

Court File No: BK-23-02995640-0032
Estate File No: 32-2995640

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION**

MOTION RECORD OF BDO CANADA LIMITED
(Returnable December 18, 2023)

Date: December 8, 2023

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*Lawyers for BDO Canada Limited in its
capacity as Proposal Trustee*

TO: SERVICE LIST

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION**

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**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION**

NOTICE OF MOTION

BDO Canada Limited (“**BDO**”), in its capacity as proposal trustee (the “**Proposal Trustee**”) in the *Bankruptcy and Insolvency Act* (“**BIA**”) proposal proceedings of Source One Financial Corporation (the “**Company**”) will make a motion to the court on Monday, December 18, 2023, at 12:30 pm or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard

- In writing under subrule 37.12.1 (1) because it is (*insert one of* on consent, unopposed *or* made without notice);
- In writing as an opposed motion under subrule 37.12.1 (4);
- In person;
- By telephone conference;
- By video conference.

at the following location

Video conference details to be circulated upon receipt by the Court.
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THE MOTION IS FOR AN ORDER

1. An order, substantially in the form attached hereto as **Schedule “A”**, (the **“Proposal Approval Order”**), among other things:

- a. if necessary, abridging the time for service of the motion and dispensing with further service;
- b. approving the proposal filed with the Official Receiver on November 1, 2023 (the **“Proposal”**), which proposal was unanimously accepted at the creditors meeting held on November 22, 2023 (the **“First Meeting”**);
- c. declaring that the Company’s former employees are eligible to receive payments pursuant to the *Wage Earner Protection Program Act*, SC 2005, c 47, s1 (**“WEPPA”**);
- d. approving the First Report to the Court of the Proposal Trustee dated December 7, 2023 (the **“Report”**), the appendices thereto and the activities of the Proposal Trustee described therein; and
- e. approving the Proposal Trustee’s legal fees and expenses to December 6, 2023 and its legal counsel’s fees and disbursements to November 30, 2023, together with accruals to the anticipated completion of the Proposal.

THE GROUNDS FOR THE MOTION ARE:

Background

2. The Company is an Ontario Corporation located in Burlington, Ontario that provided automotive finance loans to non-prime and sub-prime borrowers in Canada through a network of new and used vehicle

dealers. In addition, the Company acted as administrative agent to Westlake Services, LLC (“**Westlake**”) for their automotive loan portfolio, which was generated by the Company.

3. The Company ceased operations September 8, 2023 and terminated approximately 85% of its workforce.

4. The Company’s business was no longer economically viable and had not been for at least the past few years. The Company’s insolvency was a direct result of growing operating losses exacerbated by: i) significant and rapid rise in interest rates, ii) increasing defaults in the loan portfolios, iii) negative affect of rising interest rates on new loan originations, and iv) the increasing cost of funding. Accordingly, the Company decided to wind down its business.

5. On October 6, 2023 (the “**Filing Date**”), the Company filed a Notice of Intention to Make a Proposal (the “**NOI**”) pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and BDO was named as Proposal Trustee. On November 1, 2023, the Company filed the Proposal which was subsequently accepted by all creditors voting in person or by proxy at the First Meeting.

Creditors

6. Cortland Credit Lending Corporation (“**Cortland**”) financed the Company’s lease portfolios and held a general security interest in all of the Company’s assets (the “**Cortland Security**”). The Proposal Trustee obtained an opinion from its independent counsel that the Cortland Security created a valid security interest and was enforceable in accordance with its terms.

7. On November 1, 2023, Cortland assigned its security and all right to repayment of the debt owing to it from the Company to Westlake (the “**Cortland Assignment**”). At the time, Cortland was owed approximately \$8,400,000 plus fees.

8. Prior to the Cortland Assignment, Westlake and the Company did not have a lender-borrower relationship. Rather, the Company simply serviced the loan portfolio owned by Westlake. The inability of the Company and Westlake to negotiate a new sales and service agreement resulted in Westlake transitioning its portfolio to a competitor. The Company released Westlake's portfolio and any funds collected in respect thereof to Westlake prior to the First Meeting.

9. Upon completion of the Cortland Assignment, Westlake proceeded to foreclose on all the assets of the Company subject to the Cortland Security pursuant to the *Personal Property Security Act* (Ontario) (the "**PPSA**"). As a result of the Cortland Assignment and Westlake's foreclosure, neither Cortland nor Westlake are creditors any longer and the Company no longer maintains any loan portfolios.

10. The Company's only remaining generally security creditor is 1717030 Ontario Limited ("**171**"), a corporation owned by one of the Company's directors. 171 took, and *PPSA* registered, security against the Company for monies advanced to the Company to maintain operations. 171 will not realize any recoveries as a secured creditor and has agreed not to seek payment under the Proposal for any claim that it may have.

11. The Company leased certain photocopiers, attachments, and accessories from CWB National Leasing Inc. ("**CWB**"). CWB registered a security interest against the Company under the *PPSA*. CWB's secured claim is not affected by the Proposal and the Company intends to return the leased equipment to CWB.

12. The Proposal Trustee has received and admitted unsecured claims totaling \$141,498.07. Additional proofs of claim continue to be reviewed as they are submitted.

13. In addition to 171, other related-party creditors include 1717031 Ontario Limited, Larman Investments Ltd., and Kooy Brothers Lawn Equipment Ltd. (collectively and together with 171, the "**Non-Participating Creditors**"). Other than 171, the Non-Participating Creditors are unsecured. The Non-Participating Creditors have agreed to postpone and waive any dividend distribution under the Proposal,

which would have otherwise been payable to them on their proven claims, to allow for a maximum realization to the proven arm's length creditors.

Notices to and Communications with Stakeholders

14. On October 11, 2023, the Proposal Trustee gave notice to the Company, Official Receiver, and every known affected creditor of the filing of the NOI.

15. Upon filing of the Proposal, the Proposal Trustee gave notice on November 9, 2023 to the Company, the Official Receiver, and to every known creditor affected by the Proposal of the calling of the First Meeting to be held on November 22, 2023 by videoconference to consider the Proposal. Included with the notice was a condensed statement of the Company's assets and liabilities, a list of the creditors affected by the proposal who have claims of \$250 or more and showing the amounts of their claims, a copy of the Proposal, a form of proof of claim and proxy in blank and a voting letter.

16. The Proposal Trustee also prepared a report to creditors, setting out the Proposal Trustee understanding, after appropriate inquiries, of the liabilities of the Company, the Company's assets, and the value thereof, the Company's conduct and the causes of the Company's insolvency.

17. On November 29, 2023, after the Proposal had been accepted at the First Meeting, the Proposal Trustee sent a Notice of Hearing the Application for Approval of the Proposal by the Court to the Company, the Official Receiver and every creditor who has proved their claim.

18. The Proposal Trustee also established a website for the Company's proposal proceedings (the "**Proposal Proceedings**") to which the Proposal Trustee posted all relevant documents.

19. The Proposal Trustee has been receiving calls, answering questions and updating the creditors and Former Employees on the Proposal Proceedings. Numerous creditors have requested assistance with completing their proof of claim forms properly to enable them to vote at the First Meeting and to participate

in the Proposal Proceedings. The Proposal Trustee assisted those creditors with completing their proof of claim forms ahead of, and subsequent to, the First Meeting.

20. Additionally, the Proposal Trustee has received numerous calls from the Former Employees and has communicated the process and timing for them to apply under *WEPPA* for payments on account of unpaid termination or severance pay (if applicable).

21. On December 6, 2023, the Proposal Trustee issued its Notice Requiring Person to Prove Claim, pursuant to s. 149 of the *BIA*, to those unsecured creditors who have not submitted or proven a claim to the Proposal Trustee.

Cash Flow Projections

22. In support of the Proposal, the Company submitted an updated cash flow projection for the period ending January 26, 2024, together with related assumptions and a management report on the projections.

23. As set out in the Proposal Trustee's report on the updated cash flow projections, there are no material assumptions which seem unreasonable in the circumstances.

First Meeting

24. Prior to the First Meeting, the Proposal Trustee had spoken to numerous creditors, but only received and admitted seven proofs of claim. Three of the proofs of claim submitted included a voting letter and another proven creditors attended the First Meeting.

25. The First Meeting was presided over by the Proposal Trustee as Chairperson. The Proposal Trustee reported to the meeting on its investigation of the Company's affairs. A vote was taken, and the Proposal was formally accepted by all creditors in attendance or voting by proxy, and thus accepted by the majorities required by the *BIA*.

Employees

26. When the Company ceased operations in early September, 2023, it terminated 30 of its 35 employees. The remaining five employees were kept on to assist with the wind-down of operations and transitioning of the loan portfolios to an alternative service provider. These remaining employees have subsequently also been terminated.

27. The wages, vacation pay and preferred claims of the Company's former employees (the "**Former Employees**") have been paid. However payment of any termination pay and severance, if applicable, owing to the Former Employees will be claimed pursuant to *WEPPA*. Since the Company has ceased operations, no longer maintains any employees and has no assets, Company meets the criteria for the Former Employees to be eligible to receive payment under *WEPPA*

28. The Company did not administer a pension plan.

Approval of the Proposal

29. The causes of the Company's insolvency were:

- a. the significant and rapid rise in interest rates in 2023, and the subsequent effect on the loan portfolios and the Company's diminishing (or negative) interest premium charged;
- b. the increased cost of the funding provided by Westlake;
- c. the reduced amount of profit-sharing revenue with Westlake, which in some cases was negative;
- d. the negative affect of rising interest rates on new loan originations; and
- e. the increasing loan defaults at a more aggressive rate than originally projected in the business model, resulting in increased recovery costs and increases losses in the portfolios.

30. The conduct of the Company is not subject to censure due to commitment of any offence set out in section 198 to 200 of the BIA or otherwise.

31. The realizable assets of the Company are not of a value equal to fifty cents on the dollar on the amount of the Company's unsecured liabilities which would be a fact listed in section 173 of the BIA. This fact is, however, not due to circumstance for which the Company can justly be held responsible but rather is due to external economic factors and the foreclosure by Westlake.

32. The following facts should also be considered:

- a. the Company's management has co-operated with the Proposal Trustee since the Filing Date;
- b. all priority and super-priority claims that are required to be paid by section 60 of the *BIA* have been paid;
- c. ordinary creditors will experience a recovery that they may not otherwise obtain in a bankruptcy;
- d. the Proposal will be funded by 2164155 Ontario Inc. (the "**Sponsor**"), a corporation owned by one of the Company's directors;
- e. related party creditors have potential secured and unsecured claims in excess of \$3,000,000 but have all agreed not to participate in any distributions under the Proposal;
- f. the creditors voted unanimously for the Proposal at the First Meeting;
- g. the Trustee will be in a position to issue a dividend to proven creditors shortly after obtaining Court approval of the Proposal; and

- h. since the Proposal is being funded by the Sponsor, the quantum and timing of the recovery to ordinary unsecured creditors is certain.

33. The Proposal is advantageous for the Company's creditors because the distribution to ordinary creditors would be zero in a bankruptcy scenario compared to 12.7% in the Proposal. Additionally, the ordinary unsecured claims of the Company's former employees are expected to be paid in whole or in part under WEPPA, just as they would in a bankruptcy. Consequently, all creditors are expected to realize a recovery in the Proposal that is greater than that anticipated in a bankruptcy scenario.

Approval of Activities, Fees and Expenses

34. In connection with the motion, the Proposal Trustee has prepared its Report and is seeking approval of the same. The Report appends affidavits of fees from BDO and its counsel, Aird & Berlis LLP, and the Proposal Trustee will seek the Court's approval of the same.

General

35. The *BIA*, including, without limitation, Sections 58, 59, 60, 135, and 187(11) thereof.

36. *WEPPA*, including, without limitation, Section 5 thereof.

37. The *Wage Earner Protection Program Regulations*, SOR/2008-222, including, without limitation, section 3.2 thereof.

38. Rules 1.04, 2.03, 3.02, and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended.

39. Such further and other grounds as counsel may advise, and this Honourable Court may deem just.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- a) the Report, with appendices;

b) Such further and other evidence as counsel may advise and this Honourable Court may permit.

December 8, 2023

AIRD & BERLIS LLP

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*Lawyers for BDO Canada Limited in its capacity
as Proposal Trustee*

TO: SERVICE LIST

**IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF SOURCE ONE FINANCIAL CORPORATION**

Court File No: BK-23-02995640-0032
Estate File No: 32-2995640

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY

Proceedings commenced at Toronto

NOTICE OF MOTION
(Returnable December 18, 2023)

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*Lawyers for BDO Canada Limited in its capacity
as Proposal Trustee*

TAB 2

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

THE HONOURABLE) MONDAY, THE 18TH DAY
)
JUSTICE STEELE) OF DECEMBER, 2023

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION**

**ORDER
(Proposal Approval)**

THIS MOTION, made by BDO Canada Limited (“**BDO**”), in its capacity as proposal trustee (the “**Proposal Trustee**”) in the *Bankruptcy and Insolvency Act* (“**BIA**”) proposal proceedings of Source One Financial Corporation (the “**Company**”), for an Order, among other things, approving the Proposal filed with the Official Receiver on November 1, 2023 in the form attached hereto as **Schedule “A”** (the “**Proposal**”) was heard this day via Zoom judicial video conference.

ON READING the Motion Record of the Proposal Trustee, including the First Report to the Court of the Proposal Trustee dated December 7, 2023 (the “**Report**”), the Fee Affidavit of Peter Naumis sworn December 7, 2023 (the “**BDO Fee Affidavit**”) and the Fee Affidavit of Kyle

Plunkett sworn December 7, 2023 (the “**AB Fee Affidavit**”), and on hearing the submissions of counsel for the Proposal Trustee, counsel for the Company, _____ and no one else appearing although properly served as appears from the affidavit of Cristian Delfino, sworn December 8, 2023, filed,

SERVICE

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

DEFINITION

2. **THIS COURT ORDERS** that all capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Proposal.

APPROVAL OF THE PROPOSAL

3. **THIS COURT ORDERS** that the Proposal be and is hereby approved.

4. **THIS COURT ORDERS AND DECLARES** that, as of the Implementation Date at the time or times and in the manner set forth in the Proposal: (i) the Proposal and all associated steps, compromises, settlements, satisfactions, releases, discharges, transactions and arrangements contemplated thereby are approved, binding, and effective in accordance with the provisions of the Proposal and the *BIA*; and (ii) the treatment of Claims of Affected Creditors under the Proposal shall be final and binding for all purposes on the Company, the Affected Creditors, and all Persons affected by the Proposal and their respective heirs, executors, administrators and other legal representatives, successors and enure to the benefit of the Company.

5. **THIS COURT ORDERS** that pursuant to and in accordance with the Proposal, as of the Implementation Date and subject to section 50(14) of the *BIA*, each and every present and former director of the Company (collectively, the “**Directors**”) will be released from any and all claims against them that arose before the Date of Filing and that relate to the obligations of the Company where such persons are by law liable in their capacity as directors for the payment of such obligations. For greater certainty, the Directors shall be released of all claims, actions and remedies available pursuant to sections 95 to 101 of the *BIA* and any provincial statute relating to preferences, settlements, fraudulent conveyances, transfers at undervalue or similar impeachable transactions.

IMPLEMENTATION OF THE PROPOSAL

6. **THIS COURT ORDERS** that the Proposal Trustee be and is hereby authorized, directed and empowered to perform its functions and to fulfill its obligations under the Proposal to facilitate the implementation of the Proposal and distributions to creditors thereunder.

7. **THIS COURT ORDERS** that the Company, the Proposal Trustee and any other Person required to make distributions, payments, deliveries or allocations or take any steps or actions related thereto pursuant to the Proposal on behalf of the Company or otherwise, are hereby authorized and directed to complete such distributions, payments, deliveries or allocations and to take any such related steps or actions, as the case may be, in accordance with the terms of the Proposal, and such distributions, payments, deliveries and allocations contemplated by the Proposal and such steps and actions related thereto, are hereby approved.

8. **THIS COURT ORDERS** that the Company is authorized and directed to take all actions necessary or appropriate to enter into, adopt, execute, deliver, implement, and consummate all

matters contemplated under the Proposal and all agreements, transactions, and documents contemplated by the Proposal.

9. **THIS COURT ORDERS** that any payment, distribution or transfer of any money, property or other consideration pursuant or in connection with to the Proposal will be free and clear of any charge, mortgage, lien, pledge, claim, restriction, hypothec, adverse interest, security interest or other encumbrance whether created or arising by agreement, statute or otherwise at law, attaching to property, interest and rights, including without limitation, and notwithstanding anything to the contrary in the Company's articles, any shareholder agreement or otherwise in law, on the Implementation Date, immediately following payment of the Funded Proposal Payment, (a) all Existing Shares shall be automatically cancelled and cease to exist; (b) the Company shall issue new common shares as contemplated by the Proposal; and, (c) so as to facilitate the foregoing, the Company be and is hereby authorized to take such steps as are necessary and appropriate, including but not limited to filing amendments to its articles to allow for such cancellation and issuance of shares as contemplated by the Proposal.

BANKRUPTCY

10. **THIS COURT ORDERS AND DECLARES** that notwithstanding: (i) the pendency of these *BIA* proposal proceedings; (ii) any applications for a bankruptcy, receivership or other order now or hereafter issued pursuant to the *BIA*, the Companies' Creditors Arrangement Act (Canada) ("*CCAA*") or otherwise in respect of the Company and any bankruptcy, receivership or other order issued pursuant to any such applications; and (iii) any assignment in bankruptcy made or deemed to be made in respect of the Company, the transactions contemplated by the Proposal will be binding on any trustee in bankruptcy or receiver that may be appointed in respect of the Company

or its assets and will not be void or voidable by creditors of the Company, nor will the Proposal, or the payments, distributions and transfers contemplated pursuant thereto constitute nor be deemed to constitute a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the *BIA*, the *CCAA* or any other applicable federal or provincial legislation, nor will the Proposal constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

WAGE EARNER PROTECTION PROGRAM ACT

11. **THIS COURT ORDERS AND DECLARES** pursuant to section 5(5) of the *Wage Earner Protection Program Act (Canada)*, SC 2005, c 47, s1 (“**WEPPA**”) that the Company meets the criteria prescribed by section 3.2 of the *Wage Earner Protection Program Regulations*, SOR/2008-222 and its former employees are eligible to receive payment pursuant to paragraph 5(1)(b)(iv) of **WEPPA**.

APPROVAL OF REPORT

12. **THIS COURT ORDERS** that the Report, and the actions, conduct and activities of the Proposal Trustee as set out therein, be and are hereby approved; provided, however, that only the Proposal Trustee, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

APPROVAL OF FEES

13. **THIS COURT ORDERS** that the professional fees and disbursements of BDO in its capacity as Proposal Trustee for the period from September 27, 2023 to December 6, 2023, in the amount of \$58,096.50 plus disbursements of \$558.91 and HST of \$7,620.41, for a total of

\$66,275.41, as set out in the BDO Fee Affidavit attached as Appendix “XI” to the Report, are hereby approved.

14. **THIS COURT ORDERS** that the professional fees and disbursements of Aird & Berlis LLP, counsel to the Proposal Trustee, for the period from October 13, 2023 to November 30, 2023, in the amount of \$29,793.50 plus disbursements of \$13.15 and HST of \$3,873.82, for a total of \$33,680.47, as set out in the AB Fee Affidavit attached as Appendix “XII” to the Report, are hereby approved.

15. **THIS COURT ORDERS** that the Proposal Trustee’s and AB’s estimated remaining fees and disbursements to completion of the Proposal Trustee’s duties, in the total amount of \$40,000, are hereby approved.

ADDITIONAL PROVISIONS

16. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada and as against all Persons against whom it may otherwise be enforced.

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

18. **THE COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction, to give effect to this Order and to assist the parties and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the parties and to the

Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this
Order or to grant representative status to the Proposal Trustee in any foreign proceeding

SCHEDULE "A"

District of Ontario
Division No. 9 - Mississauga
Court File No.: BK-23-02995640-0032
Estate File No.: 32-2995640

(ONTARIO)
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
[COMMERCIAL LIST]

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO**

PROPOSAL
(under section 50 of the *Bankruptcy and Insolvency Act*)
(October 31, 2023)

Source One Financial Corporation hereby submits the following Proposal under the provisions of the Act.

PART I
INTERPRETATION

Definitions

1. In this Proposal:
 - (a) “**Act**” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
 - (b) “**Administrative Fees and Expenses**” means the fees and expenses of the Trustee incidental to the NOI and the preparation and facilitation of the Proposal and any amendments thereto, including, without limitation, fees incurred by the Trustee in the administration of the Funded Proposal Payment; and, the legal fees and expenses of the Proposal Trustee and the Company before and following execution, acceptance and approval of this Proposal and in connection with the NOI and the preparation of this Proposal, as well as advice to the Company in connection therewith;

- (c) “**Affected Creditors**” means Creditors with Proven Unsecured Claims and for certainty shall include Proven Claims of His Majesty in Right of Canada and any province for all amounts other than Crown Claims or Secured Claims; and, shall not include Crown Claims, Secured Claims or Preferred Claims, each of which are addressed separately hereunder;
- (d) “**Approval Order**” means an order of the Court (i) approving this Proposal to be granted pursuant to the provisions of the Act and (ii) declaring that the Company qualifies as a former employer under s. 5(5) of WEPPA;
- (e) “**Business Day**” means a day, other than a Saturday or Sunday, on which banks are generally open for business in Toronto, Ontario;
- (f) “**Claim**” means any right of any Person with indebtedness, liability or obligation of any kind against the Company which indebtedness, liability or obligation is in existence at the Date of Filing, whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, unknown, by surety or otherwise and whether or not such a right is executory in nature including, without limitation, the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause, chose in action, whether existing at present or commenced in the future based in whole or in part on facts which exist prior to or at the time of Date of Filing;
- (g) “**Common Shares**” means common shares in the capital of the Company;
- (h) “**Company**” means Source One Capital Corporation;
- (i) “**Court**” means the Ontario Superior Court of Justice (Commercial List) in Bankruptcy and Insolvency;
- (j) “**Court Approval Date**” means the date on which the Approval Order is issued and entered by the Court;
- (k) “**Creditor**” means any Person having a Claim;
- (l) “**Creditors Meeting**” means the meeting of the Affected Creditors called for the purpose of considering and voting upon this Proposal;
- (m) “**Crown Claims**” means Claims of His Majesty in right of Canada or any province of all amounts of a kind contemplated by section 60(1.1) of the Act;
- (n) “**Date of Filing**” means October 6, 2023, the date on which the Company filed the NOI;

- (o) “**Disputed Claims**” means a Claim filed in this Proposal by a Creditor that is: (i) disallowed in whole or in part by the Trustee; and/or (ii) is the subject of a disallowance proceeding or appeal before the Court;
- (p) “**Employee Preferred Claim**” means a Claim by a current or former employee of the Company, or such portion of such Claim, that would be payable in priority under Subsection 136(1)(d) of the Act;
- (q) “**Equity Claim**” has the meaning given to such term in Section 2 of the Act;
- (r) “**Event of Default**” has the meaning given to it in Part VIII of this Proposal;
- (s) “**Existing Shares**” means all Common Shares, Preferred Shares and any other share capital of the Company, as well as any warrant or option or similar instrument that may invoked or utilized to obtain any capital stock or equity interest in the Company, issued and outstanding immediately prior to the Implementation Date;
- (t) “**Existing Equity Holders**” means any person holding Existing Shares;
- (u) “**Final Order**” means a Court order for which the applicable appeal period has lapsed with no person seeking an appeal therefrom or, if such appeal has been taken, any such appeal(s) have finally been disposed of and any related appeal rights shall have lapsed;
- (v) “**Former Employee**” means an individual who was an employee of the Company and whose employment was terminated by the Company prior to the Date of Filing or who were or are terminated as part of the restructuring under this Proposal;
- (w) “**Former Employee Claim**” means the Claim, if any, of a Former Employee arising from the Former Employee’s termination by the Company, inclusive of wages, vacation pay, termination pay and severance;
- (x) “**Funded Proposal Payment**” shall mean \$250,000 which will be advanced to the Trustee for distribution pursuant to Part V of this Proposal;
- (y) “**Implementation Date**” means 10 Business Days following the date the Approval Order becomes a Final Order;
- (z) “**Inspectors**” means the inspectors, if any, appointed pursuant to Part X of this Proposal;
- (aa) “**Levy**” means the levy imposed by the Superintendent of Bankruptcy under the Act;
- (bb) “**New Common Shares**” means the Common Shares to be issued by the Company on the Implementation Date;

- (cc) “**NOI**” means the Notice of Intention to Make a Proposal filed by the Company on October 6, 2023;
- (dd) “**Non-Participating Creditors**” means 1717030 Ontario Ltd.; 1717031 Ontario Ltd.; Larmen Investments Ltd.; and, Kooy Brothers Lawn Equipment Ltd.;
- (ee) “**Person**” means any individual, partnership, joint venture, trust corporation, unincorporated organization, government or any agency or instrumentality thereof, or any other entity howsoever designated or constituted;
- (ff) “**Post-Filing Crown Claims**” means all Crown Claims that became due or shall become due on or after the Date of Filing;
- (gg) “**Post-Filing Goods and Services**” means the goods supplied, services rendered, and other consideration given or provided to the Company on or after the Date of Filing;
- (hh) “**Pre-Filing Crown Claims**” means all Crown Claims that were outstanding as at the Date of Filing;
- (ii) “**Preferred Claim**” means any claim that is afforded priority under Section 136(1) of the Act;
- (jj) “**Preferred Creditor**” means any Persons holding a Preferred Claim, solely in respect to that Preferred Claim;
- (kk) “**Proposal**” means this proposal dated October 31, 2023, together with any amendments or additions thereto;
- (ll) “**Proposal Period**” means the period between the Court Approval Date and the date on which all distributions to the Proven Creditors have been made and a Certificate of Full Performance of Proposal has been issued by the Trustee to the Company pursuant to Section 65.3 of the Act, provided that no Event of Default has occurred that has not been cured or waived;
- (mm) “**Proven**” as used in relation to any Claim means such Claim as finally accepted or determined by the Trustee in accordance with the provisions of the Act and this Proposal, subject to the Creditor’s right of appeal to Court, the Court’s determination of that Claim or any applicable appeal periods having expired and no appeal having been made;
- (nn) “**Secured Claim**” means the value of any Claim by a Secured Creditor, excluding Crown Claims;
- (oo) “**Secured Creditors**” means those Persons holding a valid and enforceable mortgage, hypothec, pledge, charge, lien or privilege on or against the

property of the Company or any part thereof as security for a Claim, but excludes the Canada Revenue Agency to the extent of its Crown Claims;

- (pp) “**Sponsor**” means 2164155 Ontario Inc.;
- (qq) “**Trustee**” means BDO Canada Limited, solely in its capacity as proposal trustee of the Company;
- (rr) “**Unsecured Claim**” means the value of any Proven Claim in respect of which no security is held and which is not afforded priority under Section 136(1) of the Act;
- (ss) “**Unsecured Creditors**” means those Persons holding Unsecured Claims; and
- (tt) “**WEPPA**” means the *Wage Earner Protection Program Act*.

Headings

- 2. The division of this Proposal into parts, paragraphs and subparagraphs, and the insertion of headings herein, is for convenience of reference only and is not to affect the construction or interpretation of this Proposal.

Number, etc.

- 3. In this Proposal, where the context requires, a word importing the singular includes the plural and vice versa, and a word importing gender includes the masculine, feminine and neuter genders.

Date for Action

- 4. In the event that any date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day that is a Business Day.

Accounting Principles

- 5. Accounting terms not otherwise defined in this Proposal have the meanings assigned to them in accordance with generally accepted Canadian accounting principles.

Currency

- 6. All dollar amounts contained herein shall be in Canadian dollars.

**PART II
PURPOSE AND EFFECT OF THIS PROPOSAL;
CONDITIONS PRECEDENT**

Purpose of Proposal

7. The purpose of this Proposal is to complete the wind-down of the business of the Company in a manner beneficial to all Affected Creditors. It is expected that, prior to the Creditors Meeting and the implementation of this Proposal, the Company's senior Secured Creditor shall have foreclosed on its security, taking control of substantially all of the Company's assets, rendering the Company incapable of sustaining operations without additional capital investments. This Proposal is made, with the support of the Sponsor, to provide all Affected Creditors a greater benefit than would result from a bankruptcy of the Company.

Effect of Proposal

8. This Proposal (a) restructures the indebtedness of the Company, (b) effects a reorganization of the holders of Common Shares of the Company, and (c) provides the essential terms on which all Creditors' Claims will be fully and finally resolved and settled.

Stay of Proceedings

9. During the Proposal Period, and provided that an Event of Default has not occurred and is continuing hereunder, all Creditors other than Secured Creditors will be stayed from commencing or continuing any proceeding or remedy against the Company or any of its property or assets in respect of a Claim including, without limitation, any proceeding or remedy to recover payment of any monies, to recover or enforce any judgment against the Company in respect of a Claim or to commence any formal proceedings against it other than as provided for under this Proposal.

Conditions Precedent

10. This implementation of this Proposal is conditional upon:
 - (a) the approval of this Proposal by the requisite majorities of creditors as provided under the Act. If such approval is not obtained, the Company will be deemed bankrupt, as provided under the Act; and
 - (b) the Court granting the Approval Order on a motion by the Proposal Trustee, as provided under the Act. If the Court does not approve the Proposal, the Company will be deemed bankrupt, as provided under the Act,(collectively, the "**Conditions Precedent**")

11. In the event the Conditions Precedents are not met, this Proposal shall be null and void and any monies advanced to the Trustee by the Sponsor shall be reimbursed to the Sponsor, without interest, after paying Administrative Fees and Expenses.

**PART III
CLASSIFICATION OF CREDITORS**

12. This Proposal is made to a single class of creditors, comprising only the Affected Creditors (as defined in the Recitals hereto).

**PART IV
SECURED CREDITORS**

13. Secured Creditors shall be unaffected by this Proposal.

**PART V
TREATMENT OF VARIOUS CLAIMS;
FUNDING OF PROPOSAL AND DISTRIBUTION;
REORGANIZATION**

A. TREATMENT OF CLAIMS

Crown Claims

14. At the Date of Filing, the Company owed \$nil to CRA for employee source deduction, including related penalties and interest calculated up to the Date of Filing. Subsequent to the Date of Filing, all outstanding amounts have been paid and no such amounts are currently owing.
15. All Proven Pre-Filing Crown Claims (if any) shall be paid in full by the Sponsor outside of this Funded Proposal Payment. Such funds shall be advanced to the Trustee and remitted by the Trustee to His Majesty in the Right of Canada or of any province, as applicable, within six (6) months of the Court Approval Date.

Employee Preferred Claims

16. All Proven Employee Preferred Claims (if any) shall be paid in full by the Sponsor outside of this Funded Proposal Payment immediately after Court Approval. Such funds shall be advanced to the Trustee and remitted by the Trustee to the entitled claimants immediately after the Court Approval Date. For clarity, no Employee Preferred Claims will be paid out of the Funded Proposal Payment.

Former Employee Claims

17. In addition to any amount received on account of an Employee Preferred Claim (if any), all creditors having Former Employee Claims shall be entitled to apply for

compensation under WEPPA. For clarity, no amount of the Funded Proposal Payment shall be applied to any compensation payable under WEPPA.

Preferred Claims (in addition to Employee Preferred Claims)

18. Proven Preferred Claims (if any), other than Employee Preferred Claims, shall be paid in full, without interest, out of the Funded Proposal Payment on the Implementation Date.

Unsecured Claims

19. Creditors holding Proven Unsecured Claims shall receive, on a *pro rata* basis, payment out of the Funded Proposal Payment.

Equity Claims

20. Equity Claims shall not receive any distribution, payment or other consideration under this Proposal.

Treatment of Claims

21. For purposes of this Proposal, each Creditor holding a Claim will receive the treatment provided for in this Proposal on account of such Claim.

B. FUNDING OF PROPOSAL

Funded Proposal Payment

22. The Sponsor shall pay the Funded Proposal Payment to the Trustee in the amount of \$250,000 immediately after the Court Approval Date.

Funded Crown and Employee Payments

23. The Sponsor shall pay the amount of any Proven Pre-Filing Crown Claims and the amount of any Proven Employee Preferred Claims to the Trustee in accordance with paragraphs 15 and 16 of this Proposal.

C. DISTRIBUTION

Distributions of Funded Proposal Payment

24. The Funded Proposal Payment shall be distributed by the Trustee in the following order of priority:
 - (a) first, to the Administrative Fees and Expenses;
 - (b) second, to Proven Preferred Claims under paragraph 18 of this Proposal, if any; and

- (c) third, to Creditors holding Proven Unsecured Claims, in accordance with the Act.

No Distribution to Non-Participating Creditors or Existing Equity Holders

- 25. No payment shall be made out of the Funded Proposal Payment, or in respect of this Proposal, to Non-Participating Creditors or to Existing Equity Holders. Without limiting the generality of the foregoing, the Non-Participating Creditors postpone and waive any right to any distribution under this Proposal, as evidenced by the executions in Schedule “A” hereto.
- 26. For clarity, notwithstanding the foregoing, in the event that the Conditions Precedent to the Proposal are not met, then the Non-Participating Creditors shall be deemed to have never postponed or waived any Claim, which Claims, in accordance with the priority thereof, shall be enforceable in a bankruptcy.

D. REORGANIZATION

Cancellation and Issuance of Common Shares

- 27. In consideration for the Sponsor funding this Proposal, as at the Implementation Date:
 - (a) all Existing Shares shall no longer be outstanding, shall be automatically cancelled and retired and shall cease to exist, and no consideration shall be delivered in exchange therefor; and
 - (b) the Company shall issue and deliver one hundred (100) new common shares in the equity of the Company to the Sponsor or its permitted assignee, which common shares shall be fully paid and non-assessable shares and represent 100% of the issued and outstanding shares in the equity of the Company.

**PART VI
POST-FILING OBLIGATIONS**

Payment of Post-Filing Goods & Services

- 28. During the Proposal Period, all Post-Filing Goods and Services shall be paid in full in the ordinary course of business by the Company.

Post-Filing Crown Claims

- 29. During the Proposal Period, the Company shall remit all Post-Filing Crown Claims as and when due.

Reporting by the Company

30. During the Proposal Period, the Company shall provide to the Trustee, no later than 5 Business Days after receipt of a written request, a report containing the evidence of Company's filing and remittance of source deductions and HST, and such other information as the Trustee may reasonably require.

PART VII LEVY, MANDATORY PAYMENTS AND PREFERRED CLAIMS

Levy

31. The Levy, if applicable, shall be deducted by the Trustee from distributions to Creditors by the Trustee pursuant to Sections 147 and 60(4) of the Act.

Payment of Fees and Expenses

32. As per Part V of this Proposal, the Administrative Fees and Expenses shall be paid in priority to the Crown Claims and all other Creditors. The Trustee will be at liberty to withdraw and pay such Administrative Fees and Expenses at any time and from time-to-time subject to final approval by the Registrar in Bankruptcy upon completion of the Proposal. The Trustee's disbursements will be charged in addition to its fees based on the actual costs incurred and/or as allowed by tariff.

Employee Claims

33. As per Part V of this Proposal, all Employee Preferred Claims (if any) will be paid in priority to other Claims immediately after the issuance of the Approval Order.

Preferred Claims

34. As per Part V of this Proposal, Proven Claims of Preferred Creditors, without interest, are to be paid in full priority to all Claims of the Unsecured Creditors including, without limitation, any entitlement of the Unsecured Creditors to the distributions to be made under Part V of this Proposal.

PART VIII EVENTS OF DEFAULT

35. The following events will constitute Events of Default for purposes of section 63 of the Act and otherwise under this Proposal:
 - (a) the non-payment by the Sponsor of the Funded Proposal Payment as contemplated hereby within thirty (30) days after written notice has been given by the Trustee that such payment is past due; and
 - (b) the breach or failure by the Company to observe and perform any other covenant and provision of this Proposal, which is not remedied within thirty

(30) days after written notice thereof has been given to the Company by the Trustee.

PART IX TRUSTEE

36. The Trustee is acting solely in its capacity as proposal trustee under the Act and not in its personal capacity and no officer, director, employee or agent of the Trustee shall incur any obligations or liabilities in connection with this Proposal or in connection with the business or liabilities of the Company.
37. Any payments made by the Trustee to Creditors hereunder shall be made by the Trustee net of the levy payable and due under the Act.

PART X INSPECTORS

Appointment of Inspectors

38. At the Creditors Meeting, the Affected Creditors will be entitled to appoint one or more, but not exceeding five (5) Inspectors in total.

Powers of Inspectors

39. The Inspectors, by way of majority, will have the following powers, but will have no personal liability to the Company or other Creditors:
 - (a) the power to extend the dates the Funded Proposal Payment is due under this Proposal;
 - (b) the power to waive any default in the performance of any provision of this Proposal; and
 - (c) the power to advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee.

PART XI CONDITIONS PRECEDENT

Creditor Approval

40. The Trustee shall call a meeting of the Affected Creditors of the Company to seek Creditor approval of the Proposal in the requisite majority in number and value of the class, as set out in the Act, of Creditors described in this Proposal.

41. The performance of this Proposal by the Company shall be conditional upon approval of the Affected Creditors. If such Affected Creditors do not approve the Proposal, the Trustee shall report on the result of the vote as required under section 57 of the Act and the Company shall be deemed bankrupt.

Court Approval

42. In the event the Proposal is approved by the Affected Creditors, the Proposal Trustee shall, as soon as practicable, apply to the Court for a hearing to seek the Approval Order. The performance of this Proposal by the Company shall be conditional upon the issuance of the Approval Order. In the event that the Court does not approve the Proposal, the Company shall be deemed bankrupt.

If Conditions Precedent not Met

43. In the event the conditions precedents above are not met, and the Company is deemed bankrupt, all monies advanced to the Trustee by the Sponsor shall be reimbursed to the Sponsor, without interest, after payment of all Administrative Fees and Expenses.

PART XII RELEASES

44. As at 12:01 a.m. on the Implementation Date, the Company, shall be released and discharged from any and all Claims. This release shall have no force or effect if the Company goes bankrupt before the terms of the Proposal are performed.
45. As of 12:01 a.m. on the Implementation Date, each and every present and former director of the Company shall be released from claims against them that arose before the Date of Filing and that relate to the obligations of the Company where such persons are by law liable in their capacity as directors for the payment of such obligations, provided that nothing herein shall release or discharge any director of the Company from any claims coming within the exceptions set out in section 50(14) of the Act. This release shall have no force or effect if the Company goes bankrupt before the terms of the Proposal are performed.

PART XIII MISCELLANEOUS

Non-Participating Creditors

46. In order to facilitate this proposal, the Non-Participating Creditors have agreed, as evidenced by such creditor's signed confirmations appended as Schedule "A" hereto, that: (a) each will not file any Claim in this Proposal; and (b) each will not participate in any distributions to Creditors under this Proposal.

Consents, Waivers and Agreements

47. On the Implementation Date, all Creditors other than Secured Creditors will be deemed to have consented and agreed to all of the provisions of this Proposal in its entirety. For greater certainty, each such Creditor will be deemed to have waived any default by the Company in any provision, express or implied, in any agreement existing between the Creditor and the Company that has occurred on or prior to the Date of Filing, and to have agreed that, to the extent that there is any conflict between the provisions of any such agreement and the provisions of this Proposal, the provisions of this Proposal take precedence and priority and the provisions of any such agreement are amended accordingly.

Further Actions

48. The Company and the Creditors will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal and to give effect to the transactions contemplated hereby.

Performance

49. Except where otherwise expressly provided, all obligations of the Company under this Proposal will commence as of the Implementation Date. All obligations of the Company under this Proposal will be fully performed for the purposes of Section 65.3 of the Act only upon the Sponsor having made the Funded Proposal Payment and the Company having made the New Common Share issuances, each as provided for herein.

Acceleration of Payments

50. Notwithstanding the payment structure set out in Part V of this Proposal, nothing herein prevents or restricts the Company from accelerating the Funded Proposal Payment or from satisfying the full amount of the Funded Proposal Payment in advance of the time period contemplated in Part V of this Proposal.

Binding Effect

51. The provisions of this Proposal will be binding on the Creditors and the Company, and their respective heirs, executors, administrators, successors and assigns, upon issuance of the Approval Order after all appeal periods have expired.

PART XIV ANNULMENT OF PROPOSAL

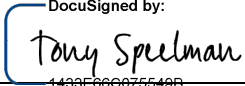
52. If this Proposal is annulled by an order of the Court, all payments on account of Claims made pursuant to the terms of this Proposal will reduce the Claims of Creditors.

**PART XV
AMENDMENTS**

53. The Company may propose amendments to the Proposal at any time prior to the conclusion of the Creditors Meeting provided that any such amendment does not reduce the rights and benefits given to the Creditors pursuant to the Proposal before such amendment and that any and all amendments shall be deemed to be a part of and incorporated into the Proposal.

DATED at the City of Toronto, in the Province of Ontario, as of this 1st day of November 2023.

SOURCE ONE FINANCIAL CORPORATION

DocuSigned by:

Per: _____
Name: _____
Title: _____
1439E666075540B...

I have authority to bind the corporation.

SCHEDULE "A"
CONFIRMATION OF NON-PARTICIPATING CREDITORS

The undersigned each hereby confirm, acknowledges and agree that the undersigned (a) will not file a Claim under this Proposal and (b) will not participate in any distributions to Unsecured Creditors under this Proposal.

Dated effective as at October 31, 2023

1717030 ONTARIO LIMITED

Per: DocuSigned by:
Tony Spellman
1433E66C075549B...
Name:
Title:
I have authority to bind the corporation.


1717031 ONTARIO LIMITED

Per: DocuSigned by:
Tony Spellman
1433E66C075549B...
Name:
Title:
I have authority to bind the corporation.

LARMAN INVESTMENTS LTD.

Per: DocuSigned by:
Tony Spellman
1433E66C075549B...
Name:
Title:
I have authority to bind the corporation.

KOOY BROTHERS LAWN EQUIPMENT LTD.

Per: DocuSigned by:

F7278C5BF39443E...
Name:
Title:
I have authority to bind the corporation.

**IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF SOURCE ONE FINANCIAL CORPORATION**

Court File No: BK-23-02995640-0032
Estate File No: 32-2995640

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

Proceedings commenced at Toronto

ORDER

(Returnable December 18, 2023)

AIRD & BERLIS LLP
Barristers and Solicitors
181 Bay St., Suite 1800
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Email: sbabe@airdberlis.com

*Lawyers for BDO Canada Limited in its
capacity as Proposal Trustee*

TAB 3

**District of Ontario
Division No. 09-Mississauga
Court File No. BK-23-02995640-0032
Estate No. 32-2995640**

***ONTARIO*
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO**

**FIRST REPORT OF THE PROPOSAL TRUSTEE
DECEMBER 7, 2023**

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INTRODUCTION AND PURPOSE OF REPORT

Introduction

1. This first report (“**First Report**”) is filed by BDO Canada Limited in its capacity as proposal trustee (in such capacity, the “**Proposal Trustee**”) in connection with a Notice of Intention to Make a Proposal (“**NOI**”) filed on October 6, 2023 (“**Proposal Proceeding**”) by Source One Financial Corporation (“**SOFC**” or the “**Company**”) pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (“**BIA**”). A copy of the Certificate of Filing a Notice of Intention to Make a Proposal is attached as **Appendix ‘I’**.
2. The Company is an Ontario corporation located in Burlington, Ontario. Bill Kooy (“**Kooy**”) and Anthony Speelman (“**Speelman**” and, together with Kooy, “**Management**”) are the Company’s directors.
3. The Company provided automotive finance loans to non-prime and sub-prime borrowers in Canada through a network of new and used vehicle dealers. In addition, the Company acted as administrative agent to Westlake Services, LLC (“**Westlake**”) for their automotive loan portfolio, that was generated by SOFC.
4. The Company ceased operations September 8, 2023, and terminated approximately 85% of its workforce (the “**Terminated Employees**”).
5. According to Management, the Company’s business was no longer economically viable and has not been for at least the past few years. Management advises the Company’s insolvency was a direct result of growing operating losses exacerbated by: i) significant and rapid rise in interest rates, ii) increasing defaults in the loan portfolios, iii) negative affect of rising interest rates on new loan originations, and iv) the increasing cost of funding. Accordingly, the Management decided to wind down its business.
6. On November 1, 2023, the Company filed a Proposal to its creditors under the BIA (the “**Proposal**”). The Proposal Trustee e-filed a copy of the Proposal with the Official Receiver on the same day. A copy of the Proposal is attached as **Appendix ‘II’**.

7. The first meeting of creditors in the Proposal Proceeding was held on November 22, 2023, and the Proposal was unanimously accepted by the creditors who were eligible to vote. A copy of the Minutes of the First Meeting of Creditors is attached as **Appendix 'III'**.

Purpose of this Report

8. The purpose of this First Report is to:
 - (a) provide the Court and creditors with information relating to the relief sought by the Proposal Trustee, including:
 - (i) information regarding the Company and its Proposal Proceeding;
 - (ii) information regarding the Company's Proposal;
 - (iii) the Company's creditor claims; and
 - (iv) a description of the activities of the Proposal Trustee;
 - (b) provide the Court with evidentiary evidence in support of the following order:
 - (i) approval of the Proposal;
 - (ii) declaring that pursuant to section 5(5) of the Wage Earner Protection Program Act ("**WEPPA**") the Former Employees (defined below) are individuals to whom WEPPA is applicable;
 - (iii) approving the fees and disbursements of the Proposal Trustee and its legal counsel, Aird & Berlis LLP ("**A&B**"), as outlined herein and detailed in the supporting fee affidavits appended hereto, including the Fee Accrual (defined herein); and
 - (iv) approving the First Report and activities of the Proposal Trustee as set out herein.

Scope and Terms of Reference

9. This First Report has been prepared for the use of this Court and stakeholders as general information relating to the Company and its Proposal and to assist the Court in making a determination on whether to grant the relief sought herein. Accordingly, the

reader is cautioned that this First Report may not be appropriate for any other purpose. The Proposal Trustee will not assume responsibility or liability for any losses incurred by the reader as a result of the circulation, publication, reproduction, or use of this First Report for a purpose different than set out in this paragraph.

10. Except as otherwise described in this First Report:
 - (i) The Proposal Trustee has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (ii) The Proposal Trustee has not conducted an examination or review of any financial forecast and projections in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.

Accordingly, the Proposal Trustee expresses no opinion or other form of assurance with respect to such information except as expressly stated herein.

11. Unless otherwise stated, all monetary amounts contained in this First Report are expressed in Canadian dollars.

ACTIVITIES OF THE PROPOSAL TRUSTEE

Notice to Creditors

12. On October 11, 2023, the Proposal Trustee gave notice to the Company, Official Receiver, and every known creditor affected by the Proposal, of the filing of the NOI.
13. On November 1, 2023, the Company filed a Proposal to its creditors. Accordingly, on November 9, 2023, the Proposal Trustee gave notice to the Company, the Official Receiver, and to every known creditor affected by the Proposal of the calling of the first meeting of creditors (the “**FMC**”) to be held on November 22, 2023, to consider the Proposal (the “**Notice**”). The FMC was to be held via teleconference. Attached as **Appendix ‘IV’** is a copy of the Affidavit of Mailing and Notice which contains a list of known creditors affected by the Proposal.

14. Included with the notice was a condensed statement of the Company's assets and liabilities, a list of the creditors affected by the proposal who have claims of \$250 or more and showing the amounts of their claims, a copy of the proposal, a form of proof of claim and proxy in blank and a voting letter. A copy of the condensed statement and the list of creditors is attached as **Appendix 'V'**.
15. As part of this Proposal Proceeding, the Proposal Trustee made an inquiry into the liabilities of the Company, the Company's assets, and the value thereof, the Company's conduct and the causes of the Company's insolvency. A copy of the Proposal Trustee's Report to Creditors, exclusive of enclosures, is attached as **Appendix 'VI'**.
16. The FMC was held on November 22, 2023, and the Proposal was unanimously accepted by the creditors voting in person or by proxy.
17. On November 29, 2023, the Proposal Trustee sent to the Company, the Official Receiver and every creditor who has proved their claim a Notice of Hearing the Application for Approval of the Proposal by the Court. A copy of the notice and a list of creditors to who it was sent is attached as **Appendix 'VII'**.
18. In addition, the Proposal Trustee posted the Proposal and relevant documents regarding the Proposal Proceeding on its website for these proceedings: www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/sourceone.

Communicating with Creditors

19. The Proposal Trustee has and continues to receive calls, answer questions and update the creditors and Former Employees on the Proposal Proceedings.
20. Numerous creditors have requested assistance with completing their proof of claim forms properly to enable them to vote at the meeting of creditors and participate in this Proposal Proceeding. The Proposal Trustee assisted those creditors with completing their proof of claim forms ahead of, and subsequent to, the FMC.

21. Additionally, the Proposal Trustee has received numerous calls from the Former Employees and has communicated the process and timing for them to apply under WEPPA.
22. On December 6, 2023, the Proposal Trustee issued its Notice Requiring Person to Prove Claim, pursuant to s. 149 of the BIA, to those unsecured creditors who have not submitted or proven a claim to the Proposal Trustee.

Cash Flow Projection

23. In support of its Proposal, the Company submitted an updated cash flow projection (the “**Updated Cash Flow**”). A copy of the Updated Cash Flow and related assumptions for the period ending January 26, 2024, together with management’s report on the cash flow projection (as required under subsection 50.4(2)(c) of the BIA) is attached as **Appendix ‘VIII’**.
24. Based on the Proposal Trustee’s review of the Updated Cash Flow, there are no material assumptions which seem unreasonable in the present circumstances. The Proposal Trustee’s report for the Company on the cash flow projection (as required under subsection 50.4(2)(b) of the BIA) is attached as **Appendix ‘IX’**.

Monitoring Receipts and Disbursements

25. The Proposal Trustee monitored and reviewed SOFC’s cash flow, financial reporting, and receipts and disbursements up to week ending November 17, 2023, at which time all of SOFC’s bank accounts were closed.
26. The Westlake portfolio transitioning to Northlake having been completed (described further below), the Transitioning Employees were terminated. There being no further activity in the Company, SOFC’s bank accounts were subsequently closed.

SECURED LENDERS and TRADE CREDITORS

27. A copy of the results of a search against the Company on the Ontario Personal Property Security Registration System, current to December 6, 2023, is attached as **Appendix ‘X’**.

Cortland Credit Lending Corporation

28. Cortland Credit Lending Corporation (“**Cortland**”) holds a General Security Agreement over all of the Company’s assets and property. Cortland registered its security interest in the Company’s assets under the *Personal Property Security Act* (the “**PPSA**”).
29. The Proposal Trustee engaged its legal counsel, to undertake a security review of Cortland’s security and to provide a legal opinion on the validity and enforceability of the security held by Cortland. A&B has advised the Proposal Trustee that subject to the usual qualifications and assumptions, it is of the opinion that the security granted by SOFC in favour of Cortland creates a valid security interest and is enforceable in accordance with its terms. Accordingly, SOFC’s assets are subject to Cortland’s security interest.
30. On October 31, 2023, Cortland executed an assignment of the debt owing to it by the Company and of its security interest in and to the Company’s assets and property (the “**Cortland Assignment**”) to Westlake Services LLC (“**Westlake**”), which transaction was completed on November 1, 2023. Cortland was owed approximately \$8,400,000, not including accruing professional, legal and advisory fees.

Westlake Services, LLC

31. Westlake and SOFC entered into a Sales and Service Agreement (the “**Westlake Agreement**”) on December 6, 2019. The Westlake Agreement was such that SOFC simply serviced Westlake’s loan portfolio (i.e. collections, repossessions, etc.). Westlake and SOFC did not have a lender-borrower relationship. The loan portfolio serviced by SOFC is Westlake’s asset.
32. The inability of the Company and Westlake to negotiate a new sales and service agreement resulted in Westlake transitioning its portfolio to a competitor, Northlake Financial, prior to the Company filing its NOI.
33. The Westlake portfolio, and any funds collected by the Company under that portfolio, were released and transferred to Westlake prior to the FMC.

34. Following the filing of the NOI and leading up to the filing of the Proposal, Westlake negotiated and consummated the Cortland Assignment directly with Cortland. Accordingly, upon closing the Cortland Assignment transaction, the Cortland portfolio was owned by Westlake.
35. Following the filing the Proposal to the unsecured creditors, Westlake immediately proceeded to foreclose on all the assets of the Company that were subject to Cortland's security. Accordingly, Westlake is no longer a creditor, and the Company no longer maintains any loan portfolios.

1717030 Ontario Limited

36. 1717030 Ontario Limited ("**171 Ont**") is a related entity owned by Speelman. 171 Ont registered its security interest against the Company under the PPSA as security for monies advanced to the Company by Speelman to maintain operations. 171 Ont will not realize any recoveries as a secured creditor and has agreed not to seek payment under the Proposal for any claim that it may have.

CWB National Leasing Inc.

37. The Company leased certain photocopiers, attachments, and accessories from CWB National Leasing Inc. ("**CWB**"). CWB has registered a security interest against the Company under the PPSA. CWB is not affected by the Proposal, to the extent of its secured claims, and the Company intends to return such equipment to CWB.

Proven Ordinary Creditor Claims

38. The Proposal Trustee continues to receive proofs of claim from the Company's unsecured creditors. As of the date of this report, the Proposal Trustee has received and admitted unsecured claims totaling \$141,498.07.

Related entities

39. In addition to 171 Ont, other additional related parties advanced funds to SOFC, including 1717031 Ontario Limited, Larman Investments Ltd., and Kooy Brothers Lawn

Equipment Ltd. (collectively together with 171 Ont, the “**Non-Participating Creditors**”). Other than 171 Ont, the Non-Participating Creditors are unsecured.

40. The Non-Participating Creditors have agreed to postpone and waive any dividend distribution, which would have otherwise been payable to them on their proven claims, to allow for a maximum realization to the proven arm’s length creditors.
41. The Non-Participating Creditors have acknowledged and executed Schedule “A” to the Proposal which confirms they will not be filing a claim in the Proposal nor participating in any distribution to the unsecured creditors.

First Meeting of Creditors

42. The FMC was held on November 22, 2023 and was presided over by the Proposal Trustee as Chairperson.
43. Prior to the FMC, the Proposal Trustee had spoken to numerous creditors, however, had only received and admitted seven (7) proofs of claim. From the proofs of claim submitted, a total of three (3) included a voting letter FOR. Additionally, three (3) creditors attended the FMC.
44. The Proposal Trustee reported to the meeting on its investigation of the Company’s affairs. A vote was taken, and the Proposal was formally accepted by the statutory required majorities of creditors.
45. As of the date of this First Report, only one (1) additional unsecured creditor has filed a proof of claim in the amount of \$282.14.

EMPLOYEES

46. As previously reported, the Company ceased operating in or around September 8, 2023. At the time the Company terminated 30 of its 35 employees, the Terminated Employees. The remaining five (5) employees (“**Transitioning Employees**” together the Terminated Employees, the “**Former Employees**”) remained employed to assist with the winddown of operations and transitioning of the vehicle loan portfolios to an alternative service provider.

47. The Company has subsequently terminated the Transitioning Employees. The wages, vacation pay and preferred claims of the Former Employees have been paid. However, termination pay, and severance, if applicable, remain owing to the Former Employees and will be claimed pursuant to WEPPA.
48. The Company has ceased operations, no longer maintains any employees and has no assets. Accordingly, it is the Proposal Trustees view that the Company meets the criteria for the Former Employees to be eligible to receive payment under WEPPA.
49. The Company did not administer a pension plan.

PROFESSIONAL FEES AND EXPENSES

50. The Proposal Trustee seeks the approval of its professional fees and disbursements and the fees and disbursements of its legal counsel.
51. The fees and disbursements of the Proposal Trustee for the period from September 27, 2023 to December 6, 2023 are detailed in the affidavit of Josie Parisi, a copy of which is attached hereto as **Appendix 'XI'**.
52. The detailed narratives contained in the invoices provide a fair and accurate description of the services provided and the amounts charged by BDO as Proposal Trustee. Included with the invoices is a summary of the time charges of partners and staff, whose services are reflected in the invoices, including the total fees and hours billed.
53. The Proposal Trustee's fees encompass 135.75 hours at an average hourly rate of approximately \$427.97 for a total of \$58,096.50 prior to disbursements of \$558.91 and applicable taxes.
54. The Proposal Trustee is therefore requesting that this Honourable Court approve total fees inclusive of disbursements and applicable taxes in the amount of \$66,275.41.
55. The fees and disbursement of A&B for the period from October 13, 2023, to November 28, 2023 are detailed in the affidavit of Kyle Plunkett, a copy of which is attached as **Appendix 'XII'**.
56. A&B's fees for the period encompass 43.5 hours at an average hourly rate of approximately \$684.91 for a total of \$29,793.50 prior to disbursements of \$13.15 and applicable taxes.

57. The Proposal Trustee is therefore requesting that this Honourable Court approve A&B's total fees and disbursements inclusive of applicable taxes in the amount of \$33,680.47.
58. The Proposal Trustee respectfully submits that the Proposal Trustee's fees and disbursements, and A&B's fees and disbursements, are reasonable in the circumstances and have been validly incurred.
59. The Proposal Trustee further estimates that additional fees in the amount of \$40,000, exclusive of disbursements and applicable HST (the "**Fee Accrual**"), will be incurred by the Proposal Trustee and its legal counsel to complete the administration of these Proposal Proceedings.

CONCLUSION

60. The Proposal Trustee is of the opinion that:

(a) The assets of the Company and the fair realizable value thereof are as follows:

	As Declared	Realizable
Cash on hand	\$ 2,732,000	\$ Encumbered
Book debts due	7,800,000	Encumbered
Furniture and equipment	250	Encumbered
	\$ 10,532,250	\$ Nil

(b) The liabilities of the Company are as follows:

	As Declared	As Filed
Secured	\$ 10,532,250	\$ Nil
Preferred	Nil	Nil
Unsecured	3,916,313	141,498
	\$ 14,448,563	\$ 141,498

61. The Proposal Trustee is further of the opinion that:

(a) The causes of the insolvency of the Company are as follows:

- (i) the significant and rapid rise in interest rates in 2023, and the subsequent effect on the loan portfolios and the Company's diminishing (or negative) interest premium charged;
 - (ii) the increased cost of the funding provided by Westlake;
 - (iii) the reduced amount of profit-sharing revenue with Westlake, which in some cases was negative;
 - (iv) the negative affect of rising interest rates on new loan originations; and
 - (v) the increasing loan defaults at a more aggressive rate than originally projected in the business model, resulting in increased recovery costs and increases losses in the respective portfolios.
- (b) The conduct of the Company is not subject to censure due to commitment of any offence set out in section 198 to 200 of the BIA or otherwise.
- (c) The assets of the Company are not of a value equal to fifty cents on the dollar on the amount of the Company's unsecured liabilities which would be a fact listed in section 173 of the BIA, except that such fact is arguably not due to circumstance for which the Company can justly be held responsible but rather due to external economic factors and foreclosure by the Company's general secured creditor.
- (d) The following facts should also be considered:
- (i) Management has co-operated with the Proposal Trustee since the NOI;
 - (ii) all priority and super-priority claims that are required to be paid by section 60 of the BIA have been paid;
 - (iii) ordinary creditors will experience a recovery that they may not otherwise obtain in a bankruptcy;
 - (iv) the Sponsor has agreed to fund the Proposal of the otherwise defunct Company, subject to Creditor and Court Approval;

- (v) the Sponsor, a related party owned by Speelman, will deposit with the Proposal Trustee a lump sum amount in accordance with the Proposal payable immediately upon obtaining an order approving the Proposal;
- (vi) the voting and participating creditors voted unanimously FOR the Proposal;
- (vii) the Trustee will be in a position to issue a dividend to proven creditors shortly after obtaining Court approval of the Proposal;
- (viii) related parties, with potential claims in excess of \$3,000,000, have agreed not to file a claim under the Proposal or participate in any distributions to the unsecured creditors, thereby increasing the return to the proven unsecured creditors; and
- (ix) since the Proposal is being funded by the Sponsor, the quantum and timing of the recovery to ordinary unsecured creditors is certain.

62. The Proposal Trustee is of the opinion that the Proposal is an advantageous one for the Company's creditors because the Proposal Trustee anticipates that the distribution to ordinary creditors would be \$NIL in a bankruptcy scenario compared to 12.7% in the Proposal. Additionally, the ordinary unsecured claims of the Former Employees are expected be paid in whole or in part under the Wage Earner Protection Program, just as they would in a bankruptcy. Consequently, all creditors are expected to realize a recovery in the Proposal that is greater than that anticipated in a bankruptcy scenario.

63. A copy of this report was e-filed with the Office of the Superintendent of Bankruptcy (Official Receiver) on the date hereof.

RECOMMENDATIONS

64. The Proposal Trustee recommends and respectfully requests that this Honourable Court make an Order as requested in paragraph 8(b) above.

All of which is respectfully submitted this 7th day of December 2023.

BDO CANADA LIMITED

in its capacity as Proposal Trustee under the
Notice of Intention to Make a Proposal
filed by Source One Financial Corporation
and not in its personal capacity

Per:

A handwritten signature in black ink, appearing to read 'P. Naumis', with a stylized flourish at the end.

Peter Naumis, CIRP, LIT
Vice President

TAB 3(A)



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Mississauga
Court No. 32-2995640
Estate No. 32-2995640

In the Matter of the Notice of Intention to make a proposal of:

Source One Financial Corporation

Insolvent Person

BDO CANADA LIMITED / BDO CANADA LIMITÉE

Licensed Insolvency Trustee

Date of the Notice of Intention:

October 06, 2023

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: October 10, 2023, 09:09

E-File/Dépôt Electronique

Official Receiver

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada, L8R3P7, (877)376-9902

Canada

TAB 3(B)

District of Ontario
Division No. 9 - Mississauga
Court File No.: BK-23-02995640-0032
Estate File No.: 32-2995640

(ONTARIO)
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
[COMMERCIAL LIST]

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO**

PROPOSAL
(under section 50 of the *Bankruptcy and Insolvency Act*)
(October 31, 2023)

Source One Financial Corporation hereby submits the following Proposal under the provisions of the Act.

PART I
INTERPRETATION

Definitions

1. In this Proposal:
 - (a) “**Act**” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
 - (b) “**Administrative Fees and Expenses**” means the fees and expenses of the Trustee incidental to the NOI and the preparation and facilitation of the Proposal and any amendments thereto, including, without limitation, fees incurred by the Trustee in the administration of the Funded Proposal Payment; and, the legal fees and expenses of the Proposal Trustee and the Company before and following execution, acceptance and approval of this Proposal and in connection with the NOI and the preparation of this Proposal, as well as advice to the Company in connection therewith;

- (c) “**Affected Creditors**” means Creditors with Proven Unsecured Claims and for certainty shall include Proven Claims of His Majesty in Right of Canada and any province for all amounts other than Crown Claims or Secured Claims; and, shall not include Crown Claims, Secured Claims or Preferred Claims, each of which are addressed separately hereunder;
- (d) “**Approval Order**” means an order of the Court (i) approving this Proposal to be granted pursuant to the provisions of the Act and (ii) declaring that the Company qualifies as a former employer under s. 5(5) of WEPPA;
- (e) “**Business Day**” means a day, other than a Saturday or Sunday, on which banks are generally open for business in Toronto, Ontario;
- (f) “**Claim**” means any right of any Person with indebtedness, liability or obligation of any kind against the Company which indebtedness, liability or obligation is in existence at the Date of Filing, whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, unknown, by surety or otherwise and whether or not such a right is executory in nature including, without limitation, the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause, chose in action, whether existing at present or commenced in the future based in whole or in part on facts which exist prior to or at the time of Date of Filing;
- (g) “**Common Shares**” means common shares in the capital of the Company;
- (h) “**Company**” means Source One Capital Corporation;
- (i) “**Court**” means the Ontario Superior Court of Justice (Commercial List) in Bankruptcy and Insolvency;
- (j) “**Court Approval Date**” means the date on which the Approval Order is issued and entered by the Court;
- (k) “**Creditor**” means any Person having a Claim;
- (l) “**Creditors Meeting**” means the meeting of the Affected Creditors called for the purpose of considering and voting upon this Proposal;
- (m) “**Crown Claims**” means Claims of His Majesty in right of Canada or any province of all amounts of a kind contemplated by section 60(1.1) of the Act;
- (n) “**Date of Filing**” means October 6, 2023, the date on which the Company filed the NOI;

- (o) “**Disputed Claims**” means a Claim filed in this Proposal by a Creditor that is: (i) disallowed in whole or in part by the Trustee; and/or (ii) is the subject of a disallowance proceeding or appeal before the Court;
- (p) “**Employee Preferred Claim**” means a Claim by a current or former employee of the Company, or such portion of such Claim, that would be payable in priority under Subsection 136(1)(d) of the Act;
- (q) “**Equity Claim**” has the meaning given to such term in Section 2 of the Act;
- (r) “**Event of Default**” has the meaning given to it in Part VIII of this Proposal;
- (s) “**Existing Shares**” means all Common Shares, Preferred Shares and any other share capital of the Company, as well as any warrant or option or similar instrument that may invoked or utilized to obtain any capital stock or equity interest in the Company, issued and outstanding immediately prior to the Implementation Date;
- (t) “**Existing Equity Holders**” means any person holding Existing Shares;
- (u) “**Final Order**” means a Court order for which the applicable appeal period has lapsed with no person seeking an appeal therefrom or, if such appeal has been taken, any such appeal(s) have finally been disposed of and any related appeal rights shall have lapsed;
- (v) “**Former Employee**” means an individual who was an employee of the Company and whose employment was terminated by the Company prior to the Date of Filing or who were or are terminated as part of the restructuring under this Proposal;
- (w) “**Former Employee Claim**” means the Claim, if any, of a Former Employee arising from the Former Employee’s termination by the Company, inclusive of wages, vacation pay, termination pay and severance;
- (x) “**Funded Proposal Payment**” shall mean \$250,000 which will be advanced to the Trustee for distribution pursuant to Part V of this Proposal;
- (y) “**Implementation Date**” means 10 Business Days following the date the Approval Order becomes a Final Order;
- (z) “**Inspectors**” means the inspectors, if any, appointed pursuant to Part X of this Proposal;
- (aa) “**Levy**” means the levy imposed by the Superintendent of Bankruptcy under the Act;
- (bb) “**New Common Shares**” means the Common Shares to be issued by the Company on the Implementation Date;

- (cc) “**NOI**” means the Notice of Intention to Make a Proposal filed by the Company on October 6, 2023;
- (dd) “**Non-Participating Creditors**” means 1717030 Ontario Ltd.; 1717031 Ontario Ltd.; Larmen Investments Ltd.; and, Kooy Brothers Lawn Equipment Ltd.;
- (ee) “**Person**” means any individual, partnership, joint venture, trust corporation, unincorporated organization, government or any agency or instrumentality thereof, or any other entity howsoever designated or constituted;
- (ff) “**Post-Filing Crown Claims**” means all Crown Claims that became due or shall become due on or after the Date of Filing;
- (gg) “**Post-Filing Goods and Services**” means the goods supplied, services rendered, and other consideration given or provided to the Company on or after the Date of Filing;
- (hh) “**Pre-Filing Crown Claims**” means all Crown Claims that were outstanding as at the Date of Filing;
- (ii) “**Preferred Claim**” means any claim that is afforded priority under Section 136(1) of the Act;
- (jj) “**Preferred Creditor**” means any Persons holding a Preferred Claim, solely in respect to that Preferred Claim;
- (kk) “**Proposal**” means this proposal dated October 31, 2023, together with any amendments or additions thereto;
- (ll) “**Proposal Period**” means the period between the Court Approval Date and the date on which all distributions to the Proven Creditors have been made and a Certificate of Full Performance of Proposal has been issued by the Trustee to the Company pursuant to Section 65.3 of the Act, provided that no Event of Default has occurred that has not been cured or waived;
- (mm) “**Proven**” as used in relation to any Claim means such Claim as finally accepted or determined by the Trustee in accordance with the provisions of the Act and this Proposal, subject to the Creditor’s right of appeal to Court, the Court’s determination of that Claim or any applicable appeal periods having expired and no appeal having been made;
- (nn) “**Secured Claim**” means the value of any Claim by a Secured Creditor, excluding Crown Claims;
- (oo) “**Secured Creditors**” means those Persons holding a valid and enforceable mortgage, hypothec, pledge, charge, lien or privilege on or against the

property of the Company or any part thereof as security for a Claim, but excludes the Canada Revenue Agency to the extent of its Crown Claims;

- (pp) “**Sponsor**” means 2164155 Ontario Inc.;
- (qq) “**Trustee**” means BDO Canada Limited, solely in its capacity as proposal trustee of the Company;
- (rr) “**Unsecured Claim**” means the value of any Proven Claim in respect of which no security is held and which is not afforded priority under Section 136(1) of the Act;
- (ss) “**Unsecured Creditors**” means those Persons holding Unsecured Claims; and
- (tt) “**WEPPA**” means the *Wage Earner Protection Program Act*.

Headings

- 2. The division of this Proposal into parts, paragraphs and subparagraphs, and the insertion of headings herein, is for convenience of reference only and is not to affect the construction or interpretation of this Proposal.

Number, etc.

- 3. In this Proposal, where the context requires, a word importing the singular includes the plural and vice versa, and a word importing gender includes the masculine, feminine and neuter genders.

Date for Action

- 4. In the event that any date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day that is a Business Day.

Accounting Principles

- 5. Accounting terms not otherwise defined in this Proposal have the meanings assigned to them in accordance with generally accepted Canadian accounting principles.

Currency

- 6. All dollar amounts contained herein shall be in Canadian dollars.

PART II
PURPOSE AND EFFECT OF THIS PROPOSAL;
CONDITIONS PRECEDENT

Purpose of Proposal

7. The purpose of this Proposal is to complete the wind-down of the business of the Company in a manner beneficial to all Affected Creditors. It is expected that, prior to the Creditors Meeting and the implementation of this Proposal, the Company's senior Secured Creditor shall have foreclosed on its security, taking control of substantially all of the Company's assets, rendering the Company incapable of sustaining operations without additional capital investments. This Proposal is made, with the support of the Sponsor, to provide all Affected Creditors a greater benefit than would result from a bankruptcy of the Company.

Effect of Proposal

8. This Proposal (a) restructures the indebtedness of the Company, (b) effects a reorganization of the holders of Common Shares of the Company, and (c) provides the essential terms on which all Creditors' Claims will be fully and finally resolved and settled.

Stay of Proceedings

9. During the Proposal Period, and provided that an Event of Default has not occurred and is continuing hereunder, all Creditors other than Secured Creditors will be stayed from commencing or continuing any proceeding or remedy against the Company or any of its property or assets in respect of a Claim including, without limitation, any proceeding or remedy to recover payment of any monies, to recover or enforce any judgment against the Company in respect of a Claim or to commence any formal proceedings against it other than as provided for under this Proposal.

Conditions Precedent

10. This implementation of this Proposal is conditional upon:
 - (a) the approval of this Proposal by the requisite majorities of creditors as provided under the Act. If such approval is not obtained, the Company will be deemed bankrupt, as provided under the Act; and
 - (b) the Court granting the Approval Order on a motion by the Proposal Trustee, as provided under the Act. If the Court does not approve the Proposal, the Company will be deemed bankrupt, as provided under the Act,(collectively, the "**Conditions Precedent**")

11. In the event the Conditions Precedents are not met, this Proposal shall be null and void and any monies advanced to the Trustee by the Sponsor shall be reimbursed to the Sponsor, without interest, after paying Administrative Fees and Expenses.

**PART III
CLASSIFICATION OF CREDITORS**

12. This Proposal is made to a single class of creditors, comprising only the Affected Creditors (as defined in the Recitals hereto).

**PART IV
SECURED CREDITORS**

13. Secured Creditors shall be unaffected by this Proposal.

**PART V
TREATMENT OF VARIOUS CLAIMS;
FUNDING OF PROPOSAL AND DISTRIBUTION;
REORGANIZATION**

A. TREATMENT OF CLAIMS

Crown Claims

14. At the Date of Filing, the Company owed \$nil to CRA for employee source deduction, including related penalties and interest calculated up to the Date of Filing. Subsequent to the Date of Filing, all outstanding amounts have been paid and no such amounts are currently owing.
15. All Proven Pre-Filing Crown Claims (if any) shall be paid in full by the Sponsor outside of this Funded Proposal Payment. Such funds shall be advanced to the Trustee and remitted by the Trustee to His Majesty in the Right of Canada or of any province, as applicable, within six (6) months of the Court Approval Date.

Employee Preferred Claims

16. All Proven Employee Preferred Claims (if any) shall be paid in full by the Sponsor outside of this Funded Proposal Payment immediately after Court Approval. Such funds shall be advanced to the Trustee and remitted by the Trustee to the entitled claimants immediately after the Court Approval Date. For clarity, no Employee Preferred Claims will be paid out of the Funded Proposal Payment.

Former Employee Claims

17. In addition to any amount received on account of an Employee Preferred Claim (if any), all creditors having Former Employee Claims shall be entitled to apply for

compensation under WEPPA. For clarity, no amount of the Funded Proposal Payment shall be applied to any compensation payable under WEPPA.

Preferred Claims (in addition to Employee Preferred Claims)

18. Proven Preferred Claims (if any), other than Employee Preferred Claims, shall be paid in full, without interest, out of the Funded Proposal Payment on the Implementation Date.

Unsecured Claims

19. Creditors holding Proven Unsecured Claims shall receive, on a *pro rata* basis, payment out of the Funded Proposal Payment.

Equity Claims

20. Equity Claims shall not receive any distribution, payment or other consideration under this Proposal.

Treatment of Claims

21. For purposes of this Proposal, each Creditor holding a Claim will receive the treatment provided for in this Proposal on account of such Claim.

B. FUNDING OF PROPOSAL

Funded Proposal Payment

22. The Sponsor shall pay the Funded Proposal Payment to the Trustee in the amount of \$250,000 immediately after the Court Approval Date.

Funded Crown and Employee Payments

23. The Sponsor shall pay the amount of any Proven Pre-Filing Crown Claims and the amount of any Proven Employee Preferred Claims to the Trustee in accordance with paragraphs 15 and 16 of this Proposal.

C. DISTRIBUTION

Distributions of Funded Proposal Payment

24. The Funded Proposal Payment shall be distributed by the Trustee in the following order of priority:
 - (a) first, to the Administrative Fees and Expenses;
 - (b) second, to Proven Preferred Claims under paragraph 18 of this Proposal, if any; and

- (c) third, to Creditors holding Proven Unsecured Claims, in accordance with the Act.

No Distribution to Non-Participating Creditors or Existing Equity Holders

- 25. No payment shall be made out of the Funded Proposal Payment, or in respect of this Proposal, to Non-Participating Creditors or to Existing Equity Holders. Without limiting the generality of the foregoing, the Non-Participating Creditors postpone and waive any right to any distribution under this Proposal, as evidenced by the executions in Schedule “A” hereto.
- 26. For clarity, notwithstanding the foregoing, in the event that the Conditions Precedent to the Proposal are not met, then the Non-Participating Creditors shall be deemed to have never postponed or waived any Claim, which Claims, in accordance with the priority thereof, shall be enforceable in a bankruptcy.

D. REORGANIZATION

Cancellation and Issuance of Common Shares

- 27. In consideration for the Sponsor funding this Proposal, as at the Implementation Date:
 - (a) all Existing Shares shall no longer be outstanding, shall be automatically cancelled and retired and shall cease to exist, and no consideration shall be delivered in exchange therefor; and
 - (b) the Company shall issue and deliver one hundred (100) new common shares in the equity of the Company to the Sponsor or its permitted assignee, which common shares shall be fully paid and non-assessable shares and represent 100% of the issued and outstanding shares in the equity of the Company.

**PART VI
POST-FILING OBLIGATIONS**

Payment of Post-Filing Goods & Services

- 28. During the Proposal Period, all Post-Filing Goods and Services shall be paid in full in the ordinary course of business by the Company.

Post-Filing Crown Claims

- 29. During the Proposal Period, the Company shall remit all Post-Filing Crown Claims as and when due.

Reporting by the Company

30. During the Proposal Period, the Company shall provide to the Trustee, no later than 5 Business Days after receipt of a written request, a report containing the evidence of Company's filing and remittance of source deductions and HST, and such other information as the Trustee may reasonably require.

PART VII LEVY, MANDATORY PAYMENTS AND PREFERRED CLAIMS

Levy

31. The Levy, if applicable, shall be deducted by the Trustee from distributions to Creditors by the Trustee pursuant to Sections 147 and 60(4) of the Act.

Payment of Fees and Expenses

32. As per Part V of this Proposal, the Administrative Fees and Expenses shall be paid in priority to the Crown Claims and all other Creditors. The Trustee will be at liberty to withdraw and pay such Administrative Fees and Expenses at any time and from time-to-time subject to final approval by the Registrar in Bankruptcy upon completion of the Proposal. The Trustee's disbursements will be charged in addition to its fees based on the actual costs incurred and/or as allowed by tariff.

Employee Claims

33. As per Part V of this Proposal, all Employee Preferred Claims (if any) will be paid in priority to other Claims immediately after the issuance of the Approval Order.

Preferred Claims

34. As per Part V of this Proposal, Proven Claims of Preferred Creditors, without interest, are to be paid in full priority to all Claims of the Unsecured Creditors including, without limitation, any entitlement of the Unsecured Creditors to the distributions to be made under Part V of this Proposal.

PART VIII EVENTS OF DEFAULT

35. The following events will constitute Events of Default for purposes of section 63 of the Act and otherwise under this Proposal:
 - (a) the non-payment by the Sponsor of the Funded Proposal Payment as contemplated hereby within thirty (30) days after written notice has been given by the Trustee that such payment is past due; and
 - (b) the breach or failure by the Company to observe and perform any other covenant and provision of this Proposal, which is not remedied within thirty

(30) days after written notice thereof has been given to the Company by the Trustee.

PART IX TRUSTEE

36. The Trustee is acting solely in its capacity as proposal trustee under the Act and not in its personal capacity and no officer, director, employee or agent of the Trustee shall incur any obligations or liabilities in connection with this Proposal or in connection with the business or liabilities of the Company.
37. Any payments made by the Trustee to Creditors hereunder shall be made by the Trustee net of the levy payable and due under the Act.

PART X INSPECTORS

Appointment of Inspectors

38. At the Creditors Meeting, the Affected Creditors will be entitled to appoint one or more, but not exceeding five (5) Inspectors in total.

Powers of Inspectors

39. The Inspectors, by way of majority, will have the following powers, but will have no personal liability to the Company or other Creditors:
 - (a) the power to extend the dates the Funded Proposal Payment is due under this Proposal;
 - (b) the power to waive any default in the performance of any provision of this Proposal; and
 - (c) the power to advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee.

PART XI CONDITIONS PRECEDENT

Creditor Approval

40. The Trustee shall call a meeting of the Affected Creditors of the Company to seek Creditor approval of the Proposal in the requisite majority in number and value of the class, as set out in the Act, of Creditors described in this Proposal.

41. The performance of this Proposal by the Company shall be conditional upon approval of the Affected Creditors. If such Affected Creditors do not approve the Proposal, the Trustee shall report on the result of the vote as required under section 57 of the Act and the Company shall be deemed bankrupt.

Court Approval

42. In the event the Proposal is approved by the Affected Creditors, the Proposal Trustee shall, as soon as practicable, apply to the Court for a hearing to seek the Approval Order. The performance of this Proposal by the Company shall be conditional upon the issuance of the Approval Order. In the event that the Court does not approve the Proposal, the Company shall be deemed bankrupt.

If Conditions Precedent not Met

43. In the event the conditions precedents above are not met, and the Company is deemed bankrupt, all monies advanced to the Trustee by the Sponsor shall be reimbursed to the Sponsor, without interest, after payment of all Administrative Fees and Expenses.

PART XII RELEASES

44. As at 12:01 a.m. on the Implementation Date, the Company, shall be released and discharged from any and all Claims. This release shall have no force or effect if the Company goes bankrupt before the terms of the Proposal are performed.
45. As of 12:01 a.m. on the Implementation Date, each and every present and former director of the Company shall be released from claims against them that arose before the Date of Filing and that relate to the obligations of the Company where such persons are by law liable in their capacity as directors for the payment of such obligations, provided that nothing herein shall release or discharge any director of the Company from any claims coming within the exceptions set out in section 50(14) of the Act. This release shall have no force or effect if the Company goes bankrupt before the terms of the Proposal are performed.

PART XIII MISCELLANEOUS

Non-Participating Creditors

46. In order to facilitate this proposal, the Non-Participating Creditors have agreed, as evidenced by such creditor's signed confirmations appended as Schedule "A" hereto, that: (a) each will not file any Claim in this Proposal; and (b) each will not participate in any distributions to Creditors under this Proposal.

Consents, Waivers and Agreements

47. On the Implementation Date, all Creditors other than Secured Creditors will be deemed to have consented and agreed to all of the provisions of this Proposal in its entirety. For greater certainty, each such Creditor will be deemed to have waived any default by the Company in any provision, express or implied, in any agreement existing between the Creditor and the Company that has occurred on or prior to the Date of Filing, and to have agreed that, to the extent that there is any conflict between the provisions of any such agreement and the provisions of this Proposal, the provisions of this Proposal take precedence and priority and the provisions of any such agreement are amended accordingly.

Further Actions

48. The Company and the Creditors will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal and to give effect to the transactions contemplated hereby.

Performance

49. Except where otherwise expressly provided, all obligations of the Company under this Proposal will commence as of the Implementation Date. All obligations of the Company under this Proposal will be fully performed for the purposes of Section 65.3 of the Act only upon the Sponsor having made the Funded Proposal Payment and the Company having made the New Common Share issuances, each as provided for herein.

Acceleration of Payments

50. Notwithstanding the payment structure set out in Part V of this Proposal, nothing herein prevents or restricts the Company from accelerating the Funded Proposal Payment or from satisfying the full amount of the Funded Proposal Payment in advance of the time period contemplated in Part V of this Proposal.

Binding Effect

51. The provisions of this Proposal will be binding on the Creditors and the Company, and their respective heirs, executors, administrators, successors and assigns, upon issuance of the Approval Order after all appeal periods have expired.

PART XIV ANNULMENT OF PROPOSAL

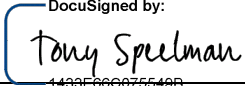
52. If this Proposal is annulled by an order of the Court, all payments on account of Claims made pursuant to the terms of this Proposal will reduce the Claims of Creditors.

**PART XV
AMENDMENTS**

53. The Company may propose amendments to the Proposal at any time prior to the conclusion of the Creditors Meeting provided that any such amendment does not reduce the rights and benefits given to the Creditors pursuant to the Proposal before such amendment and that any and all amendments shall be deemed to be a part of and incorporated into the Proposal.

DATED at the City of Toronto, in the Province of Ontario, as of this 1st day of November 2023.

SOURCE ONE FINANCIAL CORPORATION

DocuSigned by:

Per: _____
Name:
Title:
I have authority to bind the corporation.

SCHEDULE "A"
CONFIRMATION OF NON-PARTICIPATING CREDITORS

The undersigned each hereby confirm, acknowledges and agree that the undersigned (a) will not file a Claim under this Proposal and (b) will not participate in any distributions to Unsecured Creditors under this Proposal.

Dated effective as at October 31, 2023

1717030 ONTARIO LIMITED

Per: DocuSigned by:
Tony Spellman
1433E66C075549B...
Name:
Title:
I have authority to bind the corporation.


1717031 ONTARIO LIMITED

Per: DocuSigned by:
Tony Spellman
1433E66C075549B...
Name:
Title:
I have authority to bind the corporation.

LARMAN INVESTMENTS LTD.

Per: DocuSigned by:
Tony Spellman
1433E66C075549B...
Name:
Title:
I have authority to bind the corporation.

KOOY BROTHERS LAWN EQUIPMENT LTD.

Per: DocuSigned by:

F7278C5BF39443E...
Name:
Title:
I have authority to bind the corporation.

TAB 3(C)

District of ONTARIO
Division No. 09 - Mississauga
Estate No. 32-2995640
Court No. 32-2995640

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO.

MINUTES OF THE FIRST MEETING OF CREDITORS

MINUTES OF THE FIRST MEETING OF CREDITORS OF SOURCE ONE FINANCIAL CORPORATION (the "Debtor"), an insolvent person, held on the 22nd day of November 2023, at approximately 10:00 a.m. held via teleconference.

P R E S E N T: (see attached attendance list "A")

Peter Naumis announced that he was acting as Chairperson under the authority of Section 51(3) of the *Bankruptcy and Insolvency Act*. The Chairperson declared the meeting properly called and there being a quorum present it was duly constituted. The Chairman explained that the purpose of the meeting was to consider the Proposal filed by the Debtor and vote on its acceptance or non-acceptance.

The following documents were discussed:

- Trustee's Report to the Creditors
- Proposal
- Proof of Claims

The Chairman advised the Trustee had numerous discussions with all the attending creditors in the weeks leading up to the First Meeting of Creditors, and accordingly, proposed the meeting go straight to question period. No attending creditors raised any question.

There being no questions, the Chairman asked for a motion to approve the Proposal. The votes, by letter and verbally at the meeting, were as follows:

	# OF CREDITORS	TOTALLING
FOR	6	\$140,642.60
AGAINST	0	\$0.00

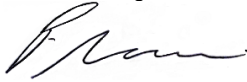
	% OF CREDITORS	% OF DOLLARS
FOR	100%	100%
AGAINST	0%	0%

RESOLVED: The required majority of Ordinary Creditors approve the Proposal as filed and attached to these minutes as "B"; and

RESOLVED: That the inspector of the proposal administration be, as affirmed by Meaghan Kells:

Adnan Zabian
3352 Colonial Drive
Mississauga, Ontario
L5L 5A6
Ph: (647) 248-2023
Email: adnan@acadmodular.com

There being no further business, the meeting adjourned.



Chairman


ATTENDANCE LIST – MEETING OF CREDITORS

“A”

ESTATE OF: Source One Financial Corporation

DATE: November 22, 2023

FILE NO: 32-2995640

No.	Signature	Name (print)	Representing	Amount of Claim	Remarks
		Peter Naumis	BDO Canada Limited		Trustee
		Sam Babe	Aird&Berlis LLP, counsel to Proposal Trustee		Attended via teleconference
		Anthony Speelman	Debtor		Attended via teleconference
		Graham Phoenix	Loopstra Nixon LLP, counsel to Debtor		Attended via teleconference
		Justin Weaver (proxy for 6929270 Canada Corp o/a Mega Motors Approval Genie)	Creditor	\$72,101.20	Attended via PROXY. Voted FOR
		Adnan Zabian	Creditor	\$3,652.00	Attended via voting ltr FOR and via teleconference
		Clayton Mackenzie Garrett	Creditor	\$1,014.90	Attended via voting ltr FOR
		Sonya Marie Chapman	Creditor	\$7,101.55	Attended via voting ltr FOR
		Meaghan Kells (proxy for 4350996 Nova Scotia Limited)	Creditor	\$38,514.40	Attended via PROXY. Voted FOR
		Meaghan Kells (proxy for 902 Auto Sales)	Creditor	\$18,258.55	Attended via PROXY. Voted FOR

NUMBER OF CLAIMS FILED 7

NUMBER OF PROXIES FILED (for Trustee)

0

AMOUNT \$

QUORUM / NO QUORUM

Quorum

District of Ontario
Division No. 9 - Mississauga
Court File No.: BK-23-02995640-0032
Estate File No.: 32-2995640

(ONTARIO)
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
[COMMERCIAL LIST]

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO**

PROPOSAL
(under section 50 of the *Bankruptcy and Insolvency Act*)
(October 31, 2023)

Source One Financial Corporation hereby submits the following Proposal under the provisions of the Act.

PART I
INTERPRETATION

Definitions

1. In this Proposal:
 - (a) “**Act**” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
 - (b) “**Administrative Fees and Expenses**” means the fees and expenses of the Trustee incidental to the NOI and the preparation and facilitation of the Proposal and any amendments thereto, including, without limitation, fees incurred by the Trustee in the administration of the Funded Proposal Payment; and, the legal fees and expenses of the Proposal Trustee and the Company before and following execution, acceptance and approval of this Proposal and in connection with the NOI and the preparation of this Proposal, as well as advice to the Company in connection therewith;

- (c) “**Affected Creditors**” means Creditors with Proven Unsecured Claims and for certainty shall include Proven Claims of His Majesty in Right of Canada and any province for all amounts other than Crown Claims or Secured Claims; and, shall not include Crown Claims, Secured Claims or Preferred Claims, each of which are addressed separately hereunder;
- (d) “**Approval Order**” means an order of the Court (i) approving this Proposal to be granted pursuant to the provisions of the Act and (ii) declaring that the Company qualifies as a former employer under s. 5(5) of WEPPA;
- (e) “**Business Day**” means a day, other than a Saturday or Sunday, on which banks are generally open for business in Toronto, Ontario;
- (f) “**Claim**” means any right of any Person with indebtedness, liability or obligation of any kind against the Company which indebtedness, liability or obligation is in existence at the Date of Filing, whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, unknown, by surety or otherwise and whether or not such a right is executory in nature including, without limitation, the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause, chose in action, whether existing at present or commenced in the future based in whole or in part on facts which exist prior to or at the time of Date of Filing;
- (g) “**Common Shares**” means common shares in the capital of the Company;
- (h) “**Company**” means Source One Capital Corporation;
- (i) “**Court**” means the Ontario Superior Court of Justice (Commercial List) in Bankruptcy and Insolvency;
- (j) “**Court Approval Date**” means the date on which the Approval Order is issued and entered by the Court;
- (k) “**Creditor**” means any Person having a Claim;
- (l) “**Creditors Meeting**” means the meeting of the Affected Creditors called for the purpose of considering and voting upon this Proposal;
- (m) “**Crown Claims**” means Claims of His Majesty in right of Canada or any province of all amounts of a kind contemplated by section 60(1.1) of the Act;
- (n) “**Date of Filing**” means October 6, 2023, the date on which the Company filed the NOI;

- (o) “**Disputed Claims**” means a Claim filed in this Proposal by a Creditor that is: (i) disallowed in whole or in part by the Trustee; and/or (ii) is the subject of a disallowance proceeding or appeal before the Court;
- (p) “**Employee Preferred Claim**” means a Claim by a current or former employee of the Company, or such portion of such Claim, that would be payable in priority under Subsection 136(1)(d) of the Act;
- (q) “**Equity Claim**” has the meaning given to such term in Section 2 of the Act;
- (r) “**Event of Default**” has the meaning given to it in Part VIII of this Proposal;
- (s) “**Existing Shares**” means all Common Shares, Preferred Shares and any other share capital of the Company, as well as any warrant or option or similar instrument that may invoked or utilized to obtain any capital stock or equity interest in the Company, issued and outstanding immediately prior to the Implementation Date;
- (t) “**Existing Equity Holders**” means any person holding Existing Shares;
- (u) “**Final Order**” means a Court order for which the applicable appeal period has lapsed with no person seeking an appeal therefrom or, if such appeal has been taken, any such appeal(s) have finally been disposed of and any related appeal rights shall have lapsed;
- (v) “**Former Employee**” means an individual who was an employee of the Company and whose employment was terminated by the Company prior to the Date of Filing or who were or are terminated as part of the restructuring under this Proposal;
- (w) “**Former Employee Claim**” means the Claim, if any, of a Former Employee arising from the Former Employee’s termination by the Company, inclusive of wages, vacation pay, termination pay and severance;
- (x) “**Funded Proposal Payment**” shall mean \$250,000 which will be advanced to the Trustee for distribution pursuant to Part V of this Proposal;
- (y) “**Implementation Date**” means 10 Business Days following the date the Approval Order becomes a Final Order;
- (z) “**Inspectors**” means the inspectors, if any, appointed pursuant to Part X of this Proposal;
- (aa) “**Levy**” means the levy imposed by the Superintendent of Bankruptcy under the Act;
- (bb) “**New Common Shares**” means the Common Shares to be issued by the Company on the Implementation Date;

- (cc) “**NOI**” means the Notice of Intention to Make a Proposal filed by the Company on October 6, 2023;
- (dd) “**Non-Participating Creditors**” means 1717030 Ontario Ltd.; 1717031 Ontario Ltd.; Larmen Investments Ltd.; and, Kooy Brothers Lawn Equipment Ltd.;
- (ee) “**Person**” means any individual, partnership, joint venture, trust corporation, unincorporated organization, government or any agency or instrumentality thereof, or any other entity howsoever designated or constituted;
- (ff) “**Post-Filing Crown Claims**” means all Crown Claims that became due or shall become due on or after the Date of Filing;
- (gg) “**Post-Filing Goods and Services**” means the goods supplied, services rendered, and other consideration given or provided to the Company on or after the Date of Filing;
- (hh) “**Pre-Filing Crown Claims**” means all Crown Claims that were outstanding as at the Date of Filing;
- (ii) “**Preferred Claim**” means any claim that is afforded priority under Section 136(1) of the Act;
- (jj) “**Preferred Creditor**” means any Persons holding a Preferred Claim, solely in respect to that Preferred Claim;
- (kk) “**Proposal**” means this proposal dated October 31, 2023, together with any amendments or additions thereto;
- (ll) “**Proposal Period**” means the period between the Court Approval Date and the date on which all distributions to the Proven Creditors have been made and a Certificate of Full Performance of Proposal has been issued by the Trustee to the Company pursuant to Section 65.3 of the Act, provided that no Event of Default has occurred that has not been cured or waived;
- (mm) “**Proven**” as used in relation to any Claim means such Claim as finally accepted or determined by the Trustee in accordance with the provisions of the Act and this Proposal, subject to the Creditor’s right of appeal to Court, the Court’s determination of that Claim or any applicable appeal periods having expired and no appeal having been made;
- (nn) “**Secured Claim**” means the value of any Claim by a Secured Creditor, excluding Crown Claims;
- (oo) “**Secured Creditors**” means those Persons holding a valid and enforceable mortgage, hypothec, pledge, charge, lien or privilege on or against the

property of the Company or any part thereof as security for a Claim, but excludes the Canada Revenue Agency to the extent of its Crown Claims;

- (pp) “**Sponsor**” means 2164155 Ontario Inc.;
- (qq) “**Trustee**” means BDO Canada Limited, solely in its capacity as proposal trustee of the Company;
- (rr) “**Unsecured Claim**” means the value of any Proven Claim in respect of which no security is held and which is not afforded priority under Section 136(1) of the Act;
- (ss) “**Unsecured Creditors**” means those Persons holding Unsecured Claims; and
- (tt) “**WEPPA**” means the *Wage Earner Protection Program Act*.

Headings

- 2. The division of this Proposal into parts, paragraphs and subparagraphs, and the insertion of headings herein, is for convenience of reference only and is not to affect the construction or interpretation of this Proposal.

Number, etc.

- 3. In this Proposal, where the context requires, a word importing the singular includes the plural and vice versa, and a word importing gender includes the masculine, feminine and neuter genders.

Date for Action

- 4. In the event that any date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day that is a Business Day.

Accounting Principles

- 5. Accounting terms not otherwise defined in this Proposal have the meanings assigned to them in accordance with generally accepted Canadian accounting principles.

Currency

- 6. All dollar amounts contained herein shall be in Canadian dollars.

**PART II
PURPOSE AND EFFECT OF THIS PROPOSAL;
CONDITIONS PRECEDENT**

Purpose of Proposal

7. The purpose of this Proposal is to complete the wind-down of the business of the Company in a manner beneficial to all Affected Creditors. It is expected that, prior to the Creditors Meeting and the implementation of this Proposal, the Company's senior Secured Creditor shall have foreclosed on its security, taking control of substantially all of the Company's assets, rendering the Company incapable of sustaining operations without additional capital investments. This Proposal is made, with the support of the Sponsor, to provide all Affected Creditors a greater benefit than would result from a bankruptcy of the Company.

Effect of Proposal

8. This Proposal (a) restructures the indebtedness of the Company, (b) effects a reorganization of the holders of Common Shares of the Company, and (c) provides the essential terms on which all Creditors' Claims will be fully and finally resolved and settled.

Stay of Proceedings

9. During the Proposal Period, and provided that an Event of Default has not occurred and is continuing hereunder, all Creditors other than Secured Creditors will be stayed from commencing or continuing any proceeding or remedy against the Company or any of its property or assets in respect of a Claim including, without limitation, any proceeding or remedy to recover payment of any monies, to recover or enforce any judgment against the Company in respect of a Claim or to commence any formal proceedings against it other than as provided for under this Proposal.

Conditions Precedent

10. This implementation of this Proposal is conditional upon:
 - (a) the approval of this Proposal by the requisite majorities of creditors as provided under the Act. If such approval is not obtained, the Company will be deemed bankrupt, as provided under the Act; and
 - (b) the Court granting the Approval Order on a motion by the Proposal Trustee, as provided under the Act. If the Court does not approve the Proposal, the Company will be deemed bankrupt, as provided under the Act,(collectively, the "**Conditions Precedent**")

11. In the event the Conditions Precedents are not met, this Proposal shall be null and void and any monies advanced to the Trustee by the Sponsor shall be reimbursed to the Sponsor, without interest, after paying Administrative Fees and Expenses.

**PART III
CLASSIFICATION OF CREDITORS**

12. This Proposal is made to a single class of creditors, comprising only the Affected Creditors (as defined in the Recitals hereto).

**PART IV
SECURED CREDITORS**

13. Secured Creditors shall be unaffected by this Proposal.

**PART V
TREATMENT OF VARIOUS CLAIMS;
FUNDING OF PROPOSAL AND DISTRIBUTION;
REORGANIZATION**

A. TREATMENT OF CLAIMS

Crown Claims

14. At the Date of Filing, the Company owed \$nil to CRA for employee source deduction, including related penalties and interest calculated up to the Date of Filing. Subsequent to the Date of Filing, all outstanding amounts have been paid and no such amounts are currently owing.
15. All Proven Pre-Filing Crown Claims (if any) shall be paid in full by the Sponsor outside of this Funded Proposal Payment. Such funds shall be advanced to the Trustee and remitted by the Trustee to His Majesty in the Right of Canada or of any province, as applicable, within six (6) months of the Court Approval Date.

Employee Preferred Claims

16. All Proven Employee Preferred Claims (if any) shall be paid in full by the Sponsor outside of this Funded Proposal Payment immediately after Court Approval. Such funds shall be advanced to the Trustee and remitted by the Trustee to the entitled claimants immediately after the Court Approval Date. For clarity, no Employee Preferred Claims will be paid out of the Funded Proposal Payment.

Former Employee Claims

17. In addition to any amount received on account of an Employee Preferred Claim (if any), all creditors having Former Employee Claims shall be entitled to apply for

compensation under WEPPA. For clarity, no amount of the Funded Proposal Payment shall be applied to any compensation payable under WEPPA.

Preferred Claims (in addition to Employee Preferred Claims)

18. Proven Preferred Claims (if any), other than Employee Preferred Claims, shall be paid in full, without interest, out of the Funded Proposal Payment on the Implementation Date.

Unsecured Claims

19. Creditors holding Proven Unsecured Claims shall receive, on a *pro rata* basis, payment out of the Funded Proposal Payment.

Equity Claims

20. Equity Claims shall not receive any distribution, payment or other consideration under this Proposal.

Treatment of Claims

21. For purposes of this Proposal, each Creditor holding a Claim will receive the treatment provided for in this Proposal on account of such Claim.

B. FUNDING OF PROPOSAL

Funded Proposal Payment

22. The Sponsor shall pay the Funded Proposal Payment to the Trustee in the amount of \$250,000 immediately after the Court Approval Date.

Funded Crown and Employee Payments

23. The Sponsor shall pay the amount of any Proven Pre-Filing Crown Claims and the amount of any Proven Employee Preferred Claims to the Trustee in accordance with paragraphs 15 and 16 of this Proposal.

C. DISTRIBUTION

Distributions of Funded Proposal Payment

24. The Funded Proposal Payment shall be distributed by the Trustee in the following order of priority:
 - (a) first, to the Administrative Fees and Expenses;
 - (b) second, to Proven Preferred Claims under paragraph 18 of this Proposal, if any; and

- (c) third, to Creditors holding Proven Unsecured Claims, in accordance with the Act.

No Distribution to Non-Participating Creditors or Existing Equity Holders

- 25. No payment shall be made out of the Funded Proposal Payment, or in respect of this Proposal, to Non-Participating Creditors or to Existing Equity Holders. Without limiting the generality of the foregoing, the Non-Participating Creditors postpone and waive any right to any distribution under this Proposal, as evidenced by the executions in Schedule “A” hereto.
- 26. For clarity, notwithstanding the foregoing, in the event that the Conditions Precedent to the Proposal are not met, then the Non-Participating Creditors shall be deemed to have never postponed or waived any Claim, which Claims, in accordance with the priority thereof, shall be enforceable in a bankruptcy.

D. REORGANIZATION

Cancellation and Issuance of Common Shares

- 27. In consideration for the Sponsor funding this Proposal, as at the Implementation Date:
 - (a) all Existing Shares shall no longer be outstanding, shall be automatically cancelled and retired and shall cease to exist, and no consideration shall be delivered in exchange therefor; and
 - (b) the Company shall issue and deliver one hundred (100) new common shares in the equity of the Company to the Sponsor or its permitted assignee, which common shares shall be fully paid and non-assessable shares and represent 100% of the issued and outstanding shares in the equity of the Company.

**PART VI
POST-FILING OBLIGATIONS**

Payment of Post-Filing Goods & Services

- 28. During the Proposal Period, all Post-Filing Goods and Services shall be paid in full in the ordinary course of business by the Company.

Post-Filing Crown Claims

- 29. During the Proposal Period, the Company shall remit all Post-Filing Crown Claims as and when due.

Reporting by the Company

30. During the Proposal Period, the Company shall provide to the Trustee, no later than 5 Business Days after receipt of a written request, a report containing the evidence of Company's filing and remittance of source deductions and HST, and such other information as the Trustee may reasonably require.

**PART VII
LEVY, MANDATORY PAYMENTS AND PREFERRED CLAIMS**

Levy

31. The Levy, if applicable, shall be deducted by the Trustee from distributions to Creditors by the Trustee pursuant to Sections 147 and 60(4) of the Act.

Payment of Fees and Expenses

32. As per Part V of this Proposal, the Administrative Fees and Expenses shall be paid in priority to the Crown Claims and all other Creditors. The Trustee will be at liberty to withdraw and pay such Administrative Fees and Expenses at any time and from time-to-time subject to final approval by the Registrar in Bankruptcy upon completion of the Proposal. The Trustee's disbursements will be charged in addition to its fees based on the actual costs incurred and/or as allowed by tariff.

Employee Claims

33. As per Part V of this Proposal, all Employee Preferred Claims (if any) will be paid in priority to other Claims immediately after the issuance of the Approval Order.

Preferred Claims

34. As per Part V of this Proposal, Proven Claims of Preferred Creditors, without interest, are to be paid in full priority to all Claims of the Unsecured Creditors including, without limitation, any entitlement of the Unsecured Creditors to the distributions to be made under Part V of this Proposal.

**PART VIII
EVENTS OF DEFAULT**

35. The following events will constitute Events of Default for purposes of section 63 of the Act and otherwise under this Proposal:
 - (a) the non-payment by the Sponsor of the Funded Proposal Payment as contemplated hereby within thirty (30) days after written notice has been given by the Trustee that such payment is past due; and
 - (b) the breach or failure by the Company to observe and perform any other covenant and provision of this Proposal, which is not remedied within thirty

(30) days after written notice thereof has been given to the Company by the Trustee.

PART IX TRUSTEE

36. The Trustee is acting solely in its capacity as proposal trustee under the Act and not in its personal capacity and no officer, director, employee or agent of the Trustee shall incur any obligations or liabilities in connection with this Proposal or in connection with the business or liabilities of the Company.
37. Any payments made by the Trustee to Creditors hereunder shall be made by the Trustee net of the levy payable and due under the Act.

PART X INSPECTORS

Appointment of Inspectors

38. At the Creditors Meeting, the Affected Creditors will be entitled to appoint one or more, but not exceeding five (5) Inspectors in total.

Powers of Inspectors

39. The Inspectors, by way of majority, will have the following powers, but will have no personal liability to the Company or other Creditors:
 - (a) the power to extend the dates the Funded Proposal Payment is due under this Proposal;
 - (b) the power to waive any default in the performance of any provision of this Proposal; and
 - (c) the power to advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee.

PART XI CONDITIONS PRECEDENT

Creditor Approval

40. The Trustee shall call a meeting of the Affected Creditors of the Company to seek Creditor approval of the Proposal in the requisite majority in number and value of the class, as set out in the Act, of Creditors described in this Proposal.

41. The performance of this Proposal by the Company shall be conditional upon approval of the Affected Creditors. If such Affected Creditors do not approve the Proposal, the Trustee shall report on the result of the vote as required under section 57 of the Act and the Company shall be deemed bankrupt.

Court Approval

42. In the event the Proposal is approved by the Affected Creditors, the Proposal Trustee shall, as soon as practicable, apply to the Court for a hearing to seek the Approval Order. The performance of this Proposal by the Company shall be conditional upon the issuance of the Approval Order. In the event that the Court does not approve the Proposal, the Company shall be deemed bankrupt.

If Conditions Precedent not Met

43. In the event the conditions precedents above are not met, and the Company is deemed bankrupt, all monies advanced to the Trustee by the Sponsor shall be reimbursed to the Sponsor, without interest, after payment of all Administrative Fees and Expenses.

PART XII RELEASES

44. As at 12:01 a.m. on the Implementation Date, the Company, shall be released and discharged from any and all Claims. This release shall have no force or effect if the Company goes bankrupt before the terms of the Proposal are performed.
45. As of 12:01 a.m. on the Implementation Date, each and every present and former director of the Company shall be released from claims against them that arose before the Date of Filing and that relate to the obligations of the Company where such persons are by law liable in their capacity as directors for the payment of such obligations, provided that nothing herein shall release or discharge any director of the Company from any claims coming within the exceptions set out in section 50(14) of the Act. This release shall have no force or effect if the Company goes bankrupt before the terms of the Proposal are performed.

PART XIII MISCELLANEOUS

Non-Participating Creditors

46. In order to facilitate this proposal, the Non-Participating Creditors have agreed, as evidenced by such creditor's signed confirmations appended as Schedule "A" hereto, that: (a) each will not file any Claim in this Proposal; and (b) each will not participate in any distributions to Creditors under this Proposal.

Consents, Waivers and Agreements

47. On the Implementation Date, all Creditors other than Secured Creditors will be deemed to have consented and agreed to all of the provisions of this Proposal in its entirety. For greater certainty, each such Creditor will be deemed to have waived any default by the Company in any provision, express or implied, in any agreement existing between the Creditor and the Company that has occurred on or prior to the Date of Filing, and to have agreed that, to the extent that there is any conflict between the provisions of any such agreement and the provisions of this Proposal, the provisions of this Proposal take precedence and priority and the provisions of any such agreement are amended accordingly.

Further Actions

48. The Company and the Creditors will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal and to give effect to the transactions contemplated hereby.

Performance

49. Except where otherwise expressly provided, all obligations of the Company under this Proposal will commence as of the Implementation Date. All obligations of the Company under this Proposal will be fully performed for the purposes of Section 65.3 of the Act only upon the Sponsor having made the Funded Proposal Payment and the Company having made the New Common Share issuances, each as provided for herein.

Acceleration of Payments

50. Notwithstanding the payment structure set out in Part V of this Proposal, nothing herein prevents or restricts the Company from accelerating the Funded Proposal Payment or from satisfying the full amount of the Funded Proposal Payment in advance of the time period contemplated in Part V of this Proposal.

Binding Effect

51. The provisions of this Proposal will be binding on the Creditors and the Company, and their respective heirs, executors, administrators, successors and assigns, upon issuance of the Approval Order after all appeal periods have expired.

PART XIV ANNULMENT OF PROPOSAL

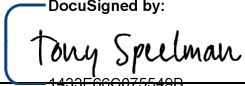
52. If this Proposal is annulled by an order of the Court, all payments on account of Claims made pursuant to the terms of this Proposal will reduce the Claims of Creditors.

**PART XV
AMENDMENTS**

53. The Company may propose amendments to the Proposal at any time prior to the conclusion of the Creditors Meeting provided that any such amendment does not reduce the rights and benefits given to the Creditors pursuant to the Proposal before such amendment and that any and all amendments shall be deemed to be a part of and incorporated into the Proposal.

DATED at the City of Toronto, in the Province of Ontario, as of this 1st day of November 2023.

SOURCE ONE FINANCIAL CORPORATION

DocuSigned by:

Per: _____
Name: _____
Title: _____
1439E666075540B...

I have authority to bind the corporation.

SCHEDULE "A"
CONFIRMATION OF NON-PARTICIPATING CREDITORS

The undersigned each hereby confirm, acknowledges and agree that the undersigned (a) will not file a Claim under this Proposal and (b) will not participate in any distributions to Unsecured Creditors under this Proposal.

Dated effective as at October 31, 2023

1717030 ONTARIO LIMITED

Per: DocuSigned by:
Tony Spellman
1433E66C075549B...
Name:
Title:
I have authority to bind the corporation.


1717031 ONTARIO LIMITED

Per: DocuSigned by:
Tony Spellman
1433E66C075549B...
Name:
Title:
I have authority to bind the corporation.

LARMAN INVESTMENTS LTD.

Per: DocuSigned by:
Tony Spellman
1433E66C075549B...
Name:
Title:
I have authority to bind the corporation.

KOOY BROTHERS LAWN EQUIPMENT LTD.

Per: DocuSigned by:

F7278C5BF39443E...
Name:
Title:
I have authority to bind the corporation.

TAB 3(D)

District of ONTARIO
Division No. 09 Mississauga
Court No. 32-2995640
Estate No. 31-2995640

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO.

AFFIDAVIT OF MAILING OF NOTICE OF PROPOSAL TO CREDITORS

I, Franca Iannilli, of the Trustee's office of BDO Canada, hereby make oath and say:

That on November 9, 2023, I did cause to be mailed by prepaid ordinary mail and or/mailed to the principal of the debtor company, and to the known creditors, whose names and addresses appear on the paper-writing marked "A" annexed hereto, a copy each of the statutory notice to creditors marked "B" annexed hereto, including a copy of the statement of the assets and liabilities, a copy of the proposal, a proof of claim form, a proxy and a voting letter all in blank and a copy of the Report of Trustee on Proposal.

And that on the same date, I did also cause to be e-filed with the Superintendent of Bankruptcy a copy of the Notice of Proposal to Creditors. E-filing confirmation marked "C" annexed hereto.



Franca Iannilli

SWORN before me in the Town of Oakville, in the Province of Ontario
this November 16, 2023

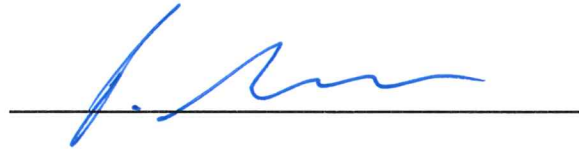


A Commissioner in and for the
Province of Ontario

Peter Naumis, a Commissioner, etc.,
Province of Ontario, for BDO Canada LLP
and BDO Canada Limited and their
subsidiaries, associates and affiliates.
Expires April 15, 2024.

This is Exhibit "A" referred to in the affidavit of
mailing of the Notice of Proposal to Creditors of
Franca Iannilli

SWORN BEFORE ME this 16th day of November 2023



A Commissioner for taking Affidavits

*Peter Naumis, a Commissioner, etc.,
Province of Ontario, for BDO Canada LLP
and BDO Canada Limited and their
subsidiaries, associates and affiliates.
Expires April 15, 2024.*

Creditor Mailing List

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

A¹¹

Creditor Type	Name	Attention	Address
Director	Anthony Speelman		17 Jason Road Etobicoke ON M9V 1C5
Secured	1717030 Ontario Limited		1950 Wilson Avenue Toronto ON M9M 1B2
	Cortland Credit Lending Corporation		200 Bay St, Suite 3230 Toronto ON M5J 2J2
	CWB National Leasing Inc./ (formerly National Leasing Group Inc)	Bankruptcy Designate	1525 Buffalo Pl Winnipeg MB R3T 1L9
	Westlake Services, LLC		4751 Wilshire Blvd Ste 100 Los Angeles CA 900 10-3847 USA
Unsecured	1717030 Ontario Limited		1950 Wilson Avenue Toronto ON M9M 1B2
	4350996 Nova Scotia Limited		DT37760910SON02 Unknown Unknown NS
	4350996 Nova Scotia Limited		DT37938187SON02 Unknown Unknown NS
	902 Auto Sales		DT37468989SON02 561 Pleasant Street Dartmouth NS B2W 4L9
	Adam Michael Cobb		504408 32 ARMORY RD Bell Island NL A0A 4H0
	Adesa Moncton		83655 47 Edinburgh Drive Moncton NB E1E 2K6
	Adesa Windsor		5235 18800 County Rd 42 Tilbury ON N0P 2L0
	ADNAN ZABIAN		505860 3352 COLONIAL DRIVE Mississauga ON L5L 5A6
	Alexander Ballon		DT37216129 392 Cantrell Drive SW Calgary AB T2W 2E4
	Alfredo Izquierdo		508076 9 Carruthers Road, Apt. 302 Georgetown ON L7G 5K1
	Amanda Hue		511421 26 Hardy Place Hudson Bay SK S0E 0Y0

Creditor Mailing List

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	Andre-Daniel Edouward Bourque		505996 1631 14TH Street SW Calgary AB T3C 0W6
	Andrea Oxford		DT34317967 404 Breckenridge Ln NW Edmonton AB T5T 6E3
	Andrew Eric Stoodley Downey		511514 2 FORBES AVE North Sydney NS B2A 1Y9
	Anthony Basso		DT34159793 A 556 Front Street North Bay ON P1B 6M7
	Ashley Moffatt		510903 246 Anne Street North, Apt. 2 Barrie ON L4N 4X5
	Ashley Mitchell		DT35965582 98 305 5 Street Wainwright AB T9W 1A6
	Ashley Schell		511284 911 Avenue X N Saskatoon SK S7L 3K5
	BAASS Business Solutions		100-2170483 1200 Centre Street, Suite 200 Thornhill ON L4J 3M9
	Barry Wayne Shingoose		506760 1826 AVE B NORTH Saskatchewan Beach SK S7L 1H5
	Blue-Pencil		23652 761 Redwood Square Oakville ON L6L 6R6
	Brandon Wynn		505157 18 wallace street St. Catherines ON L2S 1E9
	Brooke-Lynn Turnbull		503895 1224 ABBEY CRT Windsor ON N8S 4C9
	Calgary House Of Cars 9 Inc		DT37976189SON02 5205 76 Ave SE Calgary AB T2C 3C6
	Car Approved Now		DT37933027SON02 9908 65 Ave NW Edmonton AB T6E 0K9
	Carfax		29175 100 Kellogg Lane, Suite 301 London ON L4N 3A3

Creditor Mailing List

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	Carget Automotive		DT37960969SON02 518 51st St. Saskatoon SK S7K 7L1
	CarloanIQ		DT37886942SON02 Unknown Kitchener ON L5B 1M2
	CGI ISMC Inc.		CAN1001665 150 Commerce Valley Drive West Markham ON L3T 7Z3
	Chad Byron Bullock		512072 6420 Barabanoff Road Nelson BC V1L 6Y1
	Chin Juan Han		513124 450 E 17 street Vancouver BC V5V 1B1
	Christine Marie Ness		513228 1318 Fairview Road Penticton BC V2A 5Z8
	Clayton Mackenzie Garrett		511707 34 4 Avenue Central Butte SK S0H 0T0
	Cortland Credit Lending Corporation		200 Bay St, Suite 3230 Toronto ON M5J 2J2
	Daniel Hall		DT33970441 2920 31 Street NW Edmonton AB T6T 1T9
	Darcy Dame		DT36950157 P. O. Box 896 782081 Hwy 731 Spirit River, P. O. Box 896 Spirit River AB T0H 3G0
	David Quiroz Rodriguez		503838 61 Evansford Grove NW Calgary AB T3P 1G7
	Dealertrack/Trader Corporation		1073822 405 The West Mall, Suite 110 Etobicoke ON M9C 5J1
	Dennis Clarke		DT34577922 Bsmt 5810 Tyson Road, BSMT Chilliwack BC V2R 3R6
	Drive Financial		DT37970767SON02 190 - 2899 Broadmoor Blvd Sherwood Park AB T8H 1B5
	EHT Ontario Employer Health Tax	Insolvency Unit	PO Box 627 6th Floor 33 King Street West Oshawa ON L1H 8H5

Debtor Mailing List

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	Eileen M Healey		512809 144 Flagg Avenue Paris ON N3L 0J8
	Elmwood Car Sales Ltd.		DT37802871SON02 440 Wharncliffe Rd S. London ON N6J 2M6
	Employees		Various Various ON L5B 1M2
	Equifax Canada		481FA05510 PO Box 4265 Station A Toronto ON M5W 5T7
	Equifax Canada		464FA00108 PO Box 4265 Station A Toronto ON M5W 5T7
	Esso/Imperial Oil		91758484 WEX Canada LTD. PO Box 57724, Postal Station A Toronto ON MSW 5M5
	Ezra James Lloyd		510945 251 2nd Avenue, PO Box 111 Arborfield SK S0E 0A0
	Fedex		2-592-35865 PO Box 4626 Toronto STN A Toronto ON M5W 5B4
	Flexcar Auto Sales		DT37896979SON02 20290 Logan Ave. Langley BC V3A 4L6
	Flinks		18398 1001 rue lenoir, A-114 Montreal QC H4C 2Z6
	Francesca Cincinnato		512398 25 Vezna Cr Brampton ON L6X 5K5
	Gail Mulholland		501937 111 UNION STREET St. Stephen NB E3L 1V9
	Garry Beyer		DT33937469 115 5th Street Weyburn SK S4H 0Z2
	Grace Woods		506290 86098 CANBOROUGH ROAD Dunnville ON N1A 2W1
	Grande Prairie Chrysler		DT37970705SON02 11448 Westgate Dr. Grande Prairie AB T8V 8L2

Creditor Mailing List

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	HRBP2Go, Incorporated		571 Forest Gate Crescent Waterloo ON N2V 2X2
	Irina Ivanishik		503832 215 Gold Park GATE Angus ON L0M 1B4
	Jayne A Holmes		505428 7779 HWY 21 BOX 27 Allenford ON N0H 1A0
	Jeremy Loach		DT36163248 143 Rorke Avenue Haileybury ON P0J 1K0
	Jerrel Mytill		DT34418633 24 Purpledusk Trail Scarborough ON M1E 4C7
	Jessica Louise Young		512692 3 James Place St. John's NL A1E 4T6
	Joan Orilla		Unknown Unknown ON L5B 1M2
	Jordan Alexander Raynes		511319 354 Milkish Creek Road Summerville NB E5S 1V6
	Judith Anne Hewitt		510003 10301-B Kateri Drive Grand Prairie AB T8W 2W8
	Juliet A Laleye		501187 429-830 LAWRENCE AVE WEST North York ON M6A 0B6
	Kirk Jakesta		DT37522038 7728 16TH Avenue Burnaby BC V3N 1P9
	KPMG		2001645133 Suite 1400- 140 Fullarton Street London ON N6A 5P2
	Larman Investments Ltd.		1950 Wilson Avenue Toronto ON M9M 1B2
	Magma Motors		DT37970767SON02 7435 77 Ave. NW Edmonton AB T6B 0B7
	Mega Motors Approval Genie (Ottawa)	Vern DaRe	DT37422739SON02 c/o Fogler, Rubinoff LLP 3000 - 77 King Street West, PO Box 95 Toronto ON M5K 1G8

Creditor Mailing List

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	Mega Motors Approval Genie (Scarborough)	Vern DaRe	DT37850321SON02 c/o Fogler, Rubinoff LLP 3000 - 77 King Street West, PO Box 95 Toronto ON M5K 1G8
	Mega Motors Approval Genie (Whitby)	Vern DaRe	DT37710643SON02 c/o Fogler, Rubinoff LLP 3000 - 77 King Street West, PO Box 95 Toronto ON M5K 1G8
	Michael Ken Warriner		509959 655 Girard Road Kelowna BC V1X 4V8
	Moose Jaw Ford Sales (2018) Ltd		DT37952487SON02 1010 N. Service Rd. Moose Jaw SK S6H 4P5
	Nathaniel Thibodeau		DT34396889 1117 Saulnierville Road Saulnierville NS B0W 2Z0
	Nicholas Francis Macleod		513367 10822 107 Street NW Edmonton AB T5H 2Z3
	Nicholas Michel Gagnon		510646 220 Notre Dame De Lourdes Chemin Notre Dame de Lourdes NB E7E 1W2
	Nina Freeman		DT35036068 7 Ivers Court Ajax ON L1T 3M3
	Noah Drew Mackenzie		504658 26 Cap La Ronde ROAD D'escousse NB B0E 1K0
	PassTime GPS Canada		177977 100-5118 North Fraser Way Burnaby BC V5J 0H1
	Perry Da Silva		508234 8 Nightingale Road St. John's NL A1E 2G5
	Pitney Bowes		18334299 PO Box 278 Orangeville ON L9W 2Z7
	Qlik Tech Corporation		399956 PO Box 15349, Station A Toronto ON M5W 1C1
	Quinn Charles		DT33028342 2 1868 Sheppard Avenue W North York ON M3L 1Y3
	RBC Royal Bank c/o BankruptcyHighway.com	Razel Bowen	4516050007710180 PO Box 57100 Etobicoke ON M8Y 3Y2

Creditor Mailing List

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	Renner J Pineda		512778 60 Kingswood Drive Brampton ON L6V 2W3
	RightRide Saskatoon		DT37957389SON02 105 Wakooma St. Saskatoon SK S7R 1A7
	Riverside Auto Sales		DT37940360SON02 600 Elmira Rd. North Guelph ON N1K 1C5
	ROBERT JOHN,EDWARD DREW		504747 236 BRIDGE STREET Saint John NB E2K 1S7
	Rogers		9-0886-0943 PO Rogers 9099 Don Mills ON M3C 3P9
	Rogers		8-9263-5103 PO Rogers 9100 Don Mills ON M3C 3P9
	Rosalyn Balatbat Abacan		509838 160 Jordan Parkway Red Deer AB T4P 0A8
	Rowley Wilson Auto Sales		DT37821957SON02 205 - 1885 Wilson Ave. North York ON M9M 1A2
	Shred-It		1000035711 1218 South Service Road West Oakville ON L6L 5T7
	Sonya Marie Chapman		503103 895 Malagash RD Richmond NB B0K 1E0
	Stephanie M Martin		507096 19185 Airport Road Summerstown ON K0C 2E0
	Steven John Fraser		505946 2627 East River East Side Road Springville NS B2H 5C5
	Tammy Plunkett		DT35030111 1 38 Kirkpatrick Street Kirkland ON P2N 2H1
	Taylor Ominayak		DT34402997 402 9229 Lakeland Drive Grand Prairie AB T8X 0B8
	TCN		CAN-286 162 N. 400 E. B-200 St. George UT 84770 USA

Debtor Mailing List

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	TransUnion		975FA51558 PO Box 15613 Station A Toronto ON M5W 1C1
	UCDA		115525 230 Norseman Street Toronto ON M8Z 2R4
	Vernon NISSAN		DT37831916SON02 6417 Highway 97 Vernon BC V1B 3R4
	Walter Uttke		DT37469154 105A 242 Powder Drive Fort McMurray AB T9K 0B6
	Yaas Automotive Inc		DT37804423SON02 1380 Sargent Ave Winnipeg MB R3E 0G5

Iannilli, Franca

From: Iannilli, Franca
Sent: November 9, 2023 3:38 PM
To: jbt.orilla@yahoo.com
Subject: Source One Financial Corporation Creditors Package.
Attachments: Creditors Package.pdf

Sent on behalf of Peter Naumis, kindly see attached.

Joan Orilla
Unknown
Unknown ON L5B 1M2

Thank you.

Franca Iannilli
Senior Administrator, Business Restructuring & Turnaround Services
Financial Advisory Services
BDO Canada Limited
fiannilli@bdo.ca

360 Oakville Place Drive, Suite 500
Oakville, ON L6H 6K8
Phone: 905-615-8787
Fax: 905-615-1333
www.bdo.ca



♻️ Before you print think about the environment

Iannilli, Franca

From: Iannilli, Franca
Sent: November 9, 2023 2:55 PM
To: chris@carevo.ca
Subject: Source One Financial Corporation - Creditors Package
Attachments: Creditors Package.pdf


Sent on behalf of Peter Naumis, kindly see attached. 4350996 Nova Scotia Limited
Unknown
Unknown NS

Thank you.

Franca Iannilli
Senior Administrator, Business Restructuring & Turnaround Services
Financial Advisory Services
BDO Canada Limited
fiannilli@bdo.ca

360 Oakville Place Drive, Suite 500
Oakville, ON L6H 6K8
Phone: 905-615-8787
Fax: 905-615-1333
www.bdo.ca



 Before you print think about the environment

Iannilli, Franca

From: Iannilli, Franca
Sent: November 9, 2023 2:58 PM
To: 'dgrieg@autoiq.ca'
Subject: Source One Financial Corporation -Creditors Package
Attachments: Creditors Package.pdf

Sent on behalf of Peter Naumis, kindly see attached.


CarloanIQ
Unknown
Kitchener ON L5B 1M2

Thank you.

Franca Iannilli
Senior Administrator, Business Restructuring & Turnaround Services
Financial Advisory Services
BDO Canada Limited
fiannilli@bdo.ca

360 Oakville Place Drive, Suite 500
Oakville, ON L6H 6K8
Phone: 905-615-8787
Fax: 905-615-1333
www.bdo.ca



 Before you print think about the environment

This is Exhibit "4" referred to in the affidavit of
mailing of the Notice of Proposal to Creditors of
Franca Iannilli

SWORN BEFORE ME this 16TH day of November, 2023



A Commissioner for taking Affidavits

**Peter Naumis, a Commissioner, etc.,
Province of Ontario, for BDO Canada LLP
and BDO Canada Limited and their
subsidiaries, associates and affiliates.
Expires April 15, 2024.**



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

BDO Canada Limited
20 Wellington St. E. Suite 500
Toronto ON M5E 1C5 Canada

"B"

District of **ONTARIO**
Division No. **09 - Mississauga**
Estate No. **32-2995640**
Court No. **32-2995640**

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO.

REPORT OF TRUSTEE ON PROPOSAL

TO THE CREDITORS OF
SOURCE ONE FINANCIAL CORPORATION

SOURCE ONE FINANCIAL CORPORATION ("Source One" or the "Company") filed a Notice of Intention to Make a Proposal ("NOI") under the *Bankruptcy and Insolvency Act* on the 6th day of October 2023 with the Official Receiver, and BDO Canada Limited consented to act as Trustee in the administration of the Proposal (in such capacity, the "Trustee").

The Company filed a Proposal with the Official Receiver on the 1st day of November 2023. A creditors' meeting will be held to consider the Proposal on the 22nd day of November 2023 at 10:00 a.m. via conference call (437) 703-5279 or (833) 215-3238, Conference ID: 833 595 688#.

We enclose herewith the following documents:

- Statutory Notice of Meeting of Creditors;
- Copy of the Certificate of Filing;
- Copy of the Proposal;
- Condensed statement of assets and liabilities;
- Listing of creditors;
- Proof of claim form (blank);
- General proxy (blank); and
- Voting letter (blank) in the event you wish to vote in advance of the meeting.

To participate in any dividend distributions, creditors must submit to the Trustee a properly completed proof of claim, together with a statement of account attached thereto as Schedule "A" (the "Claim"). Further, to be eligible to vote in the Proposal, the Claim must be submitted to us prior to the time of the meeting. The Claim should include all amounts outstanding as at the Date of Filing. Filing your Claim is sufficient notice to us of any disagreement you may have with respect to the amount reported due to you in the attached documents. The completed Claim can be delivered to the Trustee's office by mail, courier, facsimile, electronic mail, or in person.



Creditors do not have to attend the creditors' meeting but can vote on the Proposal by completing the attached voting letter and indicating their vote FOR or AGAINST the Proposal. Creditors can also appoint a person to represent them at the creditors' meeting by submitting a properly completed proxy form with the proof of claim form. The proxy may be given in favour of the Trustee or any individual representing you. All corporations must name a proxy.

The following information is provided to assist creditors in evaluating the Company's affairs and the Proposal. Please note we have not audited or reviewed the Company's books and records and, as a result, we are not able to express an opinion concerning the accuracy of the information contained herein. The following information originated from the Company's books and records that were made available to us, as well as from our discussions with the Company and management.

All figures presented herein are in Canadian dollars unless expressly noted. Any terms not defined herein have the definitions ascribed to them in the Proposal.

BACKGROUND

The Company was incorporated on November 28, 2011, and operated from leased premises at 940 Sheldon Court, Burlington, Ontario. The Company provides automotive finance loans to non-prime and sub-prime borrowers in Canada through a network of new and used vehicle dealers. In addition, the Company acted as administrative agent to Westlake Services, LLC ("**Westlake**") for their automotive loan portfolio that was generated through Source One. Bill Kooy ("**Kooy**") and Anthony Speelman ("**Speelman**") and together with Kooy, the "**Directors**") are the Company's Directors.

The Company utilized two main lenders in its operations - Cortland Credit lending Corporation ("**Cortland**") and Westlake. In the past, Cortland provided the Company with operating capital. As well, the Cortland facility included the amalgamation of two existing secured funding facilities, initially advanced to the Company for vehicle loans from other third-party lenders. Following this amalgamation of facilities in 2019, Cortland did not fund any new consumer vehicle loans outside of its existing facility. Westlake began funding all new vehicle loans for the Company in or around December 2019. Auto dealers would approach the Company for funding on vehicle loans, which the Company would outsource to Westlake for review. Once Westlake approved the loan, the Company would advise the dealer of the approval and the sale would be consummated. Westlake advanced funding to the Company, and the Company in turn would pay the funds to the dealer. The Company would then service the Westlake loan for its term. The Company serviced the loan portfolio on behalf of Westlake and earned revenue through "profit sharing" if the portfolio performed well.

All automotive loans were between the consumer and the Company. Loan payments and other vehicle proceeds were received directly by the Company and allocated to the respective portfolios of either Cortland or Westlake for payment.

Financial difficulties for the Company began in or around December 2020 when a former partner left the Company to become CEO for a competing lender named Northlake Financial ("**Northlake**"). Northlake was also funded by Westlake. The Company's financial struggles are due to:

- the significant and rapid rise in interest rates in 2023, and the subsequent effect on the loan portfolios and Source One's diminishing (or negative) interest premium charged;
- the increased cost of funding provided by Westlake;
- the reduced amount of profit-sharing revenue, which in some cases was negative;
- the negative affect of rising interest rates on new loan originations; and



- the increasing loan defaults at a more aggressive rate than originally projected in the business model, resulting in increased recovery costs and increases losses in the respective portfolios.

Despite these challenges the Company continued business in attempts to bring stability to operations. The Directors injected millions of dollars in operating capital over the last 24 months to maintain operations. However, revenues and cash flow quickly began to diminish as a result of the factors identified above.

Management further advises that in August 2023 Westlake contacted the Company suggesting they could not continue with the existing Sales & Servicing Agreement and required more equity from future loan originations. Westlake offered three new arrangements:

- (i) Westlake advances 90% of each new loan origination;
- (ii) Westlake advances 95% of each new loan origination; or
- (iii) Westlake ceases to fund any new loan originations.

Westlake previously advanced 100% of each new loan origination. Accordingly, option (i) and (ii) required the Company to supplement Westlake's funding with the additional 5% or 10% required to fund a deal. Considering the Company was currently losing money and had no ownership or security interest in the vehicles, none of the above options were deemed feasible.

Having no further operating capital, the Company determined it was not feasible to continue operations and accordingly ceased operations on September 8, 2023, terminating approximately 90% of its employees. Four employees remained with the Company and continued to be paid by the Directors to assist with a wind down of operations, including the transitioning of the Westlake portfolio to Northlake. Cortland continued to be serviced by the Company while Cortland assessed its options. Source One did not originate any new loans subsequent to September 8, 2023.

Following the filing of the NOI and leading up to the filing of the Proposal, Westlake negotiated directly with Cortland and took an assignment of Cortland's portfolio and security (the "Assignment"). Subsequent to the Assignment, the Cortland portfolio belonged to Westlake. Following the filing the Proposal to the unsecured creditors, Westlake immediately proceeded to foreclose on the assets of the Company that were subject to the Cortland security. Accordingly, the Company no longer maintains any loan portfolios.

The Company now finds itself unable to maintain its day-to-day operations and meet its obligations. Management has attempted to be proactive and take steps to mitigate its financial challenges, however, circumstances did not allow such mitigation. Accordingly, despite no longer operating or maintaining any loan portfolios, the Company wishes to seek a settlement with its creditors and has filed a Proposal under the *Bankruptcy and Insolvency Act*, to be funded by a third-party sponsor.

SUMMARY OF PROPOSAL

The Company's Proposal is to be funded by 2164155 Ontario Inc. (the "Sponsor"). The Sponsor shall pay, or cause to be paid to the Trustee a total amount of \$250,000 (the "Proposal Fund") immediately upon obtaining an order of the court approving the Proposal.

Under the terms of the Proposal, the Proposal Funds will be utilized as follows:

- the Administrative Fees and Expenses will be paid in priority to all creditors' claims;
- All amounts owing to Canada Revenue Agency that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* or under any substantially similar provision of provincial legislation,



that were outstanding at the Date of Filing, shall be paid in full within 6 months after the Court Approval Date;

- Secured Creditors, if any, will be unaffected;
- Preferred Creditors will be paid in full in priority to Unsecured Creditors, immediately after Court approval. Based on available information, the Trustee is not aware of any amount owing under this category;
- Claims of Former Employees shall participate in the *Wage Earners Protection Program* (“WEPP”), to be administered by the Trustee upon receipt of the order of the court approving the Proposal. Instructions will be distributed to Former Employees on how to apply for WEPP. Any claims of Former Employees will not participate in any distribution from the Proposal Funds;
- Unsecured Creditors will receive the balance of the Proposal Funds, to be divided on a pro rata basis, in full and final settlement of their proven unsecured claims;
- Creditors agree not to pursue any actions against the Company’s directors for claims against the directors that arose prior to the Date of Filing and that relate to the obligations of the Company where the directors are by law liable in their capacity as directors for the payment of such obligation; and
- all payments to creditors are subject to a levy payable to the Superintendent of Bankruptcy pursuant to section 147 of the *Bankruptcy and Insolvency Act*, calculated at 5 percent.

In consideration of the Sponsor funding this Proposal:

- (a) all Existing Shares shall be cancelled and retired and shall cease to exist, with no consideration delivered in exchange therefor; and
- (b) the Company shall issue and deliver one hundred (100) new common shares in the equity of the Company to the Sponsor, or its permitted assignee.

If the requisite statutory majorities of creditors and the Court approve the Proposal, the Proposal will become legally binding on the Company and all Unsecured and Preferred Creditors. If the creditors reject the Proposal, the Company will be deemed to have filed an assignment in bankruptcy.

Readers are cautioned that the foregoing summary is meant only as a simplified overview. The Proposal contains terms and conditions which are not set out above. In the event of any conflict between the summary and the Proposal, the terms of the Proposal will prevail. Creditors are therefore urged to read the Proposal in its entirety and, if necessary, to consult with their professional advisors.

IDENTIFICATION AND EVALUATION OF ASSETS

The assets of the Company are subject to the encumbrances of the following secured creditors:

- Cortland Credit lending Corporation - Cortland holds a General Security Agreement (“GSA”) over all of the Company’s assets and property. Cortland registered its security interest in the Company’s assets under the *Personal Property Security Act* R.S.O. 1990, c. P. 10, as amended (the “PPSA”). Based on the Company’s records and searches of the Ontario Personal Property Security Registration System conducted by the Trustee’s independent counsel, Cortland’s security enjoys a first priority position. On October 31, 2023, Cortland executed an assignment of its security and interest in and to



the Company's assets and property to Westlake, which transaction was completed on November 1, 2023. Cortland was owed approximately \$8,400,000, not including accruing professional legal and advisory fees;

- Westlake Services, LLC - Westlake registered its security interests in the assignment of receivables owing under the Westlake portfolio of loans due and owing from the Company under the Sales & Service Agreement between the Company and Westlake. As discussed above, the Company was simply a servicer to the Westlake portfolio of loans. The inability of the Company and Westlake to negotiate a new Sales & Servicing Agreement resulted in Westlake transitioning its portfolio to Northlake prior to the Company filing its NOI. The Westlake portfolio, and any receivables collected by the Company under that portfolio, has been fully released and transferred to Westlake prior to the First Meeting of Creditors in this Proposal;
- 1717030 Ontario Limited ("171 Ont") - 171 Ont is a related entity owned by Speelman. 171 Ont registered its security interest against the Company under the PPSA as security for monies advanced to the Company by Speelman to maintain operations. 171 Ont will not realize any recoveries as a secured creditor and has agreed not to seek payment under the Proposal for any unsecured deficiency claim that it may have; and
- CWB National Leasing Inc. ("CWB") - CWB has registered a security interest against the Company under the PPSA as security for the lease of certain photocopiers, attachments, and accessories to the Company. CWB is not affected by the proposal, to the extent of its secured claims, and such equipment shall be released to CWB.

The Trustee has requested Aird & Berlis LLP ("Aird & Berlis") to provide a legal opinion on the validity and enforceability of the security held by Cortland. Aird & Berlis has advised the Trustee that subject to the usual qualifications and assumptions, it is of the opinion that the security granted by the Company in favour of Cortland creates a valid security interest and is enforceable in accordance with its terms including against a trustee in bankruptcy.

As previously stated, on November 1, 2023, Westlake (having taken an assignment of Cortland's security) foreclosed on its security and took control of all of the Company's assets under the Cortland security. The Company no longer maintains any assets, other than those subject to CWB's security which it intends to release to CWB.

Considering the above, the Trustee has not incurred the expense of requesting an independent legal opinion from Aird & Berlis of the 171 Ont or CWB security at this time.

The Trustee identified the assets of the Company, as at the date of the NOI, which, as discussed above, were fully encumbered and have become subject to the foreclosure procedures initiated and completed by Westlake:

Cash on hand

The Company's Statement of Affairs reported approximately \$2,732,000 in its bank accounts as of October 6, 2023, the date of the NOI. The cash on hand can be broken down further as receipts received and subject to the Cortland's (est. \$123,000) and Westlake's (est. \$2,609,000) portfolios. Westlake has taken possession of the Cortland proceeds under its foreclosure. The Westlake proceeds flowed through to Westlake under its receivable. The Company's bank balance fluctuates on a day-to-day basis as the respective loan portfolio receivables are received. Management directs the loan proceeds amongst Cortland and Westlake daily.



Furniture and equipment (“Furniture”)

The Company’s Furniture consists of miscellaneous aged chairs, computer equipment and leased photocopiers. The Trustee has not incurred the costs of arranging an appraisal of the Furniture at this time. The photocopiers will be returned to CWB.

Book Debts Due

The vehicles loans under the Cortland portfolio have maturity dates extending into 2029. The Company estimates the book value of the receivable under the Cortland portfolio to be approximately \$7,800,000 as at October 6, 2023. This does not consider the cost of future vehicle loan defaults, expenses to realize on defaults, repossession costs, etc. The book debts due are subject to the foreclosure by Westlake. Considering the book debts due are less than the Cortland indebtedness, there are no surplus funds available for Unsecured Creditors.

ESTIMATED REALIZATION TO CREDITORS

A Schedule of Estimated Realization comparing the estimated realization in a bankruptcy scenario to the estimated realization from the offered Proposal is outlined below:

IN THE MATTER OF THE PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO.
Schedule of Estimated Realization

	<u>Bankruptcy</u>	<u>Proposal</u>
ESTIMATED GROSS REALIZATION		
Cash on hand, note 1	\$ -	\$ -
Book Debts Due, note 1	-	-
Furniture and equipment	Encumbered	-
Retainer	30,000	-
Sponsor’s Lump Sum payment under proposal		250,000
	<u>\$ 30,000</u>	<u>\$ 250,000</u>
ESTIMATED COSTS OF REALIZATION		
Filing Fees and Disbursements	1,000	1,000
Trustee’s fees and disbursements	25,000	40,000
Legal Fees of Trustee and Company	-	85,000
HST	3,341	16,341
	<u>29,341</u>	<u>142,341</u>
ESTIMATED AMOUNT AVAILABLE FOR DISTRIBUTION	<u>\$ 659</u>	<u>\$ 107,659</u>
ESTIMATED CLAIMS OF ORDINARY CREDITORS		
Ordinary unsecured, note 2	3,500,000	850,000
	<u>3,500,000</u>	<u>850,000</u>
Estimated recovery to Ordinary Creditors	0.0%	12.7%

Notes:

1. Cash on hand and Book Debts Due to the Company were subject to the foreclosure proceedings initiated, and completed, by Westlake Services, LLC. Accordingly, in the event of bankruptcy, the Trustee does not attribute any value to these for the general benefit of unsecured creditors.
2. Certain related parties have agreed to waive and postpone their claim and dividend in the Proposal administration. In addition, the Westlake Services, LLC foreclosure satisfies the shortfall in the Cortland Credit Lending Corporation security. Accordingly, the estimated claims of participating unsecured creditors in the Proposal proceedings reflects these adjustments. However, the related parties have advised they intend to prove their claims and participate in the event of a subsequent deemed bankruptcy of the Company.



If the Proposal is rejected, the Company will be deemed bankrupt. The Licensed Insolvency Trustee would typically proceed to realize on the assets available for Unsecured Creditors. The anticipated recovery under a bankruptcy scenario will be \$Nil for the Unsecured Creditors. The Proposal provides an estimated recovery of 12.7% for Unsecured Creditors.

The main advantages of the Proposal are as follows:

- the Sponsor has agreed to fund the Proposal of the otherwise defunct Company, subject to Creditor and Court Approval;
- The Sponsor's Proposal Fund is a lump sum payable upon Court Approval, thereby allowing for an expedited distribution to Unsecured Creditors;
- Unsecured Creditors will experience a recovery that they may otherwise not obtain in a bankruptcy;
- management has co-operated with the Trustee since the filing of the NOI;
- related parties, with potential claims in excess of \$3,000,000, have agreed not to file a claim under the Proposal or participate in any distributions to the Unsecured Creditors, thereby increasing the return to the proven Unsecured Creditors; and
- the quantum of payments is fixed in the Proposal, so there is a degree of certainty to the calculation of the expected recovery to Unsecured Creditors.

Based on all of the information that has come to the Trustee's attention to date, the Trustee recommends that Unsecured Creditors accept the Company's Proposal.

We trust that the foregoing adequately explains the current and ongoing circumstances of the Company. If any questions or concerns arise, please contact Peter Naumis at (905) 615-6207.

Dated at Toronto, Ontario this 8th of November 2023.

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

BDO CANADA LIMITED
Trustee
20 Wellington Street E., Suite 500
Toronto, Ontario M5E 1C5



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Mississauga
Court No. 32-2995640
Estate No. 32-2995640

In the Matter of the Proposal of:

Source One Financial Corporation

Debtor

BDO CANADA LIMITED / BDO CANADA LIMITÉE

Licensed Insolvency Trustee

Date of Proposal:	November 01, 2023	Security:	\$
Meeting of Creditors:	November 22, 2023, 10:00 Conference call, 1 (437) 703-5279 Conference ID: 833 595 688# --, Ontario Canada,		
Chair:	Trustee		

CERTIFICATE OF FILING OF A PROPOSAL - Section 62

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that:

- a proposal in respect of the aforementioned debtor was filed under section 62 of the *Bankruptcy and Insolvency Act*.

The aforementioned trustee is required:

- to provide to me, without delay, security in the aforementioned amount; and
- to send to all creditors, at least ten days prior to the meeting, a notice of a meeting of creditors, which will be held at the aforementioned time and place.

Date: November 02, 2023, 08:19

E-File/Dépôt Electronique

Official Receiver

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada, L8R3P7, (877)376-9902

Canada



District of: Ontario
Division No. 09-Mississauga
Court No. 32-2995640
Estate No. 32-2995640

Tel: 905 615 8787
Fax: 905 615 1333
www.bdo.ca

BDO Canada Limited
360 Oakville Place Drive, Suite 500
Oakville, ON L6H 6K8

FORM 92
Notice of Proposal to Creditors
(Section 51 of the Act)

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

Take notice that Source One Financial Corporation of the City of Burlington in the Province of Ontario has lodged with me a proposal under the *Bankruptcy and Insolvency Act*.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed.

A general meeting of the creditors will be held on the 22nd day of November 2023 at 10:00 AM at Conference call or 1 (437) 703-5279, Conference ID: 833 595 688#.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Proofs of claim must be lodged with me prior to the commencement of the meeting.

Proxies and voting letters intended to be used at the meeting may be filed at any time up until the moment a vote is called.

Dated at the City of Toronto in the Province of Ontario, this 6th day of November 2023.

BDO Canada Limited / BDO Canada Limitée - Licensed Insolvency Trustee

20 Wellington St E, Suite 500
Toronto ON M5E 1C5
Phone: (416) 865-0210 Fax: (416) 865-0904

(A form of proof of claim, a form of proxy and a voting letter should be enclosed with each notice.)

District of Ontario
Division No. 9 - Mississauga
Court File No.: BK-23-02995640-0032
Estate File No.: 32-2995640

(ONTARIO)
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
[COMMERCIAL LIST]

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO**

PROPOSAL
(under section 50 of the *Bankruptcy and Insolvency Act*)
(October 31, 2023)

Source One Financial Corporation hereby submits the following Proposal under the provisions of the Act.

PART I
INTERPRETATION

Definitions

1. In this Proposal:
 - (a) “**Act**” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
 - (b) “**Administrative Fees and Expenses**” means the fees and expenses of the Trustee incidental to the NOI and the preparation and facilitation of the Proposal and any amendments thereto, including, without limitation, fees incurred by the Trustee in the administration of the Funded Proposal Payment; and, the legal fees and expenses of the Proposal Trustee and the Company before and following execution, acceptance and approval of this Proposal and in connection with the NOI and the preparation of this Proposal, as well as advice to the Company in connection therewith;

- (c) “**Affected Creditors**” means Creditors with Proven Unsecured Claims and for certainty shall include Proven Claims of His Majesty in Right of Canada and any province for all amounts other than Crown Claims or Secured Claims; and, shall not include Crown Claims, Secured Claims or Preferred Claims, each of which are addressed separately hereunder;
- (d) “**Approval Order**” means an order of the Court (i) approving this Proposal to be granted pursuant to the provisions of the Act and (ii) declaring that the Company qualifies as a former employer under s. 5(5) of WEPPA;
- (e) “**Business Day**” means a day, other than a Saturday or Sunday, on which banks are generally open for business in Toronto, Ontario;
- (f) “**Claim**” means any right of any Person with indebtedness, liability or obligation of any kind against the Company which indebtedness, liability or obligation is in existence at the Date of Filing, whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, unknown, by surety or otherwise and whether or not such a right is executory in nature including, without limitation, the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause, chose in action, whether existing at present or commenced in the future based in whole or in part on facts which exist prior to or at the time of Date of Filing;
- (g) “**Common Shares**” means common shares in the capital of the Company;
- (h) “**Company**” means Source One Capital Corporation;
- (i) “**Court**” means the Ontario Superior Court of Justice (Commercial List) in Bankruptcy and Insolvency;
- (j) “**Court Approval Date**” means the date on which the Approval Order is issued and entered by the Court;
- (k) “**Creditor**” means any Person having a Claim;
- (l) “**Creditors Meeting**” means the meeting of the Affected Creditors called for the purpose of considering and voting upon this Proposal;
- (m) “**Crown Claims**” means Claims of His Majesty in right of Canada or any province of all amounts of a kind contemplated by section 60(1.1) of the Act;
- (n) “**Date of Filing**” means October 6, 2023, the date on which the Company filed the NOI;

- (o) “**Disputed Claims**” means a Claim filed in this Proposal by a Creditor that is: (i) disallowed in whole or in part by the Trustee; and/or (ii) is the subject of a disallowance proceeding or appeal before the Court;
- (p) “**Employee Preferred Claim**” means a Claim by a current or former employee of the Company, or such portion of such Claim, that would be payable in priority under Subsection 136(1)(d) of the Act;
- (q) “**Equity Claim**” has the meaning given to such term in Section 2 of the Act;
- (r) “**Event of Default**” has the meaning given to it in Part VIII of this Proposal;
- (s) “**Existing Shares**” means all Common Shares, Preferred Shares and any other share capital of the Company, as well as any warrant or option or similar instrument that may invoked or utilized to obtain any capital stock or equity interest in the Company, issued and outstanding immediately prior to the Implementation Date;
- (t) “**Existing Equity Holders**” means any person holding Existing Shares;
- (u) “**Final Order**” means a Court order for which the applicable appeal period has lapsed with no person seeking an appeal therefrom or, if such appeal has been taken, any such appeal(s) have finally been disposed of and any related appeal rights shall have lapsed;
- (v) “**Former Employee**” means an individual who was an employee of the Company and whose employment was terminated by the Company prior to the Date of Filing or who were or are terminated as part of the restructuring under this Proposal;
- (w) “**Former Employee Claim**” means the Claim, if any, of a Former Employee arising from the Former Employee’s termination by the Company, inclusive of wages, vacation pay, termination pay and severance;
- (x) “**Funded Proposal Payment**” shall mean \$250,000 which will be advanced to the Trustee for distribution pursuant to Part V of this Proposal;
- (y) “**Implementation Date**” means 10 Business Days following the date the Approval Order becomes a Final Order;
- (z) “**Inspectors**” means the inspectors, if any, appointed pursuant to Part X of this Proposal;
- (aa) “**Levy**” means the levy imposed by the Superintendent of Bankruptcy under the Act;
- (bb) “**New Common Shares**” means the Common Shares to be issued by the Company on the Implementation Date;

- (cc) “**NOI**” means the Notice of Intention to Make a Proposal filed by the Company on October 6, 2023;
- (dd) “**Non-Participating Creditors**” means 1717030 Ontario Ltd.; 1717031 Ontario Ltd.; Larmen Investments Ltd.; and, Kooy Brothers Lawn Equipment Ltd.;
- (ee) “**Person**” means any individual, partnership, joint venture, trust corporation, unincorporated organization, government or any agency or instrumentality thereof, or any other entity howsoever designated or constituted;
- (ff) “**Post-Filing Crown Claims**” means all Crown Claims that became due or shall become due on or after the Date of Filing;
- (gg) “**Post-Filing Goods and Services**” means the goods supplied, services rendered, and other consideration given or provided to the Company on or after the Date of Filing;
- (hh) “**Pre-Filing Crown Claims**” means all Crown Claims that were outstanding as at the Date of Filing;
- (ii) “**Preferred Claim**” means any claim that is afforded priority under Section 136(1) of the Act;
- (jj) “**Preferred Creditor**” means any Persons holding a Preferred Claim, solely in respect to that Preferred Claim;
- (kk) “**Proposal**” means this proposal dated October 31, 2023, together with any amendments or additions thereto;
- (ll) “**Proposal Period**” means the period between the Court Approval Date and the date on which all distributions to the Proven Creditors have been made and a Certificate of Full Performance of Proposal has been issued by the Trustee to the Company pursuant to Section 65.3 of the Act, provided that no Event of Default has occurred that has not been cured or waived;
- (mm) “**Proven**” as used in relation to any Claim means such Claim as finally accepted or determined by the Trustee in accordance with the provisions of the Act and this Proposal, subject to the Creditor’s right of appeal to Court, the Court’s determination of that Claim or any applicable appeal periods having expired and no appeal having been made;
- (nn) “**Secured Claim**” means the value of any Claim by a Secured Creditor, excluding Crown Claims;
- (oo) “**Secured Creditors**” means those Persons holding a valid and enforceable mortgage, hypothec, pledge, charge, lien or privilege on or against the

property of the Company or any part thereof as security for a Claim, but excludes the Canada Revenue Agency to the extent of its Crown Claims;

- (pp) “**Sponsor**” means 2164155 Ontario Inc.;
- (qq) “**Trustee**” means BDO Canada Limited, solely in its capacity as proposal trustee of the Company;
- (rr) “**Unsecured Claim**” means the value of any Proven Claim in respect of which no security is held and which is not afforded priority under Section 136(1) of the Act;
- (ss) “**Unsecured Creditors**” means those Persons holding Unsecured Claims; and
- (tt) “**WEPPA**” means the *Wage Earner Protection Program Act*.

Headings

- 2. The division of this Proposal into parts, paragraphs and subparagraphs, and the insertion of headings herein, is for convenience of reference only and is not to affect the construction or interpretation of this Proposal.

Number, etc.

- 3. In this Proposal, where the context requires, a word importing the singular includes the plural and vice versa, and a word importing gender includes the masculine, feminine and neuter genders.

Date for Action

- 4. In the event that any date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day that is a Business Day.

Accounting Principles

- 5. Accounting terms not otherwise defined in this Proposal have the meanings assigned to them in accordance with generally accepted Canadian accounting principles.

Currency

- 6. All dollar amounts contained herein shall be in Canadian dollars.

**PART II
PURPOSE AND EFFECT OF THIS PROPOSAL;
CONDITIONS PRECEDENT**

Purpose of Proposal

7. The purpose of this Proposal is to complete the wind-down of the business of the Company in a manner beneficial to all Affected Creditors. It is expected that, prior to the Creditors Meeting and the implementation of this Proposal, the Company's senior Secured Creditor shall have foreclosed on its security, taking control of substantially all of the Company's assets, rendering the Company incapable of sustaining operations without additional capital investments. This Proposal is made, with the support of the Sponsor, to provide all Affected Creditors a greater benefit than would result from a bankruptcy of the Company.

Effect of Proposal

8. This Proposal (a) restructures the indebtedness of the Company, (b) effects a reorganization of the holders of Common Shares of the Company, and (c) provides the essential terms on which all Creditors' Claims will be fully and finally resolved and settled.

Stay of Proceedings

9. During the Proposal Period, and provided that an Event of Default has not occurred and is continuing hereunder, all Creditors other than Secured Creditors will be stayed from commencing or continuing any proceeding or remedy against the Company or any of its property or assets in respect of a Claim including, without limitation, any proceeding or remedy to recover payment of any monies, to recover or enforce any judgment against the Company in respect of a Claim or to commence any formal proceedings against it other than as provided for under this Proposal.

Conditions Precedent

10. This implementation of this Proposal is conditional upon:
 - (a) the approval of this Proposal by the requisite majorities of creditors as provided under the Act. If such approval is not obtained, the Company will be deemed bankrupt, as provided under the Act; and
 - (b) the Court granting the Approval Order on a motion by the Proposal Trustee, as provided under the Act. If the Court does not approve the Proposal, the Company will be deemed bankrupt, as provided under the Act,

(collectively, the "**Conditions Precedent**")

11. In the event the Conditions Precedents are not met, this Proposal shall be null and void and any monies advanced to the Trustee by the Sponsor shall be reimbursed to the Sponsor, without interest, after paying Administrative Fees and Expenses.

**PART III
CLASSIFICATION OF CREDITORS**

12. This Proposal is made to a single class of creditors, comprising only the Affected Creditors (as defined in the Recitals hereto).

**PART IV
SECURED CREDITORS**

13. Secured Creditors shall be unaffected by this Proposal.

**PART V
TREATMENT OF VARIOUS CLAIMS;
FUNDING OF PROPOSAL AND DISTRIBUTION;
REORGANIZATION**

A. TREATMENT OF CLAIMS

Crown Claims

14. At the Date of Filing, the Company owed \$nil to CRA for employee source deduction, including related penalties and interest calculated up to the Date of Filing. Subsequent to the Date of Filing, all outstanding amounts have been paid and no such amounts are currently owing.
15. All Proven Pre-Filing Crown Claims (if any) shall be paid in full by the Sponsor outside of this Funded Proposal Payment. Such funds shall be advanced to the Trustee and remitted by the Trustee to His Majesty in the Right of Canada or of any province, as applicable, within six (6) months of the Court Approval Date.

Employee Preferred Claims

16. All Proven Employee Preferred Claims (if any) shall be paid in full by the Sponsor outside of this Funded Proposal Payment immediately after Court Approval. Such funds shall be advanced to the Trustee and remitted by the Trustee to the entitled claimants immediately after the Court Approval Date. For clarity, no Employee Preferred Claims will be paid out of the Funded Proposal Payment.

Former Employee Claims

17. In addition to any amount received on account of an Employee Preferred Claim (if any), all creditors having Former Employee Claims shall be entitled to apply for

compensation under WEPPA. For clarity, no amount of the Funded Proposal Payment shall be applied to any compensation payable under WEPPA.

Preferred Claims (in addition to Employee Preferred Claims)

18. Proven Preferred Claims (if any), other than Employee Preferred Claims, shall be paid in full, without interest, out of the Funded Proposal Payment on the Implementation Date.

Unsecured Claims

19. Creditors holding Proven Unsecured Claims shall receive, on a *pro rata* basis, payment out of the Funded Proposal Payment.

Equity Claims

20. Equity Claims shall not receive any distribution, payment or other consideration under this Proposal.

Treatment of Claims

21. For purposes of this Proposal, each Creditor holding a Claim will receive the treatment provided for in this Proposal on account of such Claim.

B. FUNDING OF PROPOSAL

Funded Proposal Payment

22. The Sponsor shall pay the Funded Proposal Payment to the Trustee in the amount of \$250,000 immediately after the Court Approval Date.

Funded Crown and Employee Payments

23. The Sponsor shall pay the amount of any Proven Pre-Filing Crown Claims and the amount of any Proven Employee Preferred Claims to the Trustee in accordance with paragraphs 15 and 16 of this Proposal.

C. DISTRIBUTION

Distributions of Funded Proposal Payment

24. The Funded Proposal Payment shall be distributed by the Trustee in the following order of priority:
 - (a) first, to the Administrative Fees and Expenses;
 - (b) second, to Proven Preferred Claims under paragraph 18 of this Proposal, if any; and

- (c) third, to Creditors holding Proven Unsecured Claims, in accordance with the Act.

No Distribution to Non-Participating Creditors or Existing Equity Holders

- 25. No payment shall be made out of the Funded Proposal Payment, or in respect of this Proposal, to Non-Participating Creditors or to Existing Equity Holders. Without limiting the generality of the foregoing, the Non-Participating Creditors postpone and waive any right to any distribution under this Proposal, as evidenced by the executions in Schedule "A" hereto.
- 26. For clarity, notwithstanding the foregoing, in the event that the Conditions Precedent to the Proposal are not met, then the Non-Participating Creditors shall be deemed to have never postponed or waived any Claim, which Claims, in accordance with the priority thereof, shall be enforceable in a bankruptcy.

D. REORGANIZATION

Cancellation and Issuance of Common Shares

- 27. In consideration for the Sponsor funding this Proposal, as at the Implementation Date:
 - (a) all Existing Shares shall no longer be outstanding, shall be automatically cancelled and retired and shall cease to exist, and no consideration shall be delivered in exchange therefor; and
 - (b) the Company shall issue and deliver one hundred (100) new common shares in the equity of the Company to the Sponsor or its permitted assignee, which common shares shall be fully paid and non-assessable shares and represent 100% of the issued and outstanding shares in the equity of the Company.

PART VI POST-FILING OBLIGATIONS

Payment of Post-Filing Goods & Services

- 28. During the Proposal Period, all Post-Filing Goods and Services shall be paid in full in the ordinary course of business by the Company.

Post-Filing Crown Claims

- 29. During the Proposal Period, the Company shall remit all Post-Filing Crown Claims as and when due.

Reporting by the Company

30. During the Proposal Period, the Company shall provide to the Trustee, no later than 5 Business Days after receipt of a written request, a report containing the evidence of Company's filing and remittance of source deductions and HST, and such other information as the Trustee may reasonably require.

**PART VII
LEVY, MANDATORY PAYMENTS AND PREFERRED CLAIMS**

Levy

31. The Levy, if applicable, shall be deducted by the Trustee from distributions to Creditors by the Trustee pursuant to Sections 147 and 60(4) of the Act.

Payment of Fees and Expenses

32. As per Part V of this Proposal, the Administrative Fees and Expenses shall be paid in priority to the Crown Claims and all other Creditors. The Trustee will be at liberty to withdraw and pay such Administrative Fees and Expenses at any time and from time-to-time subject to final approval by the Registrar in Bankruptcy upon completion of the Proposal. The Trustee's disbursements will be charged in addition to its fees based on the actual costs incurred and/or as allowed by tariff.

Employee Claims

33. As per Part V of this Proposal, all Employee Preferred Claims (if any) will be paid in priority to other Claims immediately after the issuance of the Approval Order.

Preferred Claims

34. As per Part V of this Proposal, Proven Claims of Preferred Creditors, without interest, are to be paid in full priority to all Claims of the Unsecured Creditors including, without limitation, any entitlement of the Unsecured Creditors to the distributions to be made under Part V of this Proposal.

**PART VIII
EVENTS OF DEFAULT**

35. The following events will constitute Events of Default for purposes of section 63 of the Act and otherwise under this Proposal:
 - (a) the non-payment by the Sponsor of the Funded Proposal Payment as contemplated hereby within thirty (30) days after written notice has been given by the Trustee that such payment is past due; and
 - (b) the breach or failure by the Company to observe and perform any other covenant and provision of this Proposal, which is not remedied within thirty

(30) days after written notice thereof has been given to the Company by the Trustee.

PART IX TRUSTEE

36. The Trustee is acting solely in its capacity as proposal trustee under the Act and not in its personal capacity and no officer, director, employee or agent of the Trustee shall incur any obligations or liabilities in connection with this Proposal or in connection with the business or liabilities of the Company.
37. Any payments made by the Trustee to Creditors hereunder shall be made by the Trustee net of the levy payable and due under the Act.

PART X INSPECTORS

Appointment of Inspectors

38. At the Creditors Meeting, the Affected Creditors will be entitled to appoint one or more, but not exceeding five (5) Inspectors in total.

Powers of Inspectors

39. The Inspectors, by way of majority, will have the following powers, but will have no personal liability to the Company or other Creditors:
 - (a) the power to extend the dates the Funded Proposal Payment is due under this Proposal;
 - (b) the power to waive any default in the performance of any provision of this Proposal; and
 - (c) the power to advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee.

PART XI CONDITIONS PRECEDENT

Creditor Approval

40. The Trustee shall call a meeting of the Affected Creditors of the Company to seek Creditor approval of the Proposal in the requisite majority in number and value of the class, as set out in the Act, of Creditors described in this Proposal.

41. The performance of this Proposal by the Company shall be conditional upon approval of the Affected Creditors. If such Affected Creditors do not approve the Proposal, the Trustee shall report on the result of the vote as required under section 57 of the Act and the Company shall be deemed bankrupt.

Court Approval

42. In the event the Proposal is approved by the Affected Creditors, the Proposal Trustee shall, as soon as practicable, apply to the Court for a hearing to seek the Approval Order. The performance of this Proposal by the Company shall be conditional upon the issuance of the Approval Order. In the event that the Court does not approve the Proposal, the Company shall be deemed bankrupt.

If Conditions Precedent not Met

43. In the event the conditions precedents above are not met, and the Company is deemed bankrupt, all monies advanced to the Trustee by the Sponsor shall be reimbursed to the Sponsor, without interest, after payment of all Administrative Fees and Expenses.

PART XII RELEASES

44. As at 12:01 a.m. on the Implementation Date, the Company, shall be released and discharged from any and all Claims. This release shall have no force or effect if the Company goes bankrupt before the terms of the Proposal are performed.
45. As of 12:01 a.m. on the Implementation Date, each and every present and former director of the Company shall be released from claims against them that arose before the Date of Filing and that relate to the obligations of the Company where such persons are by law liable in their capacity as directors for the payment of such obligations, provided that nothing herein shall release or discharge any director of the Company from any claims coming within the exceptions set out in section 50(14) of the Act. This release shall have no force or effect if the Company goes bankrupt before the terms of the Proposal are performed.

PART XIII MISCELLANEOUS

Non-Participating Creditors

46. In order to facilitate this proposal, the Non-Participating Creditors have agreed, as evidenced by such creditor's signed confirmations appended as Schedule "A" hereto, that: (a) each will not file any Claim in this Proposal; and (b) each will not participate in any distributions to Creditors under this Proposal.

Consents, Waivers and Agreements

47. On the Implementation Date, all Creditors other than Secured Creditors will be deemed to have consented and agreed to all of the provisions of this Proposal in its entirety. For greater certainty, each such Creditor will be deemed to have waived any default by the Company in any provision, express or implied, in any agreement existing between the Creditor and the Company that has occurred on or prior to the Date of Filing, and to have agreed that, to the extent that there is any conflict between the provisions of any such agreement and the provisions of this Proposal, the provisions of this Proposal take precedence and priority and the provisions of any such agreement are amended accordingly.

Further Actions

48. The Company and the Creditors will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal and to give effect to the transactions contemplated hereby.

Performance

49. Except where otherwise expressly provided, all obligations of the Company under this Proposal will commence as of the Implementation Date. All obligations of the Company under this Proposal will be fully performed for the purposes of Section 65.3 of the Act only upon the Sponsor having made the Funded Proposal Payment and the Company having made the New Common Share issuances, each as provided for herein.

Acceleration of Payments

50. Notwithstanding the payment structure set out in Part V of this Proposal, nothing herein prevents or restricts the Company from accelerating the Funded Proposal Payment or from satisfying the full amount of the Funded Proposal Payment in advance of the time period contemplated in Part V of this Proposal.

Binding Effect

51. The provisions of this Proposal will be binding on the Creditors and the Company, and their respective heirs, executors, administrators, successors and assigns, upon issuance of the Approval Order after all appeal periods have expired.

PART XIV ANNULMENT OF PROPOSAL


52. If this Proposal is annulled by an order of the Court, all payments on account of Claims made pursuant to the terms of this Proposal will reduce the Claims of Creditors.

**PART XV
AMENDMENTS**

53. The Company may propose amendments to the Proposal at any time prior to the conclusion of the Creditors Meeting provided that any such amendment does not reduce the rights and benefits given to the Creditors pursuant to the Proposal before such amendment and that any and all amendments shall be deemed to be a part of and incorporated into the Proposal.

DATED at the City of Toronto, in the Province of Ontario, as of this 1st day of November 2023.

SOURCE ONE FINANCIAL CORPORATION

DocuSigned by:

Per: _____
Name: _____
Title: _____
1433E66C075640B...

I have authority to bind the corporation.

SCHEDULE "A"
CONFIRMATION OF NON-PARTICIPATING CREDITORS

The undersigned each hereby confirm, acknowledges and agree that the undersigned (a) will not file a Claim under this Proposal and (b) will not participate in any distributions to Unsecured Creditors under this Proposal.

Dated effective as at October 31, 2023

1717030 ONTARIO LIMITED

Per: DocuSigned by:
Tony Spellman
1433E66C075549B...
Name:
Title:
I have authority to bind the corporation.


1717031 ONTARIO LIMITED

Per: DocuSigned by:
Tony Spellman
1433E66C075549B...
Name:
Title:
I have authority to bind the corporation.

LARMAN INVESTMENTS LTD.

Per: DocuSigned by:
Tony Spellman
1433E66C075549B...
Name:
Title:
I have authority to bind the corporation.

KOBY BROTHERS LAWN EQUIPMENT LTD.

Per: DocuSigned by:

F7276C5BF39443E...
Name:
Title:
I have authority to bind the corporation.

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

Original

Amended

-- Form 78 --

Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)
 In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 6th day of October 2023. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES		ASSETS	
(as stated and estimated by the officer)		(as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	3,348,313.19	1. Inventory	0.00
Balance of secured claims as per list "B"	568,000.00	2. Trade fixtures, etc.	250.00
Total unsecured creditors	3,916,313.19	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B"	10,532,250.00	Good	0.00
3. Preferred creditors as per list "C"	0.00	Doubtful	0.00
4. Contingent, trust claims or other liabilities as per list "D"	0.00	Bad	0.00
Total liabilities	14,448,563.19	Estimated to produce	0.00
Surplus	NIL	4. Bills of exchange, promissory note, etc., as per list "F"	0.00
		5. Deposits in financial institutions	0.00
		6. Cash	2,732,000.00
		7. Livestock	0.00
		8. Machinery, equipment and plant	0.00
		9. Real property or immovable as per list "G"	0.00
		10. Furniture	0.00
		11. RRSPs, RRIFs, life insurance, etc.	0.00
		12. Securities (shares, bonds, debentures, etc.)	0.00
		13. Interests under wills	0.00
		14. Vehicles	0.00
		15. Other property, as per list "H"	7,800,000.00
		If debtor is a corporation, add:	
		Amount of subscribed capital	0.00
		Amount paid on capital	0.00
		Balance subscribed and unpaid	0.00
		Estimated to produce	0.00
		Total assets	10,532,250.00
		Deficiency	3,916,313.19

I, Anthony Speelman, of the City of Etobicoke in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of the affairs of the Corporation on the 6th day of October 2023 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)

before me at the City of Burlington in the Province of Ontario, on this 1st day of November 2023.



Peter Naumis, Commissioner of Oaths
 For the Province of Ontario
 Expires April 15, 2024



Anthony Speelman

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Continued

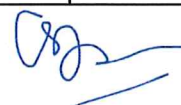
In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "A"

Unsecured Creditors

Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	1717030 Ontario Limited	1950 Wilson Avenue Toronto ON M9M 1B2	0.00	100,000.00	100,000.00
2	4350996 Nova Scotia Limited DT37760910SON02	Unknown Unknown NS	19,668.00	0.00	19,668.00
3	4350996 Nova Scotia Limited DT37938187SON02	Unknown Unknown NS	18,846.40	0.00	18,846.40
4	902 Auto Sales DT37468989SON02	561 Pleasant Street Dartmouth NS B2W 4L9	18,558.55	0.00	18,558.55
5	Adam Michael Cobb 504408	32 ARMORY RD Bell Island NL A0A 4H0	310.14	0.00	310.14
6	Adesa Moncton 83655	47 Edinburgh Drive Moncton NB E1E 2K6	250.00	0.00	250.00
7	Adesa Windsor 5235	18800 County Rd 42 Tilbury ON N0P 2L0	889.37	0.00	889.37
8	ADNAN ZABIAN 505860	3352 COLONIAL DRIVE Mississauga ON L5L 5A6	3,652.01	0.00	3,652.01
9	Alexander Ballon DT37216129	392 Cantrell Drive SW Calgary AB T2W 2E4	493.95	0.00	493.95
10	Alfredo Izquierdo 508076	9 Carruthers Road, Apt. 302 Georgetown ON L7G 5K1	384.74	0.00	384.74
11	Amanda Hue 511421	26 Hardy Place Hudson Bay SK S0E 0Y0	609.26	0.00	609.26
12	Andrea Oxford DT34317967	404 Breckenridge Ln NW Edmonton AB T5T 6E3	250.00	0.00	250.00
13	Andre-Daniel Edouward Bourqque 505996	1631 14TH Street SW Calgary AB T3C 0W6	5,542.16	0.00	5,542.16
14	Andrew Eric Stoodley Downey 511514	2 FORBES AVE North Sydney NS B2A 1Y9	250.00	0.00	250.00
15	Anthony Basso DT34159793	A 556 Front Street North Bay ON P1B 6M7	250.00	0.00	250.00
16	Ashley Moffatt 510903	246 Anne Street North, Apt. 2 Barrie ON L4N 4X5	264.29	0.00	264.29
17	Ashley Mitchell DT35965582	98 305 5 Street Wainwright AB T9W 1A6	250.00	0.00	250.00



01-Nov-2023

Date

Anthony Speelman

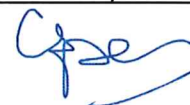
District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "A"
 Unsecured Creditors
 Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
18	Ashley Schell 511284	911 Avenue X N Saskatoon SK S7L 3K5	250.76	0.00	250.76
19	BAASS Business Solutions 100-2170483	1200 Centre Street, Suite 200 Thornhill ON L4J 3M9	4,882.47	0.00	4,882.47
20	Barry Wayne Shingoose 506760	1826 AVE B NORTH Saskatchewan Beach SK S7L 1H5	7,752.59	0.00	7,752.59
21	Blue-Pencil 23652	761 Redwood Square Oakville ON L6L 6R6	250.00	0.00	250.00
22	Brandon Wynn 505157	18 wallace street St. Catherines ON L2S 1E9	505.97	0.00	505.97
23	Brooke-Lynn Turnbull 503895	1224 ABBEY CRT Windsor ON N8S 4C9	250.00	0.00	250.00
24	Calgary House Of Cars 9 Inc DT37976189SON02	5205 76 Ave SE Calgary AB T2C 3C6	24,220.00	0.00	24,220.00
25	Car Approved Now DT37933027SON02	9908 65 Ave NW Edmonton AB T6E 0K9	16,836.45	0.00	16,836.45
26	Carfax 29175	100 Kellogg Lane, Suite 301 London ON L4N 3A3	250.00	0.00	250.00
27	Carjet Automotive DT37960969SON02	518 51st St. Saskatoon SK S7K 7L1	17,352.34	0.00	17,352.34
28	CarloanIQ DT37886942SON02	Unknown Kitchener ON	13,094.10	0.00	13,094.10
29	CGI ISMC Inc. CAN1001665	150 Commerce Valley Drive West Markham ON L3T 7Z3	1,130.00	0.00	1,130.00
30	Chad Byron Bullock 512072	6420 Barabanoff Road Nelson BC V1L 6Y1	1,079.83	0.00	1,079.83
31	Chin Juan Han 513124	450 E 17 street Vancouver BC V5V 1B1	510.65	0.00	510.65
32	Christine Marie Ness 513228	1318 Fairview Road Penticton BC V2A 5Z8	250.00	0.00	250.00
33	Clayton Mackenzie Garrett 511707	34 4 Avenue Central Butte SK S0H 0T0	1,014.90	0.00	1,014.90
34	Cortland Credit Lending Corporation	200 Bay St, Suite 3230 Toronto ON M5J 2J2	0.00	468,000.00	468,000.00



01-Nov-2023

Date

Anthony Speelman

District of:
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FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "A"

Unsecured Creditors

Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
35	Daniel Hall DT33970441	2920 31 Street NW Edmonton AB T6T 1T9	914.92	0.00	914.92
36	Darcy Dame DT36950157	P. O. Box 896 782081 Hwy 731 Spirit River, P. O. Box 896 Spirit River AB T0H 3G0	528.75	0.00	528.75
37	David Quiroz Rodriguez 503838	61 Evansford Grove NW Calgary AB T3P 1G7	250.00	0.00	250.00
38	Dealertrack/Trader Corporation 1073822	405 The West Mall, Suite 110 Etobicoke ON M9C 5J1	60,087.76	0.00	60,087.76
39	Dennis Clarke DT34577922	Bsmt 5810 Tyson Road, BSMT Chilliwack BC V2R 3R6	689.27	0.00	689.27
40	Drive Financial DT37970767SON02	190 - 2899 Broadmoor Blvd Sherwood Park AB T8H 1B5	8,775.77	0.00	8,775.77
41	EHT Ontario Employer Health Tax Attn: Insolvency Unit	PO Box 627 6th Floor 33 King Street West Oshawa ON L1H 8H5	12,578.00	0.00	12,578.00
42	Eileen M Healey 512809	144 Flagg Avenue Paris ON N3L 0J8	613.86	0.00	613.86
43	Elmwood Car Sales Ltd. DT37802871SON02	440 Wharncliffe Rd S. London ON N6J 2M6	21,296.75	0.00	21,296.75
44	Employees	Various Various ON	119,605.77	0.00	119,605.77
45	Equifax Canada 464FA00108	PO Box 4265 Station A Toronto ON M5W 5T7	97,795.70	0.00	97,795.70
46	Equifax Canada 481FA05510	PO Box 4265 Station A Toronto ON M5W 5T7	1,467.41	0.00	1,467.41
47	Esso/Imperial Oil 91758484	WEX Canada LTD. PO Box 57724, Postal Station A Toronto ON MSW 5M5	618.07	0.00	618.07
48	Ezra James Lloyd 510945	251 2nd Avenue, PO Box 111 Arborfield SK S0E 0A0	250.00	0.00	250.00
49	Fedex 2-592-35865	PO Box 4626 Toronto STN A Toronto ON M5W 5B4	250.00	0.00	250.00
50	Flexcar Auto Sales DT37896979SON02	20290 Logan Ave. Langley BC V3A 4L6	18,849.97	0.00	18,849.97



01-Nov-2023

Date

Anthony Speelman

District of:
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FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "A"
 Unsecured Creditors
 Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
51	Flinks 18398	1001 rue lenoir, A-114 Montreal QC H4C 2Z6	7,910.00	0.00	7,910.00
52	Francesca Cincinnato 512398	25 Vezna Cr Brampton ON L6X 5K5	570.02	0.00	570.02
53	Gail Mulholland 501937	111 UNION STREET St. Stephen NB E3L 1V9	393.16	0.00	393.16
54	Garry Beyer DT33937469	115 5th Street Weyburn SK S4H 0Z2	817.78	0.00	817.78
55	Grace Woods 506290	86098 CANBOROUGH ROAD Dunnville ON N1A 2W1	250.00	0.00	250.00
56	Grande Prairie Chrysler DT37970705SON02	11448 Westgate Dr. Grande Prairie AB T8V 8L2	19,407.76	0.00	19,407.76
57	HRBP2Go, Incorporated	571 Forest Gate Crescent Waterloo ON N2V 2X2	250.00	0.00	250.00
58	Irina Ivanishik 503832	215 Gold Park GATE Angus ON L0M 1B4	250.00	0.00	250.00
59	Jayne A Holmes 505428	7779 HWY 21 BOX 27 Allenford ON N0H 1A0	250.00	0.00	250.00
60	Jeremy Loach DT36163248	143 Rorke Avenue Haileybury ON P0J 1K0	418.07	0.00	418.07
61	Jerrel Mytill DT34418633	24 Purpledusk Trail Scarborough ON M1E 4C7	608.61	0.00	608.61
62	Jessica Louise Young 512692	3 James Place St. John's NL A1E 4T6	329.99	0.00	329.99
63	Joan Orilla	Unknown Unknown unknown	603.18	0.00	603.18
64	Jordan Alexander Raynes 511319	354 Milkish Creek Road Summerville NB E5S 1V6	250.00	0.00	250.00
65	Judith Anne Hewitt 510003	10301-B Kateri Drive Grand Prairie AB T8W 2W8	367.56	0.00	367.56
66	Juliet A Laleye 501187	429-830 LAWRENCE AVE WEST North York ON M6A 0B6	353.72	0.00	353.72
67	Kirk Jakesta DT37522038	7728 16TH Avenue Burnaby BC V3N 1P9	848.81	0.00	848.81

01-Nov-2023

Date



Anthony Speelman

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "A"
 Unsecured Creditors
 Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
68	KPMG 2001645133	Suite 1400- 140 Fullarton Street London ON N6A 5P2	56,500.00	0.00	56,500.00
69	Larman Investments Ltd.	1950 Wilson Avenue Toronto ON M9M 1B2	2,500,000.00	0.00	2,500,000.00
70	Magma Motors DT37970767SON02	7435 77 Ave. NW Edmonton AB T6B 0B7	15,613.85	0.00	15,613.85
71	Mega Motors Approval Genie (Ottawa) Attn: Vern DaRe DT37422739SON02	c/o Fogler, Rubinoff LLP 3000 - 77 King Street West, PO Box 95 Toronto ON M5K 1G8	22,052.74	0.00	22,052.74
72	Mega Motors Approval Genie (Scarborough) Attn: Vern DaRe DT37850321SON02	c/o Fogler, Rubinoff LLP 3000 - 77 King Street West, PO Box 95 Toronto ON M5K 1G8	20,792.85	0.00	20,792.85
73	Mega Motors Approval Genie (Whitby) Attn: Vern DaRe DT37710643SON02	c/o Fogler, Rubinoff LLP 3000 - 77 King Street West, PO Box 95 Toronto ON M5K 1G8	29,255.61	0.00	29,255.61
74	Michael Ken Warriner 509959	655 Girard Road Kelowna BC V1X 4V8	250.00	0.00	250.00
75	Moose Jaw Ford Sales (2018) Ltd DT37952487SON02	1010 N. Service Rd. Moose Jaw SK S6H 4P5	22,326.84	0.00	22,326.84
76	Nathaniel Thibodeau DT34396889	1117 Saulnierville Road Saulnierville NS B0W 2Z0	250.00	0.00	250.00
77	Nicholas Francis Macleod 513367	10822 107 Street NW Edmonton AB T5H 2Z3	250.00	0.00	250.00
78	Nicholas Michel Gagnon 510646	220 Notre Dame De Lourdes Chemin Notre Dame de Lourdes NB E7E 1W2	372.56	0.00	372.56
79	Nina Freeman DT35036068	7 Ivers Court Ajax ON L1T 3M3	250.00	0.00	250.00
80	Noah Drew Mackenzie 504658	26 Cap La Ronde ROAD D'escousse NB B0E 1K0	250.00	0.00	250.00
81	PassTime GPS Canada 177977	100-5118 North Fraser Way Burnaby BC V5J 0H1	565.00	0.00	565.00
82	Perry Da Silva 508234	8 Nightingale Road St. John's NL A1E 2G5	6,065.32	0.00	6,065.32
83	Pitney Bowes 18334299	PO Box 278 Orangeville ON L9W 2Z7	250.00	0.00	250.00

01-Nov-2023

Date

Anthony Speelman

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "A"
 Unsecured Creditors
 Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
84	Qlik Tech Corporation 399956	PO Box 15349, Station A Toronto ON M5W 1C1	1,953.92	0.00	1,953.92
85	Quinn Charles DT33028342	2 1868 Sheppard Avenue W North York ON M3L 1Y3	250.00	0.00	250.00
86	RBC Royal Bank c/o BankruptcyHighway.com Attn: Razel Bowen 4516050007710180	PO Box 57100 Etobicoke ON M8Y 3Y2	5,967.28	0.00	5,967.28
87	Renner J Pineda 512778	60 Kingswood Drive Brampton ON L6V 2W3	1,355.01	0.00	1,355.01
88	RightRide Saskatoon DT37957389SON02	105 Wakoona St. Saskatoon SK S7R 1A7	32,274.00	0.00	32,274.00
89	Riverside Auto Sales DT37940360SON02	600 Elmira Rd. North Guelph ON N1K 1C5	11,902.25	0.00	11,902.25
90	ROBERT JOHN, EDWARD DREW 504747	236 BRIDGE STREET Saint John NB E2K 1S7	3,427.53	0.00	3,427.53
91	Rogers 8-9263-5103	PO Rogers 9100 Don Mills ON M3C 3P9	1,337.78	0.00	1,337.78
92	Rogers 9-0886-0943	PO Rogers 9099 Don Mills ON M3C 3P9	250.00	0.00	250.00
93	Rosalyn Balatbat Abacan 509838	160 Jordan Parkway Red Deer AB T4P 0A8	419.56	0.00	419.56
94	Rowley Wilson Auto Sales DT37821957SON02	205 - 1885 Wilson Ave. North York ON M9M 1A2	19,656.74	0.00	19,656.74
95	Shred-It 1000035711	1218 South Service Road West Oakville ON L6L 5T7	782.33	0.00	782.33
96	Sonya Marie Chapman 503103	895 Malagash RD Richmond NB B0K 1E0	7,101.55	0.00	7,101.55
97	Stephanie M Martin 507096	19185 Airport Road Summerstown ON K0C 2E0	4,254.71	0.00	4,254.71
98	Steven John Fraser 505946	2627 East River East Side Road Springville NS B2H 5C5	250.00	0.00	250.00
99	Tammy Plunkett DT35030111	1 38 Kirkpatrick Street Kirkland ON P2N 2H1	394.38	0.00	394.38
100	Taylor Ominayak DT34402997	402 9229 Lakeland Drive Grand Prairie AB T8X 0B8	306.17	0.00	306.17

01-Nov-2023

Date

Anthony Speelman

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario
 List "A"
 Unsecured Creditors
 Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
101	TCN CAN-286	162 N. 400 E. B-200 St. George UT 84770 USA	250.00	0.00	250.00
102	TransUnion 975FA51558	PO Box 15613 Station A Toronto ON M5W 1C1	6,643.84	0.00	6,643.84
103	UCDA 115525	230 Norseman Street Toronto ON M8Z 2R4	250.00	0.00	250.00
104	Vernon NISSAN DT37831916SON02	6417 Highway 97 Vernon BC V1B 3R4	15,329.28	0.00	15,329.28
105	Walter Uttke DT37469154	105A 242 Powder Drive Fort McMurray AB T9K 0B6	250.00	0.00	250.00
106	Yaaas Automotive Inc DT37804423SON02	1380 Sargent Ave Winnipeg MB R3E 0G5	20,112.50	0.00	20,112.50
Total:			3,348,313.19	568,000.00	3,916,313.19

01-Nov-2023

Date



Anthony Speelman

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario
 List "B"
 Secured Creditors

Source One Financial Corporation

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of	Estimated surplus from security	Balance of claim
1	1717030 Ontario Limited	1950 Wilson Avenue Toronto ON M9M 1B2	100,000.00	Cash on Hand - Cash in Bank	01-Jan-2023	0.00		100,000.00
2	Cortland Credit Lending Corporation	200 Bay St, Suite 3230 Toronto ON M5J 2J2	8,400,000.00	Business Assets - Book Debts - Cortland portfolio receivable Cash on Hand - Cash in Bank	01-Jan-2020 01-Jan-2020	7,800,000.00 132,000.00		468,000.00
3	CWB National Leasing Inc./ (formerly National Leasing Group Inc) Attn: Bankruptcy Designate	1525 Buffalo Pl Winnipeg MB R3T 1L9	250.00	Business Assets - Trade Fixtures - Photocopiers	01-Jan-2020	250.00		
4	Westlake Services, LLC	4751 Wilshire Blvd Ste 100 Los Angeles CA 900 10-3847	2,600,000.00	Cash on Hand - Cash in Bank	01-Jan-2020	2,600,000.00		
Total:			11,100,250.00			10,532,250.00	0.00	568,000.00

01-Nov-2023

Date



Anthony Speelman

District of:
Division No. -
Court No. 32-2995640
Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario
List "C"
Preferred Creditors for Wages, Rent, etc.

Source One Financial Corporation

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

01-Nov-2023

Date



Anthony Speelman

District of:
Division No. -
Court No. 32-2995640
Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario
List "D"
Contingent or Other Liabilities

Source One Financial Corporation

No.	Name of creditor or claimant	Address and occupation	Amount of liability or	Amount expected to rank for	Date when liability incurred	Nature of liability
			Total:	0.00	0.00	

01-Nov-2023

Date



Anthony Speelman

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "E"

Debts Due to the Debtor
 Source One Financial Corporation

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be	When contracted	Estimated to produce	Particulars of any securities held for debt
				0.00				
			Total:	0.00			0.00	
				0.00				

01-Nov-2023

Date



Anthony Speelman

District of:
Division No. -
Court No. 32-2995640
Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario
List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel

Source One Financial Corporation

No.	Name of all promissory, acceptors, endorsers, mortgages and	Address	Occupation	Amount of bill or note,	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or
Total:				0.00		0.00	

01-Nov-2023

Date



Anthony Speelman

District of:
Division No. -
Court No. 32-2995640
Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

List "G"

Real Property or Immovables Owned by Debtor
Source One Financial Corporation

Description of property	Nature of debtor interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address,	Equity or surplus
Total:			0.00		0.00

01-Nov-2023

Date



Anthony Speelman

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Concluded

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "H"

Property

Source One Financial Corporation

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.	Possession of bankrupt	Photocopiers	0.00	250.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand		Cash on hand	2,732,000.00	2,732,000.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
(m) Other		Book Debts - Cortland portfolio receivable	0.00	7,800,000.00
			Total:	10,532,250.00

01-Nov-2023

Date

Anthony Speelman

Court No. 32-2995640

File No. 32-2995640

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)

BDO Canada Limited / BDO Canada Limitée -
Licensed Insolvency Trustee
20 Wellington St E, Suite 500
Toronto ON M5E 1C5
Phone: (416) 865-0210 Fax: (416) 865-0904



BDO Canada Limited
 360 Oakville Place Drive, Suite 500
 Oakville, ON L6H 6K8
 Tel: 905-615-8787
 Fax: 905-615-1333

www.bdo.ca

(Section 50.1, 81.5, 81.6, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1), and Paragraphs 51(1)(e) and 66.14(b) of the Act)

Proof of Claim - FORM 31

All notices or correspondence regarding this claim must be forwarded to the following address:

In the matter of the bankruptcy (or the proposal, or the receivership) of _____ (name of debtor) of _____ (city and province) and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of _____ (city and province), do hereby certify:

1. That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor)).
2. That I have knowledge of all of the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of bankruptcy (or the date of the receivership, or in the case of a proposal, the date of the notice of intention or of the proposal, if no notice of intention was filed), namely the _____ day of _____, 20____, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

A. UNSECURED CLAIM OF \$ _____. (Other than as a customer contemplated by Section 262 of the Act).

That in respect of this debt, I do not hold any assets of the debtor as security and (Check appropriate description.)

Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.

Regarding the amount of \$ _____, I do not claim a right to a priority. (Set out on an attached sheet details to support priority claim.)

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows: (Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____. (Attach a copy of sales agreement and delivery receipts.)

E. CLAIM BY WAGE EARNER OF \$ _____

That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____

That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____

F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____

That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____

That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____

CANADA
PROVINCE OF ONTARIO
ESTATE NO: 32-2995640
COURT NO: 32-2995640

IN THE MATTER OF THE PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION

VOTING LETTER

I, _____

of _____

a creditor in the above matter for the sum of \$ _____, hereby request the
Trustee of the said proposal to record my vote

FOR

AGAINST

the acceptance of the proposal of the said debtor as filed with the Official Receiver on.

Dated at _____, _____,

this ____ day of _____, _____.

Signature of witness

Signature of creditor

Note: A person is not entitled to vote unless the Proof of Claim has been lodged with the
Trustee before the time appointed for the meeting. In the case of a corporation, the Voting
Letter should be accompanied by an appropriate resolution.

This is Exhibit "C" referred to in the affidavit of
mailing of the Notice of Proposal to Creditors of
Franca Iannilli

SWORN BEFORE ME this 16th day of November, 2023



A Commissioner for taking Affidavits

**Peter Naumis, a Commissioner, etc.,
Province of Ontario, for BDO Canada LLP
and BDO Canada Limited and their
subsidiaries, associates and affiliates.
Expires April 15, 2024.**



Update filing - update is confirmed

Welcome [Franca, Iannilli](#) | [Preferences](#) | [E-Filing helpdesk](#) | [Instructions](#) | [Logout](#)

Estate Information

Please Note: The following estate(s) were updated:

- **Estate Number:** 32-2995640
- **Estate Name:** Source One Financial Corporation

Document(s) submitted

The following document(s) have been successfully submitted

- Form 92: Notice of Proposal to Creditors

Reference

- The Reference Number for this transaction is: **21625645**.
- Submitted by Franca Iannilli.
- 2023-11-09 09:25 EST

[Submit another document for this estate.](#)

If you would like to submit a document against a different estate, please click on the **Update** link in the left hand side menu.



Update filing - update is confirmed

Welcome [Franca, Iannilli](#) | [Preferences](#) | [E-Filing helpdesk](#) | [Instructions](#) | [Logout](#)

Estate Information

Please Note: The following estate(s) were updated:

- **Estate Number:** 32-2995640
- **Estate Name:** Source One Financial Corporation

Document(s) submitted

The following document(s) have been successfully submitted

- Report of Trustee on Proposal

Reference

- The Reference Number for this transaction is: **21625686**.
- Submitted by Franca Iannilli.
- 2023-11-09 09:29 EST

[Submit another document for this estate.](#)

If you would like to submit a document against a different estate, please click on the **Update** link in the left hand side menu.

District of ONTARIO
Division No. 09- Mississauga
Court No. 32-2995640
Estate No. 32-2995640

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO.

AFFIDAVIT OF MAILING OF NOTICE OF PROPOSAL
TO CREDITORS

BDO CANADA LIMITED
Licensed Insolvency Trustee
360 Oakville Place Drive, Suite 500
Oakville, ON L6H 6K8

Tel: (905) 615-8787
Fax: (905) 615-1333

TAB 3(E)

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

Original

Amended

-- Form 78 --

Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)
 In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 6th day of October 2023. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES		ASSETS	
(as stated and estimated by the officer)		(as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	3,348,313.19	1. Inventory	0.00
Balance of secured claims as per list "B"	568,000.00	2. Trade fixtures, etc.	250.00
Total unsecured creditors	3,916,313.19	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B"	10,532,250.00	Good	0.00
3. Preferred creditors as per list "C"	0.00	Doubtful	0.00
4. Contingent, trust claims or other liabilities as per list "D"	0.00	Bad	0.00
Total liabilities	14,448,563.19	Estimated to produce	0.00
Surplus	NIL	4. Bills of exchange, promissory note, etc., as per list "F"	0.00
		5. Deposits in financial institutions	0.00
		6. Cash	2,732,000.00
		7. Livestock	0.00
		8. Machinery, equipment and plant	0.00
		9. Real property or immovable as per list "G"	0.00
		10. Furniture	0.00
		11. RRSPs, RRIFs, life insurance, etc.	0.00
		12. Securities (shares, bonds, debentures, etc.)	0.00
		13. Interests under wills	0.00
		14. Vehicles	0.00
		15. Other property, as per list "H"	7,800,000.00
		If debtor is a corporation, add:	
		Amount of subscribed capital	0.00
		Amount paid on capital	0.00
		Balance subscribed and unpaid	0.00
		Estimated to produce	0.00
		Total assets	10,532,250.00
		Deficiency	3,916,313.19

I, Anthony Speelman, of the City of Etobicoke in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of the affairs of the Corporation on the 6th day of October 2023 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)

before me at the City of Burlington in the Province of Ontario, on this 1st day of November 2023.



Peter Naumis, Commissioner of Oaths
 For the Province of Ontario
 Expires April 15, 2024



Anthony Speelman

**Peter Naumis, a Commissioner, etc.,
 Province of Ontario, for BDO Canada LLP
 and BDO Canada Limited and their
 subsidiaries, associates and affiliates.
 Expires April 15, 2024. Page 1**

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Continued

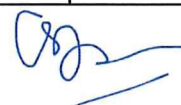
In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "A"

Unsecured Creditors

Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	1717030 Ontario Limited	1950 Wilson Avenue Toronto ON M9M 1B2	0.00	100,000.00	100,000.00
2	4350996 Nova Scotia Limited DT37760910SON02	Unknown Unknown NS	19,668.00	0.00	19,668.00
3	4350996 Nova Scotia Limited DT37938187SON02	Unknown Unknown NS	18,846.40	0.00	18,846.40
4	902 Auto Sales DT37468989SON02	561 Pleasant Street Dartmouth NS B2W 4L9	18,558.55	0.00	18,558.55
5	Adam Michael Cobb 504408	32 ARMORY RD Bell Island NL A0A 4H0	310.14	0.00	310.14
6	Adesa Moncton 83655	47 Edinburgh Drive Moncton NB E1E 2K6	250.00	0.00	250.00
7	Adesa Windsor 5235	18800 County Rd 42 Tilbury ON N0P 2L0	889.37	0.00	889.37
8	ADNAN ZABIAN 505860	3352 COLONIAL DRIVE Mississauga ON L5L 5A6	3,652.01	0.00	3,652.01
9	Alexander Ballon DT37216129	392 Cantrell Drive SW Calgary AB T2W 2E4	493.95	0.00	493.95
10	Alfredo Izquierdo 508076	9 Carruthers Road, Apt. 302 Georgetown ON L7G 5K1	384.74	0.00	384.74
11	Amanda Hue 511421	26 Hardy Place Hudson Bay SK S0E 0Y0	609.26	0.00	609.26
12	Andrea Oxford DT34317967	404 Breckenridge Ln NW Edmonton AB T5T 6E3	250.00	0.00	250.00
13	Andre-Daniel Edouward Bourqque 505996	1631 14TH Street SW Calgary AB T3C 0W6	5,542.16	0.00	5,542.16
14	Andrew Eric Stoodley Downey 511514	2 FORBES AVE North Sydney NS B2A 1Y9	250.00	0.00	250.00
15	Anthony Basso DT34159793	A 556 Front Street North Bay ON P1B 6M7	250.00	0.00	250.00
16	Ashley Moffatt 510903	246 Anne Street North, Apt. 2 Barrie ON L4N 4X5	264.29	0.00	264.29
17	Ashley Mitchell DT35965582	98 305 5 Street Wainwright AB T9W 1A6	250.00	0.00	250.00



01-Nov-2023

Date

Anthony Speelman

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "A"
 Unsecured Creditors
 Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
18	Ashley Schell 511284	911 Avenue X N Saskatoon SK S7L 3K5	250.76	0.00	250.76
19	BAASS Business Solutions 100-2170483	1200 Centre Street, Suite 200 Thornhill ON L4J 3M9	4,882.47	0.00	4,882.47
20	Barry Wayne Shingoose 506760	1826 AVE B NORTH Saskatchewan Beach SK S7L 1H5	7,752.59	0.00	7,752.59
21	Blue-Pencil 23652	761 Redwood Square Oakville ON L6L 6R6	250.00	0.00	250.00
22	Brandon Wynn 505157	18 wallace street St. Catherines ON L2S 1E9	505.97	0.00	505.97
23	Brooke-Lynn Turnbull 503895	1224 ABBEY CRT Windsor ON N8S 4C9	250.00	0.00	250.00
24	Calgary House Of Cars 9 Inc DT37976189SON02	5205 76 Ave SE Calgary AB T2C 3C6	24,220.00	0.00	24,220.00
25	Car Approved Now DT37933027SON02	9908 65 Ave NW Edmonton AB T6E 0K9	16,836.45	0.00	16,836.45
26	Carfax 29175	100 Kellogg Lane, Suite 301 London ON L4N 3A3	250.00	0.00	250.00
27	Carjet Automotive DT37960969SON02	518 51st St. Saskatoon SK S7K 7L1	17,352.34	0.00	17,352.34
28	CarloanIQ DT37886942SON02	Unknown Kitchener ON	13,094.10	0.00	13,094.10
29	CGI ISMC Inc. CAN1001665	150 Commerce Valley Drive West Markham ON L3T 7Z3	1,130.00	0.00	1,130.00
30	Chad Byron Bullock 512072	6420 Barabanoff Road Nelson BC V1L 6Y1	1,079.83	0.00	1,079.83
31	Chin Juan Han 513124	450 E 17 street Vancouver BC V5V 1B1	510.65	0.00	510.65
32	Christine Marie Ness 513228	1318 Fairview Road Penticton BC V2A 5Z8	250.00	0.00	250.00
33	Clayton Mackenzie Garrett 511707	34 4 Avenue Central Butte SK S0H 0T0	1,014.90	0.00	1,014.90
34	Cortland Credit Lending Corporation	200 Bay St, Suite 3230 Toronto ON M5J 2J2	0.00	468,000.00	468,000.00



01-Nov-2023

Date

Anthony Speelman

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "A"

Unsecured Creditors

Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
35	Daniel Hall DT33970441	2920 31 Street NW Edmonton AB T6T 1T9	914.92	0.00	914.92
36	Darcy Dame DT36950157	P. O. Box 896 782081 Hwy 731 Spirit River, P. O. Box 896 Spirit River AB T0H 3G0	528.75	0.00	528.75
37	David Quiroz Rodriguez 503838	61 Evansford Grove NW Calgary AB T3P 1G7	250.00	0.00	250.00
38	Dealertrack/Trader Corporation 1073822	405 The West Mall, Suite 110 Etobicoke ON M9C 5J1	60,087.76	0.00	60,087.76
39	Dennis Clarke DT34577922	Bsmt 5810 Tyson Road, BSMT Chilliwack BC V2R 3R6	689.27	0.00	689.27
40	Drive Financial DT37970767SON02	190 - 2899 Broadmoor Blvd Sherwood Park AB T8H 1B5	8,775.77	0.00	8,775.77
41	EHT Ontario Employer Health Tax Attn: Insolvency Unit	PO Box 627 6th Floor 33 King Street West Oshawa ON L1H 8H5	12,578.00	0.00	12,578.00
42	Eileen M Healey 512809	144 Flagg Avenue Paris ON N3L 0J8	613.86	0.00	613.86
43	Elmwood Car Sales Ltd. DT37802871SON02	440 Wharnccliffe Rd S. London ON N6J 2M6	21,296.75	0.00	21,296.75
44	Employees	Various Various ON	119,605.77	0.00	119,605.77
45	Equifax Canada 464FA00108	PO Box 4265 Station A Toronto ON M5W 5T7	97,795.70	0.00	97,795.70
46	Equifax Canada 481FA05510	PO Box 4265 Station A Toronto ON M5W 5T7	1,467.41	0.00	1,467.41
47	Esso/Imperial Oil 91758484	WEX Canada LTD. PO Box 57724, Postal Station A Toronto ON MSW 5M5	618.07	0.00	618.07
48	Ezra James Lloyd 510945	251 2nd Avenue, PO Box 111 Arborfield SK S0E 0A0	250.00	0.00	250.00
49	Fedex 2-592-35865	PO Box 4626 Toronto STN A Toronto ON M5W 5B4	250.00	0.00	250.00
50	Flexcar Auto Sales DT37896979SON02	20290 Logan Ave. Langley BC V3A 4L6	18,849.97	0.00	18,849.97



01-Nov-2023

Date

Anthony Speelman

District of:
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FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "A"
 Unsecured Creditors
 Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
51	Flinks 18398	1001 rue lenoir, A-114 Montreal QC H4C 2Z6	7,910.00	0.00	7,910.00
52	Francesca Cincinnato 512398	25 Vezna Cr Brampton ON L6X 5K5	570.02	0.00	570.02
53	Gail Mulholland 501937	111 UNION STREET St. Stephen NB E3L 1V9	393.16	0.00	393.16
54	Garry Beyer DT33937469	115 5th Street Weyburn SK S4H 0Z2	817.78	0.00	817.78
55	Grace Woods 506290	86098 CANBOROUGH ROAD Dunnville ON N1A 2W1	250.00	0.00	250.00
56	Grande Prairie Chrysler DT37970705SON02	11448 Westgate Dr. Grande Prairie AB T8V 8L2	19,407.76	0.00	19,407.76
57	HRBP2Go, Incorporated	571 Forest Gate Crescent Waterloo ON N2V 2X2	250.00	0.00	250.00
58	Irina Ivanishik 503832	215 Gold Park GATE Angus ON L0M 1B4	250.00	0.00	250.00
59	Jayne A Holmes 505428	7779 HWY 21 BOX 27 Allenford ON N0H 1A0	250.00	0.00	250.00
60	Jeremy Loach DT36163248	143 Rorke Avenue Haileybury ON P0J 1K0	418.07	0.00	418.07
61	Jerrel Mytill DT34418633	24 Purpledusk Trail Scarborough ON M1E 4C7	608.61	0.00	608.61
62	Jessica Louise Young 512692	3 James Place St. John's NL A1E 4T6	329.99	0.00	329.99
63	Joan Orilla	Unknown Unknown unknown	603.18	0.00	603.18
64	Jordan Alexander Raynes 511319	354 Milkish Creek Road Summerville NB E5S 1V6	250.00	0.00	250.00
65	Judith Anne Hewitt 510003	10301-B Kateri Drive Grand Prairie AB T8W 2W8	367.56	0.00	367.56
66	Juliet A Laleye 501187	429-830 LAWRENCE AVE WEST North York ON M6A 0B6	353.72	0.00	353.72
67	Kirk Jakesta DT37522038	7728 16TH Avenue Burnaby BC V3N 1P9	848.81	0.00	848.81

01-Nov-2023

Date



Anthony Speelman

District of:
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FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "A"
 Unsecured Creditors
 Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
68	KPMG 2001645133	Suite 1400- 140 Fullarton Street London ON N6A 5P2	56,500.00	0.00	56,500.00
69	Larman Investments Ltd.	1950 Wilson Avenue Toronto ON M9M 1B2	2,500,000.00	0.00	2,500,000.00
70	Magma Motors DT37970767SON02	7435 77 Ave. NW Edmonton AB T6B 0B7	15,613.85	0.00	15,613.85
71	Mega Motors Approval Genie (Ottawa) Attn: Vern DaRe DT37422739SON02	c/o Fogler, Rubinoff LLP 3000 - 77 King Street West, PO Box 95 Toronto ON M5K 1G8	22,052.74	0.00	22,052.74
72	Mega Motors Approval Genie (Scarborough) Attn: Vern DaRe DT37850321SON02	c/o Fogler, Rubinoff LLP 3000 - 77 King Street West, PO Box 95 Toronto ON M5K 1G8	20,792.85	0.00	20,792.85
73	Mega Motors Approval Genie (Whitby) Attn: Vern DaRe DT37710643SON02	c/o Fogler, Rubinoff LLP 3000 - 77 King Street West, PO Box 95 Toronto ON M5K 1G8	29,255.61	0.00	29,255.61
74	Michael Ken Warriner 509959	655 Girard Road Kelowna BC V1X 4V8	250.00	0.00	250.00
75	Moose Jaw Ford Sales (2018) Ltd DT37952487SON02	1010 N. Service Rd. Moose Jaw SK S6H 4P5	22,326.84	0.00	22,326.84
76	Nathaniel Thibodeau DT34396889	1117 Saulnierville Road Saulnierville NS B0W 2Z0	250.00	0.00	250.00
77	Nicholas Francis Macleod 513367	10822 107 Street NW Edmonton AB T5H 2Z3	250.00	0.00	250.00
78	Nicholas Michel Gagnon 510646	220 Notre Dame De Lourdes Chemin Notre Dame de Lourdes NB E7E 1W2	372.56	0.00	372.56
79	Nina Freeman DT35036068	7 Ivers Court Ajax ON L1T 3M3	250.00	0.00	250.00
80	Noah Drew Mackenzie 504658	26 Cap La Ronde ROAD D'escousse NB B0E 1K0	250.00	0.00	250.00
81	PassTime GPS Canada 177977	100-5118 North Fraser Way Burnaby BC V5J 0H1	565.00	0.00	565.00
82	Perry Da Silva 508234	8 Nightingale Road St. John's NL A1E 2G5	6,065.32	0.00	6,065.32
83	Pitney Bowes 18334299	PO Box 278 Orangeville ON L9W 2Z7	250.00	0.00	250.00

01-Nov-2023

Date

Anthony Speelman

District of:
 Division No. -
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 Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "A"
 Unsecured Creditors
 Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
84	Qlik Tech Corporation 399956	PO Box 15349, Station A Toronto ON M5W 1C1	1,953.92	0.00	1,953.92
85	Quinn Charles DT33028342	2 1868 Sheppard Avenue W North York ON M3L 1Y3	250.00	0.00	250.00
86	RBC Royal Bank c/o BankruptcyHighway.com Attn: Razel Bowen 4516050007710180	PO Box 57100 Etobicoke ON M8Y 3Y2	5,967.28	0.00	5,967.28
87	Renner J Pineda 512778	60 Kingswood Drive Brampton ON L6V 2W3	1,355.01	0.00	1,355.01
88	RightRide Saskatoon DT37957389SON02	105 Wakoona St. Saskatoon SK S7R 1A7	32,274.00	0.00	32,274.00
89	Riverside Auto Sales DT37940360SON02	600 Elmira Rd. North Guelph ON N1K 1C5	11,902.25	0.00	11,902.25
90	ROBERT JOHN, EDWARD DREW 504747	236 BRIDGE STREET Saint John NB E2K 1S7	3,427.53	0.00	3,427.53
91	Rogers 8-9263-5103	PO Rogers 9100 Don Mills ON M3C 3P9	1,337.78	0.00	1,337.78
92	Rogers 9-0886-0943	PO Rogers 9099 Don Mills ON M3C 3P9	250.00	0.00	250.00
93	Rosalyn Balatbat Abacan 509838	160 Jordan Parkway Red Deer AB T4P 0A8	419.56	0.00	419.56
94	Rowley Wilson Auto Sales DT37821957SON02	205 - 1885 Wilson Ave. North York ON M9M 1A2	19,656.74	0.00	19,656.74
95	Shred-It 1000035711	1218 South Service Road West Oakville ON L6L 5T7	782.33	0.00	782.33
96	Sonya Marie Chapman 503103	895 Malagash RD Richmond NB B0K 1E0	7,101.55	0.00	7,101.55
97	Stephanie M Martin 507096	19185 Airport Road Summerstown ON K0C 2E0	4,254.71	0.00	4,254.71
98	Steven John Fraser 505946	2627 East River East Side Road Springville NS B2H 5C5	250.00	0.00	250.00
99	Tammy Plunkett DT35030111	1 38 Kirkpatrick Street Kirkland ON P2N 2H1	394.38	0.00	394.38
100	Taylor Ominayak DT34402997	402 9229 Lakeland Drive Grand Prairie AB T8X 0B8	306.17	0.00	306.17

01-Nov-2023

Date

Anthony Speelman

District of:
 Division No. -
 Court No. 32-2995640
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FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario
 List "A"
 Unsecured Creditors
 Source One Financial Corporation

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
101	TCN CAN-286	162 N. 400 E. B-200 St. George UT 84770 USA	250.00	0.00	250.00
102	TransUnion 975FA51558	PO Box 15613 Station A Toronto ON M5W 1C1	6,643.84	0.00	6,643.84
103	UCDA 115525	230 Norseman Street Toronto ON M8Z 2R4	250.00	0.00	250.00
104	Vernon NISSAN DT37831916SON02	6417 Highway 97 Vernon BC V1B 3R4	15,329.28	0.00	15,329.28
105	Walter Uttke DT37469154	105A 242 Powder Drive Fort McMurray AB T9K 0B6	250.00	0.00	250.00
106	Yaaas Automotive Inc DT37804423SON02	1380 Sargent Ave Winnipeg MB R3E 0G5	20,112.50	0.00	20,112.50
Total:			3,348,313.19	568,000.00	3,916,313.19

01-Nov-2023

Date



Anthony Speelman

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "B"
 Secured Creditors

Source One Financial Corporation

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of	Estimated surplus from security	Balance of claim
1	1717030 Ontario Limited	1950 Wilson Avenue Toronto ON M9M 1B2	100,000.00	Cash on Hand - Cash in Bank	01-Jan-2023	0.00		100,000.00
2	Cortland Credit Lending Corporation	200 Bay St, Suite 3230 Toronto ON M5J 2J2	8,400,000.00	Business Assets - Book Debts - Cortland portfolio receivable Cash on Hand - Cash in Bank	01-Jan-2020 01-Jan-2020	7,800,000.00 132,000.00		468,000.00
3	CWB National Leasing Inc./ (formerly National Leasing Group Inc) Attn: Bankruptcy Designate	1525 Buffalo Pl Winnipeg MB R3T 1L9	250.00	Business Assets - Trade Fixtures - Photocopiers	01-Jan-2020	250.00		
4	Westlake Services, LLC	4751 Wilshire Blvd Ste 100 Los Angeles CA 90010-3847	2,600,000.00	Cash on Hand - Cash in Bank	01-Jan-2020	2,600,000.00		
Total:			11,100,250.00			10,532,250.00	0.00	568,000.00

01-Nov-2023

Date



Anthony Speelman

District of:
Division No. -
Court No. 32-2995640
Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario
List "C"
Preferred Creditors for Wages, Rent, etc.

Source One Financial Corporation

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

01-Nov-2023

Date



Anthony Speelman

District of:
Division No. -
Court No. 32-2995640
Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario
List "D"
Contingent or Other Liabilities

Source One Financial Corporation

No.	Name of creditor or claimant	Address and occupation	Amount of liability or	Amount expected to rank for	Date when liability incurred	Nature of liability
Total:			0.00	0.00		

01-Nov-2023

Date



Anthony Speelman

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "E"

Debts Due to the Debtor
 Source One Financial Corporation

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be	When contracted	Estimated to produce	Particulars of any securities held for debt
				0.00				
			Total:	0.00			0.00	
				0.00				

01-Nov-2023

Date



Anthony Speelman

District of:
Division No. -
Court No. 32-2995640
Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario
List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel

Source One Financial Corporation

No.	Name of all promissory, acceptors, endorsers, mortgages and	Address	Occupation	Amount of bill or note,	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or
Total:				0.00		0.00	

01-Nov-2023

Date



Anthony Speelman

District of:
Division No. -
Court No. 32-2995640
Estate No. 32-2995640

FORM 78 -- Continued

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

List "G"

Real Property or Immovables Owned by Debtor
Source One Financial Corporation

Description of property	Nature of debtor interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address,	Equity or surplus
Total:			0.00		0.00

01-Nov-2023

Date



Anthony Speelman

District of:
 Division No. -
 Court No. 32-2995640
 Estate No. 32-2995640

FORM 78 -- Concluded

In the Matter of the Proposal of
 Source One Financial Corporation
 of the City of Burlington,
 in the Regional Municipality of Halton,
 in the Province of Ontario

List "H"

Property

Source One Financial Corporation

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.	Possession of bankrupt	Photocopiers	0.00	250.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand		Cash on hand	2,732,000.00	2,732,000.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
(m) Other		Book Debts - Cortland portfolio receivable	0.00	7,800,000.00
			Total:	10,532,250.00

01-Nov-2023

Date

Anthony Speelman

Court No. 32-2995640

File No. 32-2995640

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)

BDO Canada Limited / BDO Canada Limitée -
Licensed Insolvency Trustee
20 Wellington St E, Suite 500
Toronto ON M5E 1C5
Phone: (416) 865-0210 Fax: (416) 865-0904

TAB 3(F)



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

BDO Canada Limited
20 Wellington St. E. Suite 500
Toronto ON M5E 1C5 Canada

"B"

District of **ONTARIO**
Division No. **09 - Mississauga**
Estate No. **32-2995640**
Court No. **32-2995640**

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO.

REPORT OF TRUSTEE ON PROPOSAL

TO THE CREDITORS OF
SOURCE ONE FINANCIAL CORPORATION

SOURCE ONE FINANCIAL CORPORATION ("Source One" or the "Company") filed a Notice of Intention to Make a Proposal ("NOI") under the *Bankruptcy and Insolvency Act* on the 6th day of October 2023 with the Official Receiver, and BDO Canada Limited consented to act as Trustee in the administration of the Proposal (in such capacity, the "Trustee").

The Company filed a Proposal with the Official Receiver on the 1st day of November 2023. A creditors' meeting will be held to consider the Proposal on the 22nd day of November 2023 at 10:00 a.m. via conference call (437) 703-5279 or (833) 215-3238, Conference ID: 833 595 688#.

We enclose herewith the following documents:

- Statutory Notice of Meeting of Creditors;
- Copy of the Certificate of Filing;
- Copy of the Proposal;
- Condensed statement of assets and liabilities;
- Listing of creditors;
- Proof of claim form (blank);
- General proxy (blank); and
- Voting letter (blank) in the event you wish to vote in advance of the meeting.

To participate in any dividend distributions, creditors must submit to the Trustee a properly completed proof of claim, together with a statement of account attached thereto as Schedule "A" (the "Claim"). Further, to be eligible to vote in the Proposal, the Claim must be submitted to us prior to the time of the meeting. The Claim should include all amounts outstanding as at the Date of Filing. Filing your Claim is sufficient notice to us of any disagreement you may have with respect to the amount reported due to you in the attached documents. The completed Claim can be delivered to the Trustee's office by mail, courier, facsimile, electronic mail, or in person.



Creditors do not have to attend the creditors' meeting but can vote on the Proposal by completing the attached voting letter and indicating their vote FOR or AGAINST the Proposal. Creditors can also appoint a person to represent them at the creditors' meeting by submitting a properly completed proxy form with the proof of claim form. The proxy may be given in favour of the Trustee or any individual representing you. All corporations must name a proxy.

The following information is provided to assist creditors in evaluating the Company's affairs and the Proposal. Please note we have not audited or reviewed the Company's books and records and, as a result, we are not able to express an opinion concerning the accuracy of the information contained herein. The following information originated from the Company's books and records that were made available to us, as well as from our discussions with the Company and management.

All figures presented herein are in Canadian dollars unless expressly noted. Any terms not defined herein have the definitions ascribed to them in the Proposal.

BACKGROUND

The Company was incorporated on November 28, 2011, and operated from leased premises at 940 Sheldon Court, Burlington, Ontario. The Company provides automotive finance loans to non-prime and sub-prime borrowers in Canada through a network of new and used vehicle dealers. In addition, the Company acted as administrative agent to Westlake Services, LLC ("**Westlake**") for their automotive loan portfolio that was generated through Source One. Bill Kooy ("**Kooy**") and Anthony Speelman ("**Speelman**") and together with Kooy, the "**Directors**") are the Company's Directors.

The Company utilized two main lenders in its operations - Cortland Credit lending Corporation ("**Cortland**") and Westlake. In the past, Cortland provided the Company with operating capital. As well, the Cortland facility included the amalgamation of two existing secured funding facilities, initially advanced to the Company for vehicle loans from other third-party lenders. Following this amalgamation of facilities in 2019, Cortland did not fund any new consumer vehicle loans outside of its existing facility. Westlake began funding all new vehicle loans for the Company in or around December 2019. Auto dealers would approach the Company for funding on vehicle loans, which the Company would outsource to Westlake for review. Once Westlake approved the loan, the Company would advise the dealer of the approval and the sale would be consummated. Westlake advanced funding to the Company, and the Company in turn would pay the funds to the dealer. The Company would then service the Westlake loan for its term. The Company serviced the loan portfolio on behalf of Westlake and earned revenue through "profit sharing" if the portfolio performed well.

All automotive loans were between the consumer and the Company. Loan payments and other vehicle proceeds were received directly by the Company and allocated to the respective portfolios of either Cortland or Westlake for payment.

Financial difficulties for the Company began in or around December 2020 when a former partner left the Company to become CEO for a competing lender named Northlake Financial ("**Northlake**"). Northlake was also funded by Westlake. The Company's financial struggles are due to:

- the significant and rapid rise in interest rates in 2023, and the subsequent effect on the loan portfolios and Source One's diminishing (or negative) interest premium charged;
- the increased cost of funding provided by Westlake;
- the reduced amount of profit-sharing revenue, which in some cases was negative;
- the negative affect of rising interest rates on new loan originations; and



- the increasing loan defaults at a more aggressive rate than originally projected in the business model, resulting in increased recovery costs and increases losses in the respective portfolios.

Despite these challenges the Company continued business in attempts to bring stability to operations. The Directors injected millions of dollars in operating capital over the last 24 months to maintain operations. However, revenues and cash flow quickly began to diminish as a result of the factors identified above.

Management further advises that in August 2023 Westlake contacted the Company suggesting they could not continue with the existing Sales & Servicing Agreement and required more equity from future loan originations. Westlake offered three new arrangements:

- (i) Westlake advances 90% of each new loan origination;
- (ii) Westlake advances 95% of each new loan origination; or
- (iii) Westlake ceases to fund any new loan originations.

Westlake previously advanced 100% of each new loan origination. Accordingly, option (i) and (ii) required the Company to supplement Westlake's funding with the additional 5% or 10% required to fund a deal. Considering the Company was currently losing money and had no ownership or security interest in the vehicles, none of the above options were deemed feasible.

Having no further operating capital, the Company determined it was not feasible to continue operations and accordingly ceased operations on September 8, 2023, terminating approximately 90% of its employees. Four employees remained with the Company and continued to be paid by the Directors to assist with a wind down of operations, including the transitioning of the Westlake portfolio to Northlake. Cortland continued to be serviced by the Company while Cortland assessed its options. Source One did not originate any new loans subsequent to September 8, 2023.

Following the filing of the NOI and leading up to the filing of the Proposal, Westlake negotiated directly with Cortland and took an assignment of Cortland's portfolio and security (the "Assignment"). Subsequent to the Assignment, the Cortland portfolio belonged to Westlake. Following the filing the Proposal to the unsecured creditors, Westlake immediately proceeded to foreclose on the assets of the Company that were subject to the Cortland security. Accordingly, the Company no longer maintains any loan portfolios.

The Company now finds itself unable to maintain its day-to-day operations and meet its obligations. Management has attempted to be proactive and take steps to mitigate its financial challenges, however, circumstances did not allow such mitigation. Accordingly, despite no longer operating or maintaining any loan portfolios, the Company wishes to seek a settlement with its creditors and has filed a Proposal under the *Bankruptcy and Insolvency Act*, to be funded by a third-party sponsor.

SUMMARY OF PROPOSAL

The Company's Proposal is to be funded by 2164155 Ontario Inc. (the "Sponsor"). The Sponsor shall pay, or cause to be paid to the Trustee a total amount of \$250,000 (the "Proposal Fund") immediately upon obtaining an order of the court approving the Proposal.

Under the terms of the Proposal, the Proposal Funds will be utilized as follows:

- the Administrative Fees and Expenses will be paid in priority to all creditors' claims;
- All amounts owing to Canada Revenue Agency that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* or under any substantially similar provision of provincial legislation,



that were outstanding at the Date of Filing, shall be paid in full within 6 months after the Court Approval Date;

- Secured Creditors, if any, will be unaffected;
- Preferred Creditors will be paid in full in priority to Unsecured Creditors, immediately after Court approval. Based on available information, the Trustee is not aware of any amount owing under this category;
- Claims of Former Employees shall participate in the *Wage Earners Protection Program* (“WEPP”), to be administered by the Trustee upon receipt of the order of the court approving the Proposal. Instructions will be distributed to Former Employees on how to apply for WEPP. Any claims of Former Employees will not participate in any distribution from the Proposal Funds;
- Unsecured Creditors will receive the balance of the Proposal Funds, to be divided on a pro rata basis, in full and final settlement of their proven unsecured claims;
- Creditors agree not to pursue any actions against the Company’s directors for claims against the directors that arose prior to the Date of Filing and that relate to the obligations of the Company where the directors are by law liable in their capacity as directors for the payment of such obligation; and
- all payments to creditors are subject to a levy payable to the Superintendent of Bankruptcy pursuant to section 147 of the *Bankruptcy and Insolvency Act*, calculated at 5 percent.

In consideration of the Sponsor funding this Proposal:

- (a) all Existing Shares shall be cancelled and retired and shall cease to exist, with no consideration delivered in exchange therefor; and
- (b) the Company shall issue and deliver one hundred (100) new common shares in the equity of the Company to the Sponsor, or its permitted assignee.

If the requisite statutory majorities of creditors and the Court approve the Proposal, the Proposal will become legally binding on the Company and all Unsecured and Preferred Creditors. If the creditors reject the Proposal, the Company will be deemed to have filed an assignment in bankruptcy.

Readers are cautioned that the foregoing summary is meant only as a simplified overview. The Proposal contains terms and conditions which are not set out above. In the event of any conflict between the summary and the Proposal, the terms of the Proposal will prevail. Creditors are therefore urged to read the Proposal in its entirety and, if necessary, to consult with their professional advisors.

IDENTIFICATION AND EVALUATION OF ASSETS

The assets of the Company are subject to the encumbrances of the following secured creditors:

- Cortland Credit lending Corporation - Cortland holds a General Security Agreement (“GSA”) over all of the Company’s assets and property. Cortland registered its security interest in the Company’s assets under the *Personal Property Security Act* R.S.O. 1990, c. P. 10, as amended (the “PPSA”). Based on the Company’s records and searches of the Ontario Personal Property Security Registration System conducted by the Trustee’s independent counsel, Cortland’s security enjoys a first priority position. On October 31, 2023, Cortland executed an assignment of its security and interest in and to



the Company's assets and property to Westlake, which transaction was completed on November 1, 2023. Cortland was owed approximately \$8,400,000, not including accruing professional legal and advisory fees;

- Westlake Services, LLC - Westlake registered its security interests in the assignment of receivables owing under the Westlake portfolio of loans due and owing from the Company under the Sales & Service Agreement between the Company and Westlake. As discussed above, the Company was simply a servicer to the Westlake portfolio of loans. The inability of the Company and Westlake to negotiate a new Sales & Servicing Agreement resulted in Westlake transitioning its portfolio to Northlake prior to the Company filing its NOI. The Westlake portfolio, and any receivables collected by the Company under that portfolio, has been fully released and transferred to Westlake prior to the First Meeting of Creditors in this Proposal;
- 1717030 Ontario Limited ("171 Ont") - 171 Ont is a related entity owned by Speelman. 171 Ont registered its security interest against the Company under the PPSA as security for monies advanced to the Company by Speelman to maintain operations. 171 Ont will not realize any recoveries as a secured creditor and has agreed not to seek payment under the Proposal for any unsecured deficiency claim that it may have; and
- CWB National Leasing Inc. ("CWB") - CWB has registered a security interest against the Company under the PPSA as security for the lease of certain photocopiers, attachments, and accessories to the Company. CWB is not affected by the proposal, to the extent of its secured claims, and such equipment shall be released to CWB.

The Trustee has requested Aird & Berlis LLP ("Aird & Berlis") to provide a legal opinion on the validity and enforceability of the security held by Cortland. Aird & Berlis has advised the Trustee that subject to the usual qualifications and assumptions, it is of the opinion that the security granted by the Company in favour of Cortland creates a valid security interest and is enforceable in accordance with its terms including against a trustee in bankruptcy.

As previously stated, on November 1, 2023, Westlake (having taken an assignment of Cortland's security) foreclosed on its security and took control of all of the Company's assets under the Cortland security. The Company no longer maintains any assets, other than those subject to CWB's security which it intends to release to CWB.

Considering the above, the Trustee has not incurred the expense of requesting an independent legal opinion from Aird & Berlis of the 171 Ont or CWB security at this time.

The Trustee identified the assets of the Company, as at the date of the NOI, which, as discussed above, were fully encumbered and have become subject to the foreclosure procedures initiated and completed by Westlake:

Cash on hand

The Company's Statement of Affairs reported approximately \$2,732,000 in its bank accounts as of October 6, 2023, the date of the NOI. The cash on hand can be broken down further as receipts received and subject to the Cortland's (est. \$123,000) and Westlake's (est. \$2,609,000) portfolios. Westlake has taken possession of the Cortland proceeds under its foreclosure. The Westlake proceeds flowed through to Westlake under its receivable. The Company's bank balance fluctuates on a day-to-day basis as the respective loan portfolio receivables are received. Management directs the loan proceeds amongst Cortland and Westlake daily.



Furniture and equipment (“Furniture”)

The Company’s Furniture consists of miscellaneous aged chairs, computer equipment and leased photocopiers. The Trustee has not incurred the costs of arranging an appraisal of the Furniture at this time. The photocopiers will be returned to CWB.

Book Debts Due

The vehicles loans under the Cortland portfolio have maturity dates extending into 2029. The Company estimates the book value of the receivable under the Cortland portfolio to be approximately \$7,800,000 as at October 6, 2023. This does not consider the cost of future vehicle loan defaults, expenses to realize on defaults, repossession costs, etc. The book debts due are subject to the foreclosure by Westlake. Considering the book debts due are less than the Cortland indebtedness, there are no surplus funds available for Unsecured Creditors.

ESTIMATED REALIZATION TO CREDITORS

A Schedule of Estimated Realization comparing the estimated realization in a bankruptcy scenario to the estimated realization from the offered Proposal is outlined below:

IN THE MATTER OF THE PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO.
Schedule of Estimated Realization

	Bankruptcy	Proposal
ESTIMATED GROSS REALIZATION		
Cash on hand, note 1	\$ -	\$ -
Book Debts Due, note 1	-	-
Furniture and equipment	Encumbered	-
Retainer	30,000	-
Sponsor’s Lump Sum payment under proposal		250,000
	\$ 30,000	\$ 250,000
ESTIMATED COSTS OF REALIZATION		
Filing Fees and Disbursements	1,000	1,000
Trustee’s fees and disbursements	25,000	40,000
Legal Fees of Trustee and Company	-	85,000
HST	3,341	16,341
	29,341	142,341
ESTIMATED AMOUNT AVAILABLE FOR DISTRIBUTION	\$ 659	\$ 107,659
ESTIMATED CLAIMS OF ORDINARY CREDITORS		
Ordinary unsecured, note 2	3,500,000	850,000
	3,500,000	850,000
Estimated recovery to Ordinary Creditors	0.0%	12.7%

Notes:

1. Cash on hand and Book Debts Due to the Company were subject to the foreclosure proceedings initiated, and completed, by Westlake Services, LLC. Accordingly, in the event of bankruptcy, the Trustee does not attribute any value to these for the general benefit of unsecured creditors.
2. Certain related parties have agreed to waive and postpone their claim and dividend in the Proposal administration. In addition, the Westlake Services, LLC foreclosure satisfies the shortfall in the Cortland Credit Lending Corporation security. Accordingly, the estimated claims of participating unsecured creditors in the Proposal proceedings reflects these adjustments. However, the related parties have advised they intend to prove their claims and participate in the event of a subsequent deemed bankruptcy of the Company.



If the Proposal is rejected, the Company will be deemed bankrupt. The Licensed Insolvency Trustee would typically proceed to realize on the assets available for Unsecured Creditors. The anticipated recovery under a bankruptcy scenario will be \$Nil for the Unsecured Creditors. The Proposal provides an estimated recovery of 12.7% for Unsecured Creditors.

The main advantages of the Proposal are as follows:

- the Sponsor has agreed to fund the Proposal of the otherwise defunct Company, subject to Creditor and Court Approval;
- The Sponsor's Proposal Fund is a lump sum payable upon Court Approval, thereby allowing for an expedited distribution to Unsecured Creditors;
- Unsecured Creditors will experience a recovery that they may otherwise not obtain in a bankruptcy;
- management has co-operated with the Trustee since the filing of the NOI;
- related parties, with potential claims in excess of \$3,000,000, have agreed not to file a claim under the Proposal or participate in any distributions to the Unsecured Creditors, thereby increasing the return to the proven Unsecured Creditors; and
- the quantum of payments is fixed in the Proposal, so there is a degree of certainty to the calculation of the expected recovery to Unsecured Creditors.

Based on all of the information that has come to the Trustee's attention to date, the Trustee recommends that Unsecured Creditors accept the Company's Proposal.

We trust that the foregoing adequately explains the current and ongoing circumstances of the Company. If any questions or concerns arise, please contact Peter Naumis at (905) 615-6207.

Dated at Toronto, Ontario this 8th of November 2023.

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

BDO CANADA LIMITED
Trustee
20 Wellington Street E., Suite 500
Toronto, Ontario M5E 1C5

TAB 3(G)

District of ONTARIO
Division No. 09-Mississauga
Court No. 32-2995640
Estate No. 32-2995640

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO.

AFFIDAVIT OF MAILING OF NOTICE OF
HEARING OF APPLICATION FOR COURT APPROVAL OF PROPOSAL

I, Franca Iannilli, of the Trustee's office of BDO Canada, hereby make oath and say:

That on November 29, 2023, I did cause to be mailed by prepaid ordinary mail to the principal of the debtor company, and to the known creditors, whose name(s) and address(es) appear on the paper-writing marked "A" annexed hereto, a copy of the Notice of Hearing of Application for Court Approval of Proposal marked "B" annexed hereto.

And that on same date, I did also cause to be e-filed a copy of the Notice of Hearing of Application for Court Approval of Proposal with the Official Receiver. E-filing confirmation marked "C" annexed hereto.



Franca Iannilli

SWORN before me in the Town of Oakville, in the Province of Ontario
this November 29, 2023.



A Commissioner in and for the
Province of Ontario

Peter Naumis, a Commissioner, etc.,
Province of Ontario, for BDO Canada LLP
and BDO Canada Limited and their
subsidiaries, associates and affiliates.
Expires April 15, 2024.

This is Exhibit "A" referred to in the affidavit of
mailing of Notice of Hearing of Application for court
Approval of Proposal of Franca Iannilli

SWORN BEFORE ME this 29th day of

November 29, 2023



A Commissioner for taking Affidavits

**Peter Naumis, a Commissioner, etc.,
Province of Ontario, for BDO Canada LLP
and BDO Canada Limited and their
subsidiaries, associates and affiliates.
Expires April 15, 2024.**

Creditor Mailing List



In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

Creditor Type	Name	Attention	Address
Director	Anthony Speelman		17 Jason Road Etobicoke ON M9V 1C5
Contingent	ADNAN ZABIAN		505860 3352 COLONIAL DRIVE Mississauga ON L5L 5A6
Unsecured	3299874 Nova Scotia Limited dba 902 Auto Sales	Meaghan Kells	DT37468989SON02 c/o Cox & Palmer 1500 - 1625 Grafton St. Halifax NS B3J 0E8
	4350996 Nova Scotia Limited		DT37938187SON02 c/o Cox & Palmer, 1500-1625 Grafton Street Halifax NS B3J 0E8
	4350996 Nova Scotia Limited		DT37760910SON02 Meaghan Kells c/o Cox & Palmer 1500-1635 Grafton Street Halifax NS B3J 0E8
	6929290 Canada Corporation	Justin Weaver	DT37422739SON02 o/a Mega Motors Approval Genie (Ottawa) 851 Campbell Avenue Ottawa ON K2A 2C6
	6929290 Canada Corporation	Justin Weaver	DT37850321SON02 o/a Mega Motors Approval Genie (Scarborough) 851 Campbell Avenue Ottawa ON K2A 2C6
	6929290 Canada Corporation	Justin Weaver	DT37710643SON02 o/a Mega Motors Approval Genie (Whitby) 851 Campbell Avenue Ottawa ON K2A 2C6
	ADNAN ZABIAN		505860 3352 COLONIAL DRIVE Mississauga ON L5L 5A6
	Blue-Pencil		23652 761 Redwood Square Oakville ON L6L 6R6
	Clayton Mackenzie Garrett		511707 Box 284 Central Butte SK S0H 0T0
	Pitney Bowes		PBSBK0004270 PO Box 278 Orangeville ON L9W 2Z7

Creditor Mailing List

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	Sonya Marie Chapman		503103 895 Malagash RD Richmond NB B0K 1E0

This is Exhibit "B" referred to in the affidavit of
mailing of Notice of Hearing of Application for court
Approval of Proposal of Franca Iannilli

SWORN BEFORE ME this 29th day of

November 29, 2023



A Commissioner for taking Affidavits

Peter Naumis, a Commissioner, etc.,
Province of Ontario, for BDO Canada LLP
and BDO Canada Limited and their
subsidiaries, associates and affiliates.
Expires April 15, 2024.



Tel: 905 615 8787
Fax: 905 615 1333
www.bdo.ca

BDO Canada Limited
360 Oakville Place Drive, Suite 500
Oakville, ON L6H 6K8

"B"

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2995640
Estate No. 32-2995640

FORM 40.1
Notice of Hearing of Application for Court Approval of Proposal
(Paragraph 58(b) of the Act)

In the Matter of the Proposal of
Source One Financial Corporation
of the City of Burlington,
in the Regional Municipality of Halton,
in the Province of Ontario

In Ontario Superior Court of Justice in Bankruptcy.

In the matter of the proposal of Source One Financial Corporation, a debtor.

Take notice that an application will be made to the court, via zoom, on the 18th day of December 2023, at 12:30PM, to approve the proposal of Source One Financial Corporation., accepted by the creditors at a meeting held on the 22nd day of November 2023.

Zoom details will be found on the Trustee's website, within 5 days of the court application date. Please check the Trustee's website, below, for details:

<https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/sourceone>

Dated at the Town of Oakville in the Province of Ontario, this 29th day of November 2023.

BDO Canada Limited / BDO Canada Limitée - Licensed Insolvency
Trustee

20 Wellington St E, Suite 500
Toronto ON M5E 1C5
Phone: (416) 865-0210 Fax: (416) 865-0904

This is Exhibit "C" referred to in the affidavit of
mailing of Notice of Hearing of Application for court
Approval of Proposal of Franca Iannilli

SWORN BEFORE ME this 29th day of

November 29, 2023



A Commissioner for taking Affidavits

*Peter Naumis, a Commissioner, etc.,
Province of Ontario, for BDO Canada LLP
and BDO Canada Limited and their
subsidiaries, associates and affiliates.
Expires April 15, 2024.*



Update filing - update is confirmed

Welcome [Franca, Iannilli](#) | [Preferences](#) | [E-Filing helpdesk](#) | [Instructions](#) | [Logout](#)

Estate Information

Please Note: The following estate(s) were updated:

- **Estate Number:** 32-2995640
- **Estate Name:** Source One Financial Corporation

Document(s) submitted

The following document(s) have been successfully submitted

- Form 40.1: Notice of Hearing of Application for Court Approval of Proposal

Reference

- The Reference Number for this transaction is: **21705070**.
- Submitted by Franca Iannilli.
- 2023-11-29 12:46 EST

[Submit another document for this estate.](#)

If you would like to submit a document against a different estate, please click on the **Update** link in the left hand side menu.

District of ONTARIO
Division No. 09
Court No. 32-2995640
Estate No. 32-2995640

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO.

AFFIDAVIT OF MAILING OF NOTICE OF HEARING
OF APPLICATION FOR COURT APPROVAL OF
PROPOSAL

BDO CANADA LIMITED
Licensed Insolvency Trustee
360 Oakville Place Drive, Suite 500
Oakville, ON
L6H 6K8

Tel: (905) 615-8787
Fax: (905) 615-1333

TAB 3(H)

IN THE MATTER OF THE PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON
IN THE PROVINCE OF ONTARIO.

STATEMENT OF PROJECTED CASH-FLOW
FOR THE PERIOD ENDING JANUARY 26, 2024

	3-Nov-23	10-Nov-23	17-Nov-23	24-Nov-23	1-Dec-23	8-Dec-23	15-Dec-23	22-Dec-23	29-Dec-23	5-Jan-24	12-Jan-24	19-Jan-24	26-Jan-24
RECEIPTS													
Accounts receivable collections - WL	\$ 127,580	\$ 50,000											
Accounts receivable collections - Cortland	-	-											
Capital Injections	15,000												
Sponsor's proposal funding											250,000		
	142,580	50,000	-	-	-	-	-	-	-	-	250,000	-	-
DISBURSEMENTS													
Professional fees													
Salaries and Wages	10,450	8,500											
Source Deductions	4,175	1,500											
Accounts payable collections - WL	100,000	50,000	-	-	-	-	-	-	-	-	-	-	-
Accounts payable collections - Cortland	228,500	-	-	-	-	-	-	-	-	-	-	-	-
Cortland IFT Recovery and Account Servicing fees													
Cortland Inovatec													
Supplies/Servicing Costs	3,000												
Payment to Secured creditor	3,456,036												
Miscellaneous	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000		
	3,803,161	61,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-	-
PROJECTED WEEKLY CASH FLOW	(3,660,581)	(11,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	249,000	-	-
CASH BALANCE													
Opening Position per --- Books	3,681,714	21,133	10,133	9,133	8,133	7,133	6,133	5,133	4,133	3,133	2,133	251,133	251,133
Ending Position per ---- Books	\$ 21,133	\$ 10,133	\$ 9,133	\$ 8,133	\$ 7,133	\$ 6,133	\$ 5,133	\$ 4,133	\$ 3,133	\$ 2,133	\$ 251,133	\$ 251,133	\$ 251,133

SOURCE ONE FINANCIAL CORPORATION
Per: 

Anthony Speelman
Secretary

01-Nov-23

Date

BDO CANADA LIMITED
Per: 

Peter Naumis, B. Comm., CIRP, LIT
Vice-President

01-Nov-23

Date

This statement of projected cash-flow for Source One Financial Corporation has been prepared in accordance with section 50(6) of the Bankruptcy and Insolvency Act, and should be read in conjunction with Trustee's Report on Cash-Flow, dated November 1, 2023.

**IN THE MATTER OF THE PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON
IN THE PROVINCE OF ONTARIO.**

**NOTES AND ASSUMPTIONS TO
THE STATEMENT OF PROJECTED CASH-FLOW**

1. This projected cash-flow statement has been prepared for the purposes of filing a proposal pursuant to Part III of the Bankruptcy and Insolvency Act.
2. The projected cash-flow statement has been prepared by management of the insolvent person.
3. Disbursements are managements estimates based on historical information. The November rent has
4. Accounts receivable collections are managements projections based on historical information.
5. These cash flow projections assume Westlake Services, LLC shall have taken an assumption of the Cortland Credit Lending Corporation's security. Accordingly, the complete lease portfolio will belong to Westlake Services, LLC. The Company estimates the complete lease portfolio will be transitioned to Northlake Financial by no later than the week ending November 10, 2023. Accordingly, the Company does not anticipate any receipts to be received under the lease portfolio post-November 10, 2023 (or sooner as the case may be). In the event any ancillary receipts received by the Company from the lease portfolio post transitioning will be remitted to Northlake Financial. Supplemental expenses, if any, post November 10, 2023 (or earlier as the case may be) will be funded by a third party.
6. Westlake Servcies, LLC, has indicated they intend to foreclose on their security during the week ending November 3, 2023, inclusive of the cash in the Company's account relating to the former Corltand Credit Lending Corporation's portfolio and the Westlake Servcies, LLC portfolio.
7. The proposal Sponsor will direct payment to the Proposal Trustee to fulfill the financial obligations of the Company's proposal upon receipt of an Order of the court approving the Company's proposal.

SOURCE ONE FINANCIAL CORPORATION

Per:



Secretary

01-Nov-23

Date

BDO CANADA LIMITED

Per:



Vice President

01-Nov-23

Date

TAB 3(I)

**IN THE MATTER OF THE PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO.**

Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) of the Act)

The attached statement of projected cash-flow of Source One Financial Corporation (the "Company"), as of the 1st day of November 2023, consisting of an unaudited monthly cash flow statement, has been prepared by the Company for the purpose described in Note 1, using the probable and hypothetical assumptions set out in Note 2-7.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by the Company. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by the insolvent person for the probable assumptions and the preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed by the insolvent person are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the creditors of the insolvent person for the purpose described in Note 1, and readers are cautioned that it may not be appropriate for other purposes.

Dated at Mississauga, Ontario this 1st day of November 2023.

BDO CANADA LIMITED,

Trustee

Per:



Peter Naumis, B. Comm., CIRP, LIT
Vice President

TAB 3(J)

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 12/07/2023
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 08:42:10
ACCOUNT : 009233-0001 FAMILY : 1 OF 5 ENQUIRY PAGE : 1 OF 10
FILE CURRENCY : 06DEC 2023
SEARCH : BD : SOURCE ONE FINANCIAL CORPORATION

00 FILE NUMBER : 746181702 EXPIRY DATE : 26NOV 2024 STATUS :
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20181126 1014 6005 6628 REG TYP: P PPSA REG PERIOD: 06
02 IND DOB : IND NAME:
03 BUS NAME: SOURCE ONE FINANCIAL CORP.

OCN :

04 ADDRESS : 498 EAGLE STREET N, SUITE 103
CITY : CAMBRIDGE PROV: ON POSTAL CODE: N3H 1C2
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
CWB NATIONAL LEASING INC.

09 ADDRESS : 1525 BUFFALO PLACE (2909240)
CITY : WINNIPEG PROV: MB POSTAL CODE: R3T 1L9
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 X
YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION

13 ALL TELEPHONE SYSTEMS AND VOIP OF EVERY NATURE OR KIND DESCRIBED IN
14 AGREEMENT NUMBER 2909240, BETWEEN FIBERNETICS CORPORATION, AS
15 ORIGINAL SECURED PARTY AND THE DEBTOR, WHICH AGREEMENT WAS ASSIGNED

16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 12/07/2023
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 08:42:10
ACCOUNT : 009233-0001 FAMILY : 1 OF 5 ENQUIRY PAGE : 2 OF 10
FILE CURRENCY : 06DEC 2023
SEARCH : BD : SOURCE ONE FINANCIAL CORPORATION

00 FILE NUMBER : 746181702 EXPIRY DATE : 26NOV 2024 STATUS :
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20181126 1014 6005 6628 REG TYP: REG PERIOD:

02 IND DOB : IND NAME:
03 BUS NAME:

OCN :

04 ADDRESS :
CITY : PROV: POSTAL CODE:

05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION

13 BY THE ORIGINAL SECURED PARTY TO THE SECURED PARTY, AS AMENDED FROM
14 TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND
15 SUBSTITUTIONS.

16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:



PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 12/07/2023
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 08:42:11
ACCOUNT : 009233-0001 FAMILY : 2 OF 5 ENQUIRY PAGE : 3 OF 10
FILE CURRENCY : 06DEC 2023
SEARCH : BD : SOURCE ONE FINANCIAL CORPORATION

00 FILE NUMBER : 746191746 EXPIRY DATE : 26NOV 2024 STATUS :
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20181126 1209 6005 6641 REG TYP: P PPSA REG PERIOD: 06
02 IND DOB : IND NAME:
03 BUS NAME: SOURCE ONE FINANCIAL CORP

OCN :
04 ADDRESS : 11 VICTORIA STREET UNIT 3
CITY : BARRIE PROV: ON POSTAL CODE: L4N 6T3
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :
CWB NATIONAL LEASING INC.

09 ADDRESS : 1525 BUFFALO PLACE(2910346)
CITY : WINNIPEG PROV: MB POSTAL CODE: R3T 1L9
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X
YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION
13 ALL PHOTOCOPIERS OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT
14 NUMBER 2910346, BETWEEN THE SECURED PARTY AND THE DEBTOR, AS AMENDED
15 FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 12/07/2023
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 08:42:12
ACCOUNT : 009233-0001 FAMILY : 2 OF 5 ENQUIRY PAGE : 4 OF 10
FILE CURRENCY : 06DEC 2023
SEARCH : BD : SOURCE ONE FINANCIAL CORPORATION

00 FILE NUMBER : 746191746 EXPIRY DATE : 26NOV 2024 STATUS :
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20181126 1209 6005 6641 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

OCN :

04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 SUBSTITUTIONS.

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16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:



PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 12/07/2023
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 08:42:12
ACCOUNT : 009233-0001 FAMILY : 3 OF 5 ENQUIRY PAGE : 5 OF 10
FILE CURRENCY : 06DEC 2023
SEARCH : BD : SOURCE ONE FINANCIAL CORPORATION

00 FILE NUMBER : 754967223 EXPIRY DATE : 30AUG 2026 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20190830 1148 1590 4272 REG TYP: P PPSA REG PERIOD: 2
02 IND DOB : IND NAME:
03 BUS NAME: SOURCE ONE FINANCIAL CORP.

OCN :
04 ADDRESS : 498 EAGLE STREET NORTH, UNIT 103
CITY : CAMBRIDGE PROV: ON POSTAL CODE: N3H 1C2
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

CORTLAND CREDIT LENDING CORPORATION, AS AGENT
09 ADDRESS : 2115 SOUTH SERVICE ROAD, UNIT #1
CITY : OAKVILLE PROV: ON POSTAL CODE: L6L 5W2
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X
YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION
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16 AGENT: DENTONS CANADA LLP (RA/KWILLIAMS)
17 ADDRESS : 400-77 KING STREET WEST TORONTO-DOMINION
CITY : TORONTO PROV: ON POSTAL CODE: M5K 0A1

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 12/07/2023
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 08:42:13
ACCOUNT : 009233-0001 FAMILY : 3 OF 5 ENQUIRY PAGE : 6 OF 10
FILE CURRENCY : 06DEC 2023
SEARCH : BD : SOURCE ONE FINANCIAL CORPORATION

FILE NUMBER 754967223

PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20210513 1451 1590 2031
21 REFERENCE FILE NUMBER : 754967223
22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: SOURCE ONE FINANCIAL CORP.

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
CITY: PROV: POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : DENTONS CANADA LLP (JMEYER/RALI)
17 ADDRESS : 400-77 KING STREET WEST TORONTO-DOMINION
CITY : TORONTO PROV : ON POSTAL CODE : M5K 0A1

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 12/07/2023
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 08:42:13
ACCOUNT : 009233-0001 FAMILY : 4 OF 5 ENQUIRY PAGE : 7 OF 10
FILE CURRENCY : 06DEC 2023
SEARCH : BD : SOURCE ONE FINANCIAL CORPORATION

00 FILE NUMBER : 759339423 EXPIRY DATE : 15JAN 2045 STATUS :
01 CAUTION FILING : PAGE : 001 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20200115 1532 1590 4890 REG TYP: P PPSA REG PERIOD: 25
02 IND DOB : IND NAME:
03 BUS NAME: SOURCE ONE FINANCIAL CORP.

OCN :

04 ADDRESS : 498 EAGLE STREET NORTH, UNIT 103
CITY : CAMBRIDGE PROV: ON POSTAL CODE: N3H 1C2
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
WESTLAKE SERVICES, LLC

09 ADDRESS : 4751 WILSHIRE BOULEVARD, SUITE 1000
CITY : LOS ANGELES PROV: CA POSTAL CODE: 90010
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE X X MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 ABSOLUTE ASSIGNMENTS, FROM TIME TO TIME, OF INSTRUMENTS, CONDITIONAL
14 SALES CONTRACTS, AGREEMENTS, INVOICES OR OTHER WRITINGS, THE
15 RECEIVABLES THEREUNDER AND CERTAIN RELATED RIGHTS, ALL AS DESCRIBED
16 AGENT: TORYS LLP
17 ADDRESS : 79 WELLINGTON ST W, 30TH FLOOR PO BOX 27
CITY : TORONTO PROV: ON POSTAL CODE: M5K 1N2

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 12/07/2023
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 08:42:14
ACCOUNT : 009233-0001 FAMILY : 4 OF 5 ENQUIRY PAGE : 8 OF 10
FILE CURRENCY : 06DEC 2023
SEARCH : BD : SOURCE ONE FINANCIAL CORPORATION

00 FILE NUMBER : 759339423 EXPIRY DATE : 15JAN 2045 STATUS :
01 CAUTION FILING : PAGE : 002 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20200115 1532 1590 4890 REG TYP: REG PERIOD:

02 IND DOB : IND NAME:
03 BUS NAME:

OCN :

04 ADDRESS :
CITY : PROV: POSTAL CODE:

05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 IN A SALE AND SERVICING AGREEMENT DATED ON DECEMBER 6, 2019 BETWEEN
14 SOURCE ONE FINANCIAL CORP. AND WESTLAKE SERVICES, LLC, AS THE SAME
15 MAY BE AMENDED, MODIFIED, SUPPLEMENTED OR RESTATED FROM TIME TO TIME,
16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 12/07/2023
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 08:42:15
ACCOUNT : 009233-0001 FAMILY : 4 OF 5 ENQUIRY PAGE : 9 OF 10
FILE CURRENCY : 06DEC 2023
SEARCH : BD : SOURCE ONE FINANCIAL CORPORATION

00 FILE NUMBER : 759339423 EXPIRY DATE : 15JAN 2045 STATUS :
01 CAUTION FILING : PAGE : 003 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20200115 1532 1590 4890 REG TYP: REG PERIOD:

02 IND DOB : IND NAME:
03 BUS NAME:

OCN :

04 ADDRESS :
CITY : PROV: POSTAL CODE:

05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 TOGETHER WITH ALL RECEIVABLES ASSIGNMENTS THEREUNDER AND ALL PROCEEDS

14 THEREOF.

15

16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:



PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 12/07/2023
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 08:42:15
ACCOUNT : 009233-0001 FAMILY : 5 OF 5 ENQUIRY PAGE : 10 OF 10
FILE CURRENCY : 06DEC 2023
SEARCH : BD : SOURCE ONE FINANCIAL CORPORATION

00 FILE NUMBER : 797851962 EXPIRY DATE : 05OCT 2028 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20231005 1722 1590 3619 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: SOURCE ONE FINANCIAL CORP.

OCN :

04 ADDRESS : 940 SHELDON COURT
CITY : BURLINGTON PROV: ON POSTAL CODE: L7L 5K6
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
1717030 ONTARIO LIMITED

09 ADDRESS : 1950 WILSON AVENUE
CITY : TORONTO PROV: ON POSTAL CODE: M9M 1B2
CONS. MV DATE OF OR NO FIXED

	GOODS	INVTRY.	EQUIP	ACCTS	OTHER	INCL	AMOUNT	MATURITY	MAT DATE
10	X	X	X	X	X	X			
	YEAR	MAKE			MODEL		V.I.N.		

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: LOOPSTRA NIXON LLP / REXLAW

17 ADDRESS : 600-135 QUEENS PLATE DRIVE
CITY : ETOBICOKE PROV: ON POSTAL CODE: M9W 6V7

END OF REPORT

TAB 3(K)

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE APROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION
OF THE CITY OF BURLINGTON,
IN THE REGIONAL MUNICIPALITY OF HALTON,
IN THE PROVINCE OF ONTARIO**

AFFIDAVIT OF PETER NAUMIS

I, PETER NAUMIS, of the City of Mississauga, in the Province of Ontario, **MAKE OATH AND SAY** that:

1. I am a Vice President of BDO Canada Limited, and as such have personal knowledge of the matters referred to herein.
2. Source One Financial Corporation (the "Debtor") filed a Notice of Intention to File a Proposal under the Bankruptcy and Insolvency Act on October 6, 2023 and BDO Canada Limited consented to act as Trustee (the "Trustee").
3. The Debtor filed a Proposal with the Official Receiver on November 1, 2023.
4. The Proposal Trustee has provided services and incurred disbursements which are more particularly described in the detailed accounts attached hereto and marked as **Exhibit "A"**.
5. The time shown in the detailed accounts attached as **Exhibit "A"** are a fair and accurate description of the services provided and the amounts charged by the Proposal Trustee, which reflect the Proposal Trustee's time as billed at its standard billing rates.
6. The Proposal Trustee requests that the Court approve its interim accounts for the period from September 27, 2023 to December 6, 2023 in the amount of \$66,275.41 inclusive of HST of \$7,620.00, for the services set out in **Exhibit "A"**.

7. This affidavit is sworn in support of the Proposal Trustee's motion for, among other things, approval of its fees and disbursements and those of its legal representatives and for no other or improper purpose.

SWORN BEFORE ME at the City of Toronto,))
in the Province of Ontario, this))
7th day of December, 2023.)



Commissioner for Taking Affidavits, *etc*

))

Peter Naumis, CIRP, LIT

Antonio Montesano, a Commissioner, etc.,
Province of Ontario, for BDO Canada LLP
and BDO Canada Limited, and
their subsidiaries, associates and affiliates
Expires December 21, 2023

This is **Exhibit "A"** referred to in the affidavit of

Peter Naumis

Sworn before me this 7th day of December 2023

A handwritten signature in black ink, appearing to read "Antonio Montesano". The signature is written in a cursive style with a large initial "A".

A COMMISSIONER FOR TAKING AFFIDAVITS

Antonio Montesano, a Commissioner, etc.,
Province of Ontario, for BDO Canada LLP
and BDO Canada Limited, and
their subsidiaries, associates and affiliates
Expires December 21, 2023



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

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

Strictly Private & Confidential

Source One Financial Corporation
940 Sheldon Court
Burlington, Ontario
L7L 5K6

Date	Invoice
December 7, 2023	CINV-TBD

RE: Source 1 Financial Corporation

TO OUR FEE FOR PROFESSIONAL SERVICES rendered in connection with our engagement as Proposal Trustee of the above noted for the period September 27, 2023, to December 6, 2023, as per the details below:

Our Fee \$ 58,096.50

Disbursements:

PPSA Search	40.00	
Postage/Couriers/Photocopies/Redirection of Mail	518.91	558.91
Sub-Total		58,655.41
HST - 13.0% (#R101518124)		7,620.00
Total Due		<u>\$ 66,275.41</u>

Summary of Time Charges:

	Hours	Rate	Amount
J. Parisi, Partner	31.80	525.00	16,695.00
M. Marchand, Partner	0.80	525.00	420.00
P. Naumis, Senior Manager	80.55	450.00	36,247.50
S. Burrowes, Senior Manager	0.10	450.00	45.00
A. Fielding, Administrator	7.30	250.00	1,825.00
T. Montesano, Administrator	6.40	200.00	1,280.00
Administrative Support	8.80		1,584.00
TOTAL	<u>135.75</u>		<u>\$ 58,096.50</u>



Staff	Date	Comments	Hours
Josie Parisi	27-Sep-23	Call with G. Phoenix. Review email from G. Phoenix re proposal. Provide listing of info to B. Kooy. Discussions with P. Naumis re same.	0.8
Josie Parisi	28-Sep-23	Review information provided by Management. Discussions with P Naumis re same. Call with G. Cerrato regarding tax losses and potential proposal issues. Call with Graham, Bill and Tony. Call with Sina, Eiffel and Vidya. Review loan documentation provided by Management.	3.1
Josie Parisi	29-Sep-23	Review loan documents. Make notes. Call with accounting group. Review creditors. Call with P. Naumis. Call with G. Phoenix.	3.9
Josie Parisi	02-Oct-23	Call with Graham regarding next steps. Call with B. Kooy regarding update.	0.4
Josie Parisi	03-Oct-23	Call with G. Phoenix regarding next steps.	0.7
Peter Naumis	04-Oct-23	prepare for NOI filing. Update discussion with Sina.	1.5
Josie Parisi	04-Oct-23	Review documents, call with Sina, discussions with Tony and Peter. Preparing to file NOI.	1.8
Peter Naumis	05-Oct-23	Source One - Prepare for NOI filing. Update and various discussions with Sina. Discussions and update with Tony re: document preparation. Draft letter to creditors. Call with management and counsel to review going forward, NOI filing, etc.	2
Josie Parisi	05-Oct-23	Update call from G. Phoenix. Call with P Naumis. Review draft docs.	1.2
Josie Parisi	06-Oct-23	Various discussions with P. Naumis and B. Kooy re filing NOI.	1.3
Peter Naumis	06-Oct-23	Call with Sina re: status of filing, updated creditor list, critical vendors, etc. Separate calls with Bill and Anthony re: filing, mailings, and creditors. Call with company counsel to discuss filing. File NOI with OSB.	1.5
Josie Parisi	10-Oct-23	Strategy call with P. Naumis. Call with SourceOne, Loopstra Nixon and BDO.	2.5

Peter Naumis	10-Oct-23	Update to and from OSB re: filing certificate. Communicate to Source One and its counsel. Call with Vidya to review cash flows, timeline, etc. Call with Sina, Graham, Anthony, and Josie re: go forward, cash flows, form of proposal, transitioning Cortland and Westlake portfolio's, negotiations with Cortland and Westlake, etc. Updated creditor listing. Discuss quantifying Cortland and Westlake claims. Discuss employee communication. Draft communication piece for employees.	4
Peter Naumis	11-Oct-23	Call with Tony re: mailings and additional creditors. Call with Antoinette re: NOI filing, cash flows and monitoring regime. Call from former employee - Jennifer Patterson. Discuss filing, timing going forward, WEPP eligibility, etc. Receive and review draft cash flows. Call with Sina and Vidya to debrief cash flows and comments. Call with certain dealers and creditors receiving NOI notice.	3.25
Josie Parisi	11-Oct-23	Correspondence with P. Naumis regarding dealers position/repossessing vehicles. Review email from Westlake. Review letter from Tory's regarding Westlake's position	0.5
Tony Montesano	11-Oct-23	Prepare NOI package; mail and e-mail NOI notice to creditors; draft affidavit of mailing	2.5
Antoinette Fielding	11-Oct-23	Telephone discussion with P. Naumis re. cashflow monitoring.	0.4
Peter Naumis	12-Oct-23	Continued cash flow review and updates. Call with Sina and Vidya to discuss assumptions, updated cash flows, etc. Finalize drafts and forward to management for review, comment and signature. Calls from creditors, update NOI filing. Correspondence from Paul Kerwin (Westlake), call back.	2.75
Josie Parisi	12-Oct-23	Review cash flow, correspondence with P. Naumis re same. Call with G. Phoenix re discussions with Cortland and Westlake. Call with K. Plunkett re independent counsel.	0.9
Antoinette Fielding	12-Oct-23	Emailing Co. to confirm meeting for discussion on cashflow monitoring.	0.2

Peter Naumis	16-Oct-23	Discussion and update with Antoinette re: cash flow monitoring. Creditor calls. Dealer calls. Various emails to and from counsel re: security review of Cortland and Westlake security documents, ongoing negotiations and settlement with Cortland and Westlake, etc. Correspondence and clarification on certain items with Sina and Vidya. Call with Trustee's counsel to discuss security review. Call with counsel for Debtor.	3.25
Josie Parisi	16-Oct-23	Call with K. Plunkett to discuss initial findings in respect of Westlake's security. Review various emails from Sina, Peter, Sam and Kyle. Call with A&B and Loopstra Nixon.	1.6
Antoinette Fielding	16-Oct-23	Meeting with Co. to discuss cashflow monitoring and information requirements. Meeting with P. Naumis. Updating request and sending to company.	1
Peter Naumis	17-Oct-23	Call with Sina re: difficulty with Northlake and Tim Tremaine. Call with counsel for dealers re: NOI filing. Update on going forward. Call from and to former employees re: status and process for claiming termination and severance.	1.75
Josie Parisi	17-Oct-23	Review and respond to various emails. Correspondence with P. Naumis and Sina.	0.6
Tony Montesano	17-Oct-23	E-mail NOI package to the employees	0.4
Peter Naumis	18-Oct-23	Creditor calls. Update on dealer concerns and actions. Calls from various owners with overpayments re: status and process.	2

Peter Naumis	18-Oct-23	Redirect from Prospect Time.Sept 15 (.75)- SourceOne Financing- initial call with Loopstra Nixon and BDO.Sept 18 (.25)- SourceOne - call with Ross Park, A&A partner for 171 & 216 producing Compilations ReportsSept 27 (1.0)- SourceOne - call and discussion with Graham (counsel to SourceOne). Call with Bill Kooy.Sept 28 (3.0)- SourceOne - call with Sina re: information provided for NOI filing, critical suppliers, dealer shortfalls, client overpayments, etc. Call with Tony, Bill and their counsel re: Westlake and Cortland facilities, security, position of Cortland's security, business logistics, timing of filing, etc. Follow up call with Sina, Eiffel and Vidya re: clarification on how Westlake and Cortland facilities work, security, shortly in security, further information requestsSept 29 (3.0)- SourceOne - various calls with Sina, Eiffel, and Vidya re: projected cash flows, logistics and further insight into Cortland and Westlake portfolios. Call with Josie to update on certain findings. Discussions re: critical suppliers.	8
Josie Parisi	18-Oct-23	Review and respond to various emails from G. Phoenix and P. Naumis re Cortland and Westlake's respective portfolios. Review email related to cash projection from KSV.	0.6
Antoinette Fielding	18-Oct-23	Receipt of information from co. Reconciling transactions against cashflow. Noting discrepancies and preparing follow up email to company requesting further bank account transaction listings.	1
Peter Naumis	19-Oct-23	Continued creditor calls. Discussion with Sina re: updated modeling and valuation of Cortland portfolio. Conference call with Noah of KSV (financial advisor to Cortland). Begin draft Trustee's First Report in anticipation of court date to extend stay of proceedings and necessity to file Proposal.	3
Josie Parisi	19-Oct-23	Review and respond to various emails related to proposal and various stakeholder's positions.	0.3
Peter Naumis	20-Oct-23	Call with Sina re: letter to IFT, financial reports circulated to Cortland last night and this morning, review of Cortland portfolio defaults, etc. Call from dealers re: discharging PPSA, etc. Calls from former employees. Calls from creditors. Continue drafting First Report.	2.5

Peter Naumis	23-Oct-23	Former employee queries. Continued creditor calls, customer which over paid, etc. Update on status of negotiations between Westlake and Cortland.	1.2
Josie Parisi	23-Oct-23	Call with G. Phoenix re deal b/w Westlake and Cortland. Call with P. Naumis re same and need for proposal.	0.4
Antoinette Fielding	23-Oct-23	Review of new transaction listing provided by the co. Preparing analysis and key observations for P. Naumis.	1
Peter Naumis	24-Oct-23	Calls from various dealers re: funding proceeds.	0.5
Peter Naumis	25-Oct-23	Call with counsel for Debtor, update on negotiations with Cortland and Westlake. Update on draft form of proposal being considered. Update on timing. Discuss current live issues.	0.5
Josie Parisi	25-Oct-23	Correspondence with P. Naumis re file update.	0.6
Peter Naumis	26-Oct-23	Review monitoring. Update from and to Antoinette. Query to company counsel.	0.5
Josie Parisi	27-Oct-23	Call with P Naumis regarding discussion with G. Phoenix re current situation. Call with P Naumis re new deal between parties. Call with A&B to discuss current status of deal.	2.1
Peter Naumis	27-Oct-23	Discussions and update from company counsel re: verbal deal with Cortland and Westlake, basis and form of intended proposal to unsecured creditors, etc. Call with BDO and Aird & Berlis to discuss. Call with BDO, Aird & Berlis and Loopstra to review and discuss further details.	1
Antoinette Fielding	27-Oct-23	Review of queries from P. Naumis. Comparing transactions between previous week and current week. Organizing meeting for call.	0.5
Josie Parisi	29-Oct-23	Review proposal, make edits/comments, correspondence with P. Naumis, K. Plunkett and S. Babe. Correspondence with G. Phoenix regarding proposal.	1.4
Peter Naumis	30-Oct-23	Oct 29 - Various correspondence to and from Company counsel. Review and comment on draft proposal. Conference call with BDO and Aird & Berlis to discuss live issues, draft proposal, and releases.	2.5

Peter Naumis	30-Oct-23	Call from creditors. Put together draft proposal filing documents, Update Ascend, draft soft copy documents, discussions with company counsel, discussions with Trustee's counsel, discussions with company CFO, etc. Review and comment on revised draft Proposal document. Revised Director resolutions. Continue work on Statement of Affairs and prepare for sign up tomorrow morning.	3.25
Josie Parisi	30-Oct-23	Review change to proposal after A&B review and Loopstra review. Provide additional comments. Review various emails associate to proposal. Review various revisions to the proposal.	2.1
Antoinette Fielding	30-Oct-23	Meeting with Company to discuss identified transactions requiring further information. Updating cashflow analysis for last week's transactions and preparing email to P. Naumis & J. Parisi.	1
	31-Oct-23	PPSA Searches	0
Peter Naumis	31-Oct-23	Correspondence and update with Sina re: portfolios, etc. Update and correspondence with debtor counsel re: signing and moving forward. Update draft documents and circulate for comments ahead of signing.	1.5
Peter Naumis	01-Nov-23	Continued work and revisions on cash flows, statement of affairs and proposal ahead of filing. Discussions with Chief Operating Officer and counsel to debtor. Call with Sina and Vidya to go over projections. Virtual sign up with Tony. Communication with OSB re: expediting certificate.	2.35
Josie Parisi	01-Nov-23	Read and review various emails regarding filing the proposal.	0.4
Franca Iannilli	02-Nov-23	Transfer file from the initial stage to the estate in ASCEND, prepare the mailings	4
Peter Naumis	02-Nov-23	Correspondence and update with Sina. Begin drafting report to creditors. Instructions to Franca re: mailing packages, addresses, etc.	2
Peter Naumis	03-Nov-23	Continued creditor calls re: status. Continue drafting Report to Creditors. Call from Miller Thomson counsel for Adesa re: Direction to pay all proceeds to Westlake. Craig Mills unsure about unsigned direction form SOFC and was enquiring on events unfolding with Trustee.	2.75

Josie Parisi	03-Nov-23	Review trustees report and provide comments.	1.9
Peter Naumis	06-Nov-23	Creditor queries. Call with Sina re: draft report. Updated comments to draft Report to Creditors. Call with Sina re: Inovatec contract, Visa, etc. Correspondence with Loopstra Nixon re: disclaimer of contract.	1
Josie Parisi	06-Nov-23	review proposed changes to trustee's report.	0.3
Peter Naumis	07-Nov-23	Call with Loopstra Nixon re: disclaimer of certain contracts. Draft schedule of estimated realization and finalize report to creditors. Continued creditor queries and request for update. 30 days of NOI lapsed, creditors looking for update. Review various contract disclaimers.	2.25
Matthew Marchand	07-Nov-23	Review emails and attachments from P. Naumis re trustee report on proposal; draft email to P. Naumis re same;	0.8
Josie Parisi	07-Nov-23	Review disclaimer notices. Provide comments to P. Naumis. Call with A&B regarding termination costs.	0.4
Antoinette Fielding	07-Nov-23	Review of revised cashflow provided by P. Naumis. Requesting transactions from company and updating comparison CF. Forwarding to P. Naumis with observations.	0.8
Peter Naumis	08-Nov-23	Creditor queries. Call with Sina and Graham re: contract disclaimers, potential damage claims, etc.	1.25
Peter Naumis	09-Nov-23	Creditor queries.	0.5
Franca Iannilli	09-Nov-23	Print and save the Report of Trustee on Proposal, photocopy documents, Scan Creditors Package Postage/Couriers/Photocopies/Redirection of Mail to the directory, Mail, and email creditors, Update and e-file Form 92 and Report of Trustee on Proposal, prepare the Affidavit of Mailing.	3.5
Franca Iannilli	09-Nov-23	Mail out Creditors Package	0
Peter Naumis	10-Nov-23	Creditor query. Call from counsel (Bonnie Franklin) for investor.	0.5
Tony Montesano	13-Nov-23	Review of returned mail; send same to P. Naumis	0.2

Peter Naumis	14-Nov-23	Various creditor calls and queries. Discuss process, voting by creditors, etc. Discuss terms of Proposal, estimated realization and options. Call with Debtor's counsel.	1
Peter Naumis	15-Nov-23	Ongoing creditor calls, proposal procedure, voting process, claims.	1.5
Antoinette Fielding	15-Nov-23	Following up for CF transactions	0.4
Peter Naumis	16-Nov-23	Creditor and investor queries. Lengthy call from Elizabeth Ng re: investment losses, filing a claim, etc.	1
Franca Iannilli	16-Nov-23	Mail, Scan, save and email staff, Final Notice UCM, email Creditors Package. Scan, save to the directory Affidavit of Mailing of Notice of Proposal to Creditors, search for returned mail for new address	0.2
Peter Naumis	17-Nov-23	Increased calls from former clients that are owed refunds. Walk through proof of claim filing. Update from Antoinette re: monitoring activity. Receive and review proof of claim form for admission.	1
Antoinette Fielding	17-Nov-23	Updating CF analysis and forwarding to P. Naumis	0.4
Peter Naumis	20-Nov-23	Creditor queries, assistance with claim. Discussions with counsel re: claim of Adnan. Monitoring review.	1.5
Antoinette Fielding	20-Nov-23	Discussion with P. Naumis re. next steps on cashflow monitoring.	0.1
Peter Naumis	21-Nov-23	Continued creditor queries, proof of claim vetting, etc. Various discussions and claim vetting from Adnan Zabian. Various calls from counsel representing dealers, clarification to terms of proposal, overview of operations, etc. Update claims register and voting summary. Call with Sina re: customer overpayments and vetting. Prepare for meeting of creditors tomorrow.	3.25
Peter Naumis	22-Nov-23	Creditor claims leading into first meeting of creditors. Call to counsel for 902 Auto Sales and CarEVO. Vet claims. Review for proxies and voting letters. Attend and chair first meeting of creditors. Draft minutes.	1.5

Franca Iannilli	22-Nov-23	Review faxes for POC, e-file the Minutes of the Creditors Meeting, scan confirmation document to the directory, update the ASCEND notes.	0.1
Josie Parisi	22-Nov-23	Review email from P. Naumis regarding creditors meeting.	0.2
Antoinette Fielding	23-Nov-23	Updating cashflow based on transaction listings provided. Forwarding to P. Naumis with commentary on queries from previous week.	0.5
Peter Naumis	24-Nov-23	Notices of court application. Arrange BDO website. Employee calls.	0.75
Tony Montesano	24-Nov-23	Correspond with P. Naumis re WEPP. start working on Weppa schedule	0.5
Peter Naumis	27-Nov-23	Call from former employee re: WEPP. Continued creditor calls and update on outcome of meeting of creditors. Call from counsel for group of investors re: status update.	1.5
Peter Naumis	28-Nov-23	Call from Moose Jaw Ford re: status of proposal, filing claim, etc. Review proof of claim and note deficiencies. Communicate to creditor.	0.25
Tony Montesano	28-Nov-23	Prepare WEPPA; input all information; calculate Termination	1.5
Stephanie Burrowes	29-Nov-23	Email to bankruptcy highway regarding POC filed on behalf of Pitney Bowes.	0.1
Peter Naumis	29-Nov-23	Continued creditor queries. Update Notice to Creditors of Court Application. Update case website. Start drafting report to court.	1
Franca Iannilli	29-Nov-23	Prepare Notice of Hearing of Application for Court Approval of Proposal, Scan, save and photocopy, e-file form, scan and save to the directory, Prepare the Affidavit of Mailing, save to the directory.	1
Tony Montesano	29-Nov-23	Send request to IT department request to create extranet site; update Weppa schedule to include SIN# and percentage of vacation earned	1
Peter Naumis	30-Nov-23	Continued creditor calls, claim vetting and correspondence with Sina re: employee information. Discussion with Tony re: WEPP.	0.75
Tony Montesano	30-Nov-23	Call with P. Naumis to discuss Weppa calculation and spreadsheet	0.3



Peter Naumis	04-Dec-23	Saturday Dec 2 - drafting court report for proposal application.	2
Peter Naumis	05-Dec-23	Review and comment on draft approval order. Continue draft report.	2.75
Josie Parisi	05-Dec-23	Review draft order and provide comments.	0.4
Josie Parisi	06-Dec-23	Review court report and provide comments and edits.	1.4
Peter Naumis	06-Dec-23	Creditor correspondence. Report comments back. Review, update, and discussions with Josie. Correspondence with Sina re: CWB asset return. Arrange for Notice to Creditors to Prove Claim. Review notices, execute.	1.75

TAB 3(L)

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION**

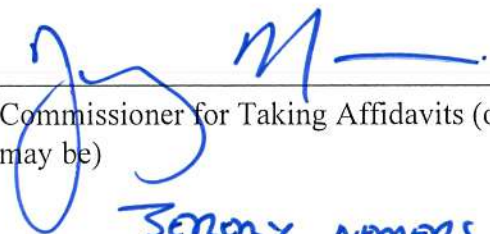
AFFIDAVIT OF KYLE PLUNKETT
(sworn December 7, 2023)

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


1. I am a partner at Aird & Berlis LLP (“**A&B**”) and, as such, I have knowledge of the matters to which I hereinafter depose. A&B has acted as counsel for The BDO Canada Limited (“**BDO**”), in its capacity as proposal trustee (the “**Proposal Trustee**”) in the *Bankruptcy and Insolvency Act* (“**BIA**”) proposal proceedings of Source One Financial Corporation (the “**Company**”), and continues to do so.
2. A&B has prepared in connection with its fees and disbursements as follows (“**Statement of Account**”):
 - (a) an account dated November 30, 2023, which captures the fees rendered for the period from October 13, 2023 to November 28, 2023 in the amount of \$33,680.47, inclusive of HST and disbursements; and
3. Attached hereto and marked as **Exhibit “A”** to this affidavit is copy of the aforementioned Statement of Account.

4. Attached hereto and marked as **Exhibit "B"** to this affidavit is a summary with a breakdown of timekeepers who have worked on this file for the periods referenced above. The average hourly rate is \$684.91.
5. Assuming that this Honourable Court grants an Order as requested, without opposition, the proposed accrual of legal fees and disbursements to capture the period from and after November 30, 2023 to the discharge of the Receiver is \$15,000, exclusive of HST.
6. This Affidavit is made in support of a motion to, *inter alia*, approve the attached Statement of Account of A&B and the fees and disbursements detailed therein, and for no improper purpose.

SWORN before me at the City of)
Toronto, in the Province of Ontario,)
this 7th day of December, 2023.)



Commissioner for Taking Affidavits (or as)
may be))
TERENCE NEMERS



KYLE PLUNKETT

Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF KYLE PLUNKETT

Sworn before me

This 7th day of December, 2023

A handwritten signature in blue ink, appearing to be "Jeremy Nemery", written over a horizontal line.

Commissioner for taking Affidavits, etc

Jeremy Nemery



Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
F 416 863 1515
airdberlis.com

BDO Canada Limited
360 Oakville Place Drive
Suite 500
Oakville, Ontario
L6H 6K8 Canada

November 30, 2023

Attention: Mr. Peter Naumis

Invoice No: 1364893

Re: Source One Financial Corporation

Client No: 013137
Matter No: 312622

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending November 30, 2023

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
KBP	13/10/23	650.00	1.50	975.00	Review and respond to emails from G. Phoenix; review Westlake documents; attend calls with G. Phoenix.
SEB	13/10/23	715.00	0.40	286.00	Emails and phone call from K. Plunkett
SEB	15/10/23	715.00	0.80	572.00	Review Westlake documents
KBP	16/10/23	650.00	1.20	780.00	Review and consider Westlake documents; attend call with Client team to discuss findings and update on file; attend call with G. Phoenix regarding secured claims.
SEB	16/10/23	715.00	4.80	3,432.00	Emails and phone calls from and to K. Plunkett; emails from and to and phone call with P. Naumis; phone call with G. Phoenix; emails to and from clerk re PPSA search; emails to and from J. Parisi; review Westlake documents
SRM	16/10/23	440.00	0.20	88.00	Review email; Conduct prelim; Order, review and report on PPSA search
SEB	17/10/23	715.00	1.10	786.50	Email to BDO; emails from P. Naumis; email from J. Parisi; emails from K. Plunkett; emails to and from G. Phoenix; research tracing issue
AO	18/10/23	345.00	0.80	276.00	Meeting with S. Babe and K. Plunkett re opinion; Review security documents; Exchange emails with S. Babe and K. Plunkett re same; Draft opinion
KBP	18/10/23	650.00	0.70	455.00	Review and respond to emails from G. Phoenix; attend calls with client team regarding updates on lender matters and proposal.

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
SEB	18/10/23	715.00	2.20	1,573.00	Emails from and to K. Plunkett; emails and phone call to and from A. Oh; emails from G. Phoenix; emails from P. Naumis; emails from and to J. Parisi; review Cortland docs
SEB	19/10/23	715.00	0.20	143.00	Emails from and to P. Naumis
AO	20/10/23	345.00	0.60	207.00	Review credit documents; Draft security opinion; Email S. Babe and K. Plunkett re same
SEB	20/10/23	715.00	1.20	858.00	Emails to and from J. Belissimo; email from Cassels; attend Chambers scheduling appointment; email to BDO; emails from P. Naumis; emails from J. Parisi; emails from K. Plunkett; email from Court office; email from A. Oh
KBP	23/10/23	650.00	0.50	325.00	Email exchanges with client team regarding updated proposal terms and assignment.
SEB	23/10/23	715.00	0.30	214.50	Emails from K. Plunkett; emails from J. Parisi
SEB	27/10/23	715.00	1.10	786.50	Phone call with BDO; phone call with and emails from and to G. Phoenix
SEB	28/10/23	715.00	0.90	643.50	Email from G. Phoenix; research security issues
KBP	29/10/23	650.00	1.40	910.00	Review and consider initial draft Proposal; attend call with proposal trustee to discuss same and proposed assignment debt.
SEB	29/10/23	715.00	2.80	2,002.00	Phone call with BDO; email to and from G. Phoenix; research and analyze security issue; review proposal
KBP	30/10/23	650.00	2.00	1,300.00	Review and provide comments on updated Proposal; attend call with Debtor counsel and client to discuss updated proposal terms and settlement with secured creditors.
SEB	30/10/23	715.00	5.10	3,646.50	Emails and to and from G. Phoenix; Phone call with G. Phoenix and BDO; emails from and to K. Plunkett; research PPSA issues; email from BDO; review and comment on proposal; emails from J. Parisi; emails from P. Naumis
SEB	31/10/23	715.00	0.20	143.00	Email from P. Naumis; email from G. Phoenix
KBP	01/11/23	650.00	0.70	455.00	Review and consider final Proposal; email exchanges with client team regarding same.
SEB	01/11/23	715.00	1.20	858.00	Emails from P. Naumis; emails from G. Phoenix; email from Court office; email from Source One; draft security opinion; email from J. Parisi

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
KBP	02/11/23	650.00	0.50	325.00	Review and consider draft security opinion re Cortland.
SEB	02/11/23	715.00	0.30	214.50	Email from P. Naumis; email to BDO; prepare opinion
KBP	06/11/23	650.00	1.00	650.00	Email exchanges with client regarding report to creditors;
SEB	06/11/23	715.00	1.10	786.50	Emails from and to K. Plunkett; email from P. Naumis; email from G. Phoenix; comment on report
KBP	07/11/23	650.00	1.00	650.00	Provide comments on draft report to creditors; review proposed disclaimers; attend call with client to discuss same.
SEB	07/11/23	715.00	0.60	429.00	Phone call with BDO; email to G. Phoenix; emails from P. Naumis; emails from K. Plunkett
KBP	08/11/23	650.00	0.40	260.00	Email exchange with client regarding finalizing report to creditors; email exchange with G. Pheonix.
SEB	08/11/23	715.00	1.40	1,001.00	Emails and phone call from and to G. Phoenix; emails from and to K. Plunkett; emails from and to P. Naumis; review contracts to be disclaimed; email form J. Parisi
SEB	14/11/23	715.00	0.10	71.50	Emails from and to clerk re creditor inquiry
SRM	14/11/23	440.00	0.10	44.00	Telephone call and email from unsecured creditor; Emails to and from S. Babe and K. Plunkett re same
SEB	15/11/23	715.00	0.50	357.50	Emails and phone call to and from creditor
SEB	16/11/23	715.00	0.20	143.00	Phone call and emails from and to creditor
SEB	17/11/23	715.00	0.40	286.00	Emails to and from G. Phoenix; email and phone call from creditor
SEB	20/11/23	715.00	0.90	643.50	Phone call from P. Naumis; emails from creditor; emails to and from G. Phoenix
SEB	21/11/23	715.00	1.20	858.00	Emails from and to P. Naumis; phone calls and emails from creditor
SEB	22/11/23	715.00	1.30	929.50	Emails from and to P. Naumis; attend meeting of creditors; emails from and to G. Phoenix; emails to and from Commercial List office; prepare request form
SEB	23/11/23	715.00	0.20	143.00	Emails from and to P. Naumis; email from Commercial List office
SEB	24/11/23	715.00	0.20	143.00	Emails from and to P. Naumis

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
SEB	28/11/23	715.00	0.20	143.00	Emails to and from P. Naumis
TOTAL:			43.50	\$29,793.50	

Name	Year of Call	Title	Hours	Rate	Value
Babe, Sam E. (SEB)	2004	Partner	30.90	\$715.00	\$22,093.50
Morris, Shannon R (SRM)		Law Clerk	0.30	\$440.00	\$132.00
Oh, Angela (AO)	2022	Associate	1.40	\$345.00	\$483.00
Plunkett, Kyle B. (KBP)	2011	Partner	10.90	\$650.00	\$7,085.00

OUR FEE \$29,793.50
HST @ 13% 3,873.15

DISBURSEMENTS

Non-Taxable Disbursements

Search Under P.P.S.A. 8.00

Total Non-Taxable Disbursements \$8.00

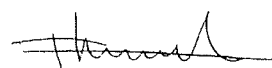
Taxable Disbursements

Service Provider Fee 5.15

Total Taxable Disbursements \$5.15
HST @ 13% 0.67

AMOUNT DUE \$33,680.47 CAD

THIS IS OUR INVOICE HEREIN
AIRD & BERLIS LLP



Kyle B. Plunkett

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

Payment by Cheque:

Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

Bill.Com Payment Network ID: c114483219512158

Email notification for EFT and WIRE payments: accounting@airdberlis.com

* Aird & Berlis LLP does not accept interac/email transfers *

Payment is due on receipt.

Please quote our Matter No. and the invoice number(s) to ensure correct allocation of payment.

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 5% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS INVOICE IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

* For legal services provided to clients residing in British Columbia, Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
 F 416 863 1515
 airdberlis.com

BDO Canada Limited
 360 Oakville Place Drive
 Suite 500
 Oakville, Ontario
 L6H 6K8 Canada

November 30, 2023

Attention: Mr. Peter Naumis

Invoice No: 1364893

Re: Source One Financial Corporation

Client No: 013137
 Matter No: 312622

REMITTANCE SLIP

Total Fees	\$29,793.50
Total Non-Taxable Disbursements	8.00
Total Taxable Disbursements	5.15
Total Taxes	3,873.82

AMOUNT DUE \$33,680.47 CAD

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

Payment by Cheque:

Payable To:
 Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, ON M5J 2T9

Bill.Com Payment Network ID: c114483219512158

Email notification for EFT and WIRE payments: accounting@airdberlis.com

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Payment is due on receipt.

Please quote our Matter No. and the invoice number(s) to ensure correct allocation of payment.

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GST / HST Registration # 12184 6539 RT0001

* For legal services provided to clients residing in British Columbia, Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.

Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF KYLE PLUNKETT

Sworn before me

This 7th day of December, 2023



Commissioner for taking Affidavits, etc

SERENY MEMERY

Court File No. BK-23-02995640-0032
Estate File No: 32-2995640

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION**

SUMMARY OF TIME INCURRED

LAWYER	CALL TO BAR	HOURS	RATE	VALUE
Kyle B. Plunkett	2011	10.90	\$650.00	\$7,085.00
Sam Babe	2004	30.90	\$715.00	\$22,093.50
Angela Oh	2022	1.40	\$345.00	\$483.00
CLERK				
Shannon Morris		0.3	\$440.00	\$132.00

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF SOURCE ONE FINANCIAL CORPORATION

Court File No: BK-23-02995640-0032
Estate File No: 32-2995640

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY

Proceedings commenced at Toronto

AFFIDAVIT OF EES

(Returnable December 18, 2023)

AIRD & BERLIS LLP
Barristers and Solicitors
181 Bay St., Suite 1800
Toronto, ON M5J 2T9

Kyle Plunkett (LSO# 61044N)
Tel: (416) 865-3406
Email: kplunkett@airdberlis.com

Sam Babe (LSO# 49498B)
Tel: (416) 865-7718
Email: sbabe@airdberlis.com

*Lawyers for the Proposal Trustee, BDO Canada
Limited*

TAB 4

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
SOURCE ONE FINANCIAL CORPORATION

SERVICE LIST

As of December 8, 2023	
AIRD & BERLIS LLP Brookfield Place 181 Bay Street, Suite 1800 Toronto, ON M5J 2T9 <i>Lawyers of BDO Canada Limited in its capacity as Proposal Trustee</i>	Kyle Plunkett 416.865.3406 kplunkett@airdberlis.com Sam Babe 416.865.7718 sbabe@airdberlis.com
LOOPSTRA NIXON LLP Richmond-Adelaide Centre 130 Adelaide Street West, Suite 2800 Toronto, ON M5H 3P5 <i>Lawyers of Source One Financial Corporation</i>	R. Graham Phoenix 416.748.4776 gphoenix@LN.Law
BDO CANADA LIMITED 360 Oakville Place Drive, Suite 500 Oakville, ON L6H 6K8 <i>BDO Canada Limited</i>	Peter Naumis 905.615.6207 PNaumis@bdo.ca Josie Parisi 416.369.6031 jparisi@bdo.ca
ATTORNEY GENERAL OF CANADA Department of Justice of Canada Ontario Regional Office, Tax Law Section 120 Adelaide Street West, Suite 400 Toronto, ON M5H 1T1	AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca
ONTARIO MINISTRY OF FINANCE INSOLVENCY UNIT 6th Floor, 33 King Street West Oshawa, ON L1H 8H5	Insolvency.Unit@ontario.ca

EMAIL ADDRESS LIST

kplunkett@airdberlis.com; sbabe@airdberlis.com; gphoenix@LN.Law; PNaumis@bdo.ca;
jparisi@bdo.ca; AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca; Insolvency.Unit@ontario.ca.

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF SOURCE ONE FINANCIAL CORPORATION

Court File No: BK-23-02995640-0032

Estate File No: 32-2995640

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

Proceedings commenced at Toronto

**MOTION RECORD OF
BDO CANADA LIMITED
(Returnable December 18, 2023)**

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street
Suite 1800
Toronto, ON M5J 2T9

Kyle Plunkett – LSO # 61044N

Email: kplunkett@airdberlis.com

Sam Babe – LSO # 49498B

Email: sbabe@airdberlis.com

*Lawyers for BDO Canada Limited in its capacity as Proposal
Trustee*