2. We will continue to provide our support services to ensure continuous operation of our ERP system until January 1, 2025 and then our support/maintenance/helpdesk services will end.

This is certainly not how we wanted our long-term relationship with Wallace & Carey to come to an end. We had expected that Wallace & Carey would have finished implementing the replacement for our ERP system and that we would have parted ways amicably a year or more ago.

7-Eleven is likely thousands of times bigger than Digiflex but our small size does not mean we can be pushed around. At this point we are ready to take this all the way to shutting down Digiflex rather than provide our software and services under threats and intimidation.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: mardukhi@digiflex.ca

WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

This is Exhibit "Q", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



Mohamad Zähed Mardukhi

From: Mohamad Zähed Mardukhi
Sent: December 9, 2024 11:40
To: Heather Miller
Cc: 'Buchanan, Joshua Graham (Josh)'
Subject: FW: URGENT Request for Emergency Time on Commercial List - ITMO the Compromise or Arrangement of Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc. | Court File Number 2301-08305 [IWOV-LEGAL.FID4364182]
Attachments: 2024 12 09 - LT Justice Simard and Justice Mah re Emergency Time on the Commercial List.pdf
Importance: High

Good morning Heather,

I just received the email below threatening court action to force us to provide support to 7-Eleven, even though we have never had a license or maintenance agreement with them. I had told them last week that should they proceed with court action, and regardless of its outcome, that we will not provide support beyond January 1, 2025.

This note is to let you know that we will take our systems through the usual calendar year-end processes (please confirm if you want us to do so) and then we will no longer be able to provide maintenance or helpdesk services after January 1, 2025.

7-Eleven will then continue to risk using our software systems without a license.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Thompson, Natalie <nthompson@cassels.com>
Sent: December 9, 2024 11:00
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Oliver, Jeffrey <joliver@cassels.com>; Gagnon, Angeline <agagnon@cassels.com>
Subject: FW: URGENT Request for Emergency Time on Commercial List - ITMO the Compromise or Arrangement of Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc. | Court File Number 2301-08305 [IWOV-LEGAL.FID4364182]
Importance: High

Hi there,

Please see the attached correspondence, sent a few minutes ago.

Kind regards,



NATALIE THOMPSON (she/her/hers)

Associate

t: +1 587 441 3064

e: nthompson@cassels.com

Cassels Brock & Blackwell LLP | cassels.com

Suite 3810, Bankers Hall West, 888 3rd Street SW

Calgary, Alberta T2P 5C5 Canada

From: Gagnon, Angeline <agagnon@cassels.com>

Sent: Monday, December 09, 2024 11:56 AM

To: CommercialCoordinator KBJCalgary <CommercialCoordinator.KBJCalgary@albertacourts.ca>

Cc: Oliver, Jeffrey <joliver@cassels.com>; Thompson, Natalie <nthompson@cassels.com>

Subject: URGENT Request for Emergency Time on Commercial List - ITMO the Compromise or Arrangement of Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc. | Court File Number 2301-08305 [IWOV-LEGAL.FID4364182]

Importance: High

Please see the attached correspondence sent on behalf of Jeffrey Oliver.

Thank you,



ANGELINE GAGNON

Legal Administrative Assistant

t: +1 587 441 7624

e: agagnon@cassels.com

Cassels Brock & Blackwell LLP | cassels.com

Suite 3810, Bankers Hall West, 888 3rd Street SW

Calgary, Alberta T2P 5C5 Canada

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This is Exhibit "**R**", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.

A Commissioner of Oaths in and for
the Province of Alberta

Handwritten signature

Cassels

December 12, 2024

Via Email (mardukhi@digiflex.ca)

DigiFlex Information Systems Inc.
2611 Venables Street
Vancouver, BC V5K 2R4

joliver@cassels.com
tel: +1 403 351 2921
file # 54670-3

Attention: Mohamad Zähed Mardukhi

Dear Sir:

**Re: Court File Number 2301-08305
ITMO the Compromise or Arrangement of Wallace & Carey Inc., Loudon Bros Limited and
Carey Management Inc. (the "CCAA Proceedings")
Software License Agreement between DigiFlex Information Systems Inc. ("DigiFlex") and
Wallace & Carey Inc. ("WCI") dated August 19, 2013 (the "Agreement")**

As you are aware, we are counsel to KSV Restructuring Inc. in its capacity as Court-appointed Monitor (in such capacity, the "**Monitor**") of WCI, Loudon Bros Limited ("**LBL**"), and Carey Management Inc. ("**CMI**") and together with WCI and LBL, the "**Companies**"). We write further to various email exchanges between yourself and representatives of WCI and/or 7-Eleven Canada, Inc. ("**7-Eleven**"), and in particular, your email dated December 11, 2024 (the "**Termination Email**").

We understand DigiFlex has refused to retain legal counsel on this matter. However, we continue to strongly encourage you to do so.

On December 3, 2024 you received our letter which explicitly notified you that your interference with WCI's agreements and subsequent termination of the same are in breach of the terms of the Amended and Restated Initial Order (the "**ARIO**") granted by the Court of King's Bench of Alberta (the "**Court**"). You have also been advised repeatedly that your actions are in breach of the ARIO. Your continued breaches have required the Monitor to request urgent time before the court on December 17, 2024, at which time we will seek an order which will enforce the terms of the ARIO; prohibit the actions you have threatened in the Termination Email and seek costs payable from you in the amount of \$35,000 (the "**Emergency Application**").

The Termination Email has been affixed to this letter **which will be submitted to the Court** in advance of the Emergency Application. In the Termination Email, you have given formal notice that you will stop support, maintenance and helpdesk services on January 1st, 2025, **regardless of the outcome of the Emergency Application**.

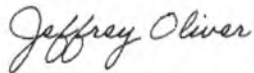
Should you take the steps referenced in the Termination Email you will be in direct breach of an order of the Court. In that case, the Monitor will proceed on an emergency basis to the Court and intends to seek a further order citing DigiFlex and you personally in contempt of court under the *Alberta Rules of Court* rule 10.53(1) and (2). The punishments for civil contempt of court can include imprisonment until the contempt

has been purged or up to 2 years and additional fines and costs. In determining an appropriate punishment for civil contempt, the Court considers aggravating factors, certain of which are present in this matter.

You hereby are on notice that should you fail to comply with any Court order arising from the Emergency Application on December 17, 2024, the Monitor will seek a declaration finding you in civil contempt of court. The Monitor will further seek an order for imprisonment until the contempt is resolved and full costs for such an application.

Yours truly,

Cassels Brock & Blackwell LLP



Jeffrey Oliver
Partner

JO
Enclosure

cc: DLA Piper (Canada) LLP c/o Edmond Lamek (edmond.lamek@ca.dlapiper.com)
KSV Restructuring Inc. c/o Bobby Kofman (bkfman@ksvadvisory.com) & Jason Knight
(jknight@ksvadvisory.com)

LEGAL*66882733.3



This is Exhibit "S", referred to in the Affidavit
of Mohamad Mardukhi, affirmed before me
by video conference on the 14th day of
November , 2025.

A Commissioner of Oaths in and for
the Province of Alberta



From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Monday, December 16, 2024 8:23 AM
To: Oliver, Jeffrey <joliver@cassels.com>
Cc: Thompson, Natalie <nthompson@cassels.com>; 'Buchanan, Joshua Graham (Josh)' <Joshua.Buchanan@7-11.com>; Jason Knight <jknight@ksvadvisory.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Heather Miller <millerh@wacl.com>
Subject: Re: URGENT Request for Emergency Time on Commercial List - Wallace & Carey Inc.

Good day,

I had several conversations with our lawyer in Alberta regarding your urgent application before the Court, and their advice was that despite our belief that Wallace & Carey is no longer our client, that nonetheless Digiflex is required to comply with the CCAA requirements and court orders.

As such, we offer the following compromise, contingent on the withdrawal of your urgent application before the court set for December 17, 2025:

1. We will continue to provide our software Maintenance services until its current end date of March 12, 2025. If you require our software Maintenance services beyond that date, we will extend them until the end of the CCAA Stay Period of April 30, 2025, based on rate schedules that were established with Wallace & Carey
2. If you get additional extensions to the CCAA Stay Period, we will agree to extend our software Maintenance services until the end of the new CCAA Stay Period, based on rate schedules that were established with Wallace & Carey.
3. We will continue to provide our Helpdesk services until the end of its current invoicing cycle on January 31, 2025. This service, which only started in June 2008, is not tied to our License or Maintenance or any other agreement, and thus it does not have a specified limit on annual increases. If our Helpdesk services are required beyond January 31, 2025, we will agree to a 1-year extension based on rates that we had previously passed on to 7-Eleven at \$192K for the year. Please note that this amount is less than the cost for a single senior



employee, and providing a 7 by 24 service requires at least two such employees to be available throughout the year.

If the above compromise is not acceptable, I will represent Digiflex via video conferencing during the court session on December 17, 2025 and argue our points in court. I will also forward our submission document to you later today.

I would like to remind you that a "win" in this court case that may result in any harm to Digiflex, or to myself, may end up harming 7-Eleven businesses even more, and by a considerable margin.

I have no illusion that we can win this case in court, even with legal representation, but this almost certain loss for us may end up being even a bigger loss for 7-Eleven. It does not take much harm to a small company like Digiflex for that harm to become irreparable, and then you will have no one that can provide our services.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P

Digiflex Information Systems Inc.

Phone: **+1 (604) 720-0485**

Email: [**mardukhi@digiflex.ca**](mailto:mardukhi@digiflex.ca)

WWW: [**HTTPS://www.digiflex.ca/**](https://www.digiflex.ca/)



This is Exhibit "T", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta

ms

From: Oliver, Jeffrey <joliver@cassels.com>

Sent: Monday, December 16, 2024 3:55 PM

To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>

Cc: Thompson, Natalie <nthompson@cassels.com>; 'Buchanan, Joshua Graham (Josh)' <Joshua.Buchanan@7-11.com>; Jason Knight <jknight@ksvadvisory.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Heather Miller <millerh@wacI.com>; Edmond.lamek@ca.dlapiper.com

Subject: RE: URGENT Request for Emergency Time on Commercial List - Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]

Mr. Mardukhi,

Thank you for the email. We have been able to connect with stakeholders and understand that your offer is acceptable, provided that its terms are included in a court order that will bind all parties. We are working on a draft in that regard and will get it to you as soon as we are able. Once it is settled, we will present it to the court to sign tomorrow.

Please let us know if you have any questions.

Regards

Cassels

JEFFREY OLIVER (he/him/his)

Partner

t: +1 403 351 2921

e: joliver@cassels.com

Cassels Brock & Blackwell LLP | cassels.com

Suite 3810, Bankers Hall West, 888 3rd Street SW

Calgary, AB T2P 5C5 Canada

Services provided through a professional corporation

nm

This is Exhibit "U", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Tuesday, December 17, 2024 8:57 AM
To: Oliver, Jeffrey <joliver@cassels.com>
Cc: Thompson, Natalie <nthompson@cassels.com>; 'Buchanan, Joshua Graham (Josh)' <Joshua.Buchanan@7-11.com>; Jason Knight <jknight@ksvadvisory.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Heather Miller <millerh@wac.com>; Edmond.lamek@ca.dlapiper.com
Subject: RE: URGENT Request for Emergency Time on Commercial List - Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]

Good morning,

I have attached the original Word and the signed PDF version of the document.

Our hourly rates differ by type of service but the maximum is \$250 which is what I entered in the document.

Regards,

Mohamad Zähed Mardukhi, I.S.P., ITCP, IP3P
Digiflex Information Systems Inc.
Phone: **+1 (604) 720-0485**
Email: mardukhi@digiflex.ca
WWW: [HTTPS://www.digiflex.ca/](https://www.digiflex.ca/)

From: Oliver, Jeffrey <joliver@cassels.com>
Sent: December 17, 2024 06:10
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Cc: Thompson, Natalie <nthompson@cassels.com>; 'Buchanan, Joshua Graham (Josh)' <Joshua.Buchanan@7-11.com>; Jason Knight <jknight@ksvadvisory.com>; Naik, Anvaya Pradeep <Anvaya.Naik@7-11.com>; Hernandez, Christopher M <Christopher.Hernandez@7-11.com>; Heather Miller <millerh@wac.com>; Edmond.lamek@ca.dlapiper.com
Subject: RE: URGENT Request for Emergency Time on Commercial List - Wallace & Carey Inc. [IWOV-LEGAL.FID4364182]

Mr. Mardukhi,



Please find enclosed a copy of a Consent order for your review. Please let us know if you have any comments or questions. We are looking for historical information to insert into paragraph 4 regarding hourly support services rates. If you have that figure handy please let us know.

Court is at 11 am MT, so we would like to have this finalized and signed prior to then.

Thank you.

Cassels

JEFFREY OLIVER *(he/him/his)*

Partner

t: +1 403 351 2921

e: joliver@cassels.com

Cassels Brock & Blackwell LLP | cassels.com

Suite 3810, Bankers Hall West, 888 3rd Street SW

Calgary, AB T2P 5C5 Canada

Services provided through a professional corporation

JO

COURT FILE NUMBER 2301 - 08305

Clerk's Stamp

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC 1985,
c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE
OF ARRANGEMENT OF WALLACE & CAREY
INC., LOUDON BROS. LIMITED, and CAREY
MANAGEMENT INC.

APPLICANT KSV RESTRUCTURING INC., in its capacity as Court-appointed Monitor of
Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc.

RESPONDENTS DIGIFLEX INFORMATION SYSTEMS INC. and MOHAMAD ZÄHED
MARDUKHI

DOCUMENT **CONSENT ORDER – DIGIFLEX INFORMATION SYSTEMS INC.**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT
Cassels Brock & Blackwell LLP
Bankers Hall West
3810, 888 3rd St SW
Calgary, AB T2P 5C5
E: joliver@cassels.com
P: 403 351 2920

Attention: Jeffrey Oliver

File no. 54670-3

DATE ON WHICH ORDER WAS PRONOUNCED: December 17, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice Neilson

UPON THE APPLICATION of KSV Restructuring Inc., in its capacity as the Court-appointed Monitor (in such capacity, the "**Monitor**") of Wallace & Carey Inc. ("**Wallace & Carey**"), Loudon Bros Limited, and Carey Management Inc. (collectively, the "**Companies**") for an Order (among other things): (i) requiring DigiFlex Information Systems Inc. ("**DigiFlex**") and Mohamad Zahed Mardukhi ("**Mardukhi**"), as sole director and voting shareholder of DigiFlex, to continue to provide services to Wallace & Carey in the manner and at the rates and subject to the terms prescribed in the DigiFlex Agreements (as defined in the Fourteenth Report of the Monitor, dated December 13, 2024 (the "**Fourteenth Report**")); and (ii) restraining DigiFlex and Mardukhi, or any other parties on direction from DigiFlex or Mardukhi, from terminating or otherwise

interfering with the services provided under the terms of the DigiFlex Agreements and the services provided thereunder;

AND UPON having reviewed the Amended and Restated Initial Order of this Court pronounced June 30, 2023 (the "**ARIO**"); the Fourteenth Report; the TSA (as defined in the Fourteenth Report); and the Affidavit of Service of Angeline Gagnon, sworn December 17, 2024; **AND UPON** hearing counsel for the Monitor, counsel for the Companies, and any other interested parties appearing at the within application; **AND UPON** noting the consent of the Monitor, Wallace & Carey, DigiFlex, and Mardukhi; **AND UPON** being satisfied that it is appropriate to do so;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Fourteenth Report.

SERVICE

2. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and time for service of this application is abridged to that actually given.

CONTINUATION OF SERVICES

3. DigiFlex shall continue to provide maintenance services ("**Maintenance Services**") to Wallace & Carey in the manner, at the rates and subject to the terms prescribed in the Maintenance Agreement and subject to the terms of the ARIO until the later of:
 - (a) the expiration of the Stay Period, as may be extended by order(s) of this Court; and
 - (b) the expiration of the term for the Western Business (as defined in the TSA) set out in the TSA, subject to further extensions as permitted under the TSA or as otherwise ordered by the Court.

For greater certainty, in the event that the Stay Period is extended in the manner described in this paragraph 3, DigiFlex shall continue to provide Maintenance Services to Wallace & Carey in accordance with this paragraph pursuant to the Maintenance Agreement without further Order of this Court.

4. DigiFlex shall continue to provide helpdesk support services ("**Support Services**") to Wallace & Carey in the manner and at the rates established by the historical practices of DigiFlex and Wallace & Carey and pursuant to the ARIO until January 31, 2025, after which Wallace & Carey shall have the option to extend such Support Services for a one-year term at a cost of \$192,000

(excluding G.S.T.). In the event of an extension, the hourly rate charged by DigiFlex for Support Services shall not exceed \$250.

5. Without limitation to paragraphs 18 and 19 of the ARIO, which remain in full force and effect, during the Stay Period:
- (a) DigiFlex, Mardukhi and any other parties upon their direction are restrained from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Companies or exercising any other remedy provided under the DigiFlex Agreements or at law. The Companies shall be entitled to the continued use of the software and services provided by DigiFlex pursuant to the terms of the DigiFlex Agreements and DigiFlex and Mardukhi shall support the services provided to Wallace & Carey under the DigiFlex Agreements on the same basis as they did prior to the date of this Order.
 - (b) DigiFlex, Mardukhi and any party upon their direction shall not accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, license or permit in favour of or held by the Companies, except with the written consent of the Companies and the Monitor, or leave of this Court.

SERVICE OF ORDER

6. Service of this Order shall be deemed good and sufficient by:
- (a) serving the same on:
 - i. the persons listed on the service list created in these proceedings;
 - ii. any other person served with notice of the application for this Order; and
 - iii. any other parties attending or represented at the application for this Order; and
 - (b) posting a copy of this Order on the Monitor's website established in connection with these proceedings, for no less than six months from the date of this Order;
- and service on any other person is hereby dispensed with.
7. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier.

Justice of the Court of King's Bench of Alberta



Consented to this ____ day of December, 2024

DIGIFLEX INFORMATION SYSTEMS INC.

Per: _____

Name: Mohamad Zāhed Mardukhi

Title: Director

I have the authority to bind the corporation

WITNESS:

MOHAMAD ZĀHED MARDUKHI

MILLER THOMSON LLP, counsel to WALLACE & CAREY INC.

Per: _____

Name: James W. Reid

Title: Partner

**KSV RESTRUCTURING INC., in its capacity as
Monitor to the Companies**

Per: _____

Name:

Title:

COURT FILE NUMBER 2301 - 08305

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC 1985,
c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE
OF ARRANGEMENT OF WALLACE & CAREY
INC., LOUDON BROS. LIMITED, and CAREY
MANAGEMENT INC.

Clerk's Stamp

APPLICANT KSV RESTRUCTURING INC., in its capacity as Court-appointed Monitor of
Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc.

RESPONDENTS DIGIFLEX INFORMATION SYSTEMS INC. and MOHAMAD ZÄHED
MARDUKHI

DOCUMENT **CONSENT ORDER – DIGIFLEX INFORMATION SYSTEMS INC.**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Cassels Brock & Blackwell LLP
Bankers Hall West
3810, 888 3rd St SW
Calgary, AB T2P 5C5

E: joliver@cassels.com
P: 403 351 2920

Attention: Jeffrey Oliver

File no. 54670-3

DATE ON WHICH ORDER WAS PRONOUNCED: December 17, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice Neilson

UPON THE APPLICATION of KSV Restructuring Inc., in its capacity as the Court-appointed Monitor (in such capacity, the "**Monitor**") of Wallace & Carey Inc. ("**Wallace & Carey**"), Loudon Bros Limited, and Carey Management Inc. (collectively, the "**Companies**") for an Order (among other things): (i) requiring DigiFlex Information Systems Inc. ("**DigiFlex**") and Mohamad Zahed Mardukhi ("**Mardukhi**"), as sole director and voting shareholder of DigiFlex, to continue to provide services to Wallace & Carey in the manner and at the rates and subject to the terms prescribed in the DigiFlex Agreements (as defined in the Fourteenth Report of the Monitor, dated December 13, 2024 (the "**Fourteenth Report**")); and (ii) restraining DigiFlex and Mardukhi, or any other parties on direction from DigiFlex or Mardukhi, from terminating or otherwise

interfering with the services provided under the terms of the DigiFlex Agreements and the services provided thereunder;

AND UPON having reviewed the Amended and Restated Initial Order of this Court pronounced June 30, 2023 (the "**ARIO**"); the Fourteenth Report; the TSA (as defined in the Fourteenth Report); and the Affidavit of Service of Angeline Gagnon, sworn December 17, 2024; **AND UPON** hearing counsel for the Monitor, counsel for the Companies, and any other interested parties appearing at the within application; **AND UPON** noting the consent of the Monitor, Wallace & Carey, DigiFlex, and Mardukhi; **AND UPON** being satisfied that it is appropriate to do so;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Fourteenth Report.

SERVICE

2. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and time for service of this application is abridged to that actually given.

CONTINUATION OF SERVICES

3. DigiFlex shall continue to provide maintenance services ("**Maintenance Services**") to Wallace & Carey in the manner, at the rates and subject to the terms prescribed in the Maintenance Agreement and subject to the terms of the ARIO until the later of:
 - (a) the expiration of the Stay Period, as may be extended by order(s) of this Court; and
 - (b) the expiration of the term for the Western Business (as defined in the TSA) set out in the TSA, subject to further extensions as permitted under the TSA or as otherwise ordered by the Court.

For greater certainty, in the event that the Stay Period is extended in the manner described in this paragraph 3, DigiFlex shall continue to provide Maintenance Services to Wallace & Carey in accordance with this paragraph pursuant to the Maintenance Agreement without further Order of this Court.

4. DigiFlex shall continue to provide helpdesk support services ("**Support Services**") to Wallace & Carey in the manner and at the rates established by the historical practices of DigiFlex and Wallace & Carey and pursuant to the ARIO until January 31, 2025, after which Wallace & Carey shall have the option to extend such Support Services for a one-year term at a cost of \$192,000



(excluding G.S.T.). In the event of an extension, the hourly rate charged by DigiFlex for Support Services shall not exceed \$250.

5. Without limitation to paragraphs 18 and 19 of the ARIO, which remain in full force and effect, during the Stay Period:

(a) DigiFlex, Mardukhi and any other parties upon their direction are restrained from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Companies or exercising any other remedy provided under the DigiFlex Agreements or at law. The Companies shall be entitled to the continued use of the software and services provided by DigiFlex pursuant to the terms of the DigiFlex Agreements and DigiFlex and Mardukhi shall support the services provided to Wallace & Carey under the DigiFlex Agreements on the same basis as they did prior to the date of this Order.

(b) DigiFlex, Mardukhi and any party upon their direction shall not accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, license or permit in favour of or held by the Companies, except with the written consent of the Companies and the Monitor, or leave of this Court.

SERVICE OF ORDER

6. Service of this Order shall be deemed good and sufficient by:

(a) serving the same on:

- i. the persons listed on the service list created in these proceedings;
- ii. any other person served with notice of the application for this Order; and
- iii. any other parties attending or represented at the application for this Order; and

(b) posting a copy of this Order on the Monitor's website established in connection with these proceedings, for no less than six months from the date of this Order;

and service on any other person is hereby dispensed with.

7. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier.

Justice of the Court of King's Bench of Alberta



Consented to this ____ day of December, 2024

DIGIFLEX INFORMATION SYSTEMS INC.

Per: _____

Name: Mohamad Zāhed Mardukhi

Title: Director

I have the authority to bind the corporation

WITNESS:

MOHAMAD ZĀHED MARDUKHI

MILLER THOMSON LLP, counsel to WALLACE & CAREY INC.

Per: _____

Name: James W. Reid

Title: Partner

**KSV RESTRUCTURING INC., in its capacity as
Monitor to the Companies**

Per: _____

Name:

Title:



This is Exhibit "V", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta

mtb

CERTIFIED *E. Wheaton*
by the Court Clerk as a true copy of
the document digitally filed on Dec
20, 2024

COURT FILE NUMBER 2301 - 08305

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC 1985,
c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE
OF ARRANGEMENT OF WALLACE & CAREY
INC., LOUDON BROS. LIMITED, and CAREY
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Clerk's Stamp



APPLICANT

KSV RESTRUCTURING INC., in its capacity as Court-appointed Monitor of
Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc.

RESPONDENTS

DIGIFLEX INFORMATION SYSTEMS INC. and MOHAMAD ZÄHED
MARDUKHI

DOCUMENT

CONSENT ORDER – DIGIFLEX INFORMATION SYSTEMS INC.

ADDRESS FOR
SERVICE AND
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INFORMATION OF
PARTY FILING THIS
DOCUMENT

Cassels Brock & Blackwell LLP
Bankers Hall West
3810, 888 3rd St SW
Calgary, AB T2P 5C5

E: joliver@cassels.com
P: 403 351 2920

Attention: Jeffrey Oliver

File no. 54670-3

DATE ON WHICH ORDER WAS PRONOUNCED: December 17, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice Neilson

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 - (b) the expiration of the term for the Western Business (as defined in the TSA) set out in the TSA, subject to further extensions as permitted under the TSA or as otherwise ordered by the Court.

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(excluding G.S.T.). In the event of an extension, the hourly rate charged by DigiFlex for Support Services shall not exceed \$250.

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 - (b) DigiFlex, Mardukhi and any party upon their direction shall not accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, license or permit in favour of or held by the Companies, except with the written consent of the Companies and the Monitor, or leave of this Court.

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- (a) serving the same on:
 - i. the persons listed on the service list created in these proceedings;
 - ii. any other person served with notice of the application for this Order; and
 - iii. any other parties attending or represented at the application for this Order; and
 - (b) posting a copy of this Order on the Monitor's website established in connection with these proceedings, for no less than six months from the date of this Order;

and service on any other person is hereby dispensed with.

7. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier.


Justice of the Court of King's Bench of Alberta

Consented to this 17th day of December, 2024

DIGIFLEX INFORMATION SYSTEMS INC.

Per: _____

Name: Mohamad Zähed Mardukhi

Title: Director

I have the authority to bind the corporation

WITNESS:

MOHAMAD ZÄHED MARDUKHI

MILLER THOMSON LLP, counsel to WALLACE & CAREY INC.

Per: _____

Name: James W. Reid

Title: Partner

CASSELS BROCK & BLACKWELL LLP, counsel to KSV RESTRUCTURING INC., in its capacity as Monitor to the Companies

Per: _____

Name: Jeffrey Oliver

Title: Partner

[Signature page to Consent Order]

This is Exhibit "W", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta

2/11/25

From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca> **On Behalf Of** Digiflex - Accounts Receivable
Sent: Thursday, October 23, 2025 1:27 PM
To: Buchanan, Joshua Graham (Josh) <Joshua.Buchanan@7-11.com>
Cc: AP@sedcc.ca; Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Subject: RE: Digiflex Maintenance Renewal

Good day,

Please see the attached Digiflex invoice #2850 for maintenance services for SEDCC, covering the period from November 1, 2025 to October 31, 2026. This invoice reflects a 2.5% increase over previous year's rates and its payment is due on October 31, 2025.

We have also attached your account statement which shows our invoices #2821 and #2822 are way overdue.

Regards,

Accounts Receivable
Digiflex Information Systems Inc.



2611 Venables Street
Vancouver, British Columbia, Canada V5K 2R4
Email: AR@digiflex.ca
GST Number: 136104874

INVOICE

SOLD TO

7-Eleven Distribution Canada
5445 8th Street NE

Calgary, Alberta
Canada T2K 5R9

SHIP TO

7-Eleven Distribution Canada
5445 8th Street NE

Calgary, Alberta
Canada T2K 5R9

INVOICE DATE	23-OCT-25
--------------	-----------

CUSTOMER NO.
512

INVOICE NO.
2850

CLASS/ProCLASS Maintenance Fee
01-Nov-2025 to 31-Oct-2026

PAGE
1

WAREHOUSE: 1

REFERENCE:

SALESREP: 1

ROUTE/STOP: 1/ 1

CARRIER: 1 TERMS: 7 DAYS

[illegible]

Place Pay	869076 90
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This is Exhibit "X", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta

2/1/25

From: Cliff Harrison <harrisonc@wacl.com>
Sent: Wednesday, August 27, 2025 12:45 PM
To: Help
Subject: Supplier PO details to CSV

Hello,

I have a request from our procurement team to output a CSV with the PO Details any time a PO is printed (Sent to a vendor either by e-mail or EDI)

From the header the ask is for the below columns

PO#
Issue Date
Due Date
Vendor#,
Vendor Name,
PO Amount Totals (Vendor Program, Total Value)

And then have everything that shows up in the item line sections of the PO's (UPC, Item #, Description , Pack , Size , Quantity, Weight, Cube, TI, HI, Price, P.A. , Debit, Vnd Prg and Net Value

Does there happen to be any sort of file output anywhere when a PO is printed that we could possibly pick up and use to convert to a CSV format for them? If not would you be able to provide a quote on how much this may cost to implement? We would have to collect the CSV files and then remove them ourselves to prevent the files from piling up.

They want the dollar amounts to show exactly as they do on the PO form.



5445 - 8th Street N.E.
CALGARY, ALBERTA T2K 5R9
Tel: (403) 275-7380 Fax: (403) 275-3921 (403) 274-0481

PURCHASE ORDER

VENDOR
7-ELEVEN CALGARY FOOD CENTRE
2626 COUNTRY HILLS BLVD NE
BAY#50
CALGARY, AB
CANADA T3N 1A7

SHIP TO
Calgary Warehouse
5445 - 8TH STREET N.E.

CALGARY, ALBERTA
CANADA T2K 5R9

ISSUE DATE 21-AUG-2025	DUE DATE 25-AUG-2025	VENDOR NO. 75747	P.O. NO. 64727
TERMS Net 30 Days 0.0% 0 Days		PAGE 1	

NOTE ORD M->W T->R W->F R->M F->T (4032580895)
BROKER: ALISHA
BUYER: RICKY CHAN-FOODSERVICE

SALESMAN:
BUYER NO.: 14

CARRIER: BRANCH 1 CALGARY PICK UP (101)
MINIMUM BUY: 1\$

UPC	ITEM	DESCRIPTION	PACK	SIZE	QUANTITY	WEIGHT	CUBE	TI	HI	PRICE	P.A.	DEBIT	VND PRG	NET VALUE
10057459251573	464920	OLYMEL BACON 375G	1	375.00G	1 CA	216.00	20.16	1	1	140.100	0.00	0.00	0.00	140.10
23285														
00421401007182	556116	CONDIMENT SAUERKRAUT 8CT	1	8.00CT	16 CA	29.12	3.20	8	10	13.410	0.00	0.00	0.00	214.56
00421401007199	556117	CONDIMENT RELISH 4CT	1	4.00CT	16 CA	28.80	3.04	8	10	8.420	0.00	0.00	0.00	134.72
00421401007175	556118	CONDIMENT DILL PICKLES 4CT	1	4.00CT	32 CA	54.08	5.44	8	10	11.100	0.00	0.00	0.00	355.20
00421401007632	556123	PC PCK GRMT SALAD BASE 4CT	1	4.00CT	8 CA	12.72	1.68	4	10	15.620	0.00	0.00	0.00	124.96
00421401007595	556125	PC PCK PIZZA SAUCE 4CT	1	4.00CT	8 CA	14.24	1.52	4	10	24.020	0.00	0.00	0.00	192.16
00421401008387	556135	PC PCK MAYONNAISE 4CT 1/2 FAT	1	4.00CT	4 CA	8.36	0.80	4	10	12.910	0.00	0.00	0.00	51.64
00421401008455	556137	PC PCK SWT CHL SC 4CT	1	4.00CT	12 CA	22.92	8.52	4	10	16.030	0.00	0.00	0.00	192.36
00421401008431	556138	PC PCK BLS EYE BBQ SC 4CT	1	4.00CT	2 CA	4.38	0.38	4	10	34.190	0.00	0.00	0.00	68.38
00421401008448	556139	PC PCK HNY GRILC SC 4CT	1	4.00CT	48 CA	240.00	34.08	4	10	17.260	0.00	0.00	0.00	828.48
00421401008684	556142	CONDIMENT KETCHUP 4CT	1	4.00CT	8 CA	32.24	2.96	4	10	22.030	0.00	0.00	0.00	176.24
00421401008707	556143	CONDIMENT MUSTARD 4CT	1	4.00CT	4 CA	17.20	1.28	4	10	21.300	0.00	0.00	0.00	85.20
00421401011677	556599	ROASTED PEPPER DICED 4CT	1	4.00CT	4 CA	48.80	0.20	8	10	10.370	0.00	0.00	0.00	41.48
00421401008028	565210	EGG SALAD MIX	1	1.00BG	10 CA	10.00	32.90	4	10	15.620	0.00	0.00	0.00	156.20
00421401019956	711352	PC PCK BUFFALO SAUCE 4CT	1	4.00CT	8 CA	29.92	3.68	4	10	25.880	0.00	0.00	0.00	207.04
10057459574672	765142	OLYMEL BOLOGNA	1	500.00G	1 CA	18.00	4.92	19	5	36.740	0.00	0.00	0.00	36.74
00057459574675														
TOTALS:														

Terms and Conditions: 1. PO may be subject to an SEDCC Vendor Program. 2. All goods received must be accompanied by our PO number. 3. Substitutions or changes will not be accepted unless authorized.

This is Exhibit "Y", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



From: Cliff Harrison <harrisonc@wacl.com>
Sent: Friday, October 17, 2025 8:00 PM
To: Mohamad Zähed Mardukhi; Help
Subject: RE: Fiscal Year End

Follow Up Flag: Follow up
Due By: Thursday, October 30, 2025 5:00 PM
Flag Status: Flagged

Hi Mohamad,

Have confirmed that removing 2012 and 2013 is ok.

Cliff Harrison | I.T. Manager – Enterprise Systems
7-Eleven Distribution Canada Corp.
Office Phone: 403-730-2247
E-Mail: harrisonc@sedcc.ca
5445 – 8 ST. NE Calgary | Alberta | T2K 5R9



From: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Sent: Friday, October 17, 2025 11:02 AM
To: Cliff Harrison <harrisonc@wacl.com>; Digiflex Helpdesk <Help@digiflex.ca>
Subject: RE: Fiscal Year End

CAUTION: This email originated from an outside source. Do not open attachments or click on links unless you recognize the sender and have validated the content is safe.

Hi Cliff,

In order to make room for 2025 archive databases, we will need to remove archives for 2012 and 2013 (shown below). Since there is enough disk space, we can leave these 2 archives on disk and can provide access to them in the future, if needed. Can you confirm with users that this is OK?

1

- | | |
|--------------------------------------|--------------------------------------|
| 1. Demo & Training | 16. Wallace & Carey Inc. - Year 2015 |
| 2. Wallace & Carey Inc. | 17. Wallace & Carey Inc. - Year 2016 |
| 3. Wallace & Carey Inc. - Read Only | 18. Wallace & Carey Inc. - Year 2017 |
| | 19. Wallace & Carey Inc. - Year 2018 |
| 5. Loudon Bros. Limited | 20. Wallace & Carey Inc. - Year 2019 |
| <hr/> | |
| 6. Loudon Bros. Limited - Test | 21. Wallace & Carey Inc. - Year 2020 |
| 7. Loudon Bros. Limited - Year 2019 | 22. Wallace & Carey Inc. - Year 2021 |
| 8. Loudon Bros. Limited - Year 2020 | 23. Wallace & Carey Inc. - Year 2022 |
| 9. Loudon Bros. Limited - Year 2021 | 24. Wallace & Carey Inc. - Year 2023 |
| 10. Loudon Bros. Limited - Year 2022 | 25. Loudon Bros. Limited - Year 2023 |
| <hr/> | |
| 11. Loudon Bros. Limited - Year 2014 | 26. Wallace & Carey Inc. - Year 2024 |
| 12. Loudon Bros. Limited - Year 2015 | 27. Loudon Bros. Limited - Year 2024 |
| 13. Loudon Bros. Limited - Year 2016 | 28. Wallace & Carey Inc. - Year 2012 |
| 14. Loudon Bros. Limited - Year 2017 | 29. Wallace & Carey Inc. - Year 2013 |
| 15. Loudon Bros. Limited - Year 2018 | 30. Wallace & Carey Inc. - Year 2014 |

Option: ♦♦♦♦♦

Mohamad

From: Cliff Harrison <harrisonc@wac1.com>
Sent: October 15, 2025 16:40
To: Help <Help@digiflex.ca>
Subject: Fiscal Year End

Good afternoon,

We have our fiscal year end at the end of the month, just want to check with you to verify if you'll be running the normal fiscal year end processes?

This is Exhibit "**Z**", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



From: Cliff Harrison <harrisonc@wac1.com>
Sent: Friday, September 05, 2025 12:10 PM
To: Mohamad Zähed Mardukhi <mardukhi@digiflex.ca>
Subject: Automatic reply: Error processing order

Thank you for your email. I am currently out of the office and will be returning on Sept 10th. Please contact openticket@sedcc.ca for any urgent matters.



This is Exhibit "AA", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



Cliff Harrison

IT Manager

Calgary, Alberta, Canada · [Contact info](#)

135 connections

Message

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Cliff Harrison · 3rd+
IT Manager
10mo · 


I'm happy to share that I'm starting a new position as IT Manager at SEDCC!



Starting a New Position

 18 · 10 comments



Cliff Harrison
IT Manager
10mo · 

Just finished "Ten Tips for" by [Walt Ritscher](#)! Check it out: <https://lnkd.in/gt2b>

Course complete
Oct 08, 2024 at 08:00

Top story

Certificate of Completion

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 3

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Experience

IT Manager

7-Eleven Distribution Canada Corp

Jan 2025 - Present · 11 mos

mb

IT manager

SEDCC

Jan 2025 - Present · 11 mos

EDI Analyst/ Buisness process analyst

Carey Management Inc.

Jan 2025



Wallace & Carey Inc.

13 yrs 11 mos

Enterprise Application Team Lead

Permanent Full-time

Oct 2021 - Jan 2025 · 3 yrs 4 mos

EDI & Operations/Data Management

Mar 2011 - Jan 2025 · 13 yrs 11 mos

Assistant Grocery Manager

Sobeys

Jan 2004 - Feb 2011 · 7 yrs 2 mos

Licenses & certifications



Designing RESTful APIs

LinkedIn

Issued Oct 2024

Show credential

REST APIs



Microservices Foundations

LinkedIn

Issued Aug 2024

Show credential

Microservices

Show all 11 licenses & certifications →

Skills

Integration

Endorsed by 4 colleagues at Wallace & Carey Inc.

9 endorsements

Business Analysis

Endorsed by 4 colleagues at Wallace & Carey Inc.

8 endorsements

Show all 43 skills →

Interests

Top Voices

Companies

Groups



Daniel Solove



Larry Fink 
Chairman and CEO at BlackRock
1,211,252 followers

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Message




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Tammy Mutter-Stiles  · 3rd+

Customer Service Representative at 7-Eleven Distribution Canada Corp

Message



Kaye Pasenau  · 3rd+

On sabbatical

Message

Mark Currie  · 3rd+

Technology Director | Expertise in building and leading development teams delivering best-in-class digital experiences.

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Human Resource Management Student at NAIT
• Aspiring HR Professional | ...

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Yashvi Makrubiya · 3rd+

Student at The University of Winnipeg

Message

People you may know

From Cliff's industry



Bruce Forde

CEO at Cambian

Connect



Charles Tsoi

CEO, Sudden Technologies

Connect



Sal Alhakkak

Internet Entrepreneur Technologist

Connect

Staijan Kim

FM @ Black and McDonald | PM @ Protean | CHBE @ UBC

Connect



(Philip) Sung Jae Cho

CTO at From Knowledge. | Author | Educator

Connect

Show all

ntb

This is Exhibit "**AB**", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta





Welcome to Wallace & Carey

As one of the nation's leading distribution and logistics companies, we service more than 7,000 customer locations across the country including some of the largest retail and theatre chains, along with Canada's most successful independent businesses.

The Wallace & Carey team provides innovative, efficient, courteous, and cost-effective service. With more than 1,000 deliveries a day, adding up to millions of delivered items each year, we work hard to make sure our customers get what they need when they need it, and we get it right the first time!

Who We Are



Convenience / Grocery / Foodservice



Entertainment / Theaters



Third Party Supply Chain

Wallace and Carey

Central Office

5445 - 8 ST. NE Calgary, AB | T2K 5R9

Phone (403) 275-7360

Fax (403) 275-3921

Toll Free (800) 661-1504

Quick Links

[Bill S-211 Statement](#)

W&C

[Customer Login](#)

[Teammate Login](#)



Under Construction - Coming Soon

7-Eleven Distribution Canada Corp.
Central Office

5445 - 8 ST. NE Calgary, AB | T2K 5R9

Phone (403) 275-7360

Fax (403) 275-3921

Toll Free (800) 661-1504

Quick Links

[Customer Login](#)

[Teammate Login](#)

[Supply Chains Act](#)

This is Exhibit "**AC**", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner of Oaths in and for
the Province of Alberta



Court File Number	2301 - 08305
Court	COURT OF KING'S BENCH OF ALBERTA
Judicial Centre	CALGARY
Applicants	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, RSC 1985, c. C-36, as amended AND IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF WALLACE & CAREY INC., LOUDON BROS LIMITED and CAREY MANAGEMENT INC.
Respondent	DIGIFLEX INFORMATION SYSTEMS INC. 2611 VENABLES STREET VANCOUVER, BC V5K 2R4 Attention: Mohamad Z. Mardukhi Telephone: 604-720-0485 Email: mardukhi@digiflex.ca

Written Reply Submission of the Respondent

Remedy sought by the Respondent

Digiflex Information Systems Inc. ("Digiflex") seeks from the Honourable Court:

- a) To declare all License Agreement in place between Wallace & Carey Inc. ("Wallace & Carey") and Digiflex terminated, as early as November 17, 2023, when a Sales Agreement between 7-Eleven Canada ("7-Eleven") and Wallace & Carey was finalized.
- b) To block 7-Eleven from using Digiflex software without a license and to pay Digiflex any profits it earned from this infringement of Digiflex's intellectual property rights since November 17, 2023. Or alternatively, to force 7-Eleven to pay our license fee invoice dated November 13, 2024 in the amount of \$3,230,000 plus interest, and to pay our maintenance fee invoice for the period from November 1, 2024 to October 31, 2025 in the amount of \$807,500 plus interest.
- c) Any further relief for damages caused to Digiflex that this Honourable Court may deem appropriate.

Background

1. Wallace & Carey and Digiflex signed a software licencing agreement for the use of Digiflex's ProCLASS Distribution Management System ("ProCLASS") on March 9, 2000. The very first paragraph in this, and in all other Digiflex licensing agreements, states (**Appendix "C" of the Applicant's FOURTEENTH REPORT OF THE MONITOR**):

THIS AGREEMENT WITNESSES the mutual terms and conditions upon and subject to which Digiflex is prepared to grant to Customer a **non-transferable**, non-exclusive, perpetual License of certain computer application software owned by Digiflex.

2. Wallace & Carey and Digiflex signed a second software licencing agreement for the use of Digiflex's CLASS Financial Systems ("CLASS Financials") on August 12, 2003.
3. Loudon Bros. Ltd., a division of Wallace & Carey, and Digiflex signed a third software licencing agreement for the use of Digiflex's ProCLASS and CLASS Financials on February 18, 2013. This is further proof that the license granted to

Wallace & Carey did not even apply to a company fully owned by Wallace & Carey.

4. The 23+ year relationship between Wallace & Carey and Digiflex has been of great mutual benefit to both parties. Wallace & Carey managed to grow from annual sales of \$200 million to over \$2 billion and greatly expanded their business just prior to the COVID-19 pandemic. Digiflex grew its business and its software products during the same period.
5. Digiflex's software systems have been exceptionally trouble free and have run uninterrupted in 7 by 24 mode for multiple years at a time. Digiflex has always provided software enhancements in record time and at minimal expense when compared to other software providers with similar software offerings.

Developments since CCAA

6. On July 4, 2024, Digiflex was asked to set up a completely new company on Digiflex's software and to have it go live on January 1st, 2025. This new company was then identified as 7-Eleven Distribution Canada Corporation ("SEDCC"). In subsequent response emails, Digiflex identified the need for a new software license for the new company and provided a table of applicable license fees for different ranges of annual sales (shown below). This project seemed to get stalled at that point.

System	Annual Sales \$100M	Annual Sales \$300M	Annual Sales \$600M	Annual Sales \$700M
	License Fee	License Fee	License Fee	License Fee
ProCLASS	\$300,000	\$1,000,000	\$2,000,000	\$2,400,000
CLASS A/P	\$60,000	\$200,000	\$400,000	\$480,000
CLASS A/R	\$60,000	\$200,000	\$400,000	\$480,000
CLASS G/L	\$60,000	\$200,000	\$400,000	\$480,000
CLASS B/R	\$4,000	\$14,000	\$30,000	\$35,000
Total License Fee:	\$484,000	\$1,614,000	\$3,230,000	\$3,875,000

Annual Maintenance Fee:	\$169,400	\$403,500	\$807,500	\$968,750
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7. On October 7, 2024, Digiflex received an email from four 7-Eleven USA staff requesting a quote on renewal of the Maintenance Agreement in place with Wallace & Carey. Digiflex informed 7-Eleven USA that a new software license is required before we can establish a new Maintenance Agreement, but that Digiflex's Helpdesk services agreement was not tied to a license agreement, and we asked who we should bill that invoice to. Joshua Buchanan of 7-Eleven USA responded with "Seven Eleven Distribution Canada Corporation will have the same address in Calgary that W&C has had in the past."
8. Digiflex informed 7-Eleven USA that according to point 15 on Affidavit Number 5 of Patrick Carey, filed on July 29, 2024 and available at KSV Advisory web site:

15. Following the SISP, 7-Eleven Canada, Inc. (the "**Purchaser**") and the Applicants entered into a purchase and sale agreement (the "**Sale Agreement**"). The Sale Agreement was for the sale of the Applicants' personal property and equipment assets located in Alberta and British Columbia and the intellectual property, **technology, software and systems relating to the entire Logistics Companies' logistics/distribution business across Canada**. The Applicants are continuing to operate in various provinces across Canada, including BC, Alberta, Saskatchewan, Manitoba and Ontario.

Digiflex software is not owned by Wallace & Carey and cannot be sold by them. Wallace & Carey only has a non-transferable license-to-use for Digiflex software. The continued use of Digiflex's software by SEDCC without a legal license constitutes copyright infringement under the Copyright Act.

9. On October 24, 2024, Digiflex forwarded an invoice for Helpdesk Services for one year to 7-Eleven USA.
10. On November 12, 2024, Digiflex forwarded a software License Agreement and invoices for the license fee plus a 1-year software Maintenance fee to 7-Eleven USA. 7-Eleven USA has continued to ignore these documents.
11. On December 3, 2024, Digiflex sent an email to 7-Eleven USA, stating:

Based on the lack of response, or even acknowledgment, of our new license agreement and 3 overdue invoices, we can only assume that your Epicor implementation project has finally been completed, and you no longer need our systems or services.

If this is the case, please inform Wallace & Carey of this change and initiate the destruction of our software and documentation at Wallace & Carey, as stipulated in point 5 of our license agreements. As per the last paragraph of point 5, please send us a letter confirming that this destruction has been completed.

This email has also been ignored by 7-Eleven USA.

12. In less than 3 hours after sending the email in point 11 above, we received a letter from Jeffrey Oliver threatening court action to "compel your cooperation". Our argument that according to their own affidavit, referenced in point 8 above, 7-Eleven bought our software and systems from Wallace & Carey on or before November 17, 2023, was never addressed. The fact that our software was not owned by Wallace & Carey and could not be bought from them by anyone was not addressed either.
13. We assert that based on these facts, summarized below:
 - a) Request to set up Digiflex software systems for SEDCC and have them ready for production use on January 1, 2025.
 - b) Request for renewal of Maintenance agreements sent to Digiflex by 7-Eleven USA, with no one from Wallace & Carey copied onto the request.
 - c) Request to expand Wallace & Carey databases so SEDCC operations can be conducted in our software, but this time using Wallace & Carey databases and implementations, in an attempt to hide SEDCC operations behind a Wallace & Carey façade.
 - d) SEDCC has been making changes to our systems to hide the fact that they are conducting business as **SEDCC** and not as Wallace & Carey; and they are doing this without obtaining a legal license for our software. As an example, the helpdesk team at SEDCC attached a purchase order form to an email request that shows they have replaced the Wallace & Carey logo with the SEDCC logo:

7-ELEVEN CANADA CORP.		5445 - 8th Street N.E. CALGARY, ALBERTA T2K 5S6 Tel: (403) 275-7360 Fax: (403) 275-3921 (403) 274-0461		PURCHASE ORDER										
VENDOR	7-ELEVEN CALGARY FOOD CENTRE 2626 COUNTRY HILLS BLVD NE BAYVIEW CALGARY, AB CANADA T2N 1A7	SHIP TO Calgary Warehouse 5445 - 8TH STREET N.E. CALGARY, ALBERTA CANADA T2K 5S6	ISSUE DATE 21-AUG-2025	DUE DATE 25-AUG-2025	VENDOR NO. 75747	P.O. NO. 64727								
	Net: 30 Days 0.0% 0 Days				PAGE 1									
NOTE: QED M-W T-R W-F R-M F-YE (4032580895)		SALESMAN:	CARRIER BRANCH 1 CALGARY PICK UP (101)											
BROKER: ALISHA		BUYER NO.: 14	MINIMUM BUY: 1\$											
BUYER: RICKY CHAN-FOODSERVICE														
UPC	ITEM	DESCRIPTION	PACK	SIZE	QUANTITY	WEIGHT	CUBE	TI	HI	PRICE	P.A.	DEBT	VND PRG	NET VALUE

The original purchase order form that Digiflex created for Wallace & Carey many years ago looks like this:

WALLACE & CAREY INC.		5445 - 8th Street N.E. CALGARY, ALBERTA T2K 5S6 Tel: (403) 275-7360 Fax: (403) 275-3921 (403) 274-0461		PURCHASE ORDER										
VENDOR	ITWAL LIMITED - FULL PALLETS 440 RAILSIDE DRIVE BRAMPTON, ON CANADA L7A 1L1	SHIP TO Wallace & Carey Inc. Edmonton 14434-157 Avenue Northwest Division No. 11 EDMONTON, ALBERTA CANADA T6V 0K6	ISSUE DATE 01-NOV-2021	DUE DATE 15-NOV-2021	VENDOR NO. 22394	P.O. NO. 902500								
	Net: 0 Days 0.0% 0 Days				PAGE 1									
NOTE: FULL PALLET PRODUCT ONLY (9058400954)		SALESMAN: KAREN KING / JOSIE LYONIA (9048409400)	CARRIER DELIVERED BY VENDOR (99)											
BROKER:		BUYER NO.: 5	MINIMUM BUY:											
BUYER: BRANDON CIZEK - ITWAL (4037309351)														
UPC	ITEM	DESCRIPTION	PACK	SIZE	QUANTITY	WEIGHT	CUBE	TI	HI	PRICE	P.A.	DEBT	VND PRG	NET VALUE

Digiflex has always created and maintained all system forms for Wallace & Carey but in this case SEDCC reverse-engineered our PO form and replaced the Wallace & Carey logo with that of SEDCC, in an obvious attempt to hide this change from Digiflex.

- e) Email addresses for former Wallace & Carey IT department have been changed to the SEDCC domain. Here is an autoreply to one of our emails to a previous Wallace & Carey IT employee:

"Thank you for your email. I am currently out of the office and will be returning on Sept 10th. Please contact openticket@sedcc.ca for any urgent matters."

The Need for Urgent Relief

As set out above, we believe 7-Eleven is abusing the CCAA process that is meant to protect companies in distress, hiding behind CCAA, and pretending to be conducting business as Wallace & Carey.

Handwritten signature

7-Eleven has continued this abuse of the CCAA process by extending the original Stay Period ending on July 1, 2023, to end date of September 20, 2023, then to April 30, 2025, then to August 20, 2025, and again to September 30, 2025 (the Applicants requested an end date of February 15, 2026 but the Honourable Justice M. A. Marion only allowed an extension to September 30, 2025). The Applicants are now attempting once again to extend the Stay Period to February 15, 2026. Through this ongoing abuse of the process, 7-Eleven wants to continue to use the Digiflex software without a license and to continue to infringe on Digiflex's intellectual property rights.

7-Eleven's attempt at extending TSA multiple times appears to be primarily directed at Digiflex. Documents available online at KSV Advisory do not seem to mention any other creditors or vendors but they are all full of references to **Digiflex**. As an example, the "**SEVENTEENTH REPORT OF THE MONITOR**", dated August 13, 2025, mentions **Digiflex** 107 times.

7-Eleven is well aware that **Digiflex** is a very small Canadian company that in no way can afford legal representation that can come anywhere close to the legal representation available to 7-Eleven. Through the CCAA process, 7-Eleven has threatened Digiflex with financial penalties, including the threat of imprisonment for myself. We believe the main reason for 7-Eleven to continuously request to extend the TSA is to avoid paying for a software license and to continue using Digiflex's software illegally.

We are in no way questioning the need for and the merits of the CCAA process that is meant to protect distressed Canadian companies, their employees and their partners. But allowing a multinational and multi-billion-dollar corporation to abuse the CCAA process for its own benefit only weakens the much-needed CCAA.

It is profitable for 7-Eleven to spend several hundred thousand dollars on lawyers and the Monitor in order to avoid paying a higher amount to Digiflex for a legal software license. But 7-Eleven should not be allowed to infringe on Digiflex's intellectual property rights and to abuse the CCAA process for their own financial benefit.

Digiflex is microscopic in a size comparison with 7-Eleven. We plead with this Honourable Court not to allow any abuse of the process by 7-Eleven who is trying to squash a very small Canadian company. Digiflex has provided extremely valuable software and services to many Canadian companies, in particular to Wallace & Carey, throughout its 32-year history. Digiflex has not had a single conflict with its many clients over those years until this one brought on by 7-Eleven.

All of which is respectfully submitted



12-Sep-2025

Mohamad Z. Mardukhi, president
Digiflex Information Systems Inc.

This is Exhibit "**AD**", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner of Oaths in and for
the Province of Alberta



Court File Number	2301 - 08305
Court	COURT OF KING'S BENCH OF ALBERTA
Judicial Centre	CALGARY
Applicants	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, RSC 1985, c. C-36, as amended AND IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF WALLACE & CAREY INC., LOUDON BROS LIMITED and CAREY MANAGEMENT INC.
Respondent	DIGIFLEX INFORMATION SYSTEMS INC. 2611 VENABLES STREET VANCOUVER, BC V5K 2R4 Attention: Mohamad Z. Mardukhi Telephone: 604-720-0485 Email: mardukhi@digiflex.ca

Written Reply Submission of the Respondent
to
Second Supplement to the Seventeenth Report of the Monitor

Remedy sought by the Respondent

Regardless of what the Monitor or 7-Eleven Distribution Canada Corporation ("SEDCC") may think about Digiflex Information Systems Inc. ("Digiflex"), or its ProCLASS Distribution and Financial Management Systems ("ProCLASS"), the fact remains that SEDCC has been using ProCLASS without a license since at least November 17, 2023. For this infringement of Digiflex's intellectual property rights, we seek from the Honourable Court:

- a) To declare all License Agreement in place between Wallace & Carey Inc. ("Wallace & Carey") and Digiflex terminated, as early as November 17, 2023, when a Sales Agreement between SEDCC and Wallace & Carey was finalized.
- b) To block SEDCC from using Digiflex software without a license and to force SEDCC to pay our license fee invoice dated November 1, 2024 in the amount of \$3,230,000 plus interest, and our maintenance fee invoice for the year ending on October 31, 2025 in the amount of \$807,500 plus interest (attached as **Appendix "A"**).
- c) Any further relief for damages caused to Digiflex that this Honourable Court may deem appropriate.

Background

1. Development of ProCLASS began in 1985 when I was the IT manager at Canalta Data Services in Calgary. Although I was the main architect of this Software, at peak, we had a team of 25 people working on this development. Over a hundred million dollars have been spent on developing, enhancing, and maintaining ProCLASS over the past 40 years.
2. ProCLASS was the first integrated distribution solution that included functionality for Retail, Wholesale, and Foodservice distribution operations in a single system. This allowed us to implement ProCLASS in a variety of business types and sizes. ProCLASS was first implemented at Associated Grocers and Associated Foodservice in 1990, eleven years before Wallace & Carey purchased a license for ProCLASS. ProCLASS was not developed for any specific customer and in fact the exact same version of the software was implemented for these customers over the past 35 years:
 - Associated Grocers, based in Calgary, AB.
 - Associated Foodservice, based in Calgary, AB.
 - Thrifty Foods, based in Victoria, BC.

- Centennial Foods Corp, now operating as Centennial Foodservice; they are still using the exact same ProCLASS versions that Wallace & Carey has been using for the past 25 years.
 - Overwaitea Food Group, based in Langley, BC.
 - Best Direct Distributors, a Division of Maple Leaf Meats Inc., based in Calgary, AB.
 - Canada West Foods, based in Chilliwack, BC and Innisfail, AB.
 - Hardy Sales, based in Langley, BC.
 - Turner Distribution Systems, based in Surrey, BC.
 - Loudon Bros. Inc., based in Thunder Bay, ON.
 - Sell Canada, based in Calgary, AB.
 - Eastern Alliance Corp., based in Sibu, Sarawak, Malaysia.
 - New Food Classics, based in Calgary, AB.
 - Frobisher International, based in Delta, BC.
3. ProCLASS was developed for hardware from Digital Equipment Corporation ("DEC"). In 1998, DEC was acquired by Compaq. Compaq later merged with Hewlett-Packard (HP) in 2002. In 2014, HP abandoned its software and hardware offerings that we used to develop ProCLASS. This resulted in Digiflex to stop marketing ProCLASS.
 4. Digiflex then started to port ProCLASS to a new platform based on software offerings from Microsoft and non-proprietary hardware. As this project generates no revenue for Digiflex until its completion, we have only worked on it when we had no other revenue-generating projects, so this porting project has been advancing on a very slow timeline. This project is currently around 80% complete.
 5. When Wallace & Carey put out an RFP for a new ERP system in 2021, primarily due to ProCLASS's hardware base being abandoned by HP, Digiflex took part in the RFP process. But because our new ProCLASS version was still in development, and because we could not afford to speed up its development by hiring more staff, Wallace & Carey chose the ERP system from Epicor Software Corp., based in Austin, Texas.
 6. In meetings with the Wallace & Carey management in 2024, I was told that Wallace & Carey is abandoning Epicor's ERP, presumably because this very "modern" ERP could not satisfy the critical operational requirements of the Wallace & Carey business.
 7. Even if SEDCC is now reviving the Epicor ERP implementation project, or they are attempting to implement another ERP system by the end of their current

TSA extension application to February 15, 2026, does not change the fact that SEDCC has been using our ProCLASS systems without a license, and has been doing so since at least November 2023.

8. SEDCC should not be allowed to continue to use our ProCLASS software without a license. SEDCC's ignorance of the fact that they did not have a license for ProCLASS (as proved by their abandoned request on July 4, 2024, for Digiflex to set up ProCLASS systems for SEDCC), nor SEDCC's ignorance of the complexities of Wallace & Carey business operations, can be used as an excuse by SEDCC to use our ProCLASS without a license.
9. Even if this Honourable Court grants a TSA extension to February 15, 2026, it does not change the fact that SEDCC has been using ProCLASS without a license since at least November 2023. SEDCC should be forced to buy a valid license from Digiflex and/or to compensate Digiflex for any profits gained through the unlicensed use of ProCLASS.

References to the Monitor's Second Supplement to Seventeenth Report

10. In point 2.0.1, the Monitor mentions SEDCC manages over 5,000 products, presumably to show the complex nature of SEDCC business. In some of our past ProCLASS implementations listed above in point 2, we had clients with more than ten times the number of products, or vendors, or customers.
11. In point 2.1.1, the Monitor states that without the use of the ERP software, it would be impossible for SEDCC to continue operating the Logistics Business. This is a known fact for all ERP systems, and it enforces our argument that SEDCC should not risk its entire operations on ERP software without a license.
12. In point 2.1.3, the Monitor mentions that SEDCC will have an Integration Software fully operational by February 15, 2026. This does not mention whether ProCLASS will be part of that integration, but even if it is not, it will mean that SEDCC is asking for another 5 months to continue to use ProCLASS without a license.
13. In point 2.1.8, the Monitor lists invoice amounts for Maintenance and Helpdesk services along with percentage increases. But the Monitor fails to mention that our Helpdesk service is not part any agreement, and that we are not obligated to provide that service. We told SEDCC that we cannot afford to provide the Helpdesk service to them at the same rate as we did for Wallace & Carey, as it needs at least two employees to be available 7 x 24 to provide that service, and

even the increased amount we charged SEDCC was not sufficient to cover our costs for a single employee.

Our maintenance services have always had a discount when clients paid for multiple years at once. For example, our maintenance service fee for 2003 to 2005 was discounted by more than 10% because Wallace & Carey renewed the maintenance for 2 years. Accordingly, our latest maintenance agreements with SEDCC were for one month or less, thus the Renewal Rates are higher than the previous annual rates.

14. In point 2.2.1.c, the Monitor mentions that without our ERP Software the SEDCC business will be disrupted, resulting in potential widespread job losses. This is more reason that SEDCC should get a legal license for our ERP software and not risk the fate of a large number of employees by using unlicensed software.
15. In point 2.2.1.d, the Monitor mentions that "DigiFlex has been, and will continue to be, paid for the continued use,...", this is incorrect, our 2 invoices issued to SEDCC on November 1, 2024, for license fees and one year of Maintenance fees remain unpaid.
16. In point 2.2.1.e, the Monitor claims that our "ERP Software is not otherwise saleable to any third-party as it was specifically designed for ... Wallace & Carey..."; this claim is false and point 2 above lists the businesses that have used, and are still using, the exact same ERP Software.
17. In point 2.2.1.g, the Monitor repeats some of the same statements regarding "not saleable" software, and Digiflex invoices having been paid, that have been refuted above.
18. In point 3.0.1, the Monitor is "requesting an extension of the Stay to February 15, 2026". The Monitor also stated in point 2.2.1.h, that no other stakeholders will be significantly prejudiced by the extension of the TSA Term. What he fails to mention is that Digiflex is hugely impacted by any extension if it allows SEDCC to continue to use our ProCLASS ERP systems without a license. However, if SEDCC pays our 2 overdue invoices for license fee and annual maintenance, plus interest, Digiflex will have no objections to extending the TSA term even beyond February 15, 2026.

The Need for Urgent Relief

Each day of unauthorized use of ProCLASS constitutes an infringement of Digiflex's copyright and contractual rights. If SEDCC, a large corporation with enormous legal resources, is allowed to ignore the law in this case, they will be ignoring Copyright Law, Contract Law, Computer-Specific / IT laws, and even potentially Criminal Law for unauthorized use of copyrighted software.

On the one hand, the Monitor and SEDCC paint Digiflex and its software systems as some simple software that does not have the necessary functionality to be used by SEDCC, while also repeating the fact that our ProCLASS software is critical to the SEDCC operations. Whichever of these opinions this Honourable Court accepts, it does not change the fact SEDCC has been using this same Digiflex software without a license for two years.

Digiflex is not responsible for mistakes made by SEDCC, first by not knowing what they were buying when they bought Wallace & Carey, and second by thinking that they could implement a "modern" ERP system by November 2023, or by multiple other TSA extension dates.

SEDCC should have acquired a valid software license from Digiflex as soon as they bought Wallace & Carey, or at least as soon as Digiflex informed SEDCC that the licenses Digiflex granted to Wallace & Carey were not transferable to anyone, and that SEDCC needs to buy a new license.

We respectfully request that this Honourable Court prohibit SEDCC from using the Digiflex Software without a license and compel SEDCC to obtain a valid license by paying our two invoices issued on November 1, 2024, together with interest.

All of which is respectfully submitted



16-Sep-2025

Mohamad Z. Mardukhi, president
Digiflex Information Systems Inc.

Appendix A

Place Day	217275 00
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This is Exhibit "AE", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta



CERTIFIED *E. Wheaton*
by the Court Clerk as a true copy of
the document digitally filed on Sep
22, 2025 COURT FILE NUMBER

2301 - 08305

Clerk's Stamp

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, RSC 1985, c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OF
ARRANGEMENT OF WALLACE & CAREY INC.,
LOUDON BROS LIMITED, and CAREY
MANAGEMENT INC.



APPLICANT

KSV RESTRUCTURING INC., in its capacity as Court-appointed Monitor of
Wallace & Carey Inc., Loudon Bros Limited and Carey Management Inc.

DOCUMENT

ORDER APPROVING STAY EXTENSION AND THIRD TSA AMENDMENT

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Cassels Brock & Blackwell LLP
Bankers Hall West
3810, 888 3rd St SW
Calgary, AB T2P 5C5

E: joliver@cassels.com
P: 403 351 2920

Attention: Jeffrey Oliver

File no. 54670-3

DATE ON WHICH ORDER WAS PRONOUNCED: September 19, 2025

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice C. Feasby

UPON THE APPLICATION of KSV Restructuring Inc., in its capacity as the court-appointed Monitor with enhanced powers (in such capacity, the "**Monitor**") of Wallace & Carey Inc., Loudon Bros Limited, and Carey Management Inc. (collectively, the "**Companies**") for an Order (among other things) approving the extension of the Stay Period to February 15, 2026 and approving the Third TSA Amendment (as defined herein); **AND UPON** having reviewed the Amended and Restated Initial Order of this Court pronounced June 30, 2023 (the "**ARIO**"); the Monitor's Fourteenth Report to Court dated December, 13, 2024; the Monitor's Seventeenth Report to Court dated August 13, 2025 (the "**Seventeenth Report**"); the Monitor's Supplement to the Seventeenth Report to Court dated August 21, 2025 (the "**Supplement to Seventeenth Report**"); the Monitor's Second Supplement to the Seventeenth Report to Court dated September 11, 2025 (the "**Second Supplement to Seventeenth Report**"); the Affidavit of Joshua Buchanan sworn September 8, 2025; and the Affidavit of Service of Angeline Gagnon, sworn September 16, 2025; **AND UPON** hearing counsel for the Monitor, and any other interested parties appearing at the within application; **AND UPON**

being satisfied that it is appropriate to do so;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the ARIO or the Second Supplement to Seventeenth Report.

SERVICE

2. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and time for service of this application is abridged to that actually given.

STAY EXTENSION

3. The Stay Period is hereby extended from September 30, 2025 to February 15, 2026.

THIRD TSA AMENDMENT

4. The third amendment to the Transition Services Agreement (the "**Third TSA Amendment**") attached as Appendix "A" to the Second Supplement to Seventeenth Report, is hereby approved with the following amendment at paragraph 2(a):

"(a) The Term (the "**Term**") of this TSA will commence on the Effective Date and will terminate on February 15, 2026, or on such other date as may be agreed to by the parties in writing prior to February 15, 2026."

5. The execution of the Third TSA Amendment by the Monitor is hereby authorized and approved, with such minor amendments as SEC and the Monitor may deem necessary.
6. The Monitor is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable to give effect to the Third TSA Amendment.
7. This Order shall be without prejudice to the rights of DigiFlex Information Systems Inc. ("**DigiFlex**") to bring an application before this Honourable Court seeking the termination of the Transition Services Agreement (the "**TSA**") or to otherwise commence proceedings against SEC, provided that:
 - (a) DigiFlex shall comply with all applicable procedural requirements to bring any such application or to commence any such proceeding, including but not limited to those set out in the *Alberta Rules of Court*, Alta Reg 124/2010, and any other relevant statutes and

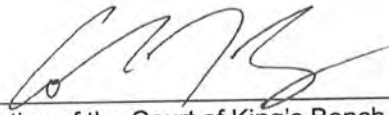


regulations; and

- (b) DigiFlex shall be represented by legal counsel in such application or proceeding, duly appointed in accordance with section 106(1) of the *Legal Profession Act*, RSA 2000, c L-8, rule 2.23 of the *Alberta Rules of Court*, and any other applicable statutes or regulations.

SERVICE OF ORDER

- 2. Service of this Order shall be deemed good and sufficient by:
 - (a) serving the same on:
 - i. the persons listed on the service list created in these proceedings;
 - ii. any other person served with notice of the application for this Order; and
 - iii. any other parties attending or represented at the application for this Order; and
 - (b) posting a copy of this Order on the Monitor's website established in connection with these proceedings, for no less than six months from the date of this Order; and service on any other person is hereby dispensed with.
- 3. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier.


Justice of the Court of King's Bench of Alberta

This is Exhibit "**AF**", referred to in the
Affidavit of Mohamad Mardukhi,
affirmed before me by video conference
on the 14th day of November , 2025.

A Commissioner for Oaths in and for
the Province of Alberta

Handwritten signature

Business

Software crash hits Sobeys hard

CBC News · Posted: Jan 25, 2001 4:59 PM PST | Last Updated: January 25, 2001



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Estimated 3 minutes

A technological nightmare has cost Grocery chain Sobeys Inc. millions of dollars and forced the company to issue a third-quarter profits warning.

Canada's second largest supermarket operator announced Wednesday it will take an after-tax charge of \$49.9 million, or 82 cents a share, because it was forced to scrap a key software system.

Bill McEwan, Sobeys' president and CEO, said the company was dropping its SAP software and systems after two years of problems that culminated this December with a massive five-day crash. McEwan said the company took four to five weeks to fully recover from the disruption and costs associated with it will result in quarterly operating earnings "well below our previously expected results."



SAP is the biggest software company in Europe and the world's leading supplier of inter-enterprise software with more than 21,700 employees in more than 50 countries.

A spokesperson for SAP says the company has yet to receive official word from Sobeys that it's being dropped, adding senior executives have plans to meet with Sobeys executives Friday to discuss problems.

McEwan however, told a conference call that, "we have come to the conclusion that what appeared to be growing pains with the implementation of enterprise-wide system are in fact systemic problems of a more serious nature."

"The bottom line is that SAP was not going to create a sustainable system solution for this organization," he said. "We remain confident our fourth-quarter earnings will

McEwan forecast Sobeys will have year-end earnings of \$1.48 per share or \$11.4 billion, and a net income of \$90 million. After the charge, the company forecast fiscal 2001 earnings per share of about 66 cents and fourth-quarter earnings per share of about 42 cents.

McEwan, who took over the company only a few days before the disaster hit, also said a new chief information officer will be joining the company within a few weeks and plans for an IT solution are in the works.

"We have determined that there is insufficient core functionality in SAP software component of our enterprise-wide systems to effectively deal with the extremely high number of transactions in our retail operating environment," McEwan said.

The SAP software will be phased out of Sobeys' Atlantic Division and its 30 corporately owned stores in Ontario. The company's outlets in Quebec and Western Canada, the Serca national food service unit and the 379 IGA and other former Oshawa Group stores in Ontario were never fitted with the SAP system.

Sobeys has about 400 company-owned stores and 1,000 franchised outlets.

Sobeys' stock fell 13.77 per cent, or \$3.25, to \$20.35 on Thursday. The stock, which has moved in a yearly range of \$28.25 to \$16.25, had been halted before the close Wednesday pending the news.



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Sobeys fires SAP over ERP debacle

CDN STAFF

FEBRUARY 9, 2001

**Jennifer Brown**

Canadian grocery giant Sobeys Inc. said it has no plans to reconsider its decision to pull the plug on its year-old, SAP-powered ERP system.

The Stellarton, N.S.-based company claims the system caused its database to crash in early December, leaving it unable to process the transactions moving through the stores' systems. Bill McEwan, Sobeys' chief executive, said the problem created a five-week backlog just before the holiday shopping period.

The second-largest supermarket chain in Canada, Sobeys has 400 company stores and 1,000 franchise stores including IGA, Foodland and Price Chopper outlets.

On Jan. 24, McEwan announced the company was ditching the software because it couldn't handle its ordering and data processing needs for its stores in Ontario and Atlantic Canada.

However, SAP officials said they only learned of the decision through a press release issued two days before a scheduled meeting with Sobeys brass.

Wohl, spokesperson for SAP America in Philadelphia. "We've had such a good dialogue with Sobeys all along."

Despite attempts by SAP to repair the relationship, Sobeys officials are adamant the ERP project will be dismantled.

"It was a situation where we had a business disruption. We looked at an evaluation of our enterprise-wide software and that resulted in the decision, so I would be surprised if there was a change in conclusion," said Stewart Mahoney, vice-president of treasury and investor relations for Empire Company Ltd., which owns 62 per cent of Sobeys.

"We indicated we plan to move ahead without SAP and Mr. McEwan and the Sobeys' board of directors were quite clear in terms of Sobeys coming to that conclusion," he said.

Mahoney added the project will cost the company \$89.1 million and Sobeys is predicting the interruption of business will cut its quarterly operating profit by 16 cents a share.

"We're through with that period. But there was an opportunity cost there because that's a busy period for us leading up to the Christmas period," Mahoney said.

SAP has been working with the company prior to this project, implementing a human resources and financial system. In fact, SAP and IBM were using Sobeys as an example of a satisfied customer.

Sobeys has not said what they will use to replace the SAP system but will continue to use the software for its financial and human resource needs. In a statement issued after a meeting on Jan. 26, SAP said it "agreed to continue discussions with Sobeys in private."

"It is true we have had discussions with Sobeys about various aspects of its projects that needed to be resolved," said Wohl.

Angela Carmichael, an IBM Canada Ltd. spokesperson said there was a problem with Sobeys' DB2 database but it was addressed and Sobeys remains a customer. "We put our best people on it and fixed it as fast as we could," she said, "They're still using DB2 in other parts of their business."

Wohl suggested a change in leadership at Sobeys may have precipitated the decision to dump the project. He pointed to McEwan's arrival Nov. 25, just as the crash occurred.

Derek Prior, SAP research director with Stamford, Conn.-based Gartner Group Inc., said SAP is ahead of other ERP software vendors at sizing the infrastructure for their applications, but said ongoing assessment of an ERP life cycle is also needed.

"You don't hear of these failures frequently. The successes are much higher, but successes aren't news," said Prior.

"Overall, SAP has a good record of getting sizing performance right. But within the retail sector there have been projects which run into problems due to the very high volumes and narrow time windows involved."

Prior also questioned why Sobeys waited so long into the project to reject SAP.



Mahoney said the system has been problematic since its launch a year ago. "We had been behind our timeline and there had been a number of issues," he said.

Plesman Communications

[Go to the top.](#)

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CERTIFICATE OF COMMISSIONER FOR OATHS

CANADA

PROVINCE OF ALBERTA

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Alex Jay Sinclair

I, Alex Jay Sinclair, a Commissioner for Oaths of the City of Calgary, in the Province of Alberta, Canada, state that I am satisfied that the process of swearing the Affidavit of Mohamad Mardukhi, had to be done by remote video because it was impossible or unsafe for the deponent and the Commissioner to be physically present together.

CERTIFIED in the City of Calgary, in the Province of Alberta, this 14th day of November, 2025.



Alex Jay Sinclair

A Commissioner for Oaths in and for the Province of Alberta