

Court File No. CV-22-00692309-00CL

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

B E T W E E N:

PRICEWATERHOUSECOOPERS INC.

(solely in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and certain related entities and investment funds)

Applicant

- and -

**2305145 ONTARIO INC. (formerly SKYMARK FINANCE CORPORATION) and
MERK INVESTMENTS LTD.**

Respondents

APPLICATION UNDER Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

**FIFTH REPORT OF THE RECEIVER
DECEMBER 10, 2024**

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1.0 INTRODUCTION

- 1.1 This fifth report (“**Fifth Report**”) is filed by Alvarez & Marsal Canada Inc. (“**A&M**”) in its capacity as court-appointed receiver and manager (in such capacity, the “**230 Receiver**”), without security, of all of the assets, undertakings and properties (the “**Property**”, or the “**Assets**”) of each of 2305145 Ontario Inc. (formerly, Skymark Finance Corporation) (“**230 Ontario**”) and Merk Investments Ltd. (“**Merk**”, and together with 230 Ontario, the “**Companies**”).
- 1.2 Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated March 6, 2023 (the “**Appointment Order**”), A&M was appointed as the 230 Receiver in respect of the Property.
- 1.3 The first report of the 230 Receiver dated May 17, 2023 (the “**First Report**”) was filed in support of the 230 Receiver’s motion seeking an order (the “**SISP Approval Order**”), among other things, approving a sale and investment solicitation process (the “**SISP**”) to market for sale all or a portion of the Assets of 230 Ontario, which Assets included its portfolio of loans and leases to consumer borrowers for home renovations, water systems, HVAC systems and smart home improvements (the “**Consumer Portfolio**”).
- 1.4 On May 25, 2023, the Court issued the SISP Approval Order.
- 1.5 The second report of the 230 Receiver dated September 15, 2023 (the “**Second Report**”) was filed in support of the 230 Receiver’s motion seeking an order (the “**Approval and Vesting Order**”), among other things: (i) approving a sale transaction (the “**Sale Transaction**”) for the Consumer Portfolio and certain related assets, (ii) authorizing and approving the execution of an asset purchase agreement dated as of August 23, 2023 (the

“Purchase Agreement”) by the 230 Receiver and 5051802 Ontario Inc. (the **“Purchaser”**), and (iii) authorizing and directing the 230 Receiver to complete, execute and file articles of amendment on behalf of 230 Ontario to change its name from “Skymark Finance Corporation” to “2305145 Ontario Inc.”

- 1.6 On September 26, 2023, the Court issued the Approval and Vesting Order. The Sale Transaction contemplated in the Purchase Agreement closed on September 29, 2023.
- 1.7 The third report of the 230 Receiver dated February 15, 2024 (the **“Third Report”**) was filed in support of the 230 Receiver’s motion seeking an order (the **“First Settlement Approval Order”**), among other things, approving the Orr Settlement, the Industrial Road Settlement, and the Bridging Assignment Agreement, each as defined and described in the Third Report.
- 1.8 On February 22, 2024, the Court issued the First Settlement Approval Order.
- 1.9 The fourth report of the 230 Receiver dated March 28, 2024 (the **“Fourth Report”**) was filed in support of the 230 Receiver’s motion seeking an order (the **“Second Settlement Approval Order”**), among other things, approving the KLN Settlement, as defined and described in the Fourth Report.
- 1.10 On April 5, 2024, the Court issued the Second Settlement Approval Order.
- 1.11 This Fifth Report is filed in support of the 230 Receiver’s motion (the **“Interim Distribution and VTBN Assignment Approval Motion”**) seeking an order (the **“Interim Distribution and VTBN Assignment Approval Order”**), among other things:
 - i. approving the assignment, assumption and consent agreement dated as of December 10, 2024 (the **“VTBN Assignment Agreement”**) pursuant to which the 230

Receiver has agreed to assign its interest in the Assigned Agreements (defined below) and the Reserve Funds (defined below) to the Bridging Receiver (defined below) (the “**VTBN Assignment**”), in consideration for the reduction of the 230 Indebtedness (defined below) and VTBN Releases and Indemnity (defined below);

- ii. authorizing and directing the 230 Receiver to distribute an amount in cash of up to \$6.9 million to the Bridging Receiver, or as the Bridging Receiver may otherwise direct the 230 Receiver in writing, and make such further distributions to the Bridging Receiver that the 230 Receiver determines to be appropriate without further order of this Court, provided that the aggregate distributions to the Bridging Receiver do not exceed the 230 Indebtedness and that the 230 Receiver retains such amounts that are required to address any claims that rank in priority to 230 Ontario’s secured obligations to Bridging (collectively, the “**Interim Distribution**”);
- iii. approving the Holdback (as defined below);
- iv. approving this Fifth Report and the conduct and activities of the 230 Receiver described herein;
- v. approving the 230 Receiver’s statement of receipts and disbursements for the period from March 6, 2023 to November 30, 2024 described herein;
- vi. approving the fees and disbursements of the 230 Receiver and its legal counsel, Fasken Martineau DuMoulin LLP (“**Fasken**”), as set forth in the Karpel Affidavit and Stephenson Affidavit (as each are defined below); and
- vii. such further and other relief as this Court may deem just.

2.0 TERMS OF REFERENCE AND DISCLAIMER

- 2.1 In preparing this Fifth Report, the 230 Receiver has relied upon unaudited financial information, books and records and other documents provided by the Companies and discussion with management (collectively, the “**Information**”).
- 2.2 The 230 Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the 230 Receiver has not audited 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 (“**CASs**”) pursuant to the *Chartered Professional Accountants Canada Handbook*, and accordingly, the 230 Receiver expresses no opinion or other form of assurance contemplated under CASs in respect of the Information.
- 2.3 Future-oriented financial information referred to in this Fifth Report was prepared based on estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will likely vary from the projections. Even if the assumptions materialize, the variations in such future-oriented financial information could be significant.
- 2.4 This Fifth Report has been prepared to provide the Court with general information and an update regarding these receivership proceedings (“**Proceedings**”) and to assist the Court in considering the Interim Distribution and VTBN Assignment Approval Motion. This Fifth Report should not be relied upon for any other purpose or by any other person. The 230 Receiver shall not be held responsible for any losses or liability incurred as a result of the

circulation, publication, reproduction or use of this Fifth Report contrary to the provisions of this paragraph.

- 2.5 Unless otherwise stated, all monetary amounts contained in this Fifth Report are expressed in Canadian dollars.

3.0 BACKGROUND

- 3.1 The background in respect of the Companies, as well as a description of the activities and circumstances leading to the appointment of the 230 Receiver are contained in the application record filed by PricewaterhouseCoopers Inc. (“**PWC**”) as receiver and manager (in such capacity, the “**Bridging Receiver**”) of Bridging Finance Inc. (“**BFI**”) and certain related entities and investment funds (collectively “**Bridging**”), in particular, the affidavit of Christine Sinclair which was filed by PWC in support of its application to appoint the 230 Receiver (collectively, the “**PWC Application Record**”).
- 3.2 Before these Proceedings, the primary business of 230 Ontario was providing financing and leasing to consumer borrowers for home renovations, water systems, HVAC systems and smart home improvements described above as the Consumer Portfolio. 230 Ontario’s assets also included several “non-core” loans (the “**Non-Core Loans**”) made to third-parties outside of 230 Ontario’s primary business.
- 3.3 Additional background information regarding the Companies and their assets, including the Non-Core Loans made by 230 Ontario, and the Companies’ obligations to Bridging and other creditors is provided in the First Report, the Second Report, the Third Report, and the Fourth Report (collectively, the “**230 Receiver Reports**”).
- 3.4 The PWC Application Record, the 230 Receiver Reports, and other Court-filed documents, notices and orders in these Proceedings have been posted to the 230 Receiver’s case website at www.alvarezandmarsal.com/skymark (the “**Case Website**”).

4.0 ASSIGNMENT OF THE VENDOR TAKE-BACK NOTE

Background

- 4.1 As described in the Second Report and the Third Report, during the summer of 2023, the 230 Receiver conducted a Court-approved and supervised SISP for the 230 Ontario business. This SISP culminated in the Sale Transaction, which was approved by the Court on September 26, 2023, and closed on September 29, 2023. The Sale Transaction is described in detail in Section 6.0 of the Second Report, which is attached hereto (without appendices) as **Appendix “A”**.
- 4.2 Pursuant to the terms of the Purchase Agreement, the Purchaser acquired the Consumer Portfolio in exchange for an interest-free promissory note (the “**Vendor Take-Back Note**” or “**VTBN**”) with payment terms over a forty-eight (48) month term ending on September 29, 2027.
- 4.3 Also pursuant to the terms of the Purchase Agreement, in addition to the VTBN, the 230 Receiver and the Purchaser executed: (i) a general security agreement dated as of September 29, 2023 (the “**GSA**”), (ii) an assignment and assumption agreement dated as of September 25, 2023 (the “**First Assignment and Assumption Agreement**”), and (iii) an assignment and assumption agreement dated as of September 29, 2023 (the “**Second Assignment and Assumption Agreement**”), and along with the principal of the Purchaser (the “**Pledgor**”), who guaranteed the obligations of the Purchaser under the Share Pledge Agreement (defined below), also executed a limited recourse guarantee and share pledge agreement dated as of September 29, 2023 (the “**Share Pledge Agreement**”). The Purchase Agreement, the VTBN, the GSA, the First Assignment and Assumption Agreement, the Second Assignment

and Assumption Agreement, and the Share Pledge Agreement, are referred to collectively herein as the “**Assigned Agreements**”. The 230 Receiver also opened a segregated, interest-bearing trust account (the “**Reserve Bank Account**”) for the purpose of the Reserve (as defined in the Purchase Agreement). The Reserve Bank Account balance as at November 30, 2024 was \$293,233.22 (the “**Reserve Funds**”).

- 4.4 Since the Sale Transaction closed, the Purchaser has administered the Consumer Portfolio and made monthly payments to the 230 Receiver pursuant to the VTBN. However, largely due to legislative changes in the consumer financing space, time spent by both the 230 Receiver and the Bridging Receiver in administering the VTBN, collecting payments, and negotiating potential changes to the agreement with the Purchaser has increased substantially. This has resulted in additional efforts by the 230 Receiver and the Bridging Receiver which had not been expected, and as such has resulted in an increase in costs incurred by each of them in the administration of their respective estates.
- 4.5 To reduce costs and mitigate potential duplication of efforts and given that: (i) the economic interest in the VTBN ultimately resides with the Bridging Receiver; and (ii) there is a significant length of time remaining on the term of the VTBN, the 230 Receiver and the Bridging Receiver have agreed that assigning the 230 Receiver’s interest in the VTBN to the Bridging Receiver is prudent and makes good economic sense.

The VTBN Assignment Agreement

- 4.6 The key provisions of the VTBN Assignment Agreement, a copy of which is attached as **Appendix “B”**, are as follows (capitalized terms used but not defined in this paragraph have the meanings given to them in the VTBN Assignment Agreement):

- (a) the 230 Receiver will sell and assign, and the Bridging Receiver will assume 230 Ontario's right, title, interest, in the Assigned Agreements, as well as its covenants, obligations and liabilities under the Assigned Agreements on an "as is, where is" basis, including any funds held by the 230 Receiver in the Reserve Bank Account;
- (b) the Purchaser and the Pledgor each consents, acknowledges and agrees to the assignment of the Assigned Agreements and agrees to recognize the Bridging Receiver as a party to each of the Assigned Agreements in place of the 230 Receiver;
- (c) the effective time (the "**Effective Time**") of the VTBN Assignment Agreement is 12:01 a.m. (Toronto time) on the date on which: (i) a fully executed copy of the VTBN Assignment Agreement has been delivered to each of the Parties, and (ii) the Court has issued an order approving the VTBN Assignment Agreement and such order has been issued and entered and becomes a final order that has not been stayed or appealed within the applicable time limits;
- (d) the 230 Receiver agrees that the VTBN Assignment shall partially repay the 230 Indebtedness in an amount equal to the amount of the VTBN less all payments received by the 230 Receiver thereunder as of the Effective Time, other than those in the Reserve Bank Account which will be assigned to the Bridging Receiver; and
- (e) the Company and the Pledgor will release and forever discharge the estate of 230 Ontario, the 230 Receiver and A&M and each of their Related Parties of

and from all Claims arising in connection with the Assigned Agreements, subject to certain limitations and exclusions set forth in the VTBN Assignment Agreement;

- (f) the Bridging Receiver will release and forever discharge the 230 Receiver and A&M and each of their Related Parties of and from all Claims arising in connection with the Assigned Agreements, subject to certain limitations and exclusions set forth in the VTBN Assignment Agreement; and
- (g) the Bridging Receiver will indemnify the 230 Receiver and its directors, officers, agents and representatives from and against all liabilities relating to, among other things, the Bridging Receiver's ownership or interest in the Assigned Agreements after the Effective Time, subject to certain limitations and exclusions set forth in the VTBN Assignment agreement (the releases and indemnity described in subparagraphs (e), (f) and (g) are referred to collectively herein as the **"VTBN Releases and Indemnity"**).

4.7 The Purchase Agreement was previously filed with the Court under seal as Confidential Appendix "E" to the Second Report. The 230 Receiver recommends that the Purchase Agreement remains sealed as it contains commercially sensitive information that could negatively affect any future transactions for the Consumer Portfolio, if in the event of a default, the Consumer Portfolio reverts back to the Bridging Receiver, in which case the purchased assets may be re-marketed.

4.8 The 230 Receiver is seeking the approval of the Court to enter into the VTBN Assignment Agreement and carry out the VTBN Assignment contemplated therein. The 230 Receiver is

of the view that the VTBN Assignment represents a practical and efficient way of collecting the remaining proceeds of the Sale Transaction without duplication of efforts and costs among the 230 Receiver and the Bridging Receiver. The VTBN Assignment will: (i) allow the Bridging Receiver to take full carriage of the administration of the VTBN payments and related work, and (ii) subject to the completion of the remaining work in these Proceedings, will permit the 230 Receiver to seek its discharge in the ordinary course. For these reasons, the VTBN Assignment is expected to achieve significant cost savings which will ultimately benefit the stakeholders of 230 Ontario and those of Bridging.

- 4.9 The 230 Receiver, the Bridging Receiver, the Company, and the Pledgor all agree and consent to the VTBN Assignment and support the relief sought on this motion. The 230 Receiver is not aware of any stakeholder or other person who would be prejudiced by the proposed VTBN Assignment.
- 4.10 If the VTBN Assignment is approved, the amounts payable thereunder shall be applied in reduction of the 230 Indebtedness. The VTBN Assignment is therefore analogous to the Proposed Interim Distribution to the Bridging Receiver for and on behalf of Bridging as the senior secured lender of 230 Ontario. As set forth in more detail below, the 230 Receiver's legal counsel, Fasken, has issued an opinion confirming the validity, enforceability, and perfection of Bridging's security interest in respect of 230 Ontario, and the 230 Receiver is not aware of any claim that ranks in priority to the claim of the Bridging Receiver except for the limited Priority Claims which will be addressed by the proposed Holdback (as defined and discussed below).

5.0 INTERIM DISTRIBUTION TO BRIDGING RECEIVER

The 230 Indebtedness and Related Security

- 5.1 As described in further detail in the First Report, pursuant to a term sheet dated April 28, 2015 (as amended from time to time, the “**Loan Agreement**”), BFI, as agent (in such capacity, the “**Bridging Agent**”) for and on behalf of certain Bridging investment funds (collectively, the “**Bridging Lender**”) made available to 230 Ontario five credit facilities in the aggregate principal amount of \$35.17 million for the purpose of, among other things, making eligible Consumer Loans and the Non-Core Loans. As of October 31, 2024, the outstanding indebtedness of 230 Ontario to the Bridging Lender totals \$64,656,514.98, including interest accrued as of such date, but excluding fees and expenses (the “**230 Indebtedness**”). Interest, fees and expenses continue to accrue in respect of the 230 Indebtedness.
- 5.2 As security for the payment of the 230 Indebtedness, among other things, 230 Ontario executed and delivered security agreements to the Bridging Agent, pursuant to which, it granted the Bridging Lender a security interest over all of its present and after-acquired personal property and any proceeds thereof.
- 5.3 The 230 Receiver’s legal counsel, Fasken, has conducted a review of the loan and security documents relating to the Loan Agreement and has issued an Ontario law opinion to the 230 Receiver which concludes, subject to customary assumptions and qualifications, that (i) the security documents reviewed create a valid and enforceable security interest in favour of the Bridging Agent for and on behalf of the Bridging Lender in the collateral specified therein to which the *Personal Property Security Act* (Ontario) (“**OPPSA**”) applies and which is

charged thereunder; and (ii) registration has been made in all public offices provided for under the laws of the Province of Ontario where such registration is necessary or desirable to preserve, protect or perfect such security interest. Fasken has advised the 230 Receiver that, as of December 8, 2024: (i) the Bridging Agent and Bridging Lender were the sole registrants under the OPPSA in respect of 230 Ontario, and (ii) there were no third-party OPPSA registrations against 230 Ontario.

Priority Claims and Other Reserves

- 5.4 The 230 Receiver received a letter from Canada Revenue Agency (“**CRA**”) dated May 16, 2023 indicating that 230 Ontario owes CRA approximately \$206,000 in respect of unremitted harmonized sales tax (“**HST**”), \$195,191.20 of which CRA asserts is a deemed trust claim (the “**Deemed Trust Claim**”). The 230 Receiver therefore intends to hold back \$195,191.20 of the funds it is holding.
- 5.5 The Appointment Order provides a charge (the “**230 Receiver’s Charge**”) for the fees and disbursements of the 230 Receiver and its legal counsel in respect of these Proceedings. The amount that the 230 Receiver intends to hold back will be sufficient to deal with its fees and disbursements and those of its legal counsel anticipated to be incurred to complete the administration of these Proceedings.
- 5.6 Other than the Deemed Trust Claim and the 230 Receiver’s Charge (collectively, the “**Priority Claims**”), the 230 Receiver is not aware of any other claims ranking in priority to those of the Bridging Receiver.
- 5.7 In addition to the Priority Claims, the 230 Receiver also proposes to hold back reserves of \$340,000 as security for potential cost awards in respect of the UK Action.

Proposed Interim Distribution

- 5.8 The balance of the 230 Receiver's bank accounts as at November 30, 2024 is approximately \$8.4 million (exclusive of approximately \$293,000 held in the Reserve Bank Account established in accordance with the Purchase Agreement, as further described in Section 4.0).
- 5.9 The 230 Receiver proposes, with the approval of the Court, to make an initial Interim Distribution to the Bridging Receiver of up to \$6.9 million from the funds currently held by the 230 Receiver and to hold back the remaining balance of approximately \$1.5 million (exclusive of the funds held in the Reserve Bank Account) (the "**Holdback**"), which the 230 Receiver intends to retain in respect of the Deemed Trust Claim and amounts expected to be incurred to complete the administration of these Proceedings, including the fees and disbursements of the 230 Receiver and its legal counsel. Funds held in the Reserve Bank Account will be assigned to the Bridging Receiver in accordance with the VTBN Assignment Agreement, subject to this Court's approval of same.
- 5.10 Based on the Priority Claims and the amounts that are anticipated to be incurred in the remaining administration of the Proceedings, the 230 Receiver anticipates the Holdback will be sufficient to fund the completion of the administration of these Proceedings.
- 5.11 The proposed Interim Distribution and VTBN Assignment Approval Order will also authorize the 230 Receiver to make further distributions to the Bridging Receiver that the 230 Receiver determines to be appropriate without further order of this Court, provided that the aggregate distributions to the Bridging Receiver do not exceed the 230 Indebtedness and that the 230 Receiver retains such amounts that are required to address any claims that rank in priority to 230 Ontario's secured obligations to Bridging, including the Priority Claims.

5.12 Based on the foregoing and its review of the books and records of 230 Ontario, the 230 Receiver is of the view that the proposed Interim Distribution to the Bridging Receiver is reasonable and appropriate and accurately reflects the nature and priority of the Bridging Lender's secured claim against 230 Ontario. The 230 Receiver is not aware of any stakeholder or other person who will be prejudiced by the proposed Interim Distribution.

6.0 UPDATE REGARDING THE UK PROPERTY LOAN

- 6.1 As described in the Third Report, in July 2018, 230 Ontario advanced a loan in the amount of GBP 780,000 (CAD \$1.365 million) (the “**UK Property Loan**”) to one of the directors of 230 Ontario and his spouse (together, the “**UK Borrowers**”) for the purpose of acquiring a property located in Reading, United Kingdom (the “**UK Property**”). The UK Property Loan is secured by a mortgage in favour of 230 Ontario against the UK Property (the “**UK Mortgage**”). The UK Property Loan and the UK Mortgage are governed by English law.
- 6.2 The 230 Receiver determined, based on its review of the accounting records of 230 Ontario that the UK Borrowers had defaulted on the UK Property Loan. Accordingly, on July 26, 2023, Blake Morgan LLP (“**Blake Morgan**”), the 230 Receiver’s legal counsel in the United Kingdom in respect of matters related to the UK Property Loan, issued a formal demand on behalf of the 230 Receiver requiring repayment in full of the outstanding balance by August 2, 2023, failing which the 230 Receiver would exercise its enforcement rights under the UK Property Loan.
- 6.3 The UK Borrowers have claimed that the amounts owing under the UK Property Loan have been repaid in full, primarily through intercompany transfers, forgiveness of shareholder loans, and set-off for services provided by one of the UK Borrowers who was also a director of 230 Ontario.
- 6.4 The 230 Receiver, Blake Morgan, and the UK Borrowers and their UK legal counsel had numerous communications on the matter; however, the parties remain at a disagreement in respect of whether non-cash adjustments constitute repayments under the UK Property Loan and other issues relating to the UK Property Loan.

- 6.5 On May 9, 2024, the 230 Receiver commenced an action (the “**UK Action**”) against the UK Borrowers under Part 8 (a summary procedure) of the Civil Procedure Rules (“**CPR**”) in the High Court of Justice, Business and Property Courts of England and Wales (the “**UK Court**”) to, among other things, enforce a first-priority charge (the “**Charge**”) on the UK Property. The UK Action was subsequently continued under Part 7 of the CPR (a non-summary procedure).
- 6.6 On September 13, 2024, the 230 Receiver filed its particulars of claim (“**PoC**”) with the UK Court. In the PoC, the 230 Receiver alleges, among other things, that the UK Borrowers are in default of their obligations under the UK Property Loan and the UK Mortgage for having failed to make any of the monthly repayments when due and for having otherwise failed to repay the UK Property Loan in accordance with the terms of the agreement (the “**UK Loan Agreement**”) in respect of same. The PoC describes the following relief that the 230 Receiver seeks, among other things:
- (a) a declaration that the UK Property Loan and the Charge are valid and enforceable;
 - (b) a declaration that UK Borrowers’ obligations under the UK Property Loan and Charge remain due and owing;
 - (c) an order requiring the UK Borrowers to pay the 230 Receiver the sum of GBP 1,107,515.09 (including default interest accrued from August 24, 2018 (being the date of first default) to September 11, 2024, plus default interest which continues to accrue (collectively, the “**UK Borrowers’ Indebtedness**”);

- (d) a declaration that, if payment is not made within 14 days of the date of judgement, the 230 Receiver shall be entitled to appoint receivers over the UK Property for the purpose of marketing and selling it; and
- (e) the costs of the proceeding.

6.7 As of the date of this Fifth Report, the UK Borrowers have not yet filed their defence in the UK Action. They have, however, served three witness statements which set forth certain particulars of their defence. The UK Borrowers allege, among other things:

- (a) the UK Property Loan, which expressly precludes payments by way of set off, was orally or implicitly varied to allow payments by way of set off;
- (b) the UK Borrowers paid the UK Property Loan through a combination of certain *ad hoc* payments and, in greater part, by setting off amounts allegedly owed by 230 Ontario to the UK Borrowers (whether directly or indirectly through intermediary companies) against the outstanding balance of the UK Property Loan;
- (c) the principal amount advanced under the UK Property Loan was GBP 575,000, not GBP 780,000; and
- (d) 230 Ontario assigned \$375,000 of its entitlements under the UK Property Loan to Merk, which the UK Borrowers repaid in December 2022 after that portion of the UK Property Loan was assigned to The Equity Shoppe by an order of this Court.

6.8 The 230 Receiver has acknowledged that the UK Borrowers made *ad hoc* payments in the aggregate amount of \$82,500, and these payments have already been accounted for in the

calculation of the UK Borrowers' Indebtedness. The 230 Receiver otherwise takes the position that no payments were made by way of set off and that set off was not an acceptable means of payment pursuant to the express terms of the UK Loan Agreement.

6.9 In an order made by the UK Court dated October 24, 2024, the UK Court approved a timeline for the UK Action. However, in the interim, the 230 Receiver and the UK Borrowers had discussions to explore whether a consensual resolution to the dispute may be available. To date, the parties have been unable to arrive at a settlement that is acceptable.

6.10 To allow those discussions to evolve, the parties agreed to extend the timeline in the UK Action, and by order dated November 20, 2024, the UK Court approved the following, extended timeline for the UK Action:

- a) December 13, 2024 – deadline for the UK Borrowers to file and serve their defence;
- b) January 8, 2025 – deadline for the 230 Receiver to file and serve its reply to the UK Borrowers' defence;
- c) January 14, 2025 – both parties to file and exchange cost budgets; and
- d) January 17, 2025 – both parties to file and exchange Directions Questionnaires.

6.11 A Costs and Case Management Conference has been scheduled for January 31, 2025 before the UK Court. At that conference, the UK Court is expected to review and approve the parties' budgets (with any modifications the UK Court determines are appropriate) and provide directions regarding disclosure of documents, further witness evidence, expert evidence, listing the trial, and trial preparation. Blake Morgan has advised that the UK

Action, if it proceeds to trial, will likely be heard in late-2025 or later, depending on the number of witnesses and the complexity of the evidence.

7.0 UPDATE REGARDING THE MAHAL AND GOLDEN MILES LOANS

Background

- 7.1 As discussed in the previous 230 Receiver Reports, the Non-Core Loans include, among other things: (i) three loans with a combined principal of approximately \$20 million that 230 Ontario advanced to Mahal Venture Capital Inc. (“**MVCI**”) to fund the purchase of certain real property (the “**Mahal Property**”) and the construction of a flour mill (collectively, the “**Mahal Loans**”), and (ii) five loans (the “**Golden Miles Loans**”) with a combined principal of approximately \$8.48 million made by 230 Ontario to Golden Miles Food Corporation (“**Golden Miles**”), a company related to MVCI, to finance the purchase of equipment associated with the flour mill. The Mahal Loans and the Golden Miles Loans are the subject of another receivership proceeding commenced on October 1, 2021 (the “**MVCI/Golden Miles Receivership Proceedings**”).
- 7.2 On November 15, 2021, KSV Restructuring Inc. (“**KSV**”), the receiver appointed in the MVCI/Golden Miles Receivership Proceedings (in such capacity, the “**Mahal Receiver**”) filed an assignment in bankruptcy on behalf of MVCI and Golden Miles under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, pursuant to which KSV was appointed as the trustee in bankruptcy of MVCI and Golden Miles.
- 7.3 Additional background information in respect of the Mahal Loans and the Golden Miles Loans and distributions made to the 230 Receiver to date in respect of same is provided in the Third Report and the Fourth Report.

The Omit Tax Reserve

- 7.4 Pursuant to an order issued by the Court on August 23, 2023 in the MVCI/Golden Miles Receivership Proceedings, the Mahal Receiver continues to hold a reserve of \$1.5 million (the “**Omit Tax Reserve**”) that is the subject of a dispute among the Mahal Receiver and the court-appointed receiver (the “**Mahal Property Receiver**”) of the purchaser of the Mahal Property which was sold in the MVCI/Golden Miles Receivership Proceedings. The parties disagree on which of them is liable for \$1,091,423 (plus accrued interest) (the “**Omit Tax Claim**”) assessed in respect of property tax arrears against the Mahal Property.
- 7.5 On June 18, 2024, the Court issued an order (the “**Omit Tax Distribution Order**”), among other things, ordering that the Mahal Receiver is not liable for the Omit Tax Claim, and approving the distribution of the Omit Tax Reserve, including a distribution of \$1,242,300 to the 230 Receiver.
- 7.6 Pursuant to a Notice of Appeal filed with the Court of Appeal for Ontario on June 27, 2024 by the Mahal Property Receiver, the Omit Tax Distribution Order is under appeal. The hearing of the appeal is expected to proceed on January 15, 2025.

The Golden Miles Bankruptcy Claim

- 7.7 The Mahal Receiver also continues to hold approximately \$1.3 million of unencumbered funds that will be subject to a distribution by the bankruptcy trustee of Golden Miles and in respect of which the 230 Receiver filed a claim on behalf of 230 Ontario on May 13, 2024.

8.0 230 RECEIVER'S ACTIVITIES SINCE THE DATE OF THE FOURTH REPORT

8.1 In addition to those activities described throughout this Fifth Report, the 230 Receiver's activities since the date of the Fourth Report have included the following:

- attending the Court hearing held on April 5, 2024, regarding the motion seeking the Second Settlement Approval Order;
- continuing to carry out the 230 Receiver's duties and responsibilities in accordance with the Appointment Order, including controlling the receipts and disbursements;
- engaging with the Purchaser and the Pledgor with respect to matters related to the Consumer Portfolio and performance under the VTBN;
- engaging with the 230 Receiver's legal counsel on various receivership matters, including, without limitation, the UK Property Loan;
- communicating with the Applicant to provide status updates in respect of the Proceedings, including the matters discussed herein;
- attending at the Companies' premises to review and retrieve various accounting and historical records;
- communicating with the Companies' former external accountants to make arrangements in respect of tax matters;
- preparing and filing HST returns and communicating with CRA in respect of an HST audit;

- monitoring the MVCI/Golden Miles Receivership Proceedings and the bankruptcy of MVCI and Golden Miles, and liaising with the Mahal Receiver in respect of status updates on the MVCI/Golden Miles Receivership Proceedings;
- evaluating potential claims to be asserted by the Companies' estate;
- preparing and negotiating the VTBN Assignment Agreement with the assistance of legal counsel;
- drafting this Fifth Report and the motion materials in respect the Interim Distribution and VTBN Assignment Approval Motion;
- coordinating the development of and posting of relevant documents to the Case Website;
- responding to stakeholder and other enquiries; and
- addressing all other matters pertaining to the administration of the Proceedings.

9.0 PROFESSIONAL FEES

- 9.1 Pursuant to paragraphs 18 and 19 of the Appointment Order, the 230 Receiver and its legal counsel shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and the 230 Receiver and its legal counsel shall pass their accounts from time to time before the Court.
- 9.2 Attached hereto as **Appendix “C”** is the Affidavit of Greg Karpel sworn December 9, 2024 (the “**Karpel Affidavit**”), attesting to the fees and disbursements of the 230 Receiver for the period February 1, 2024 to November 30, 2024 in respect of these Proceedings in the aggregate amount of \$321,215.09 comprised of fees of \$283,430.50, disbursements of \$830.62, and HST of \$36,953.97.
- 9.3 Attached hereto as **Appendix “D”** is the Affidavit of Mitchell Stephenson, a partner with Fasken, sworn December 5, 2024 (the “**Stephenson Affidavit**”) attesting to the fees and disbursements of Fasken, for the period February 1, 2024 to November 30, 2024 in the aggregate amount of \$303,501.88, comprised of fees of \$266,433.50, disbursements of \$2,255.15, and taxes of \$34,813.23.
- 9.4 The 230 Receiver confirms that the fees and disbursements set out in Fasken’s invoices relate to advice sought by the 230 Receiver and assistance provided in respect of these Proceedings, and that, in the 230 Receiver’s view, Fasken’s fees and disbursements are properly chargeable, reasonable and appropriate.
- 9.5 Given that the assets and operations of Merk are comparatively limited, the 230 Receiver further confirms that the majority of the fees and disbursements of the 230 Receiver as well as those of Fasken were incurred in connection with the 230 Ontario estate.

9.6 It is the 230 Receiver's view that the fees and disbursements of the 230 Receiver and its legal counsel described in the Karpel Affidavit and the Stephenson Affidavit, respectively, are reasonable and appropriate in the circumstances having regard to the scope of activity undertaken in these Proceedings.

10.0 230 RECEIVER'S RECEIPTS AND DISBURSEMENTS

10.1 A summary of the 230 Receiver's receipts and disbursements for the period from March 6, 2023 to November 30, 2024 (the "**Reporting Period**") related to 230 Ontario is set out below:

Skymark Finance Corporation Receiver's Summary Receipts and Disbursements for the Period March 6, 2023 to November 30, 2024	
	Amount (CAD\$)
Receipts	
Proceeds from loans, other than Consumer Portfolio loans and leases	7,727,630
Consumer Portfolio collections (note 1)	2,985,223
Interest	374,009
Total Receipts	11,086,861
Disbursements	
Professional fees and disbursements	2,107,074
Wages, benefits and source deductions	186,777
HST, net	178,216
Rent and utilities	35,627
Other legal fees and disbursements	105,007
Paralegal and security discharge costs	31,903
General and administration	11,687
Total Disbursements	2,656,291
Net Cash Flows	8,430,570

1. Consumer Portfolio collections include: (i) amounts collected prior to Closing; and (ii) monthly VTBN payments.

10.2 The 230 Ontario receipts for the Reporting Period are comprised predominantly of: (a) the proceeds received from the Mahal Receiver in accordance with the Mahal Distribution Order described in the Second Report; (b) the proceeds from the settlement related to the Industrial Road Loan (as defined and described in the Third Report) received in accordance with the First Settlement Approval Order; (c) the Orr Settlement proceeds received from the Mahal Receiver in accordance with the First Settlement Approval Order; (d) the KLN Settlement proceeds, received from the Mahal Receiver in accordance with the Second Settlement Approval Order; and (e) Consumer Portfolio collections comprised of: (i) monthly lease and

loan payments (the “**Consumer Loan Payments**”) collected in respect of the Consumer Portfolio during the Reporting Period; (ii) amounts remitted directly by consumer debtors who have chosen to pay out their Consumer Loan(s) in full prior to the maturity date (the “**Prepayments**”); and (iii) monthly VTBN payments through September 2024.

10.3 Disbursements during the Reporting Period include: (i) the professional fees of the 230 Receiver, Fasken, and Blake Morgan incurred in support of these Proceedings; (ii) paralegal and other costs incurred in association with discharging NOSIs where Prepayments have been made during the Reporting Period; (iii) other legal costs incurred in connection with certain Non-Core Loans; and (iv) other costs incurred to operate the Consumer Loans business including, wages and benefits, rent, utilities and certain other general and administration costs.

10.4 As at November 30, 2024, the balance in: (i) the 230 Receiver’s trust account for this matter was approximately \$8.4 million, excluding approximately \$293,000 held in the Reserve Bank Account established in accordance with the Purchase Agreement; and (ii) the 230 Receiver’s Merk trust account was approximately \$736.


10.5 There have been no cash flows generated by Merk during the Reporting Period as Merk is not operating, has no employees and has had no activity during the Reporting Period.

11.0 CONCLUSION AND RECOMMENDATION

11.1 Based on the foregoing, the 230 Receiver respectfully recommends that the Court make the proposed orders granting the relief sought in the Interim Distribution and VTBN Assignment Approval Motion and detailed in Section 1.0 of this Fifth Report.

All of which is respectfully submitted,

Alvarez & Marsal Canada Inc., in its capacity as Receiver and Manager of 2305145 Ontario Inc. (formerly Skymark Finance Corporation) and Merk Investments Ltd. and not in its personal capacity.

Signed by:

0C8B73192A3A446...

Per: Greg Karpel, Senior Vice-President

APPENDIX A

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

B E T W E E N:

PRICEWATERHOUSECOOPERS INC.

(solely in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and
certain related entities and investment funds)

Applicant

- and -

SKYMARK FINANCE CORPORATION and MERK INVESTMENTS LTD.

Respondents

APPLICATION UNDER Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as
amended, and Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as
amended

**SECOND REPORT OF THE RECEIVER
SEPTEMBER 15, 2023**

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Confidential

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Confidential

Appendix E – Asset Purchase Agreement, Vendor Take-Back Note and Vendor Take-Back Security dated August 23, 2023 – unredacted

Appendix F – Mahal Distribution Order, dated August 23, 2023

Appendix G – Affidavit of Greg Karpel Sworn September 15, 2023

Appendix H – Affidavit of Stuart Brotman Affirmed September 15, 2023

1.0 INTRODUCTION

- 1.1 This second report (“**Second Report**”) is filed by Alvarez & Marsal Canada Inc. (“**A&M**”) in its capacity as Court-appointed receiver and manager (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties (the “**Property**”, or the “**Assets**”) of each of Skymark Finance Corporation (“**Skymark**”) and Merk Investments Ltd. (“**Merk**”, and together with Skymark, the “**Companies**”).
- 1.2 Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated March 6, 2023 (the “**Appointment Order**”), A&M was appointed Receiver of the Companies’ Property.
- 1.3 The First Report to Court of the Receiver dated May 17, 2023 (the “**First Report**”), without appendices, is attached hereto as **Appendix “A”**. The purpose of the First Report was to, among other things:
- a) summarize the Receiver’s proposed sale and investment solicitation process (the “**SISP**”) which, upon Court approval, was to be undertaken to market for sale all or a portion of the Assets of Skymark, which Assets include its portfolio of loans and leases to consumer borrowers for home renovations, water systems, HVAC systems and smart home improvements (the “**Consumer Portfolio**”);
 - b) describe and summarize the status of four loans not associated with the Consumer Portfolio that Skymark has provided to third-party borrowers (collectively, the “**Non-Core Loans**”) and the 258 Loan (defined below); and

- c) provide a general description of the Receiver's activities and a summary of the receipts and disbursements up to the date of the First Report.
- 1.4 On May 25, 2023, the Court issued an order (the "**SISP Approval Order**"), among other things, approving and authorizing the SISP and authorizing and directing the Receiver to perform its obligations thereunder, both as detailed in the sale process attached as Schedule "A" to the SISP Approval Order. A copy of the SISP Approval Order is attached hereto as **Appendix "B"**.
- 1.5 This Second Report is filed in support of the Receiver's motion (the "**Sale Approval Motion**") seeking, among other things:
 - i. an order (the "**Approval and Vesting Order**"):
 - a) approving a sale transaction (the "**Sale Transaction**") for the Consumer Portfolio and certain other related assets (collectively, the "**Purchased Assets**") as set out and described in an asset purchase agreement dated August 23, 2023 (the "**APA**") between the Receiver (the "**Vendor**") and 5051802 Ontario Inc. (the "**Purchaser**");
 - b) authorizing and approving the execution of the APA by the Receiver, and authorizing and directing the Receiver to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Sale Transaction and for the conveyance of the Purchased Assets to the Purchaser;

- c) vesting in the Purchaser the right, title and interest of the Receiver and Skymark in and to the Purchased Assets, free and clear of and from any and all claims and encumbrances, upon delivery by the Receiver of a Receiver's certificate to the Purchaser confirming that all conditions to closing in the APA have either been satisfied or waived by the Receiver (the "**Receiver's Certificate**");
 - d) authorizing and directing the Receiver, upon filing the Receiver's Certificate, to complete, execute and file articles of amendment on behalf of Skymark to change the name of Skymark to 2305145 Ontario Inc.; and
 - e) sealing Confidential Appendices "C" and "E" to this Second Report subject to further order of the Court; and
- ii. an order (the "**Ancillary Relief Order**"):
- a) approving this Second Report and the conduct and activities of the Receiver described herein;
 - b) approving the Receiver's statement of receipts and disbursements for the period March 6 to September 8, 2023 as set out in this Second Report;
 - c) approving the fees and disbursements of the Receiver and its legal counsel Fasken Martineau DuMoulin LLP ("**Fasken**") as set out in the Karpel and Brotman Affidavits, respectively (both defined below); and
 - d) such further and other relief as this Court may deem just.

2.0 TERMS OF REFERENCE AND DISCLAIMER

- 2.1 In preparing this Second Report, the Receiver has relied upon unaudited financial information, books and records and other documents provided by the Companies and discussion with management (collectively, the “**Information**”).
- 2.2 The Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Receiver has not audited 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 (“**CASs**”) pursuant to the *Chartered Professional Accountants Canada Handbook*, and accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CASs in respect of the Information.
- 2.3 Future-oriented financial information referred to in this Second Report was prepared based on management’s estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections. Even if the assumptions materialize, the variations in such future-oriented financial information could be significant.
- 2.4 This Second Report has been prepared to provide the Court with general information and an update regarding these receivership proceedings (the “**Proceedings**”) and to assist the Court in deciding whether to grant the SISP Approval Order and the Ancillary Relief Order. This Second Report should not be relied upon for any other purpose or by any other person. The Receiver shall not be held responsible for any losses or liability incurred as a result of

the circulation, publication, reproduction or use of this Second Report contrary to the provisions of this paragraph.

- 2.5 Unless otherwise stated, all monetary amounts contained in this Second Report are expressed in Canadian dollars.

3.0 BACKGROUND

- 3.1 The background in respect of the Companies, as well as a description of the activities and circumstances leading to the appointment of the Receiver are contained in the application record filed by PricewaterhouseCoopers Inc. (“**PWC**”) as receiver and manager (in such capacity, the “**Bridging Receiver**”) of Bridging Finance Inc. and certain related entities and investment funds (collectively “**Bridging**”), in particular, the affidavit of Christine Sinclair (the “**Sinclair Affidavit**”) which was filed by PWC in support of its application to appoint the Receiver (collectively, the “**PWC Application Record**”).
- 3.2 Additional background information regarding the Companies, the Assets, and the Companies’ obligations to Bridging and other creditors is provided in the First Report.
- 3.3 The PWC Application Record, the First Report, and other Court-filed documents and notices in these Proceedings have been posted to the Receiver’s case website at www.alvarezandmarsal.com/skymark (the “**Case Website**”).

4.0 THE SALE PROCESS

- 4.1 Capitalized terms used in this section and section 5.0 and not otherwise defined herein have the meaning ascribed to them in the SISP Approval Order.
- 4.2 The Court-approved SISP and its timelines were designed to balance the time necessary to administer a commercially reasonable sale process and the liquidity issues facing Skymark.
- 4.3 The Receiver commenced the Sale Process immediately following the issuance of the SISP Approval Order. A summary of the Sale Process is as follows:
- the Receiver arranged for the publication of notices (the “**Notices**”) of the SISP to be published in the *Globe & Mail (National Edition)* on June 12, 2023 and in the *Insolvency Insider* on June 12, 19, and 26, 2023 and July 4, and 10, 2023;
 - the Receiver prepared an interest solicitation letter (“**Teaser**”) detailing the opportunity to purchase or invest in all or part of the Consumer Portfolio and/or in any or all of Skymark’s Assets or Business (the “**Opportunity**”) that was circulated to 54 potentially interested parties, including parties who contacted the Receiver on an unsolicited basis, as well as potential strategic buyers and liquidators identified by the Receiver who the Receiver believed may have an interest in the opportunity (collectively “**Known Potential Bidders**”);
 - a form of non-disclosure agreement (“**NDA**”) was included with the Teaser. Upon execution of the NDA, Known Potential Bidders were provided access to an online data room set up by the Receiver (the “**Data Room**”). The NDA was executed by

16 Known Potential Bidders who were then provided an opportunity to commence diligence;

- over the course of the Sale Process, the Receiver facilitated diligence requests submitted by interested parties, updated the Data Room as required, and responded to inquiries from interested parties as appropriate;
- the Data Room included, among other things, a document summarizing the details of each of the leases and loans comprising the Consumer Portfolio, a schedule of leases/loans that were paid off during the Sale Process, and a sample of leases/loans and their respective terms and provisions, all of which were redacted to remove personal information of the consumer borrowers/lessees;
- Bids were required to be submitted to the Receiver by 5:00 pm (Toronto Time) on July 10, 2023 (the “**Bid Deadline**”); and
- among other things, Bids were requested to: (i) be submitted in the form of a duly authorized and executed definitive sale or investment agreement; (ii) be accompanied by a cash (certified cheque, or wire transfer) deposit of an amount not less than 10% of the aggregate consideration payable under the Bid; (iii) be accompanied by written evidence of a commitment for financing or other evidence of the Bidder’s ability to consummate the transaction contemplated by the Bid; and, (iv) not contain any contingency relating to due diligence, financing or any other material conditions precedent to the Bidder’s obligation to complete the transaction contemplated by the Bid.

- 4.4 The terms of the SISP expressly provided that the Receiver may consult with the Applicant throughout the SISP, but that if the Applicant were to submit a Bid, it shall not be entitled to any consultation or consent rights in favour of the Applicant provided for in the SISP, and shall not be entitled to review any of the other Bids received unless and until it has been notified by the Receiver that its Bid has not been selected as the Successful Bid.
- 4.5 The Applicant did not submit a Bid in the Sale Process and, as such, the Receiver has consulted with the Applicant throughout the SISP process.

5.0 THE SALE PROCESS RESULTS

Initial SISP Results

- 5.1 On or before the Bid Deadline, five (5) parties submitted Bids¹ for the Consumer Portfolio and one party submitted a Bid for the 258 Loan (as described below).²
- 5.2 On July 12, 2023, the Receiver convened conference calls with certain Bidders to review their Bids and highlight areas that required clarification and additional information.
- 5.3 The Receiver, in consultation with the Applicant, reviewed the Bids received and determined that three of the Bids (two of those in respect of the Consumer Portfolio, as well as the 258 Loan Bid) were not Qualified Bids and were unacceptable to the Receiver and the Applicant. On July 14, 2023 (the Bid Qualification Deadline, as defined in the SISP), the Receiver advised those Bidders that their Bid was not a Qualified Bid and thanked them for their participation in the SISP.
- 5.4 While the terms of the three remaining Bids (in respect of the Consumer Portfolio) varied greatly, the economic value of those Bids were within a similar range. The Receiver contacted the three remaining Bidders (the “**Remaining Bidders**”) to encourage them to improve the purchase price contemplated in their Bids and/or to clarify certain components

¹ One of these Bids was submitted by a party related to Skymark.

² The party that submitted a bid to acquire the 258 Loan has an interest in the 258 Loan and the related security.

of their Bids. On July 14, 2023, each of those Remaining Bidders submitted updated Bids reflecting revisions to their bids (the “**Revised Bids**”).

- 5.5 On July 14, 2023, the Receiver advised the Remaining Bidders that the Receiver was deferring the bid Qualification Deadline (the date by which each Remaining Bidder was to be notified as to whether its Bid constitutes a Qualified Bid) to July 19, 2023 in order to allow the Receiver, in consultation with the Applicant, sufficient time to conduct a thorough and fair evaluation of the Revised Bids.
- 5.6 On July 19, 2023, the Applicant advised the Receiver that the Revised Bids were not acceptable to it and were not within a range of value that warranted an Auction. Accordingly, the Receiver notified the Remaining Bidders that their Revised Bids had not been selected as the Successful Bid, that no Auction would be taking place, and that the Receiver was terminating the SISP.

Subsequent SISP Results

- 5.7 Subsequent to the termination of the SISP, one of the Remaining Bidders contacted the Receiver to discuss the possibility of an alternate bid structure with improved terms and consideration that might be acceptable to the Receiver and the Applicant. On July 24, 2023, this Remaining Bidder submitted a further revised offer outlining the terms of its proposal (the “**Further Revised Offer**”).
- 5.8 Upon receipt of the Further Revised Offer, the Receiver discussed the form of the Further Revised Offer with the Applicant and proceeded to clarify certain of the terms in the Further Revised Offer with the Remaining Bidder and its legal counsel. The Receiver, in

consultation with the Applicant, determined that the Further Revised Offer contained economic terms that were acceptable to the Applicant and the Receiver.

- 5.9 On August 8, 2023, the Receiver contacted the other Remaining Bidders to advise them that, after notifying the Remaining Bidders of the termination of the SISP, one of the Remaining Bidders submitted a revised bid to the Receiver which included a materially higher purchase price than those contained in the Revised Bids, and which was acceptable to the Receiver and the Applicant. To ensure that the process remained fair and open to the other Remaining Bidders, the Receiver provided those bidders with a final opportunity to submit their highest and best offer by no later than 5:00 p.m. Toronto Time on August 14, 2023, in order to determine whether an Auction was warranted.
- 5.10 On August 14, 2023, one of the Remaining Bidders submitted a revised offer with a purchase price materially lower than that contained in the Further Revised Offer, and which was not acceptable to the Receiver or the Applicant. The other Remaining Bidder advised the Receiver it would not be submitting a further revised offer.
- 5.11 Accordingly, the Receiver, in consultation with the Applicant and its legal counsel, determined to pursue the Further Revised Offer and to proceed to negotiate the terms of a definitive asset purchase agreement with that Bidder. The APA was ultimately accepted by the Receiver on August 23, 2023, subject to Court approval.
- 5.12 A summary of the Bids submitted to the Receiver is provided in the **Confidential Appendix “C”**, and the Receiver’s rationale for its request that this information be sealed at this time is provided in Section 13 of this Second Report.

6.0 THE SALE TRANSACTION

- 6.1 Capitalized terms used in this section and not otherwise defined herein have the meaning ascribed to them in the APA. A redacted version of the APA, including the Vendor Take-Back Note and the Vendor Take-Back Security (both defined below), is attached as **Appendix “D”**. An unredacted version of the APA, the Vendor Take-Back Note and the Vendor Take-Back Security is filed as **Confidential Appendix “E”**, and the Receiver’s rationale for its request that this information be sealed at this time is provided in Section 13 of this Second Report.
- 6.2 Pursuant to the terms of the APA, the Purchaser will acquire the Consumer Portfolio in exchange for an interest free promissory note with payment terms over a forty-eight (48) month term.
- 6.3 The key terms and conditions of the APA are summarized below. The description of the APA provided for herein is for summary purposes only and reference should be made to the APA for its actual terms:
- a) **Purchaser** – 5051802 Ontario Inc., a special purpose entity incorporated by [REDACTED] to be used solely for the purpose of effecting the Sale Transaction and the post-Closing process related to payment of the Purchase Price;
 - b) **Purchase Price** – The Purchase Price is to remain confidential for the reasons set out in Section 13 of this Second Report. Payment of the Purchase Price is to be satisfied as follows:

- i. an interest free promissory note with a forty-eight (48) month term (the “**Note Term**”) in favour of the Receiver (the “**Vendor Take-Back Note**”) and secured on a first ranking basis by a general security agreement, and pledge of shares of the Purchaser, each in favour of the Receiver (collectively, the “**Vendor Take-Back Security**”).
- ii. an amount to be paid on Closing and credited towards the minimum amounts payable under the Vendor Take-Back Note for the first three (3) months following Closing (the “**Note Prepayment**”).
- iii. the Vendor Take-Back Note is repayable monthly on the first Business Day of each month in the Threshold Amount (as specified and defined in the APA). For the first three (3) months following Closing such payments shall be satisfied by the Note Prepayment.
- iv. a segregated interest-bearing account in the Receiver’s name (including accrued interest thereon, the “**Reserve**”) is to be established to fund any shortfall in the Threshold Amount in months in which Collections are less than the Threshold Amount.
- v. in each month during the Note Term, the Purchaser shall contribute to the Reserve, twenty-five percent (25%) of all monthly Collections in excess of the Threshold Amount until a balance equal to three (3) times the Threshold Amount (the “**Reserve Target**”) is reached.
- vi. the Reserve funds will be applied to ensure that monthly payments, at minimum, equal the Threshold Amount. If the Reserve is depleted below

the Reserve Target, deposits through this mechanism are to resume until the Reserve Target has again been met.

- vii. in the event that Collections and the Reserve together are insufficient to fund a monthly Threshold Amount payment, the Purchaser shall remit the funds available from Collections and the Reserve, less a \$10,000 reserve for payroll and operating costs, and will have thirty (30) days in which to remit the remaining balance of such payment. Any remaining outstanding Threshold Amount payment will be added to the next monthly payment. In the event that the Purchaser fails to repay any overdue Threshold Amount within the timeframe provided for in the APA, the Receiver, in its sole discretion may enforce the Vendor Take-Back Security;
 - viii. in the event that aggregate Collections in any given month exceed a certain threshold (in each period, the “**Profit Cap**”), such amount exceeding the Profit Cap shall be paid to the Receiver as early partial repayment of the Vendor Take-Back Note (collectively, “**Excess Profit Repayments**”) in addition to any amounts otherwise due and payable to the Receiver and the Note Term shall be reduced accordingly.
- c) **Purchased Assets** – The Purchased Assets consist of the Consumer Portfolio, including all Customer Contracts, and related assets including, without limitation:
- i. all Collections in respect of the Consumer Portfolio collected or received by Skymark or the Receiver on or after September 20, 2023;

- ii. all Rental Units;
- iii. all Lien Interests;
- iv. all rights in contract or otherwise (including warranty claims), warranties and claims against suppliers, manufacturers, or distributors or third-party service providers of any Rental Units, parts and related or ancillary equipment which, rights, warranties and claims relate to periods from and after the Closing Date;
- v. those claims in small claims court related to Customer Contracts that are active on the books of Skymark and not expired, written off, or paid in full, whether Skymark is plaintiff or defendant, including, without limitation, those listed in Schedule “E” to the APA (the “**Purchased Small Claims Court Claims**”);
- vi. Goodwill;
- vii. all Assumed Contracts listed on Schedule “A” to the APA;
- viii. all accounts receivable and other amounts due, owing or accruing due to Skymark in connection with the Consumer Portfolio as of the Closing Date, except for any those related to the Excluded Assets or Excluded Liabilities;
- ix. Business Names;
- x. Intellectual Property;
- xi. Skymark telephone and facsimile numbers and web domains including all those listed on the Consumer Portfolio contracts;
- xii. prepaid items and deposits; and

- xiii. contracts, data, databases, customer lists and Consumer Portfolio paper backup files.

d) **Excluded Assets** – The following assets of Skymark are specifically excluded from the Sale Transaction:

- i. employment agreements and any employee benefit plans;
- ii. accounts receivable and any other amounts owing to Skymark and not expressly included in the Purchased Assets, including, those in respect of the 258 Loan or the Non-Core Loans;
- iii. all claims against third parties (i.e. Persons other than Customers) related to the Business or the Consumer Portfolio;
- iv. any Customer Contracts relating to Excluded Liabilities;
- v. any lease to the real property at 46 Village Centre Place, 3rd Floor, Mississauga, Ontario;
- vi. insurance contracts, policies and plans, and insurance proceeds receivable (if any);
- vii. Books and Records required to be retained by the Receiver, provided that the Receiver, on request by the Purchaser, makes such Books and Records reasonably available to the Purchaser;
- viii. tax refunds, tax loss carry-forwards and investment and other tax credits;
- ix. cash and cash equivalents; and
- x. Equipment.

- e) **Employees** – The Purchaser is not assuming any of the five (5) employees or associated obligations.
- f) **Assumed Obligations** – The Purchaser will assume any obligation or liability of the Receiver or Skymark under the Assumed Contracts or Customer Contracts included in Purchased Assets and arising in connection with the Purchased Small Claims Court claims.
- g) **Excluded Obligations** – Other than the Assumed Obligations, the Purchaser will not assume any liabilities or obligations of the Receiver or Skymark, including those claims in small claims courts or superior courts related to the Business, Consumer Portfolio, or Customer Contracts naming Skymark as defendant listed in Schedule “F” to the APA.
- h) **Closing Date** – The Target Closing Date for the Sale Transaction is three (3) Business Days after the Court has issued the Approval and Vesting Order, or as the parties may otherwise agree to in writing. If Closing does not occur on the Target Closing Date, the parties shall use commercially reasonable efforts to close the Sale Transaction by no later than October 2, 2023, or such other date as the parties may agree to in writing.
- i) **Post Closing Registrations and Filings** – the Purchaser will, at its own expense, file all necessary amendments, transfers, assignments, discharges or financing change statements in respect of the NOSIs and any court pleadings or filings made in Purchased Small Claims Court Claims proceedings.

j) **Reporting** – The Purchaser is to provide certain monthly and other regular reporting in respect of Collections and the Consumer Portfolio to the Receiver as specified in the APA, or as requested by the Receiver.

k) **Material Conditions** – The material conditions precedent to closing are:

- i. payment of the Purchase Price will have been made by delivery of the Vendor Take-Back Note, the Vendor Take-Back Security and the Note Prepayment;
- ii. there shall be no action or proceeding pending to restrain or prohibit the completion of the Sale Transaction; and
- iii. the Court shall have issued the Approval and Vesting Order.

6.4 The Receiver and the Purchaser will enter into an assignment and assumption agreement in respect of the Assumed Contracts and the Customer Contracts included in the Purchased Assets (the “**Assignment and Assumption Agreement**”). In connection with this, the Receiver’s legal counsel has engaged in communications with Enbridge to arrange for the assignment of agreements between Skymark and Enbridge which are to be assigned to the Purchaser upon Closing of the Sale Transaction. As of the date of this Second Report, the negotiations with Enbridge are ongoing. The Receiver has also been communicating with the service providers in respect of a software license and certain other services that are also contemplated to be assigned to the Purchaser on Closing of the Sale Transaction.

7.0 STATUS OF THE NON-CORE LOANS

- 7.1 Since the date of the First Report, the Receiver has continued its review and investigation in respect of the Non-Core Loans and provides a further update in respect of each below.

The Industrial Road Loan

- 7.2 As described in the First Report, on November 1, 2015, Skymark made a loan (the “**Industrial Road Loan**”) to third-party borrowers (the “**Industrial Road Borrowers**”) for the purpose of funding a standby letter of credit (the “**LC**”) to be issued to the Ontario Ministry of Finance and secured by certain equipment liens and a mortgage (the “**Mortgage**”) in respect of real property located on Industrial Road in Delhi, Ontario (the “**Industrial Road Property**”). The principal amount of the Industrial Road Loan was \$1.2 million, bearing interest at 14.95% per annum.
- 7.3 The Industrial Road Borrowers defaulted on the Industrial Road Loan and, in May 2016, Skymark commenced mortgage enforcement proceedings (the “**Mortgage Action**”).
- 7.4 In July 2017, Skymark also commenced an action (the “**Damages Action**”) seeking damages from the Industrial Road Borrowers and their legal counsel, and Skymark’s legal counsel in the Mortgage Action, in relation to their alleged negligence in the disbursement to the Industrial Road Borrowers of funds supporting the LC that otherwise formed part of Skymark’s security in respect of the Industrial Road Loan and which Skymark alleges should have been paid to it.

- 7.5 As a result of the negligence claims Skymark asserted in the Damages Action against its legal counsel, Skymark engaged new legal counsel to represent it in both the Mortgage Action and the Damages Action.
- 7.6 Skymark, through its new legal counsel, negotiated a settlement with one of the defendants in the Mortgage Action and the Damages Action for the purpose of allowing Skymark to initiate power of sale proceedings to sell the Industrial Road Property.
- 7.7 In or around March 2020, the Industrial Road Property was sold under power-of-sale, resulting in net proceeds to Skymark of approximately \$425,000.
- 7.8 Skymark's new legal counsel failed to disclose the existence of the above-referenced settlement agreement in the Damages Action. Upon learning of the existence of the settlement agreement, certain of the defendants in the Damages Action sought and obtained an order permanently staying the Damages Action against them on the basis of an abuse of process as a result of the failure to disclose the settlement. The order staying the Damages Action against those defendants was upheld on appeal.
- 7.9 The Receiver and its legal counsel are investigating options in respect of recovering the remaining balance of approximately \$775,000 (excluding accrued interest) outstanding under the Industrial Road Loan.
- 7.10 The Receiver and its legal counsel have contacted the insurer for Skymark's lawyer that negotiated the settlement that resulted in the stay of the Damages Action to advise of the Receiver's investigation into various matters related to the Industrial Road Loan, the

Damages Action, the settlement of the Mortgage Action, and the resulting stay of the Damages Action.

- 7.11 The Receiver and the insurer have entered into a standstill and tolling agreement which, among other things, provides for the suspension of any limitation periods that may be applicable to any claims Skymark may have against its former lawyer in the Damages Action and the Mortgage Action. The purpose of the tolling agreement is to allow each party to investigate the nature of the claims and to discuss a process for adjudicating or resolving those claims, as necessary.

The UK Property Loan

- 7.12 As described in the First Report, in July 2018, Skymark advanced a loan in the amount of GBP 780,000 (CAD\$1.365 million) (the “**UK Property Loan**”) to one of the Directors of Skymark and his spouse (together, the “**UK Borrowers**”) for the purpose of acquiring a property located in Reading, United Kingdom (the “**UK Property**”).
- 7.13 As also described in the First Report, the UK Property Loan requires monthly payments of GBP 5,200, bears interest at a rate of 8% p.a. if any monthly payments are missed, and is secured by a mortgage in favour of Skymark against the UK Property (the “**UK Mortgage**”). The UK Property Loan and the UK Mortgage are governed by English Law.
- 7.14 The Receiver has held various discussions with the UK Borrowers who claim that the amount owing under the UK Property Loan has been repaid in full, primarily through intercompany transfers, forgiveness of shareholder loans, and set-off for services provided by one of the borrowers (a Director of Skymark) to Skymark. The Receiver requested that

the UK Borrowers provide it with all documents in support of their claim that the amount owing under the UK Property Loan has been repaid.

- 7.15 The accounting records of Skymark, among other things show that: (i) none of the required monthly payments have been made, (ii) the only “cash” repayments were three (3) lump sum payments that amounted to CAD \$82,500, and (iii) all other amounts that were purportedly applied to reduce the balance of the UK Property Loan were non-cash accounting adjustments.
- 7.16 The Receiver has retained Blake Morgan LLP (“**Blake Morgan**”) as its legal counsel in the United Kingdom to consider issues in respect of the enforcement of the UK Mortgage. The Receiver, Blake Morgan and Fasken have reviewed the various documents that the UK Borrowers provided to the Receiver to substantiate their claims that the amounts owing under the UK Property Loan were repaid.
- 7.17 Pursuant to the terms of the UK Property Loan agreement, set-off is not permitted and only “cash” payments are considered valid repayments.
- 7.18 The Receiver has calculated that, excluding the non-cash adjustments and including interest from inception, the outstanding balance of the UK Property Loan as at July 25, 2023 was CAD \$1,926,271 (GBP 1,138,524).
- 7.19 On July 26, 2023, on behalf of the Receiver, Blake Morgan issued a formal demand (“**Demand**”) under the UK Property Loan. The Demand required payment in full of the outstanding balance by August 2, 2023, failing which the Receiver would exercise any or all of its enforcement rights under the UK Property Loan agreement.

- 7.20 Since the issuance of the Demand, the Receiver and/or Blake Morgan have had numerous communications with the UK Borrowers and their UK legal counsel, however the disagreement in respect of whether non-cash adjustments constitute repayments under the UK Property Loan agreement remains.
- 7.21 As of the date of this Second Report, the Receiver has instructed Blake Morgan to continue the process of enforcing the UK Mortgage under UK law.

The Mahal Loans and The Golden Miles Loans

- 7.22 As described in the First Report, the Mahal Loans consist of three loans with combined principal amounts totaling approximately \$20 million advanced by Skymark to Mahal Venture Capital Inc. (“**MVCI**”) to purchase real property municipally known as 155 Adams Boulevard, Brantford, Ontario (the “**Mahal Property**”) and to finance the construction of a flour mill on the Mahal Property (collectively, the “**Mahal Loans**”). The Mahal Loans are each secured by mortgages on the Mahal Property.
- 7.23 As also described in the First Report, a series of loans (the “**Golden Miles Loans**”) with an aggregate principal amount of \$8,481,950 were advanced by Skymark to Golden Miles Food Corporation (“**Golden Miles**”), a company related to MVCI, to finance the purchase of equipment required in the operation of the flour mill. The Golden Miles Loans are secured against the financed equipment, and two of them are also secured by a mortgage on the Mahal Property.
- 7.24 By order issued October 1, 2021, the Court appointed KSV Restructuring Inc. (“**KSV**”) as receiver and manager (the “**Mahal Receiver**”) of the assets, undertakings and properties

of MVCI and Golden Miles owned or used in connection with the flour mill located on the Mahal Property (the “**MVCI/Golden Miles Receivership Proceedings**”), and on November 15, 2021, the Mahal Receiver filed an assignment in bankruptcy on behalf of MVCI and Golden Miles pursuant to which KSV was appointed as the trustee in bankruptcy (in such capacity, the “**Trustee**”) of MVCI and Golden Miles (the “**Bankruptcy**”).

- 7.25 Detailed information with respect to the MVCI/Golden Miles Receivership Proceedings and the Bankruptcy can be found on the Mahal Receiver’s website at: <https://www.ksvadvisory.com/experience/case/mahal-venture-capital-inc.>
- 7.26 On April 11, 2022, the Court granted an order approving the sale of all or substantially all of the assets of MVCI and Golden Miles to 12175622 Canada Inc. (the “**Mahal Purchaser**”).
- 7.27 The sale to the Mahal Purchaser (the “**Mahal Transaction**”) closed on May 18, 2022. The aggregate net proceeds totaled \$18.47 million and, as outlined in the Fifth Report to Court of the Mahal Receiver dated August 15, 2023 (the “**Mahal Receiver’s Fifth Report**”) after accounting for accrued costs, the Mahal Receiver was holding \$16.7 million of remaining proceeds from the Mahal Transaction, approximately \$15 million of which was allocated to the Mahal Property (the “**Mahal Net Proceeds**”) and \$1.7 million of which was allocated to the personal property owned by Golden Miles (the “**Personal Property Net Proceeds**”).

- 7.28 On August 23, 2023, the Mahal Receiver sought and obtained an order (the “**Mahal Distribution Order**”) authorizing certain distributions from the Mahal Net Proceeds and the Personal Property Net Proceeds to creditors in accordance with their priority, and authorizing the Mahal Receiver to holdback certain amounts that are the subject of various priority disputes. Attached hereto as **Appendix “F”** is a copy of the Mahal Distribution Order.
- 7.29 Pursuant to the Mahal Distribution Order, the Mahal Receiver was authorized to distribute the following amounts to the Receiver (on behalf of Skymark): (i) \$247,000 from the Personal Property Net Proceeds; (ii) \$20,000 in respect of Skymark’s costs in connection with a priority dispute in respect of the Personal Property Net Proceeds that was decided in favour of the Mahal Receiver and Skymark; and (iii) \$5,097,556 from the Mahal Net Proceeds.
- 7.30 The Mahal Receiver remitted these amounts (totaling \$5,365,556) to the Receiver on August 24, 2023, which are included in the Receiver’s receipts and disbursements described in Section 12 of this Second Report.
- 7.31 The Mahal Distribution Order also contemplates various holdbacks in respect of priority disputes that involve Skymark, including: (i) \$1,047,826 in respect of amounts KLN Holdings Inc.(“**KLN**”) alleges should be paid to it in priority to Skymark as a result of an alleged transfer of a portion of a mortgage that Skymark held against the Mahal Property to KLN; and (ii) \$3,650,000 in respect of amounts 1989474 Ontario Inc. (“**198 Co**”) alleges should be paid in priority to Skymark as a result of a trust declaration pursuant to which

Merk and/or Skymark allegedly agreed to hold a portion of a mortgage that Skymark held against the Mahal Property in trust for 198Co.

- 7.32 198Co is a company owned or controlled by Michael Orr. As discussed in the First Report (and as further discussed in greater detail below in Section 8), 198Co and 7539188 Canada Inc. (“**753 Co**”, and collectively with 198Co, the “**Orr Plaintiffs**”) are plaintiffs in an action commenced against Skymark and Merk, among other defendants, asserting various claims in respect of a number of mortgages that were purportedly held in trust by Skymark or Merk for the Orr Plaintiffs (the “**Orr Claim**”).
- 7.33 The Receiver and its legal counsel have held discussions with legal counsel to both KLN and 198Co with respect to the facts underlying the holdback amounts, and a process for adjudicating or resolving the entitlement to those amounts.
- 7.34 Following the distributions authorized by the Mahal Distribution Order, the Mahal Receiver will continue to hold approximately \$1.3 million of the Personal Property Net Proceeds which are unencumbered, and which the Receiver understands will be subject to a distribution in the Bankruptcy by the Trustee. The Trustee has advised that it will provide the Receiver with a proof of claim package in due course.

8.0 STATUS OF THE ORR LITIGATION

- 8.1 As referenced in Section 7 above, the Orr Plaintiffs have commenced the Orr Claim in which Skymark and Merk are defendants, among other parties.
- 8.2 The Orr Claim asserts, among other allegations, that the Orr Plaintiffs advanced funds to Merk and Skymark for the purpose of making investments in various mortgages that Merk and/or Skymark were offering to borrowers. The Orr Plaintiffs further claim that the amounts they advanced are held in trust by Merk and/or Skymark pursuant to various trust declarations. The Orr Plaintiffs allege that the defendants caused the mortgages to be discharged without notice to the Orr Plaintiffs and that Merk and/or Skymark failed to repay the investment that the Orr Plaintiffs made in those mortgages. Additional background information in respect of the Orr Claim is provided in the First Report.
- 8.3 As also referenced in the First Report, prior to the Appointment Order, Justice Osborne issued an order, among other things, requiring the defendants in the Orr Claim to provide certain documentary productions to the Orr Plaintiffs (the “**Production Order**”). The Production Order was appended to the First Report.
- 8.4 The Orr Plaintiffs have been in contact with the Receiver since the date of the First Report to request that the Receiver provide it with the documents set out in the Production Order. The Receiver and its legal counsel continue to engage with legal counsel to the Orr Plaintiffs to determine the appropriate process for the Receiver to provide the Orr Plaintiffs with the documents they seek under the Production Order, while minimizing the cost to the estate of doing so. These discussions are ongoing.

9.0 STATUS OF THE 258 LOAN

- 9.1 As discussed in the First Report, pursuant to a term sheet dated July 7, 2017, Bridging advanced a loan in the aggregate principal amount of \$21 million (the “**Additional Loan**”) to Skymark, the purpose of which was to fund a subsequent loan (the “**258 Loan**”) made by Skymark to 2581150 Ontario Inc. (“**258**”), a company owned by one of the directors of Skymark, in connection with the acquisition by 258 of certain assets of Thomas Canning (Maidstone) Limited and 692194 Ontario Limited (together, the “**Thomas Canning Entities**”).
- 9.2 As security for its obligations under the Additional Loan, Skymark executed and delivered a security agreement to Bridging pursuant to which it granted to Bridging a security interest over all of its personal property.
- 9.3 The obligations of 258 to Skymark under the 258 Loan are secured by, among other security, mortgages registered in favour of Skymark on title to certain real property that 258 acquired from the Thomas Canning Entities. The mortgages in favour of Skymark remain registered on title to the lands, and the Receiver has caused the Appointment Order to be registered on title to provide notice of the Receiver’s interest in the Skymark mortgages.
- 9.4 On or about April 4, 2019, the Thomas Canning Entities, among other plaintiffs, commenced an action against Bridging in respect of loans that Bridging had allegedly made to the Thomas Canning Entities, and the subsequent acquisition by 258 of certain assets of the Thomas Canning Entities. On or about June 16, 2022, the plaintiffs amended the

statement of claim to add Skymark and 258 as defendants, among others, and to seek an order setting aside the mortgages granted by 258 to Skymark and registered on title to the lands that 258 acquired from the Thomas Canning Entities (among other relief). The Thomas Canning Entities have also registered a certificate of pending litigation on title to the lands at issue.

9.5 As outlined in the Sinclair Affidavit, 258 has taken the position that the 258 Loan and the security granted thereunder was assigned by Skymark to Bridging, such that the 258 Loan is repayable directly to Bridging and not Skymark. The Bridging Receiver has indicated that the books and records of Bridging do not include any written agreement that gives effect to this arrangement.

9.6 On December 30, 2022, the Bridging Receiver issued a Notice of Action, and on January 23, 2023 filed a Statement of Claim (the “**Statement of Claim**”) against Skymark and 258 in respect of, among other things, the 258 Loan. The Statement of Claim has not been served on Skymark. The Bridging Receiver has indicated that it intends to pursue the alleged claim against Skymark in the context of these Proceedings. The Receiver continues to investigate the terms of the 258 Loan, the security granted thereunder and Skymark’s recourse in respect of same.

9.7 As is evident from the above, the facts and circumstances surrounding the Additional Loan, the 258 Loan, 258’s acquisition of assets from the Thomas Canning Entities, and the various obligations under the relevant loan and security agreements, is the subject of multi-party litigation among Bridging, 258, the Thomas Canning Entities, and Skymark. The Receiver understands that there are ongoing negotiations among the

Bridging Receiver and the Thomas Canning Entities with respect to certain issues related to the 258 Loan and related security. The Receiver has exchanged correspondence with legal counsel to the Thomas Canning Entities and has confirmed that it will not take steps to market, sell, or otherwise realize upon the 258 Loan and related security without advance notice to the Thomas Canning Entities, in order to allow those negotiations to progress.

10.0 RECEIVER'S ACTIVITIES SINCE THE DATE OF THE FIRST REPORT

General Overview

10.1 In addition to those activities described throughout this Second Report, the Receiver's activities since the date of the First Report have included the following:

- attending the Court hearing held on May 25, 2023 regarding the motion seeking the SISP Approval Order;
- continuing to carry out the Receiver's duties and responsibilities in accordance with the Appointment Order, including overseeing the Companies' operations, controlling the receipts and disbursements, and addressing customer and vendor issues;
- engaging with the Receiver's legal counsel on various receivership matters;
- managing employee related matters, including convening employee meetings at the Companies' premises, communicating with the employee health benefits provider, and issuing termination notices where applicable;
- attending at the Companies' Premises on a regular basis;
- communicating with the Applicant to provide status updates in respect of these Proceedings;
- monitoring the MVCI/Golden Miles Receivership Proceedings and the Bankruptcy, and liaising with the Mahal Receiver in respect of status updates on the Mahal

Receivership, including attending at the motion to seek the Mahal Distribution Order;

- drafting this Second Report and the motion materials in respect of the Sale Approval Motion;
- coordinating the development of and posting of relevant documents to the Case Website;
- filing and remitting payment for HST and source deductions as required and, as referenced in the First Report, continuing an ongoing review of historical HST obligations in order to determine whether the Companies' pre-receivership HST arrears may be overstated;
- responding to stakeholder and other enquiries; and
- addressing all other matters pertaining to the administration of these Proceedings.

10.2 In addition to the matters set out above, the Receiver has also spent time assessing and addressing various claims that have been asserted against Skymark and/or Merk.

11.0 PROFESSIONAL FEES

- 11.1 Pursuant to paragraphs 18 and 19 of the Appointment Order, the Receiver and its legal counsel shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and the Receiver and its legal counsel shall pass their accounts from time to time before the Court.
- 11.2 Attached hereto as **Appendix “G”** is the Affidavit of Greg Karpel sworn September 15, 2023 (the “**Karpel Affidavit**”), attesting to the fees and disbursements of the Receiver for the period December 23, 2022 to August 31, 2023 in respect of these Proceedings in the aggregate amount of \$810,544.89 comprised of fees of \$701,735.50, disbursements of \$15,566.54, and HST of \$93,242.85.
- 11.3 Attached hereto as **Appendix “H”** is the Affidavit of Stuart Brotman, a partner with Fasken, affirmed September 15, 2023 (the “**Brotman Affidavit**”) attesting to the fees and disbursements of Fasken, for the period December 23, 2022 to August 31, 2023 in the aggregate amount of \$465,548.06, comprised of fees of \$408,507.50, disbursements of \$3,620.80, and taxes of \$53,420.55.
- 11.4 The Receiver confirms that the fees and disbursements set out in Fasken’s invoices relate to advice sought by the Receiver and assistance provided in respect of these Proceedings, and that, in the Receiver’s view, Fasken’s fees and disbursements are properly chargeable, reasonable and appropriate.

- 11.5 Given that the assets and operations of Merk are comparatively limited, the Receiver further confirms that substantially all of the fees and disbursements of the Receiver as well as those of Fasken were incurred in connection with the Skymark estate.
- 11.6 It is the Receiver's view that the fees and disbursements of the Receiver and its legal counsel described in the Karpel Affidavit and the Brotman Affidavit, respectively, are reasonable and appropriate in the circumstances having regard to the scope of activity undertaken in these Proceedings.

12.0 RECEIVER'S RECEIPTS AND DISBURSEMENTS

- 12.1 A summary of the Receiver's receipts and disbursements for the period from March 6 to September 8, 2023 (the "**Reporting Period**") is set out below:

Skymark Finance Corporation Receiver's Summary Receipts and Disbursements for the Period March 6 to September 8, 2023	
	Amount (CAD\$)
Receipts	
MVCI/Golden Miles Receivership - Distribution Proceeds	5,364,556
Consumer loan/lease monthly payments	842,294
Consumer loan/lease prepayments	710,904
Interest	15,858
Total Receipts	6,933,612
Disbursements	
Professional fees and disbursements	578,854
Wages, benefits and source deductions	163,922
HST, net	54,371
Paralegal and security discharge costs	25,340
Rent and utilities	21,543
General and administration	8,845
Total Disbursements	852,875
Net Cash Flows	6,080,737

- 12.2 The Skymark receipts for the Reporting Period are comprised predominantly of: (a) the proceeds received from the Mahal Receiver in accordance with the Mahal Distribution Order described in Paragraph 7.31 above; (b) monthly lease and loan payments (the "**Consumer Loan Payments**") collected in respect of the Consumer Portfolio during the Reporting Period; and (c) amounts remitted directly by consumer debtors who have chosen to pay out their Consumer Loan(s) in full prior to the maturity date (the "**Prepayments**").

- 12.3 As described in the First Report, Consumer Loan Payments are collected: (a) by Enbridge, on Skymark's behalf from Skymark's consumer debtors which then remits the funds collected to Skymark, net of administration fees; and (b) directly from consumer debtors through automated electronic funds transfers into Skymark's original TD Bank account from which the Receiver then transfers those funds to the Receiver's trust account.
- 12.4 Disbursements during the Reporting Period include: (i) the professional fees of the Receiver and Fasken in association with activities undertaken in support of these Proceedings; (ii) paralegal and other costs incurred in association with discharging NOSIs where Prepayments have been made during the Reporting Period; and (iii) other costs incurred to operate the Consumer Loans business including, wages and benefits, rent, utilities and certain other general and administration costs.
- 12.5 As at September 8, 2023, the balance in the Receiver's Skymark trust account was approximately \$6.08 million. The balance in the Receiver's Merk trust account was approximately \$700.
- 12.6 There have been no cash flows generated by Merk during the Reporting Period as Merk is not operating, has no employees and has had no activity during the Reporting Period.

13.0 CONCLUSION AND RECOMMENDATION

The Sale Transaction

13.1 The Receiver respectfully recommends that the Court make an order granting the relief sought in the Sale Approval Motion and approve the Sale Transaction for the following reasons:

- a) the Sale Process was carried out in accordance with the terms of the SISP Approval Order. The Receiver is of the view that the Sale Process was commercially reasonable, including the timelines, the extent of the canvassing of the market and information made available to interested parties;
- b) it is the Receiver's view that the duration of the Sale Process was sufficient to allow prospective purchasers to perform diligence and submit Bids;
- c) as discussed above, while the offer contained in the Sale Transaction was technically received after the Receiver terminated the SISP, the Receiver provided all of the other Revised Bidders with an opportunity to submit a revised offer to ensure that the process was fair and reasonable to all involved;
- d) the Bridging Receiver supports and has consented to the Sale Transaction notwithstanding that it is projected to incur a substantial shortfall on the amounts owing to it by the Companies; and
- e) the Receiver is of the view that the Consumer Portfolio was broadly marketed, and that further time spent marketing the Consumer Portfolio would not result in a superior transaction.

Ancillary Relief

13.2 The Receiver respectfully recommends that the Court make an order granting the relief sought in the Ancillary Relief Order. The Receiver and its legal counsel Fasken have been diligently attending to the administration of the Skymark estate.

13.3 The Sale Transaction represents a critical milestone in this Proceeding and is expected to result in material realizations for the benefit of Skymark's creditors.

13.4 As set out above, the fees and disbursements of the Receiver and its legal counsel described in the Karpel Affidavit and the Brotman Affidavit, respectively, are reasonable and appropriate in the circumstances having regard to the scope of activity undertaken in these Proceedings.

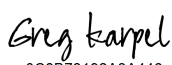
Sealing

13.5 The Receiver recommends that the Bid summary and the APA be filed with the Court on a confidential basis and remain sealed until further order of the Court. Disclosure of this commercially sensitive information and/or the identities of the other Bidders and the terms of their Bids could negatively affect any future transactions for the Consumer Portfolio if the Sale Transaction does not close for any reason. The Receiver is not aware of any party that would be prejudiced if this information is sealed on the terms described above.

13.6 Based on the foregoing, the Receiver respectfully recommends that the Court make an order granting the relief sought on the Sale Approval Motion and detailed in Section 1.5 of this Second Report.

All of which is respectfully submitted,

**Alvarez & Marsal Canada Inc.,
in its capacity as Receiver and Manager of
Skymark Finance Corporation and Merk Investments Ltd.
and not in its personal capacity.**

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Per: Greg Karpel, Senior Vice-President

APPENDIX B

ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT

THIS ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT (the “**Agreement**”) dated as of December 10th, 2024 (the “**Execution Date**”) and effective as of the Effective Time,

BY AND AMONG:

ALVAREZ & MARSAL CANADA INC., solely in its capacity as Court-appointed receiver and manager of the undertakings, properties and assets of **2305145 ONTARIO INC. (formerly SKYMARK FINANCE CORPORATION)** and not in any personal or other capacity (the “**Assignor**”)

- and -

PRICEWATERHOUSECOOPERS INC., solely in its capacity as Court-appointed receiver and manager of the undertakings, properties and assets of Bridging Finance Inc. and certain related entities and investment funds and not in any personal or other capacity (the “**Assignee**”)

- and -

5051802 ONTARIO INC., an Ontario corporation (the “**Company**”)

- and -

JORDAN REDLIN, solely in his capacity as pledgor and limited recourse guarantor of the guaranteed obligations of the Company under the Share Pledge Agreement (the “**Pledgor**”)

(the Assignor, the Assignee, the Company and the Pledgor are collectively referred to herein as the “**Parties**”, each a “**Party**”)

WHEREAS:

- A. Pursuant to the orders of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated April 30, 2021, May 3, 2021, and May 14, 2021, PricewaterhouseCoopers Inc. (“**PwC**”) was appointed as receiver and manager (in such capacity, the “**Bridging Receiver**”) of the assets, undertakings and properties of Bridging Finance Inc. and certain related entities and investment funds (collectively, “**Bridging**”).
- B. Pursuant to an order of the Court dated March 6, 2023, made on the application of the Bridging Receiver, Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as receiver and manager (in such capacity the “**230 Receiver**”) of the assets, undertakings and properties of 2305145 Ontario Inc. (formerly known as Skymark Finance Corporation) (“**230 Ontario**”).

- C. The 230 Receiver and the Company are parties to: (a) an Agreement of Purchase and Sale dated as of August 23, 2023 (the “**Purchase Agreement**”); (b) a Promissory Note dated as of September 29, 2023 (the “**Note**”); (c) a General Security Agreement dated as of September 29, 2023 (the “**General Security Agreement**”); (d) an Assignment and Assumption Agreement dated as of September 25, 2023 (the “**First Assignment and Assumption Agreement**”); (e) an Assignment and Assumption Agreement dated as of September 29, 2023 (the “**Second Assignment and Assumption Agreement**”); and (f) along with Pledgor, a Limited Recourse Guarantee and Share Pledge Agreement dated as of September 29, 2023 (the “**Share Pledge Agreement**” and collectively with the Purchase Agreement, the Note, the General Security Agreement, the First Assignment and Assumption Agreement and the Second Assignment and Assumption Agreement, the “**Assigned Agreements**”).
- D. Pursuant to the Purchase Agreement, which was approved by the Court by an Approval and Vesting Order dated September 26, 2023 (the “**Approval and Vesting Order**”), the 230 Receiver agreed to sell and the Company agreed to buy substantially all of 230 Ontario’s assets, property and undertaking, other than Excluded Assets (as defined in the Purchase Agreement), and such transactions contemplated therein closed on September 29, 2023.
- E. Before either of their respective receivership proceedings commenced, Bridging advanced certain secured loans to 230 Ontario in the amounts and as set forth in the reports of 230 Receiver (the “**230 Indebtedness**”) filed in the receivership proceeding of 230 Ontario bearing Court file number CV-22-00692309-00CL (the “**230 Receivership Proceedings**”), and, as a result of the 230 Indebtedness, Bridging Receiver is the primary secured lender to 230 Ontario and is anticipated to be the primary economic stakeholder in the 230 Receivership Proceedings.
- F. Pursuant to the Note, the Company is required, among other things, to make monthly payments in satisfaction of the Purchase Price (as defined in the Purchase Agreement) during the period beginning October 2, 2023 and ending September 29, 2027 pursuant to the terms thereof (the “**Note Term**”).
- G. Pursuant to the Purchase Agreement and the Note, there is a segregated interest-bearing account that has been opened in the Assignor’s name at Royal Bank of Canada, transit number 00002, account number 141-873-0 (the “**Reserve Bank Account**”) for the purposes of the Reserve (as defined in the Purchase Agreement). The funds held in the Reserve Bank Account are referred to as the “**Reserve Funds**”.
- H. Given the length of the Note Term, the 230 Receiver, as Assignor, and Bridging Receiver, as Assignee, have agreed, subject to approval by the Court, that the rights and obligations of the 230 Receiver under the Assigned Agreements ought to be assigned to the Bridging Receiver to avoid the duplication of costs related to the administration of the Assigned Agreements in the 230 Receivership Proceedings, and to permit the 230 Receiver to terminate the 230 Receivership Proceedings and seek its discharge in a timely manner.

- I. Assignor is willing to assign to Assignee all of Assignor's right, title, and interest in the Assigned Agreements, and Assignee is willing to accept such assignment and assume all of the covenants, obligations and liabilities of Assignor under the Assigned Agreements pursuant to the terms hereof.
- J. The Company has agreed to consent to the assignment contemplated herein to satisfy the requirements of section 10.9 of the Purchase Agreement and section 6.2 of the General Security Agreement and to otherwise acknowledge and agree to the assignment of the Assigned Agreements and to recognize Assignee as a party to the Assigned Agreements in place and stead of Assignor from and after the Effective Time.
- K. Pledgor has agreed to acknowledge and agree to the assignment of the Share Pledge Agreement and to recognize the Assignee as a party to the Assigned Agreements in place and stead of the Assignor from and after the Effective Time.
- L. The Company and Pledgor have agreed and acknowledge that the consideration received in connection with the assignment of the Assigned Agreements is sufficient and satisfactory.

NOW THEREFORE in consideration of the mutual covenants and agreements set forth herein, and for the sum of \$1.00 paid by the Assignee to each of the Assignor, the Company, and the Pledgor, and for other good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged by each of the Parties, the Parties agree as follows:

- 1. Notwithstanding the Execution Date of this Agreement, the provisions of this Agreement shall be effective on and as of the Effective Time, without requirement by any of the Parties to execute any further document, agreement or acknowledgement. For the purposes of this Agreement, "**Effective Time**" means 12:01 a.m. (Toronto time) on the date on which both of the following events have occurred:
 - (a) a fully executed copy of this Agreement has been delivered to each of the Parties; and
 - (b) the Court in the 230 Receivership shall have issued an order approving this Agreement, which order shall have been issued and entered, and the operation and effect of such order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) and no notices of the foregoing shall have been filed (the "**Approval Order**").
- 2. Assignor hereby transfers, assigns and conveys to Assignee, and Assignee hereby accepts the transfer, assignment and conveyance from Assignor, of all of Assignor's right, title,

interest, estate, liens, encumbrances, obligations and responsibilities in and to the Assigned Agreements and the Reserve Funds, effective as of the Effective Time (the “**Assignment**”).

3. Assignee hereby accepts the Assignment and agrees that it replaces Assignor, from and after the Effective Time, as a party to each of the Assigned Agreements and shall hold the Reserve Funds in a segregated interest bearing account in the name of the Assignee as required by the Purchase Agreement.
4. Assignor (a) represents and warrants that, subject to receiving the Approval Order, this Agreement constitutes a legal, valid, and binding obligation on its part which is enforceable by the Assignee against the Assignor in accordance with its terms; (b) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Company or Pledgor or the performance or observance by the Company or Pledgor of any of their respective obligations under the Assigned Agreements or any other instrument or document furnished pursuant thereto; (c) represents and warrants that, subject to obtaining the Approval Order, it has full power and authority, and has taken all necessary action, to execute and deliver this Agreement and to consummate the transactions contemplated hereby; (d) covenants and agrees that, upon and after the Effective Time, if the Assignor receives any payments from the Company or Pledgor or any other party on behalf of the Company or Pledgor in respect of the Assigned Agreements, it will hold such amounts in trust for the benefit of the Assignee and remit such amounts to the Assignee as soon as practicable; and (e) covenants and agrees that the Assignment shall partially repay the 230 Indebtedness in an amount equal to the amount of the Note less all payments received by the Assignor thereunder as of the Effective Time. For certainty, the assignment of the Reserve Funds to the Assignee hereunder does not constitute a payment on account of the Note and does not result in a partial repayment of the 230 Indebtedness.
5. The Assignee (a) represents and warrants that, subject to receiving the Approval Order, this Agreement constitutes a legal, valid, and binding obligation on its part which is enforceable by the Assignor against the Assignee in accordance with its terms, (b) represents and warrants that it has full power and authority, and has taken all necessary action, to execute and deliver this Agreement and to consummate the transactions contemplated hereby, (c) represents and warrants that the Assignee has relied on its own diligence and has satisfied itself with respect to all things relating to the Assigned Agreements, subject to the Assignor’s representations and warranties contained in paragraph 4 of this Agreement, and (d) covenants that it shall assume and be bound by, and observe and perform all the terms, obligations, responsibilities and provisions to be observed and performed by Assignor under the Assigned Agreements from and after the Effective Time.

6. As of the Effective Time (a) the Assignee shall have the rights and obligations under the Assigned Agreements that have been assigned to it pursuant to this Agreement and (b) the Assignor shall, to the extent provided in this Agreement, relinquish its rights and be released from its obligations under the Assigned Agreements in accordance with paragraph 9 of this Agreement.
7. Assignee shall be liable for the observance and performance of the terms, obligations and provisions which arise or accrue under the Assigned Agreements from and after the Effective Time; for certainty, and without in any way limiting the foregoing, Assignee shall inherit the compliance history of Assignor with respect to the Purchase Agreement, including in respect of any failures of Assignor to perform or observe any of its obligations under the Purchase Agreement as contemplated in and for the purposes of Section 2.3 , Article 3, and Article 9 of the Purchase Agreement.
8. The Assignee hereby agrees that (a) the sale and assignment of Assignor's right, title, estate and interest in and to the Assigned Agreements are and shall be without recourse to the Assignor; (b) the Assignor is assigning, and the Assignee is accepting, the Assigned Agreements on an "as is, where is" basis as they exist at the Effective Time and, with the exception of the representations and warranties contained in paragraph 4, the Assignor is not making, and the Assignee is not relying on, any representations, warranties or other statements of any kind whatsoever, whether oral or written, express or implied, statutory or otherwise, as to any matter concerning the Assignor, the Company, the Pledgor, the Assigned Agreements, this Agreement, or the accuracy or completeness of any information provided to (or otherwise acquired by) the Assignee or any of its officers, directors, partners, members, shareholders, employees, advisors, representatives or agents and, without limiting the generality of the foregoing, any and all conditions or warranties, expressed or implied, pursuant to any legislation or law of any applicable jurisdiction concerning the sale of goods generally will not apply and are hereby waived by the Assignee to the fullest extent permitted by applicable law.
9. As of the Effective Time, (a) the Company and the Pledgor hereby release and forever discharge the estate of 230 Ontario, the Assignor and A&M and each of their Related Parties (as defined below) of and from all Claims (as defined below); and (b) the Assignee hereby releases and forever discharges the Assignor and A&M and each of their Related Parties from all Claims. **"Related Parties"** means the affiliates, successors, and assigns, and all officers, directors, partners, members, shareholders, employees, advisors, representatives and agents of each of the Assignor and A&M. **"Claims"** means all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions, or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or

undisputed, actual or potential, contractual, legal or equitable, including loss of value, professional fees, including fees and disbursements of legal counsel on a full indemnity basis, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing which the Assignee, the Company or the Pledgor, as applicable, had, has or may in the future have relating to or arising from the Assigned Agreements and any other document delivered pursuant to or in connection therewith, *provided that*, (c) notwithstanding anything else set out in this Agreement, nothing herein shall in any way release (i) any Claims arising from the gross negligence or wilful misconduct of the Assignor; (ii) any of the Parties hereto from their respective obligations under this Agreement; (iii) the Company or the Pledgor from any of their respective obligations under the Assigned Agreements; or (iv) 230 Ontario or any of its affiliates, successors, and assigns, and all officers, directors, partners, members, shareholders, employees, advisors, representatives and agents of each of them from any of their respective obligations or liabilities other than the release by the Company and the Pledgor of the estate of 230 Ontario and its successors and assigns as expressly set forth in subsection 9(a) of this Agreement.

10. During the period commencing on the Effective Time and ending on the Termination Date (as defined below), and subject to the Liability Limit (as defined below), the Assignee hereby unconditionally and irrevocably agrees to indemnify and hold harmless Assignor and its directors, officers, employees, agents, advisors, representatives, and affiliates (collectively, the “**Indemnified Parties**”), from and against all liabilities, losses, damages, costs, expenses, claims, demands, actions, proceedings, or judgments that the Indemnified Parties may suffer or incur in connection with, or arising either directly or indirectly from: (a) Assignee’s ownership or interest in the Assigned Agreements after the Effective Time; (b) any failure or breach by the Assignee in performing any of the covenants, obligations, and conditions of the Assigned Agreements that require performance by the Assignee after the Effective Time; and (c) any representation or warranty made by Assignor in respect of the Assigned Agreements becoming untrue or misleading after the Effective Time either as a result of (i) any act, omission, or circumstance attributable to the Assignee, or (ii) any subsequent event occurring after the Effective Time that is not the direct result of an act, omission or circumstance attributable to the Assignor. Any indebtedness, liability or obligation of the Assignee to indemnify the Indemnified Parties under the indemnity in this Section 10 shall be limited to \$1,600,000 (the “**Liability Limit**”). In this Section 10, “**Termination Date**” means the earlier to occur of the following dates: (i) the date that the Assignor is discharged as the 230 Receiver; (ii) the date that the Note is fully repaid and no obligations are owing by the Assignor to any of the Assignee, the Company or the Pledgor; and (iii) the date that is two years after the date on which the Assignee determines, acting reasonably, that no further payments are likely to be received under the Note and has provided Assignor with written notice of such determination. The obligations under

this Section 10 shall survive the execution and delivery of this Agreement and the termination of any of the Assigned Agreements.

11. Upon the Effective Time, the Assignor hereby authorizes the Assignee (and its legal counsel and other authorized agents) to file financing change statements in respect of the *Personal Property Security Act* (Ontario) registrations bearing file numbers 797614776 and 797614758 and registration numbers 20230928 1637 1590 2430 and 20230928 1636 1590 2429 to reflect the assignment effected hereby and the Assignor's replacement with the Assignee under the Assigned Agreements, as well as any other filings and registrations as the Assignee may reasonably deem necessary or desirable in connection with entering into this Agreement and the Assigned Agreements, including, without limitation, further amendments and terminations to such financing statements.
12. Upon the Effective Time, the Assignor hereby agrees to promptly provide to the Assignee any and all other original possessory collateral in its possession in connection with the Assigned Agreements (including any stock certificates and promissory notes pledged thereunder, together with corresponding, undated stock powers or allonges duly executed in blank, as applicable).
13. The Company and Pledgor hereby:
 - (a) consent and agree to the Assignment, and accept Assignee as a party to each of the Assigned Agreements in place and stead of Assignor, in accordance with the provisions of this Agreement;
 - (b) represent and warrant that the Company is indebted under the Note in the amount disclosed in the records of the 230 Receiver as at the date of this Agreement, together with interest, fees, expenses, costs and other charges now or hereafter payable thereunder; and the Company has no defences, counterclaims or rights of set-off or reduction in respect of the amount owing under the Note;
 - (c) represent and warrant that the Assigned Agreements are valid, binding and enforceable in accordance with their terms, and the Company and the Pledgor have no defences, counterclaims or rights of set-off or reduction to any claims which might be brought by the Assignee thereunder;
 - (d) acknowledge and agree that neither the Assignor nor the Assignee has waived any defaults that have occurred under any of the Assigned Agreement or any rights and remedies related thereto, and nothing contained in this Agreement is or will be deemed to constitute any such waiver;

- (e) acknowledge and agree that neither the Assignor nor the Assignee has made any promises, other than the covenants and agreements specifically contained herein, and has taken no action or omitted to take any action, that would constitute a waiver or estoppel of the rights of the Assignee to enforce or pursue any of its rights and remedies under any of the Assigned Agreements;
- (f) represent and warrant that, as of the Effective Time, there are no Claims nor, to their knowledge, there exist any facts that may result in a Claim under the Assigned Agreements;
- (g) agree and acknowledge that the consideration received in connection with the assignment of the Assigned Agreements is sufficient and satisfactory;
- (h) acknowledge and agree that as of December 9, 2024, the amount of the Reserve Funds is the amount disclosed in the records of the 230 Receiver as at the date of this Agreement and consent to the assignment of the Reserve Funds from the Assignor to the Assignee;
- (i) covenant and agree that, from and after the Effective Time, Assignee is and shall be entitled to hold and enforce all of the rights and benefits of Assignor under the Assigned Agreements, and the Assigned Agreements shall continue in full force and effect in each case with Assignee substituted as a party in place of Assignor;
- (j) covenant and agree that the Assignor has not assumed, is not liable for and has no obligation to pay or otherwise satisfy any Excluded Liabilities (as defined in the Purchase Agreement);
- (k) covenant and agree that, notwithstanding Section 9.6 of the Purchase Agreement, from and after the Effective Time, each of the Assignor and the Assignee shall be permitted to (a) disclose this Agreement or the terms hereof in any report to be filed in the public record, (b) if the Purchase Agreement and/or any document disclosing the Purchase Price or other pricing information contained therein remains sealed from the public record within the 230 Ontario receivership proceeding, file an unredacted copy of the Purchase Agreement, and/or a document disclosing the Purchase Price or other pricing information contained therein, as a confidential exhibit to such report, subject to a request in the Court's discretion that such documents be sealed and not form part of the public record;
- (l) relieve Assignor from the observance and performance of all terms and covenants of the Assigned Agreements and all obligations and liabilities which arise or accrue from or after the Effective Time under the Assigned Agreements;

- (m) covenant and agree that A&M is acting and executing this Agreement solely in its capacity as the 230 Receiver, not in its personal capacity, and without personal liability;
 - (n) covenant and agree that PwC is acting and executing this Agreement solely in its capacity as the Bridging Receiver, not in its personal capacity, and without personal liability; and
 - (o) release and forever discharge the 230 Receiver and A&M and its affiliates, successors, and assigns, and all officers, directors, partners, members, shareholders, employees, advisors, representatives and agents of each of them, and the estate of 230 Ontario for all Claims which arise or accrue under the Assigned Agreements prior to or after the Effective Time.
14. Assignee shall provide the Company and Pledgor with all such further documentation as may be required pursuant to the Assigned Agreements, as identified by the Company and Pledgor to Assignee from time to time.
15. The address of Assignee for the purposes of this Agreement, and from and after the Effective Time under the Assigned Agreements, shall be:

**PricewaterhouseCoopers Inc.,
in its capacity as Court-appointed receiver of the assets, undertakings and
properties of Bridging Finance Inc. and certain related entities and
investment funds**
18 York Street, Suite 2500
Toronto, ON M5J 0B2
Attention: Christine Sinclair
Email: christine.l.sinclair@pwc.com

or another address as the Assignee may advise the Company and Pledgor in writing from time to time.

16. The address of the Company and the Pledgor for the purposes of this Agreement, and from and after the Effective Time under the Assigned Agreements, shall be:

**Jordan Redlin,
in his capacity as director of the Company and solely in his capacity as
Pledgor of the guaranteed obligations of the Company**
PO Box 1188
Mississauga, PO Station B, ON L4Y 3W5
Attention: Jordan Redlin
Email: jredlin@concordegatefinancial.com

with a copy to:

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West, Suite 3400
Toronto, ON M5H 4E3
Attention: Sam Babe
Email: SBabe@blg.com

or another address as the Company and the Pledgor may advise the Assignee in writing from time to time.

17. Each of the Parties shall at the request of another Party execute such documents and do such acts as may be reasonably required to carry out the terms and conditions hereof.
18. This Agreement may be executed in one or more counterparts and, when a counterpart has been executed by each Party hereto, all counterparts shall constitute one fully-executed agreement. A signed copy of this Agreement delivered by e-mail as a .pdf attachment or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.
19. This Agreement shall enure to the benefit of and be binding upon the Parties and their respective permitted successors and assigns.
20. The Assigned Agreements as assigned herein and subject to the terms hereof shall continue in full force and effect and are hereby ratified and confirmed by each Party.
21. This Agreement shall be governed by and construed in accordance with the laws of Ontario and the laws of Canada applicable therein, therein except for any choice of law principles which would refer such matters to another jurisdiction.
22. In the event that any one or more of the provisions contained in this Agreement shall for any reason, be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement.
23. No modification, supplement or amendment to this Agreement will be binding unless executed in writing by all of the parties hereto.
24. In the event that any of the Assigned Agreements are terminated prior to the Effective Time, the Parties hereby agree that this Agreement shall be deemed to be null and void and of no force and effect.
25. Time is of the essence of each provision of this Agreement.

IN WITNESS WHEREOF the Parties hereto hereby execute this Agreement.

ALVAREZ & MARSAL CANADA INC., solely in its capacity as Court-appointed receiver and manager of the undertakings, properties and assets of **2305145 ONTARIO INC. (formerly SKYMARK FINANCE CORPORATION)** and not in any personal or other capacity

By:  Signed by:

Name: **Greg Karpel**
Title: **Senior Vice-President**
*Signing as an authorized signatory of
Alvarez & Marsal Canada Inc. and not in my
personal capacity*

PRICEWATERHOUSECOOPERS INC., solely in its capacity as Court-appointed receiver and manager of the undertakings, properties and assets of Bridging Finance Inc. and certain related entities and investment funds and not in any personal or other capacity

By: _____
Name: **Christine Sinclair**
Title: **Vice-President**
*Signing as an authorized signatory of
PricewaterhouseCoopers Inc. and not in my
personal capacity*

IN WITNESS WHEREOF the Parties hereto hereby execute this Agreement.

ALVAREZ & MARSAL CANADA INC., solely in its capacity as Court-appointed receiver and manager of the undertakings, properties and assets of **2305145 ONTARIO INC. (formerly SKYMARK FINANCE CORPORATION)** and not in any personal or other capacity

By: _____

Name: **Greg Karpel**

Title: **Senior Vice-President**

Signing as an authorized signatory of Alvarez & Marsal Canada Inc. and not in my personal capacity

PRICEWATERHOUSECOOPERS INC., solely in its capacity as Court-appointed receiver and manager of the undertakings, properties and assets of Bridging Finance Inc. and certain related entities and investment funds and not in any personal or other capacity

By: _____



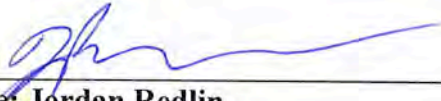
Name: **Christine Sinclair**

Title: **Vice-President**


Signing as an authorized signatory of PricewaterhouseCoopers Inc. and not in my personal capacity


5051802 ONTARIO INC.

By:


Name: **Jordan Redlin**
Title: **Director**
I have the authority to bind the corporation

SIGNED, SEALED AND DELIVERED)
in the presence of)


Witness
Name: *Katelyn Walters*
Date: *Dec 10th 2024*


JORDAN REDLIN
Signing as Pledgor and limited recourse guarantor of the guaranteed obligations of the Company under the Share Pledge Agreement

APPENDIX C

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

B E T W E E N:

PRICEWATERHOUSECOOPERS INC.

(solely in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and certain related entities and investment funds)

Applicant

- and -

2305145 ONTARIO INC. and MERK INVESTMENTS LTD.

Respondents

**AFFIDAVIT OF GREG KARPEL
(Sworn December 9, 2024)**

I, Greg Karpel, of the City of Toronto, in the Province of Ontario, MAKE OATH AND
SAY:

1. I am a Senior Vice-President at Alvarez & Marsal Canada Inc. (“**A&M**”), the court-appointed receiver and manager (in such capacity, the “**Receiver**”) of the assets, undertakings and properties of 2305145 Ontario Inc. and Merk Investments Ltd. (collectively, the “**Respondents**”).

As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I believe it to be true.

2. A&M was appointed as Receiver pursuant to an Order (the “**Appointment Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on March 6, 2023. The

Receiver retained Fasken Martineau DuMoulin LLP (“**Fasken**”) as its counsel in these proceedings.

3. Pursuant to paragraph 18 of the Appointment Order, the Receiver and its legal counsel are to be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of the Appointment Order. Pursuant to paragraph 19 of the Appointment Order, the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to the Court.

4. Attached hereto and marked as **Exhibit “A”** is a summary of the invoices rendered by A&M (the “**A&M Accounts**”) in respect of these proceedings for the period from February 1, 2024 to November 30, 2024 (the “**A&M Application Period**”). Attached hereto and marked as **Exhibit “B”** are copies of the A&M Accounts, which have been redacted to address matters of confidentiality or privilege.

5. A&M expended a total of 309.6 hours in connection with this matter during the A&M Application Period, giving rise to fees and disbursements totalling \$321,215.09, comprised of fees of \$283,430.50, disbursements of \$830.62 and HST of \$36,953.97.

6. Attached hereto and marked as **Exhibit “C”** is a summary of the hours incurred and standard hourly rates of the A&M personnel involved in this matter during the A&M Application Period. The average hourly rate billed by the A&M professionals in this matter during the A&M Application Period was \$915.47 (excluding HST).

7. To the best of my knowledge, A&M's rates and disbursements are consistent with those in the market for these types of matters and the hourly billing rates charged by A&M are comparable to the rates charged by A&M for services rendered in similar proceedings. A&M has had its rates and disbursements, including the rates of various professionals who provided services in these proceedings, approved by this Court in respect of similar services provided in a number of insolvency and restructuring files.

8. This affidavit is sworn in connection with a motion for the approval of the fees and disbursements of the Receiver and its legal counsel.

SWORN remotely by Greg Karpel of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 9, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Julia Chung

55E789B2BDB249D

Commissioner for Taking Affidavits
JULIA CHUNG (LSO: 90012D)

Signed by:

Greg Karpel

0C8B73192A3A446...

GREG KARPEL

This is **Exhibit "A"** referred to in the Affidavit of
Greg Karpel in the City of Toronto, in the
Province of Ontario, on this 9th day of December, 2024
in accordance with O. Reg. 431/20, Administering Oath
or Declaration Remotely.

DocuSigned by:

Julia Chung

55E789B2BDB249D...

Commissioner for Taking Affidavits (or as may be)

JULIA CHUNG (LSO: 90012D)

EXHIBIT "A"
ALVAREZ & MARSAL CANADA INC. COURT-APPOINTED RECEIVER OF
2305145 ONTARIO INC. (formerly SKYMARK FINANCE CORPORATION) AND MERK INVESTMENTS LTD.
(February 1, 2024 to November 30, 2024)

Invoice No.	Invoice Date	Invoice Period / Description	Total Hours	Fees	Disbursements	HST	Invoice Total
Inv #12	March 20, 2024	February 1, 2024 to February 29, 2024	58.9	\$ 53,056.50	\$ 286.41	\$ 6,934.58	\$ 60,277.49
		Karpel, Greg	25.5	\$ 25,882.50			
		MacKenzie, Melanie	29.0	\$ 25,520.00			
		Krieger, Ethan	3.8	\$ 1,444.00			
		Singels-Ludvik, Audrey	0.6	\$ 210.00			
Inv #13	April 26, 2024	March 1, 2024 to March 31, 2024	30.9	28,419.50	-	3,694.54	32,114.04
		Karpel, Greg	13.3	13,499.50			
		MacKenzie, Melanie	16.5	14,520.00			
		Krieger, Ethan	0.5	190.00			
		Singels-Ludvik, Audrey	0.6	210.00			
Inv #14	May 21, 2024	April 1, 2024 to April 30, 2024	27.2	24,809.00	-	3,225.17	28,034.17
		Karpel, Greg	10.0	10,150.00			
		MacKenzie, Melanie	16.3	14,344.00			
		Singels-Ludvik, Audrey	0.9	315.00			
Inv #15	June 17, 2024	May 1, 2024 to May 31, 2024	17.1	15,993.00	200.00	2,105.09	18,298.09
		Karpel, Greg	7.0	7,105.00			
		MacKenzie, Melanie	10.1	8,888.00			
Inv #16	July 18, 2024	June 1, 2024 to June 30, 2024	15.9	15,234.00	34.99	1,984.97	17,253.96
		Karpel, Greg	9.2	\$ 9,338.00			
		MacKenzie, Melanie	6.7	\$ 5,896.00			
Inv #17	August 26, 2024	July 1, 2024 to July 31, 2024	56.2	49,688.50	-	6,459.51	56,148.01
		Karpel, Greg	19.5	\$ 19,792.50			
		MacKenzie, Melanie	31.9	\$ 28,072.00			
		Krieger, Ethan	4.8	\$ 1,824.00			
Inv #18	September 18, 2024	August 1, 2024 to August 31, 2024	34.6	32,378.50	-	4,209.21	36,587.71
		Karpel, Greg	14.3	\$ 14,514.50			
		MacKenzie, Melanie	20.3	\$ 17,864.00			
Inv #19	October 10, 2024	September 1, 2024 to September 30, 2024	23.2	21,644.50	-	2,813.79	24,458.29
		Karpel, Greg	9.1	\$ 9,236.50			
		MacKenzie, Melanie	14.1	\$ 12,408.00			
Inv #20	November 29 ,2024	October 1, 2024 to October 31, 2024	17.2	15,986.50	294.00	2,116.47	18,396.97
		Karpel, Greg	6.3	\$ 6,394.50			
		MacKenzie, Melanie	10.9	\$ 9,592.00			
Inv #21	December 4, 2024	November 1, 2024 to November 30, 2024	28.4	26,220.50	15.22	3,410.64	29,646.36
		Karpel, Greg	9.1	\$ 9,236.50			
		MacKenzie, Melanie	19.3	\$ 16,984.00			
TOTAL			309.6	283,430.50	830.62	36,953.97	321,215.09

This is **Exhibit "B"** referred to in the Affidavit of
Greg Karpel in the City of Toronto, in the
Province of Ontario, on this 9th day of December, 2024
in accordance with O. Reg. 431/20, Administering Oath
or Declaration Remotely.

DocuSigned by:

Julia Chung

55E789B2BDB249D...

Commissioner for Taking Affidavits (or as may be)

JULIA CHUNG (LSO: 90012D)



March 20, 2024

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION (the "Company")
INVOICE #12 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period February 1 to 29, 2024.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	25.5	\$1,015	\$25,882.50
M. MacKenzie, Senior Director	29.0	\$880	25,520.00
E. Krieger, Analyst	3.8	\$380	1,444.00
A. Singels-Ludvik, Manager	0.6	\$350	210.00
	<u>58.9</u>		<u>\$53,056.50</u>
Add: Out of pocket expenses – registered mail and courier charges			<u>286.41</u>
			<u>\$53,342.91</u>
Add: HST @ 13%			<u>6,934.58</u>
TOTAL INVOICE			<u>\$60,277.49</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: **5519970**
Reference #: Skymark Finance – Inv #12 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – February 1 to 29, 2024

<u>G. Karpel</u>	<u>Hrs.</u>
Feb 1 Correspondence with Fasken regarding [REDACTED].	0.2
Feb 2 Review of [REDACTED]; review of correspondence from UK counsel regarding [REDACTED]; and review correspondence regarding the Industrial Road Property matter.	1.0
Feb 6 Internal discussions regarding [REDACTED]; discussions with Fasken regarding [REDACTED]; attend call with purchaser of consumer portfolio (the “Purchaser”); and attend call with PWC to discuss various receivership matters and next steps.	2.2
Feb 7 Review and provide comments regarding draft Third Report to Court of the Receiver (the “Third Report”); internal discussions regarding [REDACTED]; and correspondence with Fasken.	4.2
Feb 8 Review of draft Third Report; review of draft fee affidavit; and attend to various file matters.	2.0
Feb 9 Review of minutes of settlement in respect of the Industrial Road Property matter (the “Industrial Road Settlement”) and correspondence with Fasken regarding [REDACTED].	0.4
Feb 10 Review comments from Fasken on [REDACTED].	1.5
Feb 12 Review of redacted invoices for affidavit; correspondence with Fasken regarding [REDACTED]; review correspondence regarding [REDACTED]; and correspondence regarding [REDACTED].	0.8
Feb 13 Prepare for and attend call with Fasken to discuss [REDACTED]; calls with Purchaser regarding share transfer matters; internal discussions regarding [REDACTED]; review of correspondence from PWC; review and execute fee affidavit; review of Third Report and provide comments regarding same; review of comments regarding release in respect of the Industrial Road Settlement; and attend to various other file matters.	3.1
Feb 14 Review comments regarding [REDACTED]; and review of files and correspondence with Fasken regarding [REDACTED].	1.0
Feb 15 Review of draft order, notice of motion and Third Report and provide comments regarding same; call with Fasken regarding [REDACTED]; review of [REDACTED]; internal discussion regarding [REDACTED]; and finalize Third Report.	3.3

Skymark Finance Corporation – 844471
DETAILED SUMMARY – February 1 to 29, 2024

Feb 16	Review motion record regarding Orr matter; and review of correspondence regarding file matters.	0.5
Feb 17	Review of matters raised regarding the settlement of the Orr matter (the “Orr Settlement”); correspondence with Fasken regarding [REDACTED] [REDACTED]	0.4
Feb 19	Correspondence with Fasken regarding [REDACTED] [REDACTED] and internal correspondence regarding [REDACTED].	0.6
Feb 20	Correspondence with Fasken [REDACTED] [REDACTED] and review of draft factum and provide comments regarding [REDACTED].	0.5
Feb 21	Correspondence with Purchaser regarding status of sale.	0.3
Feb 22	Prepare for and attend Court hearing; follow-up internal discussions regarding [REDACTED]; and correspondence with Fasken regarding [REDACTED]	1.6
Feb 23	Review of correspondence from Fasken regarding [REDACTED] [REDACTED]; and internal correspondence regarding [REDACTED].	0.8
Feb 26	Correspondence with Fasken regarding [REDACTED].	0.2
Feb 28	Review of endorsement and orders; correspondence with Fasken regarding [REDACTED] [REDACTED]; and review of correspondence regarding [REDACTED].	0.9
TOTAL – G. Karpel		25.5 hrs.

M. MacKenzie

Hrs.

Feb 3	Review draft 258 Assignment agreement and address [REDACTED] [REDACTED].	0.3
Feb 5	Review payments received from Purchaser, [REDACTED] internal communications and update [REDACTED] [REDACTED]; summarize status of the UK Property matter and various other issues; update and complete draft Third Report and [REDACTED] internal communications.	3.8
Feb 6	Call with P. Millar regarding [REDACTED]; and internal discussions regarding [REDACTED]	1.0
Feb 7	Prepare support for fee affidavit and [REDACTED] internal communications.	0.5



Feb 8	Revisions to draft Third Report and [REDACTED] to Fasken; prepare draft fee affidavit and accompanying exhibits; and communications regarding Third Report and related matters.	1.8
Feb 9	Review communication from Fasken regarding [REDACTED]; and review Fasken comments regarding [REDACTED].	0.8
Feb 10	Review comments from Fasken on [REDACTED].	0.3
Feb 12	Review [REDACTED] internal communications and communications with Fasken; review revised minutes of the 258 Assignment and [REDACTED] internal communications and communications with PWC.	1.3
Feb 13	Review various revisions to and final version of minutes of Industrial Road Settlement, [REDACTED] internal communications and communications with Fasken; review various revisions to and final version of minutes of settlement in respect of the Orr matter (the “Orr Settlement”), and [REDACTED] internal communications and communications with Fasken; review Fasken comments on [REDACTED]; [REDACTED] internal communications and communications with Fasken; review redacted invoices, assemble the Receiver’s Fee Affidavit and associated exhibits and provide same to Fasken to be finalized and sworn; review records in association with the 258 Settlement, [REDACTED] internal communications and communications with PWC; review correspondence in respect of the UK Property matter; internal communications and communications with Fasken regarding the [REDACTED] and call with Fasken regarding [REDACTED].	3.3
Feb 14	Review revised draft Third Report and provide comments in respect of same; internal status update call; review further revised drafts of Third Report; review 258 Assignment agreement; and review updates to case website.	2.5
Feb 15	Review various revisions to and final version of Third Report, [REDACTED] internal communications and communications with Fasken; review matters related to the Industrial Road Settlement, [REDACTED] internal communications and communications with Fasken; review revised 258 Assignment agreement; review notice of motion; and review updates to case website.	3.3
Feb 16	Various communications regarding Industrial Road Settlement and review related documents; review file storage related documents and [REDACTED] internal discussions; review motion record in respect of Orr Production Order.	1.0
Feb 18	Review various communications regarding Orr matter.	0.5

Skymark Finance Corporation – 844471
DETAILED SUMMARY – February 1 to 29, 2024

Feb 19	Review various communications regarding the Orr matter; internal correspondence re [REDACTED].	0.5
Feb 20	Attend at Skymark offices to review [REDACTED]; internal communications and communications with Fasken regarding [REDACTED]; and review draft factum.	3.0
Feb 21	Communications with PWC regarding 258 matter; communications from Fasken regarding [REDACTED]; arrange for documents to be posted to the case website; review Orr Aide Memoire in Orr matter; and review revised order regarding the Orr Settlement.	1.3
Feb 22	Internal update discussion regarding [REDACTED] prepare and file HST returns; and review communications regarding the potential sale by Purchaser.	1.0
Feb 26	Communications with Skymark staff regarding [REDACTED] and review related documents; and communications with Purchaser regarding month-end reporting.	1.1
Feb 27	Review January post-closing report submitted by the Purchaser and communications with the Purchaser in respect of same.	0.9
Feb 28	Communications with Fasken and internal communications regarding [REDACTED]; internal call to discuss [REDACTED] review endorsement of Justice Steele; and review correspondence from counsel to KLN to Fasken.	0.8

TOTAL – M. MacKenzie **29.0 hrs.**

<u>E. Krieger</u>	<u>Hrs.</u>	
Feb 5	Coordinate with storage facility management regarding making arrangements for [REDACTED].	0.1
Feb 6	Coordinate payment of storage facility invoice regarding services relating to the [REDACTED].	0.1
Feb 12	Internal discussion regarding [REDACTED] [REDACTED]; and create template to record list of boxes of files with respect to same.	0.6

Skymark Finance Corporation – 844471
DETAILED SUMMARY – February 1 to 29, 2024

Feb 13	Internal discussion regarding [REDACTED] [REDACTED] record and review list of boxes of files with respect to same.	1.7
Feb 14	Internal discussion regarding [REDACTED] [REDACTED] internal correspondence regarding [REDACTED] [REDACTED] coordinate [REDACTED].	0.5
Feb 15	Coordinate with internal team for retrieval of documents for long-term storage.	0.2
Feb 20	Coordinate [REDACTED].	0.2
Feb 23	Finalize list of boxes of files with respect to retrieval of documents for long-term storage and internal discussion regarding [REDACTED]	0.4
TOTAL – E. Krieger		3.8 hrs.

A. Singels-Ludvik

Feb 29	Process invoices for payment and update Schedule of Receipts and Disbursements.	0.6
TOTAL – A. Singels-Ludvik		0.6 hrs.





April 26, 2024

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION (the "Company")
INVOICE #13 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period March 1 to 31, 2024.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	13.3	\$1,015	\$13,499.50
M. MacKenzie, Senior Director	16.5	\$880	14,520.00
E. Krieger, Analyst	0.5	\$380	190.00
A. Singels-Ludvik, Manager	0.6	\$350	210.00
	<u>30.9</u>		<u>\$28,419.50</u>
Add: HST @ 13%			<u>3,694.54</u>
TOTAL INVOICE			<u>\$32,114.04</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: **5519970**
Reference #: Skymark Finance – Inv #13 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – March 1 to 31, 2024

<u>G. Karpel</u>	<u>Hrs.</u>
Mar 1 Review of various correspondence regarding file matters.	0.2
Mar 5 Review and respond to correspondence from Fasken [REDACTED]; and internal discussions regarding [REDACTED].	0.6
Mar 6 Internal discussions regarding file matters; correspondence with Fasken regarding [REDACTED]; review KLN related matters and correspondence regarding same; and call with Fasken to discuss [REDACTED].	1.1
Mar 7 Review consumer portfolio reporting and draft update note to PWC regarding same; and correspondence with respect to a proposed settlement of the KLN matter (the “KLN Settlement”); internal communications.	0.5
Mar 12 Internal discussions regarding [REDACTED]; prepare for and attend at call with purchaser of the consumer portfolio (the “Purchaser”) regarding current industry dynamics and related matters; correspondence with Fasken regarding [REDACTED]; and call with Fasken.	1.7
Mar 13 Prepare for and attend call with PWC regarding file updates and consumer loan portfolio update; review consumer portfolio matters; and discussions regarding the KLN settlement.	1.0
Mar 15 Correspondence and discussions with Fasken regarding [REDACTED] and internal discussions regarding [REDACTED].	0.5
Mar 19 Review KLN Settlement figures and proceeds, and correspondence with Fasken regarding [REDACTED].	0.5
Mar 21 Internal discussions regarding [REDACTED].	0.3
Mar 22 Discussions with Fasken regarding [REDACTED].	0.4
Mar 24 Review correspondence from Purchaser regarding various portfolio updates.	0.4
Mar 26 Review KLN minutes of settlement and provide comments regarding same; and review draft letter regarding [REDACTED].	0.7
Mar 27 Review KLN minutes of settlement and provide comments regarding same; review draft letter regarding [REDACTED]; review claim; and review Skymark and Merk Second Interim S246(2) reports (together, the “Interim Reports”).	0.5

Skymark Finance Corporation – 844471
DETAILED SUMMARY – March 1 to 31, 2024

Mar 28	Review of various drafts of the Receiver's fourth report ("Fourth Report") and provide comments regarding same; review notice of motion and draft order, and provide comments regarding same; review and finalize minutes of settlement regarding the KLN matter; discussion with Fasken regarding [REDACTED], correspondence regarding same; finalize Fourth Report; and internal discussions regarding [REDACTED]	4.4
Mar 29	Correspondence with Purchaser regarding various updates regarding the consumer portfolio; and attend to other file matters.	0.5
TOTAL – G. Karpel		13.3 hrs.

M. MacKenzie

Hrs.

Mar 4	Call with P. Millar to discuss [REDACTED] and [REDACTED] communications to Fasken and Blake Morgan; internal discussions regarding [REDACTED]	0.8
Mar 5	Internal discussions regarding [REDACTED]; call with P. Millar; review communications from Fasken regarding [REDACTED]; review email from Fasken regarding [REDACTED] and review draft Notice of Discontinuance from PWC in respect of the 258 Assignment.	1.2
Mar 7	Internal communications regarding [REDACTED]; arrange for documents to be posted to case website; prepare email to PWC regarding January monthly reporting from the Purchaser and [REDACTED]; various communications from Fasken regarding [REDACTED] and internal discussions regarding [REDACTED]	1.5
Mar 8	Work on draft second Interim Report of the Receiver for Skymark (the "Skymark Interim Report"); communications from Fasken regarding [REDACTED] and review case website and ensure all required documents are properly posted.	1.5
Mar 11	Prepare schedules of receipts and disbursements to accompany the Interim Reports.	1.3
Mar 12	Call with Purchaser regarding current industry dynamics, effect of same on collections and other related matters, and [REDACTED] further internal communications.	1.0
Mar 13	Arrange for court materials in respect of the Orr Production Motion to be posted on case website and related internal communications; and provide wire instructions for payment of the Industrial Road Settlement.	0.3



Skymark Finance Corporation – 844471
DETAILED SUMMARY – March 1 to 31, 2024

Mar 15	Communications with Fasken regarding [REDACTED] [REDACTED] communications with Fasken regarding [REDACTED]; and communications regarding case website.	0.5
Mar 19	Call with CRA to discuss status of certain matters; and review [REDACTED] [REDACTED] and correspondence with Fasken regarding [REDACTED]	0.8
Mar 21	Work on draft interim report; review and respond to email inquiries; email former Skymark staff to follow-up in respect of a stakeholder inquiry; internal communications regarding [REDACTED] and [REDACTED] communications with Fasken.	2.8
Mar 22	Communications with former Merk accountant to obtain a quote for tax preparation and related communications with P. Millar.	0.5
Mar 25	Call with Canada Post Connect to set up correspondence portal with CRA and [REDACTED] internal discussion.	0.5
Mar 26	Prepare draft S246(2) interim report for Merk and review and revise same for Skymark; review [REDACTED] by UK counsel [REDACTED] [REDACTED] [REDACTED] communications from Fasken; and review further revised draft minutes of settlement in respect of the KLN matter.	1.5
Mar 27	Review emails from Fasken regarding [REDACTED] [REDACTED]	0.5
Mar 28	Review emails from Fasken regarding [REDACTED] review correspondence related to [REDACTED] review and revise draft Fourth Report; and internal discussions regarding [REDACTED] [REDACTED]	1.8
TOTAL – M. MacKenzie		16.5 hrs.

<u>E. Krieger</u>	<u>Hrs.</u>	
Mar 1	Coordinate [REDACTED] [REDACTED].	0.2
Mar 4	Internal discussion regarding [REDACTED] [REDACTED].	0.2
Mar 22	Coordinate with storage facility management regarding [REDACTED] [REDACTED].	0.1
TOTAL – E. Krieger		0.5 h

Skymark Finance Corporation – 844471
DETAILED SUMMARY – March 1 to 31, 2024

A. Singels-Ludvik

Hrs.

Mar 6 Process invoice for payment and update Schedule of Receipts and Disbursements (“R&D”).

0.2

Mar 26 Process invoices for payment and update R&D.

0.4

TOTAL – A. Singels-Ludvik

0.6 hrs.





May 21, 2024

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION (the "Company")
INVOICE #14 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period April 1 to 30, 2024.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	10.0	\$1,015	\$10,150.00
M. MacKenzie, Senior Director	16.3	\$880	14,344.00
A. Singels-Ludvik, Manager	0.9	\$350	315.00
	<u>27.2</u>		<u>\$24,809.00</u>
Add: HST @ 13%			<u>3,225.17</u>
TOTAL INVOICE			<u>\$28,034.17</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: **5519970**
Reference #: Skymark Finance – Inv #14 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – April 1 to 30, 2024

<u>G. Karpel</u>	<u>Hrs.</u>
Apr 1 Review monthly reporting related to [REDACTED]; [REDACTED], and internal correspondence regarding [REDACTED]; correspondence with Fasken and Blakes regarding claims (the “Omit Tax Matter”) related to property taxes on real estate that was sold in the insolvency proceedings of Mahal Venture Capital Inc. (“MVCI”) and pending motion.	0.6
Apr 2 Correspondence with Fasken regarding [REDACTED].	0.5
Apr 3 Review draft factum and provide comments regarding same; review supplemental report filed in the MVCI insolvency proceedings.	1.1
Apr 4 Review of draft factum and provide comments regarding same; and various internal communications regarding [REDACTED].	0.5
Apr 5 Prepare for and attend court hearing regarding the claim settlement with KLN Holdings Inc. (the “KLN Matter”); discussions with Fasken regarding [REDACTED]; and review of email correspondence.	1.3
Apr 8 Review of acknowledgement and assignment regarding the assignment of the loan from Bridging to the Bridging Receiver.	0.3
Apr 9 Review and execute payment directions for Orr and KLN settlements; correspondence with Fasken regarding [REDACTED]; and attend to various other file related matters.	1.0
Apr 10 Review and finalize the second interim reports of the Receiver in accordance with Section 246(2) of the BIA in respect of each of Skymark and Merk (the “Section 246(2) Reports”); and internal discussions regarding [REDACTED].	1.4
Apr 11 Correspondence with respect to the UK Property Matter, and review draft witness statement in respect of same.	0.8
Apr 12 Review draft letter to P. Millar’s legal counsel in respect of the UK Property Matter; and review of correspondence and internal discussions regarding [REDACTED].	0.9
Apr 17 Call with Fasken regarding [REDACTED].	0.5
Apr 23 Review correspondence from Blake Morgan and Fasken regarding [REDACTED]; [REDACTED]; correspondence with Fasken regarding [REDACTED]; and internal discussions regarding [REDACTED].	0.6

Skymark Finance Corporation – 844471
DETAILED SUMMARY – April 1 to 30, 2024

Apr 26	Review correspondence from Blake Morgan regarding [REDACTED]; and review motion record regarding Omit Tax Matter.	0.5
TOTAL – G. Karpel		10.0 hrs.

M. MacKenzie

Hrs.

Apr 1	Review [REDACTED], and related communications with Purchaser; correspondence regarding case website; review CRA correspondence associated with its HST audit of Skymark and follow-up in respect of same; and review various correspondence with Fasken related to [REDACTED].	2.3
Apr 2	Submit additional information requested by CRA in association with its HST audit of Skymark; review various communications from and with Fasken regarding [REDACTED].	0.5
Apr 4	Review various communications related to the MVCI insolvency proceedings; review draft factum in support of upcoming settlement approval motion and comments in respect of same; review Confidential Appendix Brief to the Fourth Report of the Receiver; arrange for documents to be posted to the case website for these proceedings; review invoices submitted regarding NOSI discharges, summarize same and submit for payment, and [REDACTED] internal communications; internal discussion regarding [REDACTED]; communications with Purchaser to respond to information requests; and email to PWC regarding the February VTB Reporting.	2.0
Apr 5	Review various correspondence from Fasken regarding [REDACTED]; communications with the purchaser of the consumer loan portfolio (the “Purchaser”) regarding information requests; review Court order and endorsement issued in the MVCI insolvency proceedings regarding the KLN Matter; and communications with the incumbent accountants for each of Skymark and Merk to coordinate tax preparation.	1.0
Apr 8	Communications regarding matters related to the UK property (the “UK Property Matter”) and review related revised draft witness statement.	0.3
Apr 9	Review various correspondence related to the Orr and KLN settlements, and the Omit Tax Matter.	0.5
Apr 10	Arrange for documents to be posted to the case website; review various correspondence related to the KLN Matter; and review and revise the Section 246(2) Reports, prepare cover letter for submission of same and [REDACTED] internal discussion.	1.0



Skymark Finance Corporation – 844471
DETAILED SUMMARY – April 1 to 30, 2024

Apr 11	Communications with the Purchaser regarding certain post-closing payments received.	0.5
Apr 12	Review re-assessment notices from CRA, related call with CRA, review various related supporting documents and other information, [REDACTED] [REDACTED] email to Fasken; review communications related to the UK Property Matter; and communications with Skymark external accountant.	2.3
Apr 16	Attend at Skymark offices to review [REDACTED] [REDACTED] [REDACTED]; and communications with Fasken regarding [REDACTED].	3.0
Apr 17	Call with Fasken to discuss matters related [REDACTED] [REDACTED]; and communications with KSV regarding Golden Miles bankruptcy proceedings.	0.8
Apr 23	Internal discussion regarding [REDACTED] [REDACTED] [REDACTED]; and review correspondence from Blake Morgan and Fasken regarding [REDACTED] [REDACTED]	0.3
Apr 24	Review the status of various matters and follow-up in respect of same.	0.5
Apr 26	Communications with Blake Morgan and with Fasken regarding [REDACTED] [REDACTED]; and communications regarding certain matters related to the MVCI insolvency proceedings.	0.3
Apr 30	Review [REDACTED]; and review Notice of Change and Discontinuance prepared by Fasken.	1.0

TOTAL – M. MacKenzie **16.3 hrs.**

A. Singels-Ludvik

Hrs.

Apr 11	Process invoice for payment and update Schedule of Receipts and Disbursements (“R&D”).	0.2
Apr 12	Review receipt backup and update R&D for deposits made to account.	0.2
Apr 29	Process invoices for payment and update R&D; and follow-up with RBC regarding wire confirmations.	0.5

TOTAL – A. Singels-Ludvik **0.9 hrs.**





June 17, 2024

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION (the "Company")
INVOICE #15 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period May 1 to 31, 2024.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	7.0	\$1,015	\$7,105.00
M. MacKenzie, Senior Director	10.1	\$880	8,888.00
	<u>17.1</u>		<u>\$15,993.00</u>
Add: Out of pocket expenses – case website maintenance charges			<u>200.00</u>
			\$16,193.00
Add: HST @ 13%			<u>2,105.09</u>
TOTAL INVOICE			<u>\$18,298.09</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: **5519970**
Reference #: Skymark Finance – Inv #15 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – May 1 to 31, 2024

<u>G. Karpel</u>	<u>Hrs.</u>
May 4 Review [REDACTED]	0.4
May 6 Review UK witness statemen and provide comments regarding same; correspondence with Fasken regarding [REDACTED].	1.3
May 9 Review and finalize UK witness statement, [REDACTED] correspondence with Fasken and Blake Morgan; internal correspondence regarding [REDACTED].	0.7
May 11 Review KSV Monitor's report regarding Omit Tax matter; and review and comment on April 30 schedule of receipts and disbursements.	0.9
May 13 Correspondence with PWC and Fasken regarding an interim distribution, general update, and the Omit Tax matter.	0.6
May 15 Correspondence with Blake Morgan regarding [REDACTED].	0.3
May 22 Discussions and correspondence with PWC regarding file matters and properties and prepare internal communication regarding [REDACTED]	0.4
May 23 Internal update call regarding [REDACTED].	0.5
May 30 Review of correspondence from the purchaser of consumer portfolio (the "Purchaser"); and internal communications regarding [REDACTED]	1.0
May 31 Prepare for and attend call with Blakes LLP ("Blakes"), KSV and Fasken regarding Omit Tax matter, and [REDACTED] call with Fasken regarding [REDACTED]	0.9
TOTAL – G. Karpel	7.0 hrs.

<u>M. MacKenzie</u>	<u>Hrs.</u>
May 1 Review correspondence from Blake Morgan regarding [REDACTED]	0.2
May 3 Review company records for information supporting response to CRA proposed assessment of pre-receivership HST and reply to CRA in respect of same; and communication from Fasken regarding [REDACTED]	2.0
May 6 Review correspondence related to the UK Property matter; and review communication from Fasken regarding [REDACTED].	0.2



Skymark Finance Corporation – 844471
DETAILED SUMMARY – May 1 to 31, 2024

May 8	Review communications regarding the UK Property matter; and prepare support for unsecured claim in Golden Miles Corporation bankruptcy proceedings.	2.4
May 9	Internal correspondence regarding [REDACTED].	0.1
May 10	Email PWC to provide monthly VTB reporting information and related commentary; and prepare April 30 draft schedule of receipts and disbursements.	0.9
May 13	Finalize schedule of receipts and disbursements, provide same to PWC, and communications with PWC regarding an interim distribution, the Omit Tax matter, and a general update; review Second Supplement to Sixth Report filed in the Mahal and Golden Miles insolvency proceedings; and finalize and submit proof of claim and associated supporting documents in the Golden Miles bankruptcy proceedings.	1.3
May 15	Review communications from Blake Morgan regarding [REDACTED].	0.3
May 16	Review communication from Blake Morgan [REDACTED]; and communications with former Skymark employee regarding issues related to the redirection of mail.	0.3
May 23	Internal discussions regarding [REDACTED]	0.3
May 27	Review Factum of S. Mahal filed in respect of the Omit Tax Matter proceedings; and review various documents related to [REDACTED]	0.5
May 30	Email update from Purchaser regarding draft pending Bill 200 and potential partial sale of HVAC portfolio, review email from Purchaser regarding small claims court hearing, high level review of monthly reporting submitted by Purchaser, and [REDACTED] internal communications; and communication from Blakes regarding Mahal Omit Tax Claim matter.	0.8
May 31	Call with Blakes, Fasken and KSV regarding the Omit Tax Matter.	0.8
TOTAL – M. MacKenzie		10.1 hrs.



July 18, 2024

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION (the "Company")
INVOICE #16 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period June 1 to 30, 2024.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	9.2	\$1,015	\$9,338.00
M. MacKenzie, Senior Director	6.7	\$880	5,896.00
	<u>15.9</u>		<u>\$15,234.00</u>
Add: Out of pocket expense – courier charge			34.99
			<u>\$15,268.99</u>
Add: HST @ 13%			1,984.97
TOTAL INVOICE			<u>\$17,253.96</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: **5519970**
Reference #: Skymark Finance – Inv #16 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – June 1 to 30, 2024

<u>G. Karpel</u>	<u>Hrs.</u>
June 3 Correspondence with Blakes and Fasken regarding the Omit tax matter, call with PWC, Blakes, Fasken and KSV, and further calls with PWC regarding same; correspondence and calls with Fasken; discussions with Bennett Jones regarding Omit tax matter.	3.5
June 4 Discussion with Fasken regarding [REDACTED]; call with purchaser of consumer loan portfolio (the "Purchaser"); internal discussions regarding [REDACTED].	0.8
June 5 Review Bill 200, discussions and correspondence with Purchaser regarding same, and [REDACTED] communications with Fasken.	0.5
June 6 Discussions with Fasken regarding [REDACTED]; communications and call with PWC regarding consumer portfolio ("Portfolio") and Bill 200; and communications with Blake Morgan regarding [REDACTED].	0.6
June 11 Review various file related matters; and discussions with Fasken regarding [REDACTED].	0.6
June 12 Review [REDACTED]; and attend to various file related matters.	0.8
June 13 Internal correspondence and discussions regarding [REDACTED].	0.5
June 18 Review disbursements; and review of endorsement regarding the Omit tax matter.	0.5
June 19 Discussions with Fasken regarding [REDACTED].	0.3
June 22 Internal discussions regarding [REDACTED].	0.4
June 27 Correspondence with Blake Morgan and Fasken regarding [REDACTED].	0.3
June 29 Review Notice of Appeal regarding the Omit tax matter.	0.4
TOTAL – G. Karpel	9.2 hrs.

<u>M. MacKenzie</u>	<u>Hrs.</u>
June 3 Review communications from Blakes, KSV and Fasken regarding the Omit tax matter.	0.5



Skymark Finance Corporation – 844471
DETAILED SUMMARY – June 1 to 30, 2024

June 4	Review communications from Blakes, KSV and Fasken regarding the Omit Tax Matter and [REDACTED] internal communication; call with the Purchaser regarding certain collection related matters, and an update regarding the status of related legislation; and internal discussions regarding [REDACTED].	0.7
June 5	Review April monthly reporting from the Purchaser, review Bill 200 and related communications with the Purchaser; and review communications from Blake Morgan regarding [REDACTED].	1.3
June 6	Call with PWC regarding Portfolio and Bill 200 and review related communications; and review communications with Blake Morgan regarding [REDACTED].	1.0
June 7	Review communications regarding the UK Property matter; communications with plaintiff's counsel in a Portfolio related matter to address questions, and related communication with P. Millar; and review bulletin regarding Bill 200.	0.5
June 13	Internal correspondence and discussions regarding [REDACTED].	0.5
June 14	Summarize April VTB reporting, related communications with Purchaser, and provide same to PWC.	0.8
June 18	Review endorsement related to the decision in respect of the Omit tax matter.	0.3
June 22	Internal discussions regarding [REDACTED].	0.4
June 24	Review correspondence from Fasken regarding [REDACTED]; and review information regarding Bill 200.	0.3
June 26	Review draft [REDACTED] provided by Fasken.	0.1
June 27	Review Notice of Appeal and Certificate Respecting Evidence regarding the Omit tax matter.	0.3
TOTAL – M. MacKenzie		6.7 hrs.



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August 26, 2024

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3501
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION (the "Company")
INVOICE #17 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period July 1 to 31, 2024.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	19.5	\$1,015	\$19,792.50
M. MacKenzie, Senior Director	31.9	\$880	28,072.00
E. Krieger, Analyst	4.8	\$380	1,824.00
	<u>56.2</u>		<u>\$49,688.50</u>
Add: HST @ 13%			<u>6,459.51</u>
TOTAL INVOICE			<u>\$56,148.01</u>

Mailing Instructions:

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Royal Bank Plaza, South Tower
200 Bay Street, Suite 3501
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: **5519970**
Reference #: Skymark Finance – Inv #17 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – July 1 to 31, 2024

<u>G. Karpel</u>	<u>Hrs.</u>
July 3 Review [REDACTED] discussions and correspondence with Fasken; review correspondence from the purchaser (the “Purchaser”) of the consumer loan portfolio (“CPP” or the “Portfolio”) regarding the current status and proposed sale of same, and matters related to the Vendor Take-Back Note (the “VTB”), internal discussions re [REDACTED].	4.2
July 4 Call with PWC regarding matters related to the sale of the CPP, the Mahal property tax hearing (the “Omit Tax Matter”) and to provide a general update regarding various file related matters; correspondence with Purchaser regarding diligence items; and review various other correspondence.	1.3
July 5 Prepare for and attend call with Blake Morgan and Fasken regarding [REDACTED]; call with Blakes regarding the Omit Tax Matter; correspondence with the Purchaser regarding the Portfolio and related diligence requests; and review and analyze the Portfolio and associated LOI.	3.1
July 8 Internal discussions and correspondence regarding [REDACTED]; review [REDACTED]; and review [REDACTED].	1.6
July 10 Review draft [REDACTED] regarding [REDACTED]; and internal discussions regarding [REDACTED].	0.4
July 11 Prepare for and attend call with the Purchaser regarding offers for the Portfolio and proposed sale/repayment of the VTB; review of updated analysis regarding proposed deal; and review correspondence regarding the Omit Tax Matter.	1.7
July 12 Review [REDACTED]; review summaries of proposed offers for the Portfolio, and internal discussions regarding [REDACTED].	1.1
July 17 Correspondence with Fasken regarding [REDACTED]; and internal discussions regarding [REDACTED].	0.4
July 20 Review Fasken comments on [REDACTED], and provision of comments in respect of [REDACTED].	0.5
July 22 Correspondence with Fasken and Blake Morgan regarding [REDACTED]; review other file related correspondence; and internal communication regarding [REDACTED].	0.3

Skymark Finance Corporation – 844471
DETAILED SUMMARY – July 1 to 31, 2024

July 23	Correspondence with PWC regarding file matters and updates in respect of same; correspondence with Blakes; review [REDACTED], and [REDACTED] internal communications.	1.1
July 26	Review [REDACTED], and internal discussions regarding [REDACTED].	1.0
July 30	Review [REDACTED], and internal discussions regarding [REDACTED]; review [REDACTED] and provide comments regarding [REDACTED]; and attend to other file related matters.	1.7
July 31	Correspondence with Fasken regarding [REDACTED]; further review of [REDACTED]; and further review of summary of offers for the Portfolio; internal discussions regarding [REDACTED].	1.1

TOTAL – G. Karpel **19.5 hrs.**

M. MacKenzie

Hrs.

July 3	Internal communications regarding [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]; review communications from the Purchaser regarding the impact of new legislation on collections related to the Portfolio and offers to purchase the Portfolio, and [REDACTED] communications with Fasken; and communications with Fasken regarding [REDACTED].	0.5
July 4	Call with PWC regarding matters related to the sale of the Portfolio, the Omit Tax Matter and to provide a general update; and review materials filed in respect of the UK Property matter.	2.3
July 5	Call with Fasken and Blake Morgan to discuss [REDACTED] [REDACTED] [REDACTED], and [REDACTED] follow-up.	2.0
July 8	Review [REDACTED], summarize same, related follow-up inquiries with the Purchaser, [REDACTED] internal communications, and report same to PWC; and internal communications regarding [REDACTED] [REDACTED]	1.3
July 9	Review communication from legal counsel [REDACTED] related [REDACTED], and [REDACTED] internal communications and communication with Fasken.	0.5

Skymark Finance Corporation – 844471
DETAILED SUMMARY – July 1 to 31, 2024

July 10	Review [REDACTED] [REDACTED] [REDACTED], prepare [REDACTED], and related communications with the Purchaser; and internal communications regarding [REDACTED].	2.0
July 11	Review communication from the Purchaser regarding collection related issues; prepare [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED], and related call with the Purchaser.	1.8
July 12	Review [REDACTED], and [REDACTED] internal communications and communications with Fasken; internal discussion regarding [REDACTED] [REDACTED]; and preliminary review of June collection report submitted by the Purchaser.	1.0
July 15	Call and communications with the Purchaser in connection with analysis of remaining amounts due under the Portfolio and follow-up in respect of same; further review of [REDACTED]; review communications with Fasken regarding [REDACTED]; communications with Fasken and with the Purchaser regarding a particular co-op contract included in the Portfolio; and communications with Fasken regarding [REDACTED] [REDACTED].	2.8
July 17	Review communication from Fasken regarding [REDACTED] [REDACTED]; review communications with Fasken regarding [REDACTED]; and review additional information provided by the Purchaser in support of Portfolio analysis, and related follow-up communications in respect of same.	1.8
July 18	Review [REDACTED] [REDACTED] and related communications with Purchaser.	3.0
July 22	Internal communications regarding [REDACTED] [REDACTED] [REDACTED] [REDACTED]; communications with Fasken regarding [REDACTED] [REDACTED]; and review communications to Blake Morgan regarding [REDACTED].	0.5
July 23	Further analysis of [REDACTED] [REDACTED], internal meeting in respect of [REDACTED], and other related internal communications; and communication with Fasken regarding [REDACTED] [REDACTED].	2.5
July 24	Further review of and revisions to [REDACTED] [REDACTED], and related communications with the Purchaser.	2.0

Skymark Finance Corporation – 844471
DETAILED SUMMARY – July 1 to 31, 2024

July 26	Internal discussion regarding [REDACTED].	0.3
July 27	Further revisions to [REDACTED], internal discussions regarding [REDACTED], and related discussions with the Purchaser.	1.5
July 29	Communication with PWC regarding current cash balance and estimated recovery range; and review communication from Blake Morgan regarding [REDACTED].	0.5
July 30	Further review of and revisions to [REDACTED]; prepare draft [REDACTED]; [REDACTED] internal discussion, revisions to [REDACTED], and related communications with KSV; and communications with Fasken regarding [REDACTED].	3.3
July 31	Communications with Fasken regarding [REDACTED]; [REDACTED], finalize and provide to PWC, and related communications with the Purchaser; further revisions to [REDACTED]; [REDACTED] internal discussion, [REDACTED] communications with Fasken, additional revisions to [REDACTED], finalize and provide to PWC; and communications with Fasken regarding [REDACTED].	2.3

TOTAL – M. MacKenzie **31.9 hrs.**

E. Krieger

Hrs.

July 10	Internal discussions regarding [REDACTED].	0.5
July 18	Assist with [REDACTED], and [REDACTED] internal discussion.	1.8
July 23	Internal meeting to review and revise [REDACTED]; [REDACTED]; [REDACTED].	2.3
July 27	Internal call regarding [REDACTED].	0.2

TOTAL – E. Krieger **4.8 hrs.**





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September 18, 2024

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3501
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION (the "Company")
INVOICE #18 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period August 1 to 31, 2024.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	14.3	\$1,015	\$14,514.50
M. MacKenzie, Senior Director	20.3	\$880	17,864.00
	<u>34.6</u>		\$32,378.50
Add: HST @ 13%			4,209.21
TOTAL INVOICE			<u>\$36,587.71</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
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Royal Bank Plaza, South Tower
200 Bay Street, Suite 3501
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: **5519970**
Reference #: Skymark Finance – Inv #18 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – August 1 to 31, 2024

<u>G. Karpel</u>	<u>Hrs.</u>
Aug 6 Correspondence regarding [REDACTED]; call with PWC regarding the consumer loan portfolio (the “Portfolio”) offer and realization analysis, internal discussions re [REDACTED].	1.0
Aug 7 Review [REDACTED]; and internal discussions regarding [REDACTED].	0.8
Aug 9 Call with Bennett Jones; review correspondence from PWC; and communications with PWC regarding next steps in respect of Portfolio.	1.3
Aug 12 Review various correspondence from Blake Morgan regarding [REDACTED]; review response from Millar’s counsel in respect of the UK Property matter and [REDACTED].	0.7
Aug 13 Prepare for and attend call with the purchaser (“Purchaser”) of the Portfolio in respect of Portfolio related matters; review [REDACTED] and [REDACTED] internal communication; and review correspondence regarding [REDACTED] and [REDACTED] internal communication.	1.1
Aug 14 Review various correspondence regarding [REDACTED]; discussion with the Purchaser regarding offers for the Portfolio; and correspondence regarding the Mahal property tax (the “Omit Tax”) matter.	0.6
Aug 16 Review [REDACTED]; and call with PWC regarding offers for the Portfolio.	0.5
Aug 17 Further call with PWC regarding offer for the Portfolio, and [REDACTED].	0.4
Aug 19 Correspondence regarding the Portfolio.	0.4
Aug 20 Call with PWC and the Purchaser regarding offers received for the Portfolio.	2.2
Aug 21 Follow-up call with PWC regarding Portfolio; and internal communication regarding [REDACTED].	0.4
Aug 22 Prepare and attend meeting with P. Millar regarding the UK Property matter; and internal discussions regarding [REDACTED].	1.1
Aug 23 Correspondence regarding Portfolio related matters.	0.3
Aug 26 Various correspondence regarding the Portfolio.	0.5

Skymark Finance Corporation – 844471
DETAILED SUMMARY – August 1 to 31, 2024

Aug 27	Internal discussions regarding [REDACTED]; review material and analysis in respect of [REDACTED], and [REDACTED] internal discussion.	1.2
Aug 28	Review correspondence and internal discussions regarding [REDACTED].	0.5
Aug 30	Review diligence list provided by PWC regarding the Portfolio, related discussions with PWC; correspondence with the Purchaser regarding Portfolio related matters and diligence request list; and internal discussions regarding [REDACTED].	1.3

TOTAL – G. Karpel **14.3 hrs.**

M. MacKenzie **Hrs.**

Aug 2	Review correspondence from Blake Morgan regarding [REDACTED].	0.2
Aug 6	Review correspondence from Blake Morgan regarding [REDACTED], and [REDACTED] communication from Fasken; call with PWC to review and discuss analysis of offers for the Portfolio, follow-up in respect of same, and [REDACTED] internal discussion.	1.3
Aug 7	Review correspondence from Canada Revenue Agency (“CRA”) regarding an HST audit, assemble information requested therein and draft cover letter in respect of same; and internal discussion regarding [REDACTED].	2.0
Aug 8	Review and revise submission in response to CRA HST audit and related call with CRA; communications with the Purchaser regarding monthly VTB reporting and offers for the Portfolio; submit June VTB reporting and related analysis to PWC and related communications.	2.8
Aug 13	Review [REDACTED], related communication with Purchaser, and [REDACTED] internal discussion; prepare for and attend call with Purchaser regarding offers for the Portfolio; review communications from Blake Morgan and from Fasken regarding [REDACTED]; and review Notice of Intention to Dismiss regarding the Mahal property tax appeal (the “Omit Tax Matter”) and [REDACTED] communications from Fasken.	3.0

Skymark Finance Corporation – 844471
DETAILED SUMMARY – August 1 to 31, 2024

Aug 14	Review various correspondence from Blake Morgan and Fasken regarding [REDACTED]; review various communications regarding the Omit Tax matter; review materials filed by M. Slattery in respect of the UK Property matter, [REDACTED] internal discussion and [REDACTED] call with Fasken; and communications with CRA regarding HST audit.	1.5
Aug 15	Review correspondence received from Fasken in respect of [REDACTED]; and review communications among Blake Morgan and Fasken regarding [REDACTED].	1.0
Aug 16	Communications with Fasken regarding [REDACTED]; and summarize July VTB reporting and provide same to PWC.	1.2
Aug 20	Review communication from Blake Morgan regarding [REDACTED]; and call with PWC and Purchaser to discuss offers received for the Portfolio.	0.8
Aug 21	Review [REDACTED]; and internal communication regarding [REDACTED].	0.3
Aug 22	Review, refine and provide information requested by PWC in support of its review of offers for the Portfolio; review communications from Fasken regarding [REDACTED]; and prepare for and attend meeting with P. Millar regarding the UK Property matter; and internal discussions regarding [REDACTED].	2.5
Aug 26	Review inquiry from PWC, review Skymark records for documents requested, and respond to inquiry.	0.3
Aug 27	Review [REDACTED] and respond to request for same; and review [REDACTED] review and organize support in respect of [REDACTED], internal email to [REDACTED], and [REDACTED] internal discussion.	2.3
Aug 28	Review email from PWC regarding update from hearing related to Thomas Canning claim against Bridging; and email to P. Millar to request support in respect of assertions made in respect of the UK Property matter during recent meeting, and [REDACTED] internal communications.	0.3
Aug 29	Communications with P. Millar regarding support for his position in respect of the UK Property matter and review related support.	0.5

Skymark Finance Corporation – 844471
DETAILED SUMMARY – August 1 to 31, 2024

Aug 30	Review email from PWC regarding Portfolio related matters, [REDACTED] internal communications, and related communications with Purchaser.	0.3
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TOTAL – M. MacKenzie		20.3 hrs.
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Alvarez & Marsal Canada Inc.
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October 10, 2024

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3501
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION (the "Company")
INVOICE #19 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period September 1 to 30, 2024.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	9.1	\$1,015	\$9,236.50
M. MacKenzie, Senior Director	14.1	\$880	12,408.00
	<u>23.2</u>		\$21,644.50
Add: HST @ 13%			2,813.79
TOTAL INVOICE			<u>\$24,458.29</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3501
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: **5519970**
Reference #: Skymark Finance – Inv #19 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – September 1 to 30, 2024

<u>G. Karpel</u>	<u>Hrs.</u>
Sept 3 Correspondence with purchaser (the “Purchaser”) of the consumer portfolio (the “Portfolio”) regarding matters related to the monthly Vendor Take-Back Note (“VTB”) and diligence requests from PWC.	0.2
Sept 4 Correspondence with the Purchaser regarding VTB matters and diligence requests from PWC, and related correspondence with PWC; and internal discussions regarding various matters including, [REDACTED] and file administrative matters.	0.6
Sept 6 Discussion with Fasken regarding [REDACTED]; internal discussions and correspondence; and review diligence responses received from Purchaser.	1.1
Sept 9 Internal discussions regarding [REDACTED] and update regarding call regarding [REDACTED]	0.3
Sept 10 Call with PWC to discuss diligence regarding VTB, Portfolio, and other receivership matters; and review [REDACTED] provide comments regarding [REDACTED], and [REDACTED] internal communications.	1.7
Sept 12 Prepare for and attend meeting with P. Millar regarding the UK Property; internal discussions regarding [REDACTED]; and review [REDACTED].	1.4
Sept 16 Review [REDACTED], and correspondence with Fasken and Blake Morgan regarding [REDACTED]; correspondence with PWC regarding [REDACTED]; and internal discussions regarding [REDACTED].	0.9
Sept 18 Call with PWC regarding Portfolio; and discussions with Fasken regarding [REDACTED].	0.8
Sept 20 Correspondence with PWC and Fasken regarding the [REDACTED] and ongoing negotiations in respect of [REDACTED].	0.4
Sept 23 Call with P. Millar regarding the UK Property, and communications with PWC regarding same.	0.6
Sept 26 Attend to various file matters.	0.3
Sept 30 Call with PWC regarding the UK Property matter and [REDACTED], and [REDACTED] update call with Fasken; and internal discussions regarding [REDACTED].	0.8

Skymark Finance Corporation – 844471
DETAILED SUMMARY – September 1 to 30, 2024

TOTAL – G. Karpel **9.1 hrs.**

M. MacKenzie **Hrs.**

Sept 3	Review correspondence from Blake Morgan regarding [REDACTED].	0.2
Sept 4	Communications with M. Slattery regarding the status of certain properties owned by Merk Investments Ltd. (“Merk”); and internal communications regarding [REDACTED], as well as [REDACTED] and file administrative matters.	0.5
Sept 5	Call with PWC regarding the Thomas Canning Matter, and follow-up in respect of same.	0.8
Sept 6	Call with Fasken regarding [REDACTED]; [REDACTED]; communications regarding [REDACTED]; review communications from Fasken and [REDACTED] communications with M. Slattery regarding [REDACTED] follow-up with M. Slattery and [REDACTED] call with Fasken.	1.3
Sept 9	Call with PWC, Purchaser, and PWC’s consultant to discuss matters related to the Portfolio in association with offers to purchase same, and [REDACTED] internal discussion.	1.8
Sept 10	Review and refine comments regarding [REDACTED], [REDACTED] internal discussion, and [REDACTED] call with Fasken; call with PWC regarding offers to purchase Portfolio; review draft Particulars of Claim in respect of the UK Property matter and [REDACTED] respond to [REDACTED] and [REDACTED] internal discussion.	3.5
Sept 11	Review revised draft Particulars of Claim in respect of the UK Property matter and related communications; and communications with PWC regarding matters related to the Thomas Canning matter.	1.0
Sept 12	Prepare for and attend meeting with P. Millar regarding the UK Property, and [REDACTED] internal follow-up; communications with PWC regarding information requests in respect of the Thomas Canning Matter, related follow-up, and [REDACTED] internal discussion.	2.3
Sept 13	Review documentation related to [REDACTED].	0.3
Sept 16	Internal communications and communications with Fasken regarding [REDACTED]	0.3

Skymark Finance Corporation – 844471
DETAILED SUMMARY – September 1 to 30, 2024

Sept 17	Call with PWC and its consultants regarding matters related to the Portfolio, and related follow-up discussion.	0.8
Sept 19	Review correspondence from Blake Morgan regarding [REDACTED] [REDACTED] internal communication, and communication with PWC.	0.3
Sept 23	Review correspondence with PWC regarding [REDACTED] [REDACTED], and [REDACTED] internal communications and communications with Fasken.	0.3
Sept 24	Review communications with Blake Morgan regarding [REDACTED] [REDACTED]	0.2
Sept 30	Review various file related correspondence; and internal discussion regarding [REDACTED] [REDACTED]	0.5
TOTAL – M. MacKenzie		14.1 hrs.





Alvarez & Marsal Canada Inc.
Licensed Insolvency Trustees
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3501, P.O. Box 22
Toronto, ON M5J 2J1
Phone: +1 416 847 5200
Fax: +1 416 847 5201

November 29, 2024

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3501
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION (the "Company")
INVOICE #20 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period October 1 to 31, 2024.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	6.3	\$1,015	\$6,394.50
M. MacKenzie, Senior Director	10.9	\$880	9,592.00
	<u>17.2</u>		<u>\$15,986.50</u>
Add: Out of pocket expenses – extension of Canada Post redirection of mail			<u>294.00</u>
			<u>\$16,280.50</u>
Add: HST @ 13%			<u>2,116.47</u>
TOTAL INVOICE			<u>\$18,396.97</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3501
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: **5519970**
Reference #: Skymark Finance – Inv #20 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – October 1 to 31, 2024

<u>G. Karpel</u>	<u>Hrs.</u>
Oct 8 Review of UK property matters and internal discussions regarding [REDACTED].	0.3
Oct 9 Call with PWC regarding UK Property matters; correspondence with Faskens regarding [REDACTED].	0.4
Oct 10 Correspondence with Blake Morgan and Faskens regarding [REDACTED]; call with PWC, Fasken and TGF to discuss matters related to the UK Property, and [REDACTED]	0.9
Oct 15 Correspondence with Blake Morgan re [REDACTED]; call with J. Redlin regarding consumer portfolio matters; discussions with Faskens regarding [REDACTED]	1.2
Oct 17 Correspondence with Faskens and Blake Morgan re [REDACTED]; internal discussions regarding [REDACTED].	0.7
Oct 18 Correspondence with Faskens and Blake Morgan re [REDACTED]; review correspondence from Fasken regarding [REDACTED]; iAs of the date of this Fifth Report, the Receiver has instructed Blake Morgan [REDACTED]	0.5
Oct 28 [REDACTED] internal communication regarding file updates.	0.3
Oct 30 Discussions with Faskens regarding [REDACTED]	1.5
Review of draft memo for PWC re [REDACTED], provide comments regarding [REDACTED]; internal discussions regarding [REDACTED]; review of [REDACTED] and provide	
Oct 31 comments regarding [REDACTED], internal discussions regarding [REDACTED]	0.5
TOTAL – G. Karpel review and consideration of [REDACTED]	6.3 hrs.

<u>M. MacKenzie</u>	<u>Hrs.</u>
Oct 1 Review [REDACTED], related communication with Purchaser, and [REDACTED] internal communications, and submit same to PWC; review communications related to UK Property; and internal communications regarding [REDACTED].	2.3
Oct 8 Review correspondence regarding [REDACTED] and internal discussions regarding [REDACTED].	0.2

Oct 10	Review correspondence with Blake Morgan regarding [REDACTED]; call with PWC, Fasken and TGF to discuss matters related to the UK Property, and [REDACTED].	1.0
Oct 17	Review communications from Blake Morgan and Fasken regarding [REDACTED] review and summarize various communications from CRA, and address HST related matters; internal discussions regarding [REDACTED].	2.3
Oct 18	Review correspondence from Fasken regarding [REDACTED]; review various correspondence with Blake Morgan regarding [REDACTED] and [REDACTED] internal communications regarding [REDACTED]; and attend to HST related matters.	1.3
Oct 24	Review Blake Morgan memo [REDACTED]; and communications with Purchaser of Consumer Portfolio.	0.8
Oct 25	Communications with Purchaser of Consumer Portfolio; and review Fasken memo to PWC and follow-up in respect of related information.	1.0
Oct 30	Review Fasken memo to PWC regarding [REDACTED], review [REDACTED] provide comments to memo, and [REDACTED] internal communications and communications with Fasken.	2.0
TOTAL – M. MacKenzie		10.9 hrs.



Alvarez & Marsal Canada Inc.
Licensed Insolvency Trustees
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3501, P.O. Box 22
Toronto, ON M5J 2J1
Phone: +1 416 847 5200
Fax: +1 416 847 5201

December 6, 2024

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3501
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION (the "Company")
INVOICE #21 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period November 1 to 30, 2024.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	9.1	\$1,015	\$9,236.50
M. MacKenzie, Senior Director	19.3	\$880	16,984.00
	<u>28.4</u>		<u>\$26,220.50</u>
Add: Out of pocket expenses – telephone charges			15.22
			<u>\$26,235.72</u>
Add: HST @ 13%			3,410.64
TOTAL INVOICE			<u>\$29,646.36</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3501
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: **5519970**
Reference #: Skymark Finance – Inv #21 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – November 1 to 30, 2024

<u>G. Karpel</u>	<u>Hrs.</u>
Nov 1 Review of revised vendor-take-back agreement (the “Revised VTB”) provided by PWC and draft [REDACTED], and internal correspondence regarding [REDACTED].	1.6
Nov 4 Call with the purchaser of the consumer portfolio (the “Purchaser”) regarding the Revised VTB; correspondence with UK counsel regarding [REDACTED]; and correspondence with Fasken and internal communications regarding [REDACTED].	0.9
Nov 6 Review [REDACTED], and related internal discussions.	0.6
Nov 7 Review comments from Fasken on draft memo regarding [REDACTED].	0.5
Nov 12 Review memo regarding [REDACTED], provide comments regarding [REDACTED], [REDACTED] correspondence with Fasken, and [REDACTED] internal communication; and review [REDACTED].	1.4
Nov 14 Correspondence with Fasken regarding [REDACTED].	0.2
Nov 19 Internal discussions regarding [REDACTED].	0.3
Nov 20 Prepare for and attend call with PWC and its legal counsel regarding the UK Property and matters in respect of the Revised VTB; and review consent order regarding the UK Property matter and internal discussions regarding [REDACTED].	1.5
Nov 21 Correspondence with Fasken regarding [REDACTED].	0.3
Nov 26 Review correspondence regarding [REDACTED].	0.2
Nov 28 Internal correspondence and discussions regarding [REDACTED].	0.5
Nov 30 Review and comment on [REDACTED].	1.1
TOTAL – G. Karpel	9.1 hrs.

Skymark Finance Corporation – 844471
DETAILED SUMMARY – November 1 to 30, 2024

<u>M. MacKenzie</u>	<u>Hrs.</u>
Nov 1 Review Revised VTB, summarize [REDACTED], and internal correspondence regarding [REDACTED]; and review monthly VTB reporting and related communications with Purchaser.	2.3
Nov 4 Communications with Fasken and internal communications regarding [REDACTED], consider [REDACTED], and [REDACTED] internal communications; review correspondence with UK counsel regarding [REDACTED]; and review correspondence with Fasken regarding [REDACTED].	2.0
Nov 5 Prepare analysis of [REDACTED].	0.8
Nov 6 Revise [REDACTED] and [REDACTED] internal discussions; call with Fasken regarding [REDACTED]; prepare for and attend call with PWC, TGF, and Fasken regarding draft revised VTB and related matters, and [REDACTED] internal follow-up discussion.	2.3
Nov 7 Review comments from Fasken on draft memo regarding [REDACTED]; and review and consider [REDACTED].	0.5
Nov 11 Attend to HST related matters.	0.3
Nov 12 Further review of memo regarding [REDACTED], and [REDACTED] internal communication; and review various communications with UK counsel and Fasken regarding [REDACTED].	0.3
Nov 13 Review communications related to memo regarding [REDACTED].	0.3
Nov 14 Attend at Skymark offices to attend to various administrative matters, and related discussion with M. Slattery re tax filings and documents.	2.0
Nov 15 Review communications regarding [REDACTED].	0.2
Nov 19 Internal discussions regarding [REDACTED].	0.3
Nov 20 Prepare for and attend call with PWC, its legal counsel, and Fasken regarding the Revised VTB; and review matters related to [REDACTED], and [REDACTED] internal follow-up.	1.8
Nov 22 Communications with M. Slattery regarding tax related matters and follow-up in respect of same.	0.8

Nov 25	Draft the Fifth Report to Court of the Receiver.	1.5
Nov 27	Communications regarding the [REDACTED] [REDACTED] [REDACTED] [REDACTED].	0.1
Nov 28	Prepare support for and file HST return; work on statutory reporting; and internal communications regarding [REDACTED].	1.5
Nov 29	Prepare third interim reports of the Receiver pursuant to section 246(2) of the BIA.	2.3
TOTAL – M. MacKenzie		19.3 hrs.

This is **Exhibit "C"** referred to in the Affidavit of
Greg Karpel in the City of Toronto, in the
Province of Ontario, on this 9th day of December, 2024
in accordance with O. Reg. 431/20, Administering Oath
or Declaration Remotely.

DocuSigned by:

Julia Chung

55E789B2BDB249D...

Commissioner for Taking Affidavits (or as may be)

JULIA CHUNG (LSO: 90012D)

EXHIBIT "C"
ALVAREZ & MARSAL CANADA INC. COURT-APPOINTED RECEIVER OF
2305145 ONTARIO INC. (formerly SKYMARK FINANCE CORPORATION) AND MERK INVESTMENTS LTD.
(February 1, 2024 to November 30, 2024)

Staff Member	Title	Total Hours	Rate (\$CAD)	Amount Billed (\$CAD)
Karpel, Greg	Managing Director	123.3	\$ 1,015.00	\$ 125,149.50
MacKenzie, Melanie	Senior Director	175.1	880.00	154,088.00
Krieger, Ethan	Analyst	9.1	380.00	3,458.00
Singels-Ludvik, Audrey	Senior Associate	2.1	350.00	735.00
Total Fees (excl. Disbursements and HST)		309.6	Avg Rate \$ 915.47	\$ 283,430.50

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

**Proceeding commenced at
Toronto**

**AFFIDAVIT OF GREG KARPEL
(Sworn December 9, 2024)**

FASKEN MARTINEAU DuMOULIN LLP

Barristers and Solicitors
333 Bay Street, Suite 2400
Bay Adelaide Centre, Box 20
Toronto ON M5H 2T6

Dylan Chochla (LSO: 62137I)

dchochla@fasken.com
Tel: 416 868 3425

Mitch Stephenson (LSO: 73064H)

mstephenson@fasken.com
Tel: 416 868 3502

Julia Chung (LSO: 90012D)

jchung@fasken.com
Tel: 416 868 3409

Lawyers for the Receiver,
Alvarez & Marsal Canada Inc.

APPENDIX D

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

B E T W E E N:

PRICEWATERHOUSECOOPERS INC.

(solely in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and certain related entities and investment funds)

Applicant

- and -

2305145 ONTARIO INC. and MERK INVESTMENTS LTD.

Respondents

**AFFIDAVIT OF MITCHELL STEPHENSON
(Sworn December 5, 2024)**

I, Mitchell Stephenson, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY:

1. I am a partner at the law firm of Fasken Martineau DuMoulin LLP (“**Fasken**”), legal counsel to Alvarez & Marsal Canada Inc. (“**A&M**”), the court-appointed receiver and manager (in such capacity, the “**Receiver**”) without security, of all of the assets, undertakings, and properties of 2305145 Ontario Inc. and Merk Investments Ltd. (collectively, the “**Respondents**”).

I have personal knowledge of the matters discussed herein.

2. Attached as **Exhibit “A”** is a table (the “**Account Summary**”) summarizing the statements of accounts (the “**Statements of Account**”) in respect of services rendered to the Receiver for the period from February 1, 2024 to November 30, 2024 (the “**Period**”).

3. Copies of the Statements of Account are attached as **Exhibit “B”**. The Receiver claims solicitor-client privilege in respect of the Statements of Account, and privileged information has been redacted therefrom.

4. During the Period, Fasken incurred legal fees of \$266,433.50 plus disbursements of \$2,255.15 (both exclusive of HST), as set forth in detail in the Account Summary and Statements of Account.

5. Attached as **Exhibit “C”** is a summary of hours worked by, and hourly rates of, the billing professionals at Fasken who have provided services in connection with these receivership proceedings (the **“Timekeeper Summary”**). As set out in the Timekeeper Summary, during the Period, Fasken incurred total hours of 331.6 at an average hourly rate of \$803.48.

6. The hourly rates reflected in the Statements of Account and Timekeeper Summary do not include HST applied to Fasken’s accounts.

7. The activities detailed in the Statements of Account accurately reflect the services provided by Fasken to, and at the instruction of, the Receiver, and the rates charged are at the standard hourly rates of Fasken’s billing professionals at the time such hours were incurred.

SWORN remotely by Mitchell Stephenson of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Julia Chung

55E789B2BDB249D...

Commissioner for Taking Affidavits
JULIA CHUNG (LSO: 90012D)


DocuSigned by:

Mitch Stephenson

7111077E9D494C2...

MITCHELL STEPHENSON

This is Exhibit "A" referred to in the Affidavit of Mitchell Stephenson in the City of Toronto, in the Province of Ontario, on this 5th day of December, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

55E789B2BDB249D

Commissioner for Taking Affidavits (or as may be)
JULIA CHUNG (LSO: 90012D)

Alvarez & Marsal Canada ULC / 285937.00015

Invoice Number	Invoice Date	Total Fees	Total Disbursements	Total Tax	Total Billed
1967382	3/25/2024	\$80,991.00	\$352.70	\$10,529.57	\$91,873.27
1978781	4/18/2024	\$23,515.00	\$0.00	\$3,056.95	\$26,571.95
1988757	5/13/2024	\$36,800.50	\$629.10	\$4,812.46	\$42,242.06
2002774	6/18/2024	\$8,460.00	\$28.50	\$1,102.47	\$9,590.97
2016639	7/23/2024	\$7,605.00	\$308.00	\$1,026.61	\$8,939.61
2028088	8/26/2024	\$15,112.50	\$125.40	\$1,976.44	\$17,214.34
2037205	9/19/2024	\$7,820.50	\$691.50	\$1,106.56	\$9,618.56
2048724	10/18/2024	\$9,916.00	\$0.00	\$1,289.08	\$11,205.08
2061106	11/21/2024	\$28,206.00	\$119.95	\$3,672.18	\$31,998.13
2068508	12/5/2024	<u>\$48,007.00</u>	\$0.00	<u>\$6,240.91</u>	<u>\$54,247.91</u>
TOTAL		\$ 266,433.50	\$2,255.15	\$ 34,813.23	\$ 303,501.88

This is Exhibit "B" referred to in the Affidavit of
Mitchell Stephenson in the City of Toronto, in the
Province of Ontario, on this 5th day of December, 2024
in accordance with O. Reg. 431/20, Administering Oath
or Declaration Remotely.

DocuSigned by:

Julia Chung

55E789B2BDB249D...

Commissioner for Taking Affidavits (or as may be)
JULIA CHUNG (LSO: 90012D)

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813
fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1
Attention: Greg Karpel

March 25, 2024
Invoice #: 1967382

GST/HST#: 87937 6127
QST#: 1023151835

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through February 29, 2024 as described in the attached memorandum.

Total Fees	\$ 80,991.00
Total Taxable Disbursements	5.70
Total Non Taxable Disbursements	347.00
Total Disbursements	352.70
Total Taxes	10,529.57
Total Fees, Disbursements and Taxes	91,873.27
Total Amount Owing This Bill	CAD \$ 91,873.27

Tax Summary	
HST	10,529.57
Total Taxes Included in This Bill	10,529.57

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

***Fasken does not alter its payment instructions.
If you receive new payment instructions in relation to your payment to Fasken, please disregard and notify us immediately.***

SCOTIABANK, 44 King Street West, Toronto, Ontario, Canada M5H 1H1
Account Name: Fasken Martineau DuMoulin LLP
CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

Please send a payment notice to credits@fasken.com

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
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fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

March 25, 2024
Invoice #: 1967382

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

FEE MEMORANDUM

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

02/02/2024	Reviewing and revising [REDACTED]; email to client [REDACTED]; email to Gavin Tighe (Gardiner Roberts) re: call to discuss settlement proposal. Dylan Chochla	1.00 hrs.	1,025.00/hr	\$ 1,025.00
02/02/2024	Reviewing [REDACTED] and all related matters. Mark Brennan	0.50 hrs.	1,325.00/hr	\$ 662.50
02/02/2024	Review correspondence circulated by Dylan Chochla and client regarding [REDACTED]. Nathan Gates	0.20 hrs.	775.00/hr	\$ 155.00
02/04/2024	Reviewing emails re: distribution motion and emailing Mitch Stephenson re: [REDACTED]. Montana Licari	0.30 hrs.	600.00/hr	\$ 180.00
02/05/2024	Preparing for and attending phone call with Gavin Tighe (Gardiner Roberts) re: counter offer for settlement; email to TGF/PwC teams re: same. Dylan Chochla	0.40 hrs.	1,025.00/hr	\$ 410.00
02/05/2024	Reviewing response to my email, then ordering and reviewing multiple PINS and instruments, multiple telephone conversations with title searcher, email summarizing all title issues and registrations particulars etc. Mark Brennan	1.50 hrs.	1,325.00/hr	\$ 1,987.50
02/05/2024	Review correspondence circulated by client and internal service team regarding [REDACTED] Nathan Gates	0.20 hrs.	775.00/hr	\$ 155.00
02/06/2024	Considering email from Katie James re: [REDACTED]; email correspondence with client re: [REDACTED]; attending update call with client and Mike McIaggart (PwC) on various workstreams and recoveries; considering [REDACTED]; considering comments from Mark Brennan on [REDACTED] and email correspondence re: [REDACTED]. Dylan Chochla	0.70 hrs.	1,025.00/hr	\$ 717.50
02/06/2024	Reviewing and responding to email of Dylan Chochla and all related matters. Mark Brennan	0.20 hrs.	1,325.00/hr	\$ 265.00
02/06/2024	Review correspondence circulated by internal service team regarding [REDACTED]; Nathan Gates	0.20 hrs.	775.00/hr	\$ 155.00

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

02/07/2024	Reviewing revised [REDACTED]; email to Katie James re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
02/08/2024	Reviewing and revising [REDACTED]; email to Mitch Stephenson enclosing [REDACTED]; reviewing draft receiver's report. Dylan Chochla	1.20 hrs.	1,025.00/hr	\$ 1,230.00
02/09/2024	Emails with Dylan Chochla re [REDACTED]. Christopher Steeves	0.60 hrs.	1,525.00/hr	\$ 915.00
02/09/2024	Reviewing and revising [REDACTED]; email to client enclosing [REDACTED]; phone call with Gavin Tighe (Gardiner Roberts) re: settlement with Law Pro; email to PwC/TGF teams re: same; reviewing and revising draft minutes of settlement; email correspondence with Mitch Stephenson re: [REDACTED]; phone call with Adam Driedger (TGF) re: assignment of debt; email correspondence with Chris Steeves re: [REDACTED]. Dylan Chochla	5.70 hrs.	1,025.00/hr	\$ 5,842.50
02/09/2024	Drafting minutes of settlement re: LawPro claim; emails with Dylan Chochla re: [REDACTED]; emails with client re: [REDACTED]. Mitch Stephenson	2.30 hrs.	825.00/hr	\$ 1,897.50
02/10/2024	Reviewing and redacting of Receiver's Invoices Supporting Fees. Manpreet Kaur Deol	3.00 hrs.	385.00/hr	\$ 1,155.00
02/11/2024	Considering [REDACTED]; email correspondence with Mitch Stephenson re: [REDACTED]; reviewing client comments on [REDACTED]. Dylan Chochla	0.40 hrs.	1,025.00/hr	\$ 410.00
02/11/2024	Reviewing and redacting of Receiver's Invoices Supporting Fees; Call with Mitch Stephenson. Manpreet Kaur Deol	1.00 hrs.	385.00/hr	\$ 385.00
02/11/2024	Revising minutes of settlement (LawPro); emails with Dylan Chochla and client re: [REDACTED]; email to LawPro counsel re: same. Mitch Stephenson	0.50 hrs.	825.00/hr	\$ 412.50
02/12/2024	Emails and call with Dylan Chochla and Mitch Stephenson re [REDACTED]. Christopher Steeves	0.60 hrs.	1,525.00/hr	\$ 915.00
02/12/2024	Attending to issues re: finalizing court materials; reviewing draft release from Gavin Tighe (Gardiner Roberts); email correspondence and phone call with Chris Steeves and Mitch Stephenson re: [REDACTED]; reviewing consumer portfolio transaction documents re: [REDACTED]; email correspondence with client and internal working group [REDACTED]. Dylan Chochla	1.90 hrs.	1,025.00/hr	\$ 1,947.50
02/12/2024	Final redacting of Receiver's Invoices Supporting Fees for client; various correspondence with Mitch Stephenson; working with LSS on formatting issues. Manpreet Kaur Deol	1.00 hrs.	385.00/hr	\$ 385.00
02/12/2024	Reviewing and revising [REDACTED]; call with Christopher Steeves and Dylan Chochla re: [REDACTED]; reviewing and redacting receiver statements of account; emails with client re: [REDACTED]; reviewing and revising [REDACTED]; emails with TGF and PwC re: same; emails with Bennett Jones and Gardiner Roberts re: third report of the receiver. Mitch Stephenson	5.80 hrs.	825.00/hr	\$ 4,785.00

02/12/2024	Redacting invoices for fee affidavit; emails with Mitch Stephenson re: [REDACTED]. Montana Licari	0.60 hrs.	600.00/hr	\$ 360.00
02/12/2024	Review emails and transaction documents re: [REDACTED]; consider [REDACTED]. Reid Crombie	0.80 hrs.	900.00/hr	\$ 720.00
02/13/2024	Reviewing and revising [REDACTED]; reviewing further [REDACTED] [REDACTED] and email correspondence and phone call with client and Mitch Stephenson re: [REDACTED]; attending to issues re: finalizing court materials; considering email from Katie James re: [REDACTED]; [REDACTED] and email correspondence re: [REDACTED]. Dylan Chochla	1.70 hrs.	1,025.00/hr	\$ 1,742.50
02/13/2024	Preparing for and attending conference call with client working group re: [REDACTED] [REDACTED]; further email corresponded with Greg Karpel (A&M) re: [REDACTED]. Dylan Chochla	0.40 hrs.	1,025.00/hr	\$ 410.00
02/13/2024	Reviewing and revising [REDACTED]; compiling appendices thereto and reviewing same; emails with client re: [REDACTED]; reviewing Receiver fee affidavit; meeting with client to commission same; reviewing Fasken statements of account; drafting Fasken fee affidavit and exhibits thereto. Mitch Stephenson	7.10 hrs.	825.00/hr	\$ 5,857.50
02/13/2024	Call to discuss the [REDACTED]. Rachel Phillips	0.30 hrs.	825.00/hr	\$ 247.50
02/13/2024	Prepare for meeting with client; review transaction documents; discussion with client and Fasken team. Reid Crombie	1.50 hrs.	900.00/hr	\$ 1,350.00
02/14/2024	Reviewing and revising [REDACTED]; email correspondence with client and Adam Driedger (TGF) re: [REDACTED]; reviewing fee affidavit and swearing same; finalizing all court materials and multiple emails with client working group re: [REDACTED]. Dylan Chochla	1.90 hrs.	1,025.00/hr	\$ 1,947.50
02/14/2024	Emails with TGF and PwC re: assignment agreement; emails with Gardiner Roberts re: minutes of settlement and release; attending to execution of assignment agreement and FIJ settlement documents; drafting and revising Fasken fee affidavit and exhibits thereto; reviewing and revising draft order; reviewing and revising [REDACTED] [REDACTED]; drafting notice of motion; emails with client and Dylan Chochla re: [REDACTED]. Mitch Stephenson	6.30 hrs.	825.00/hr	\$ 5,197.50
02/15/2024	Attending to issues re: finalizing court documents; multiple emails and phone call with client and Mitch Stephenson re: [REDACTED]. Dylan Chochla	1.60 hrs.	1,025.00/hr	\$ 1,640.00
02/15/2024	Reviewing and revising [REDACTED]; drafting and revising notice of motion; reviewing and revising draft order; finalizing service list; calls with Grant Moffat (TGF) re: assignment agreement; reviewing and revising same; emails with client and Dylan Chochla re: [REDACTED]; attending to service and filing of motion record and related matters; calls with client and Dylan Chochla re: [REDACTED]. Mitch Stephenson	6.60 hrs.	825.00/hr	\$ 5,445.00

02/16/2024	Receipt of email request from Mitch Stephenson; Review of Motion Record as loaded into CaseLines and apply all necessary internal hyperlinks; reporting email to Mitch Stephenson; Anna Martelli	1.30 hrs.	520.00/hr	\$ 676.00
02/16/2024	Reviewing filed motion record of receiver; reviewing motion record of Orr Plaintiffs re: production order; email correspondence with client working group re: [REDACTED] Dylan Chochla	0.50 hrs.	1,025.00/hr	\$ 512.50
02/16/2024	Attending to filing confidential appendix brief; email to judge re: same; emails with client re: [REDACTED] Mitch Stephenson	0.50 hrs.	825.00/hr	\$ 412.50
02/17/2024	Reviewing and considering Orr minutes of settlement and release; considering demand from Lax O'Sullivan re: Orr settlement; emails with client re: [REDACTED]; emails with Bennett Jones re: same. Mitch Stephenson	1.30 hrs.	825.00/hr	\$ 1,072.50
02/18/2024	Email correspondence with client working group re: [REDACTED]; email correspondence with Nathan Shaheen (Bennett Jones) re: same; email correspondence with Shaun Laubman (Lax O'Sullivan) and Natalia Sidlar (Fogler) re: settlement of Orr claim. Dylan Chochla	0.40 hrs.	1,025.00/hr	\$ 410.00
02/18/2024	Researching case law re: [REDACTED]; reviewing precedent submissions re: same; emails with Bennett Jones re: pierringer request; emails with Dylan Chochla and client re: [REDACTED]. Mitch Stephenson	3.00 hrs.	825.00/hr	\$ 2,475.00
02/19/2024	Email correspondence with client working group re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
02/19/2024	Drafting factum re: settlement approval, production issue, and ancillary relief; emails with client re: [REDACTED] Mitch Stephenson	4.70 hrs.	825.00/hr	\$ 3,877.50
02/20/2024	Multiple emails with client working group and Shaun Laubman (Lax O'Sullivan) and Lincoln Caylor (Bennett Jones) re: settling form of production order. Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50
02/20/2024	Negotiations with Bennett Jones and Lax O'Sullivan re: draft order; continued drafting and revising factum re: settlement approval, production issue, and ancillary relief. Mitch Stephenson	8.90 hrs.	825.00/hr	\$ 7,342.50
02/20/2024	Updating schedules and cases in the factum; reviewing and editing factum; emails with Mitch Stephenson re: same. Montana Licari	2.60 hrs.	600.00/hr	\$ 1,560.00
02/21/2024	Hyperlinking of factum and book of authorities in CaseLines. Anna Martelli	1.00 hrs.	520.00/hr	\$ 520.00
02/21/2024	Reviewing and commenting upon factum; multiple emails with client working group re: [REDACTED] Dylan Chochla	0.90 hrs.	1,025.00/hr	\$ 922.50

02/21/2024	Revising factum based on comments from Dylan Chochla; attending to service and filing of factum and book of authorities; emails with Dylan Chochla and client re: same; emails with Bennett Jones and Lax O'Sullivan re: revisions to draft settlement approval order; revising draft settlement approval order; drafting oral submissions and preparing for hearing next day. Mitch Stephenson	3.80 hrs.	825.00/hr	\$ 3,135.00
02/21/2024	Preparing participant information form and emails re: same. Montana Licari	0.60 hrs.	600.00/hr	\$ 360.00
02/22/2024	Email correspondence with client working group re: [REDACTED]; phone call with Mitch Stephenson re: [REDACTED]. Dylan Chochla	0.40 hrs.	1,025.00/hr	\$ 410.00
02/22/2024	Reviewing motion materials and drafting oral submissions; attending settlement approval motion; calls and email with client re: [REDACTED]. Mitch Stephenson	3.60 hrs.	825.00/hr	\$ 2,970.00
02/22/2024	Attending motion for settlement approval and ancillary relief; uploading participant information form. Montana Licari	0.80 hrs.	600.00/hr	\$ 480.00
02/23/2024	Review correspondence from Alvarez and Marsal; consider [REDACTED] and emails to client and Fasken group re: [REDACTED]. Reid Crombie	0.70 hrs.	900.00/hr	\$ 630.00
02/28/2024	Reviewing reasons for decision of Justice Steele approving settlement agreements and ordering Orr plaintiffs to cover Receiver's costs of production order; reviewing production order; email correspondence with client and Adam Driedger (TGF) re: same. Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50
02/28/2024	Emails with client re: [REDACTED]; emails with Bennett Jones re: same; emails with Dylan Chochla re: same; attending to having orders formally issued and entered. Mitch Stephenson	1.20 hrs.	825.00/hr	\$ 990.00
02/28/2024	Reviewing court's endorsement; emails with Mitch Stephenson re: service of orders on the service list; serving orders. Montana Licari	0.50 hrs.	600.00/hr	\$ 300.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 7
Invoice #: 1967382

Professional Summary

Professional	Title	Rate	Hours	Fees
Chochla, Dylan	Partner	1,025.00	20.10	20,602.50
Steeves, Christopher J.	Partner	1,525.00	1.20	1,830.00
Brennan, Mark	Partner	1,325.00	2.20	2,915.00
Crombie, Reid	Partner	900.00	3.00	2,700.00
Phillips, Rachel	Partner	825.00	0.30	247.50
Stephenson, Mitch	Partner	825.00	55.60	45,870.00
Gates, Nathan	Associate	775.00	0.60	465.00
Licari, Montana	Associate	600.00	5.40	3,240.00
Kaur Deol, Manpreet	Student	385.00	5.00	1,925.00
Martelli, Anna	Paralegal / Law Clerks	520.00	2.30	1,196.00
Total			95.70	CAD \$ 80,991.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 8
Invoice #: 1967382

Our Fees	\$ 80,991.00	
Net Fees	<u>80,991.00</u>	
HST	<u>10,528.83</u>	
Total Fees Including Taxes		<u>\$ 91,519.83</u>

Disbursements

Non-Taxable

02/01/2024	ONCORP DIRECT INC. - 10274 - ON PPR Post Search - Certificate - Dtd 20240201 ONCORP	8.00
02/20/2024	Stephenson, Mitch - Stephenson, Mitch, Motion Record Filing Fee, 02/15/2024	339.00

Taxable

02/01/2024	ONCORP DIRECT INC. - 10274 - ON PPR Post Search - Certificate - Dtd 20240201 ONCORP	5.70
Total Disbursements	<u>352.70</u>	
HST	<u>0.74</u>	
Total Disbursements Including Taxes		\$ 353.44

Total Fees, Disbursements and Taxes	<u>CAD \$ 91,873.27</u>
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Tax Summary

HST	<u>10,529.57</u>
Total Taxes Included in This Bill	<u>10,529.57</u>

FASKEN

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Barristers and Solicitors
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Attention: Greg Karpel

March 25, 2024
Invoice #: 1967382

GST/HST#: 87937 6127
QST#: 1023151835

REMITTANCE COPY Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through February 29, 2024 as described in the attached memorandum.

Total Fees	\$ 80,991.00
Total Taxable Disbursements	5.70
Total Non Taxable Disbursements	347.00
Total Disbursements	352.70
Total Taxes	10,529.57
Total Fees, Disbursements and Taxes	91,873.27
Total Amount Owing This Bill	CAD \$ 91,873.27

Tax Summary	
HST	10,529.57
Total Taxes Included in This Bill	10,529.57

Your payment via EFT, Wire, On Line Bank Pay or Credit Card is appreciated.
Our Banking Details are below. For credit card payments please contact your Fasken office directly.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

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CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

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Attention: Greg Karpel

April 18, 2024
Invoice #: 1978781

GST/HST#: 87937 6127
QST#: 1023151835


Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through March 31, 2024 as described in the attached memorandum.

Total Fees	\$ 23,515.00
Total Taxes	3,056.95
Total Amount Owning This Bill	<u>CAD \$ 26,571.95</u>

Tax Summary	
HST	<u>3,056.95</u>
Total Taxes Included in This Bill	<u>3,056.95</u>

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

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April 18, 2024
Invoice #: 1978781

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

FEE MEMORANDUM

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

03/01/2024	Email correspondence with Lincoln Caylor (Bennett Jones), Chris Burr (Blakes) and Mitch Stephenson re: timing of distribution motion in Orr receivership. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
03/04/2024	Reviewing notice of discontinuance; email correspondence with client re: [REDACTED]; email correspondence with client re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
03/05/2024	Preparing for and attending phone call with Rob Winterstein (Gardiner Roberts) re: possible settlement of KLN holdback; reporting email to client re: [REDACTED]; email correspondence with Adam Driedger (TGF) re: claim on guarantees and email to client re: [REDACTED]; email to client enclosing [REDACTED]. Dylan Chochla	0.70 hrs.	1,025.00/hr	\$ 717.50
03/06/2024	Reviewing bill re: [REDACTED]; email correspondence with Adam Driedger re: timing of service of claims on guarantee; phone call with client and Mitch Stephenson re: [REDACTED]; reporting email to PwC and TGF teams re: same. Dylan Chochla	0.90 hrs.	1,025.00/hr	\$ 922.50
03/06/2024	Call with Greg Karpel and Dylan Chochla re: [REDACTED]. Mitch Stephenson	0.50 hrs.	825.00/hr	\$ 412.50
03/07/2024	Email correspondence with Tyler Ray (PwC) and client re: KLN settlement negotiations. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
03/08/2024	Email correspondence with client re: [REDACTED]; phone call with Rob Winterstein (Gardiner Roberts) re: same. Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50
03/08/2024	Compiling documents from the motion to be uploaded to the Receiver's website; emailing Melanie McKenzie re: same. Montana Licari	0.30 hrs.	600.00/hr	\$ 180.00
03/12/2024	Email correspondence and phone call with client re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
03/12/2024	Emails with Gardiner Roberts re: FIJ settlement; email to client re: [REDACTED]. Mitch Stephenson	0.20 hrs.	825.00/hr	\$ 165.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

03/13/2024	Preparing for and attending conference call with client and PwC team re: NOSI legislation and next steps; phone call with client re: [REDACTED]. Dylan Chochla	0.60 hrs.	1,025.00/hr	\$ 615.00
03/15/2024	Email from Rob Winterstein (Gardiner Roberts) agreeing to settlement; email correspondence and phone call with client re: [REDACTED]; reporting email to PwC/TGF working groups re: same; email correspondence with Chris Burr (Blakes) re: same and next steps; instructions to Mitch Stephenson re: [REDACTED]. Dylan Chochla	0.50 hrs.	1,025.00/hr	\$ 512.50
03/15/2024	Emails with Bennett Jones and Blakes re: Orr settlement. Mitch Stephenson	0.20 hrs.	825.00/hr	\$ 165.00
03/18/2024	Emails with client and Adam Driedger re: discontinuance of 258 action against Skymark. Mitch Stephenson	0.50 hrs.	825.00/hr	\$ 412.50
03/19/2024	Emails with client re: [REDACTED]. Mitch Stephenson	0.20 hrs.	825.00/hr	\$ 165.00
03/22/2024	Phone call with client re: [REDACTED]. Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50
03/25/2024	Prepared high-level overview of provincial lending licence requirements; review requirements under Ontario PPSA and CPA re: [REDACTED]; correspondence with Dylan Chochla on [REDACTED]. Craig Bellefontaine	1.40 hrs.	900.00/hr	\$ 1,260.00
03/25/2024	Drafting minutes of settlement re: KLN; email to client enclosing [REDACTED]; reviewing draft letter from UK counsel re: [REDACTED]; email to client re: [REDACTED]; email correspondence with Koker Christensen and Jon Holmstrom re: [REDACTED]. Dylan Chochla	2.00 hrs.	1,025.00/hr	\$ 2,050.00
03/26/2024	Drafting minutes of settlement; email to client enclosing [REDACTED]; revising draft to [REDACTED]; email to Rob Winterstein (Gardiner Roberts) enclosing draft. Dylan Chochla	1.50 hrs.	1,025.00/hr	\$ 1,537.50
03/27/2024	Reviewing and revising draft KLN minutes of settlement to incorporate comments received from Rob Winterstein (Gardiner Roberts); email correspondence with client re: [REDACTED]; reviewing claim commenced by KLN; drafting release; email to client enclosing [REDACTED]. Dylan Chochla	1.50 hrs.	1,025.00/hr	\$ 1,537.50
03/27/2024	Drafting fourth report of receiver; emails with client and internal working group re: [REDACTED]; coordinating with Blakes to schedule settlement approval hearing; emails with Montana Licari re: same; reviewing KLN settlement materials; emails with Montana Licari re: draft order and notice of motion. Mitch Stephenson	4.90 hrs.	825.00/hr	\$ 4,042.50
03/27/2024	Preparing continuing matter hearing request form; emailing Chris Burr, Rob Winterstein and Mitch Stephenson re: same; phone call with Mitch Stephenson re: preparation of motion materials; emailing hearing request form to the court. Montana Licari	2.60 hrs.	600.00/hr	\$ 1,560.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 4
Invoice #: 1978781

03/28/2024	Email correspondence with Rob Winterstein (Gardiner Roberts) re: settlement agreements; reviewing and revising draft receiver report re: same; email correspondence with Mitch Stephenson and Montana Licari re: finalizing court materials for service. Dylan Chochla	1.20 hrs.	1,025.00/hr	\$ 1,230.00
03/28/2024	Reviewing and revising draft settlement approval materials; attending to execution of minutes and release with KLN; emails and calls with internal working group re: [REDACTED]; emails with client re: [REDACTED]; call with Bennett Jones re: document production and distribution motion. Mitch Stephenson	2.90 hrs.	825.00/hr	\$ 2,392.50
03/28/2024	Editing motion materials; emailing [REDACTED] to Greg Karpel and Melanie McKenzie; emails with Mitch Stephenson re: same; preparing motion record index and covers; emails with Connie Deng re: preparation of the motion record. Montana Licari	3.30 hrs.	600.00/hr	\$ 1,980.00
03/29/2024	Uploading the motion record of the receiver to CaseLines and emails with Mitch Stephenson re: same. Montana Licari	0.20 hrs.	600.00/hr	\$ 120.00
03/31/2024	Considering email from Chris Burr (Blakes) re: distribution of KLN settlement proceeds; email to client re: [REDACTED]; reviewing executed minutes of settlement and email to Rob Winterstein (Gardiner Roberts) enclosing same. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 5
Invoice #: 1978781

Professional Summary

Professional	Title	Rate	Hours	Fees
Chochla, Dylan	Partner	1,025.00	10.40	10,660.00
Bellefontaine, Craig	Partner	900.00	1.40	1,260.00
Stephenson, Mitch	Partner	825.00	9.40	7,755.00
Licari, Montana	Associate	600.00	6.40	3,840.00
Total			27.60	CAD \$ 23,515.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

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Invoice #: 1978781

Our Fees	\$ 23,515.00	
Net Fees	<u>23,515.00</u>	
HST	<u>3,056.95</u>	
Total Fees Including Taxes		<u>\$ 26,571.95</u>

Total Fees, Disbursements and Taxes		<u>CAD \$ 26,571.95</u>
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Tax Summary	
HST	<u>3,056.95</u>
Total Taxes Included in This Bill	<u>3,056.95</u>

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Attention: Greg Karpel

April 18, 2024
Invoice #: 1978781

GST/HST#: 87937 6127
QST#: 1023151835

REMITTANCE COPY
Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through March 31, 2024 as described in the attached memorandum.

Total Fees	\$ 23,515.00
Total Taxes	3,056.95
Total Amount Owing This Bill	<u>CAD \$ 26,571.95</u>

Tax Summary	
HST	<u>3,056.95</u>
Total Taxes Included in This Bill	<u>3,056.95</u>

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Toronto ON M5J 2J1
Attention: Greg Karpel

May 13, 2024
Invoice #: 1988757

GST/HST#: 87937 6127
QST#: 1023151835

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through April 30, 2024 as described in the attached memorandum.

Total Fees	\$ 36,800.50
Total Taxable Disbursements	210.70
Total Non Taxable Disbursements	418.40
Total Disbursements	629.10
Total Taxes	4,812.46
Total Fees, Disbursements and Taxes	42,242.06
Total Amount Owing This Bill	CAD \$ 42,242.06

Tax Summary	
BCPST	1.01
HST	4,811.45
Total Taxes Included in This Bill	4,812.46

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

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Attention: Greg Karpel

May 13, 2024
Invoice #: 1988757

GST/HST#: 87937 6127
QST#: 1023151835

FEE MEMORANDUM

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

04/01/2024	Considering email from Chris Burr (Blakes) re: adjournment of Omit tax reserve motion and proposed Vicano settlement strategy; email correspondence with client re: [REDACTED]; email correspondence with Chris Burr re: same. Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50
04/01/2024	Emails with Connie Deng re: filing of the motion record and preparing confidential brief of settlement documents. Montana Licari	0.30 hrs.	600.00/hr	\$ 180.00
04/02/2024	Reviewing motion record of Mahal receiver re: distributions; email correspondence with client re: [REDACTED]; email correspondence with Rob Winterstein (Gardiner Roberts) re: abandoning sealing relief in light of disclosure in Mahal report; email correspondence with client and Mitch Stephenson re: [REDACTED]. Dylan Chochla	1.10 hrs.	1,025.00/hr	\$ 1,127.50
04/02/2024	Emails with Montana Licari re: confidential appendix brief. Mitch Stephenson	0.10 hrs.	825.00/hr	\$ 82.50
04/02/2024	Compiling confidential appendix brief and emails with Mitch Stephenson and Connie Deng re: same; emailing the confidential appendix brief to Justice Steele. Montana Licari	0.60 hrs.	600.00/hr	\$ 360.00
04/03/2024	Drafting and revising factum re: settlement approval; emails with client re: [REDACTED]; reviewing background documents as required. Mitch Stephenson	5.60 hrs.	825.00/hr	\$ 4,620.00
04/04/2024	Reviewing draft factum and email corresponded with client working group re: [REDACTED]; reviewing supplemental motion record of Mahal receiver and email to client re: [REDACTED]. Dylan Chochla	0.70 hrs.	1,025.00/hr	\$ 717.50
04/04/2024	Preparing for settlement approval hearing next day. Mitch Stephenson	2.10 hrs.	825.00/hr	\$ 1,732.50
04/04/2024	Incorporating Greg Karpel's edits to factum; preparing book of authorities; emailing Mitch Stephenson re: same; editing order; finalizing factum, book of authorities, order and blackline; emailing same to the service list; filing and uploading to caselines; preparing participant information form and uploading same; emails with Nathan Shaheen re: same. Montana Licari	3.00 hrs.	600.00/hr	\$ 1,800.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

04/04/2024	Email instructions from Mitch Stephenson regarding factum hyperlinking; review factum and complete hyperlinks; email to Mitch Stephenson and Montana Licari regarding specific references; finalize hyperlinks. Toshni Poonai	0.80 hrs.	390.00/hr	\$ 312.00
04/05/2024	Office conference with Mitch Stephenson re: [REDACTED]; reviewing order and endorsement of court approving settlement; email correspondence with PwC/TGF teams re: same. Dylan Chochla	0.50 hrs.	1,025.00/hr	\$ 512.50
04/05/2024	Preparing for and attending settlement approval hearing; emails with client and Dylan Chochla re: same; update email to PwC and TGF re: same. Mitch Stephenson	5.20 hrs.	825.00/hr	\$ 4,290.00
04/05/2024	Reviewing order and endorsement of Justice Steele re: KLN settlement; emailing copies of same to the service list; emails with Mitch Stephenson re: same; emailing Justice Steele a copy of the revised order and emails with Mitch Stephenson re: same. Montana Licari	0.70 hrs.	600.00/hr	\$ 420.00
04/08/2024	Review draft Transfer of Charge to confirm it was prepared correctly and recites all related documents for Rosa DeFilippis. Anita Wieringa	0.70 hrs.	455.00/hr	\$ 318.50
04/08/2024	Reviewing revised [REDACTED]; phone call with Craig Bellefontaine re: [REDACTED]; email to Katie James (Blake Morgan) re: [REDACTED]; email correspondence with Chris Burr (Blakes) and Mitch Stephenson re: distributions in Mahal receivership. Dylan Chochla	1.00 hrs.	1,025.00/hr	\$ 1,025.00
04/08/2024	Reviewing transfer of charge documents re: 258 loan assignment; coordinating real estate review of same; emails with Rosa DeFilippis re: same; emails with client and Dylan Chochla re: same; emails with TGF re: comments on transfer of charge; serving issued and entered KLN settlement approval order; emails with Dylan Chochla and Chris Burr re: direction for payment in connection with Orr settlement; reviewing endorsement of Justice Steele. Mitch Stephenson	2.30 hrs.	825.00/hr	\$ 1,897.50
04/08/2024	Emails with Connie Deng re: filing of orders and certificates of service. Montana Licari	0.20 hrs.	600.00/hr	\$ 120.00
04/08/2024	Review form of Acknowledgement and Direction and Transfer of Charge; attend to obtaining copies of parcel registers and review of same; discussions and e-mail correspondence with Anita Wieringa and Mitch Stephenson. Rosa DeFilippis	1.80 hrs.	925.00/hr	\$ 1,665.00
04/09/2024	Email correspondence with Chris Burr (Blakes) re: Omit tax dispute and strategy; email correspondence with client re: [REDACTED]; email correspondence with PwC/TGF teams re: same; preparing for and attending phone call with Geoff Daley (City of Brantford) and Mitch Stephenson re: tax dispute and next steps. Dylan Chochla	0.90 hrs.	1,025.00/hr	\$ 922.50

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

04/09/2024	Drafting joint payment direction regarding Orr settlement; emails with client, Blakes and Bennett Jones re: same; call with Geoff Daley (City of Brantford) and Dylan Chochla re: Omit Tax hearing; drafting joint payment direction regarding KLN; emails with client and Gardiner Roberts re: same; reviewing and revising [REDACTED]; emails with Rosa DeFilippis re: same; emails with client and TGF re: same; attending to execution of same. Mitch Stephenson	2.90 hrs.	825.00/hr	\$ 2,392.50
04/09/2024	Emailing Melanie Mackenzie a copy of the service list and revising same accordingly. Montana Licari	0.20 hrs.	600.00/hr	\$ 120.00
04/10/2024	Email correspondence with Chris Burr (Blakes) re: Omit tax reserve issues and scheduling; phone call with client re: [REDACTED] Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50
04/10/2024	Reviewing and revising KLN payment direction; correspondence with Blakes and KSV re: same. Mitch Stephenson	0.40 hrs.	825.00/hr	\$ 330.00
04/11/2024	Email correspondence from Lincoln Caylor (Bennett Jones) re: production request; email from client re: [REDACTED] Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
04/12/2024	Reviewing letter from Katie James (Blake Morgan) re: [REDACTED] and email correspondence re: [REDACTED]; reviewing [REDACTED] from client and email to Lincoln Caylor and Nathan Shaheen (Bennett Jones) re: same; email correspondence with client re: [REDACTED]. Dylan Chochla	0.40 hrs.	1,025.00/hr	\$ 410.00
04/15/2024	Reviewing Minutes of Settlement re: discontinuance; drafting Notice of Change of Lawyer; drafting Notice of Discontinuance; emails with Mitch Stephenson re: same. Montana Licari	1.00 hrs.	600.00/hr	\$ 600.00
04/16/2024	Considering email from client re: [REDACTED]; email correspondence with Paul Casuccio and client re: [REDACTED]; considering [REDACTED]. Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50
04/16/2024	Emails with Fasken and client teams regarding [REDACTED]; review of materials from client. Paul V. Casuccio	0.70 hrs.	1,275.00/hr	\$ 892.50
04/17/2024	Preparing for and attending conference call with client and Paul Casuccio re: [REDACTED]; email to Mitch Stephenson and Montana Licari re: [REDACTED]. Dylan Chochla	0.70 hrs.	1,025.00/hr	\$ 717.50
04/17/2024	Prep for and call with Fasken and client teams re: [REDACTED]. Paul V. Casuccio	0.80 hrs.	1,275.00/hr	\$ 1,020.00
04/23/2024	Email correspondence with Katie James re: [REDACTED]; email correspondence with client re: [REDACTED]; email correspondence with Adam Driedger (TGF) re: issuing guarantee claims; email correspondence with client re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
04/24/2024	Research on [REDACTED] Julia (Yun Ji) Chung	6.50 hrs.	385.00/hr	\$ 2,502.50
04/24/2024	Emails and calls with Julia Chung re: [REDACTED]; email with Dylan Chochla re: same. Mitch Stephenson	0.70 hrs.	825.00/hr	\$ 577.50

04/25/2024	Reviewing research re: [REDACTED]; email to client re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
04/25/2024	Reviewing and considering email memorandum from Julia Chung re: [REDACTED]; emails with Dylan Chochla re: [REDACTED]. Mitch Stephenson	1.10 hrs.	825.00/hr	\$ 907.50
04/26/2024	Email correspondence with Katie James (Blake Morgan) re: [REDACTED]; reviewing motion record of MNP re: Omit tax dispute in Mahal receivership; email to client enclosing [REDACTED]. Dylan Chochla	0.40 hrs.	1,025.00/hr	\$ 410.00
04/29/2024	Reviewing LawPro minutes of settlement; reviewing rules of civil procedure; reviewing and revising notice of change of lawyer and notice of discontinuance; emails with Montana Licari re: same. Mitch Stephenson	1.20 hrs.	825.00/hr	\$ 990.00
04/29/2024	Emails with Mitch Stephenson re: notice of change and notice of discontinuance. Montana Licari	0.10 hrs.	600.00/hr	\$ 60.00
04/30/2024	Email correspondence with client working group re: [REDACTED]. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
04/30/2024	Correspondence with Montana Licari re: serving and filing notice of change of lawyer and notice of discontinuance in connection with LawPro settlement. Mitch Stephenson	0.40 hrs.	825.00/hr	\$ 330.00
04/30/2024	Editing Notice of Discontinuance and Notice of Change of Lawyer; emails with Greg Karpel and Melanie McKenzie re: [REDACTED]; emails with Mitch Stephenson and Connie Deng re: [REDACTED]; phone call with Mitch Stephenson re: [REDACTED]; arranging for service by mail on the defendants; serving defendant's lawyer by email; emails with Connie Deng re: service and filing; emailing Gavin Tighe re: same. Montana Licari	1.50 hrs.	600.00/hr	\$ 900.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

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Invoice #: 1988757

Professional Summary

Professional	Title	Rate	Hours	Fees
Casuccio, Paul V.	Partner	1,275.00	1.50	1,912.50
Chochla, Dylan	Partner	1,025.00	7.20	7,380.00
Stephenson, Mitch	Partner	825.00	22.00	18,150.00
DeFilippis, Rosa	Counsel	925.00	1.80	1,665.00
Licari, Montana	Associate	600.00	7.60	4,560.00
Chung, Julia (Yun Ji)	Student	385.00	6.50	2,502.50
Poonai, Toshni	Paralegal / Law Clerks	390.00	0.80	312.00
Wieringa, Anita	Paralegal / Law Clerks	455.00	0.70	318.50
Total			48.10	CAD \$ 36,800.50

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

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Invoice #: 1988757

Our Fees	\$ 36,800.50
Net Fees	36,800.50
HST	4,784.06
Total Fees Including Taxes	\$ 41,584.56

Disbursements

Non-Taxable

02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO_75228-0094	9.35
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO_75228-0067	9.35
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO_75228-0096	9.35
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO_75228-0097	9.35
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO_75228-0097	9.35
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO_75228-0095	9.35
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO, add'l pages_75228-0067	1.15
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO, add'l pages_75228-0097	1.15
04/03/2024	Stephenson, Mitch - Stephenson, Mitch, Motion Record Filing Fee, 04/02/2024	339.00
04/08/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_4/8/2024_Parcel register, other LRO, add'l pages_75228-0097	1.15
04/08/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_4/8/2024_Parcel register, other LRO_75228-0095	9.35
04/08/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_4/8/2024_Parcel register, other LRO, add'l pages_75228-0095	1.15
04/08/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_4/8/2024_Parcel register, other LRO_75228-0097	9.35

Taxable

02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO_75228-0097	23.30
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO_75228-0096	23.30

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

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Invoice #: 1988757

02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO_75228-0095	23.30
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO_75228-0097	23.30
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO, add'l pages_75228-0067	1.15
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO, add'l pages_75228-0097	1.15
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_First Page Inactive Search, Other LRO_75228-0009	1.15
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO_75228-0094	23.30
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_First Page Inactive Search, Other LRO_75228-0009	1.15
02/05/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_2/5/2024_Parcel register, other LRO_75228-0067	23.30
04/08/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_4/8/2024_Parcel register, other LRO_75228-0095	23.30
04/08/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_4/8/2024_Parcel register, other LRO_75228-0097	23.30
04/08/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_4/8/2024_Parcel register, other LRO, add'l pages_75228-0097	1.15
04/08/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_4/8/2024_Image - Download Instrument_CE1174374	3.00
04/08/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_4/8/2024_Parcel register, other LRO, add'l pages_75228-0095	1.15
04/30/2024	Printing: Black & White	14.40
Total Disbursements		629.10
BCPST		1.01
HST		27.39
Total Disbursements Including Taxes		\$ 657.50

Total Fees, Disbursements and Taxes	<u>CAD \$ 42,242.06</u>
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Tax Summary	
BCPST	1.01
HST	4,811.45
Total Taxes Included in This Bill	<u>4,812.46</u>

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

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+1 800 268 8424
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Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1
Attention: Greg Karpel

May 13, 2024
Invoice #: 1988757

GST/HST#: 87937 6127
QST#: 1023151835

REMITTANCE COPY Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through April 30, 2024 as described in the attached memorandum.

Total Fees	\$ 36,800.50
Total Taxable Disbursements	210.70
Total Non Taxable Disbursements	418.40
Total Disbursements	629.10
Total Taxes	4,812.46
Total Fees, Disbursements and Taxes	42,242.06
Total Amount Owning This Bill	CAD \$ 42,242.06

Tax Summary	
BCPST	1.01
HST	4,811.45
Total Taxes Included in This Bill	4,812.46

Your payment via EFT, Wire, On Line Bank Pay or Credit Card is appreciated.
Our Banking Details are below. For credit card payments please contact your Fasken office directly.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

***Fasken does not alter its payment instructions.
If you receive new payment instructions in relation to your payment to Fasken, please disregard and notify us immediately.***

SCOTIABANK, 44 King Street West, Toronto, Ontario, Canada M5H 1H1
Account Name: Fasken Martineau DuMoulin LLP
CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

Please send a payment notice to credits@fasken.com

FASKEN

Fasken Martineau DuMoulin LLP
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Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1
Attention: Greg Karpel

June 18, 2024
Invoice #: 2002774

GST/HST#: 87937 6127
QST#: 1023151835


Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through May 31, 2024 as described in the attached memorandum.

Total Fees	\$ 8,460.00
Total Taxable Disbursements	20.50
Total Non Taxable Disbursements	8.00
Total Disbursements	28.50
Total Taxes	1,102.47
Total Fees, Disbursements and Taxes	9,590.97
Total Amount Owing This Bill	<u>CAD \$ 9,590.97</u>

Tax Summary	
HST	1,102.47
Total Taxes Included in This Bill	<u>1,102.47</u>

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

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CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
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FASKEN

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Toronto ON M5J 2J1
Attention: Greg Karpel

June 18, 2024
Invoice #: 2002774

GST/HST#: 87937 6127
QST#: 1023151835

FEE MEMORANDUM

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

05/02/2024	Reviewing witness statement in U.K. enforcement proceeding; email correspondence with client re: [REDACTED]; instructions to Mitch Stephenson re: [REDACTED]. Dylan Chochla	0.40 hrs.	1,025.00/hr	\$ 410.00
05/02/2024	Emails with Connie Deng re: notice of discontinuance and notice of change. Montana Licari	0.10 hrs.	600.00/hr	\$ 60.00
05/03/2024	Arranging for due diligence reports regarding [REDACTED] for Mitch Stephenson; correspondence regarding same. Diana Lauria	0.20 hrs.	350.00/hr	\$ 70.00
05/03/2024	Email correspondence with client and Mitch Stephenson re: [REDACTED] Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
05/03/2024	Reviewing and providing comments on [REDACTED] [REDACTED]; emails with client and Dylan Chochla re: [REDACTED]. Mitch Stephenson	3.30 hrs.	825.00/hr	\$ 2,722.50
05/03/2024	Emails with Connie Deng re: filing of notice of discontinuance; reviewing and editing certificate of service. Montana Licari	0.30 hrs.	600.00/hr	\$ 180.00
05/06/2024	Reviewing responding motion record of the City of Brantford re: omit tax dispute; considering [REDACTED] email to client re: [REDACTED]. Dylan Chochla	0.70 hrs.	1,025.00/hr	\$ 717.50
05/06/2024	Reviewing comments re: [REDACTED]; emails with client re: [REDACTED]; email to UK counsel re: [REDACTED]. Mitch Stephenson	1.20 hrs.	825.00/hr	\$ 990.00
05/08/2024	Final review of UK witness statement, claim form, and exhibits; email to client re: [REDACTED]. Mitch Stephenson	0.50 hrs.	825.00/hr	\$ 412.50
05/13/2024	Reviewing supplemental motion record from Chris Burr (Blakes) re: omit tax dispute; email to client re: [REDACTED]. Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 3
Invoice #: 2002774

05/15/2024	Update email from Katie James re: [REDACTED] Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
05/15/2024	Emails with Mitch Stephenson, Connie Deng and the business centre re: return of notice of change of lawyer and notice of discontinuance served on the defendants. Montana Licari	0.30 hrs.	600.00/hr	\$ 180.00
05/28/2024	Reviewing and summarizing the factum of Mahal on the Omit Tax motion; emails with Dylan Chochla and Mitch Stephenson re: [REDACTED]. Montana Licari	0.60 hrs.	600.00/hr	\$ 360.00
05/30/2024	Email correspondence from client re: [REDACTED] [REDACTED]; email correspondence with Chris Burr (Blakes) re: Omit tax hearing; email correspondence with client re: [REDACTED] Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50
05/31/2024	Reviewing facta re: Omit tax dispute; preparing for and attending conference call with Chris Burr (Blakes), Mitch Vininsky (KSV) and client re: [REDACTED] Dylan Chochla	1.40 hrs.	1,025.00/hr	\$ 1,435.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

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Invoice #: 2002774

Professional Summary

Professional	Title	Rate	Hours	Fees
Chochla, Dylan	Partner	1,025.00	3.40	3,485.00
Stephenson, Mitch	Partner	825.00	5.00	4,125.00
Licari, Montana	Associate	600.00	1.30	780.00
Lauria, Diana	Paralegal / Law Clerks	350.00	0.20	70.00
Total			9.90	CAD \$ 8,460.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

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Invoice #: 2002774

Our Fees	\$ 8,460.00	
Net Fees	<u>8,460.00</u>	
HST	<u>1,099.80</u>	
Total Fees Including Taxes		<u>\$ 9,559.80</u>

Disbursements

Non-Taxable

05/03/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240503 ONCORP	8.00
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Taxable

05/02/2024	Printing: Black & White	10.50
05/03/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240503 ONCORP	10.00

Total Disbursements	<u>28.50</u>	
HST	<u>2.66</u>	
Total Disbursements Including Taxes		<u>\$ 31.16</u>

Total Fees, Disbursements and Taxes		<u><u>CAD \$ 9,590.97</u></u>
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Tax Summary

HST	<u>1,102.47</u>
Total Taxes Included in This Bill	<u><u>1,102.47</u></u>

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

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Alvarez & Marsal
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200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1
Attention: Greg Karpel

June 18, 2024
Invoice #: 2002774

GST/HST#: 87937 6127
QST#: 1023151835

REMITTANCE COPY
Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through May 31, 2024 as described in the attached memorandum.

Total Fees	\$ 8,460.00
Total Taxable Disbursements	20.50
Total Non Taxable Disbursements	8.00
Total Disbursements	28.50
Total Taxes	1,102.47
Total Fees, Disbursements and Taxes	9,590.97
Total Amount Owning This Bill	<u>CAD \$ 9,590.97</u>

Tax Summary	
HST	1,102.47
Total Taxes Included in This Bill	<u>1,102.47</u>

Your payment via EFT, Wire, On Line Bank Pay or Credit Card is appreciated.
Our Banking Details are below. For credit card payments please contact your Fasken office directly.

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***Fasken does not alter its payment instructions.
If you receive new payment instructions in relation to your payment to Fasken, please disregard and notify us immediately.***

SCOTIABANK, 44 King Street West, Toronto, Ontario, Canada M5H 1H1
Account Name: Fasken Martineau DuMoulin LLP
CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

Please send a payment notice to credits@fasken.com

FASKEN

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Patent and Trade-mark Agents

333 Bay Street, Suite 2400
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Toronto, Ontario M5H 2T6
Canada

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+1 800 268 8424
F +1 416 364 7813
fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1
Attention: Greg Karpel

July 23, 2024
Invoice #: 2016639

GST/HST#: 87937 6127
QST#: 1023151835


Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through June 30, 2024 as described in the attached memorandum.

Total Fees	\$ 7,605.00
Total Taxable Disbursements	292.00
Total Non Taxable Disbursements	16.00
Total Disbursements	308.00
Total Taxes	1,026.61
Total Fees, Disbursements and Taxes	8,939.61
Total Amount Owing This Bill	<u>CAD \$ 8,939.61</u>

Tax Summary	
HST	<u>1,026.61</u>
Total Taxes Included in This Bill	<u>1,026.61</u>

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

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July 23, 2024
Invoice #: 2016639

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

FEE MEMORANDUM

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

03/12/2024	Reviewing purchase agreement to [REDACTED]			
	Rachel Phillips	0.40 hrs.	825.00/hr	\$ 330.00
06/01/2024	Email correspondence with Chris Burr (Blakes) re: possible settlement of Omit tax dispute.			
	Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
06/03/2024	Email correspondence with Chris Burr (Blakes) re: Omit tax settlement; email correspondence with client re: [REDACTED]; preparing for and attending conference call with Chris Burr, client and PwC team to discuss settlement offer.			
	Dylan Chochla	1.00 hrs.	1,025.00/hr	\$ 1,025.00
06/03/2024	Emails and call with Blakes, PwC, client, and Dylan Chochla re: motion next day.			
	Mitch Stephenson	0.60 hrs.	825.00/hr	\$ 495.00
06/03/2024	Emailing Mitch Stephenson re: attendance at motion.			
	Montana Licari	0.10 hrs.	600.00/hr	\$ 60.00
06/04/2024	Office conference with Mitch Stephenson re: [REDACTED]; email correspondence with Chris Burr (Blakes) re: same; email correspondence and phone call with client re: [REDACTED]; instructions to Mitch Stephenson re: [REDACTED]			
	Dylan Chochla	0.60 hrs.	1,025.00/hr	\$ 615.00
06/04/2024	Preparing for and attending contested distribution motion in the Mahal receivership proceedings; emails with Blakes and Dylan Chochla re: same; call with Greg Karpel re: [REDACTED]			
	Mitch Stephenson	3.10 hrs.	825.00/hr	\$ 2,557.50
06/05/2024	Phone call with Mike McTaggart (PwC) re: Omit tax hearing in Mahal receivership; email correspondence with Katie James (Blake Morgan) re: [REDACTED]; reviewing draft letter re: [REDACTED] email correspondence with client re: [REDACTED]			
	Dylan Chochla	0.40 hrs.	1,025.00/hr	\$ 410.00
06/06/2024	Phone call with client re: [REDACTED]; email correspondence re: [REDACTED]			
	Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 3
Invoice #: 2016639

06/18/2024	Reviewing endorsement re: Omit tax reserve; email correspondence with client re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
06/20/2024	Email correspondence from client working group re: [REDACTED]. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
06/26/2024	Email correspondence with Mitch Stephenson re: [REDACTED]; further email correspondence from client re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
06/26/2024	Reviewing and considering draft distribution order; emails with Greg Karpel re: [REDACTED]; emails with Chris Burr re: same; reviewing sixth report of Mahal receiver as required. Mitch Stephenson	0.90 hrs.	825.00/hr	\$ 742.50
06/28/2024	Conducting due diligence searches on [REDACTED] for Dylan Chochla; Correspondence with same. Adam Simon	0.40 hrs.	350.00/hr	\$ 140.00
06/28/2024	Considering email from Katie James (Blake Morgan); instructions to Adam Simon re: corporate search; reviewing corporate profile reports. Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 4
Invoice #: 2016639

Professional Summary

Professional	Title	Rate	Hours	Fees
Chochla, Dylan	Partner	1,025.00	3.20	3,280.00
Phillips, Rachel	Partner	825.00	0.40	330.00
Stephenson, Mitch	Partner	825.00	4.60	3,795.00
Licari, Montana	Associate	600.00	0.10	60.00
Simon, Adam	Paralegal / Law Clerks	350.00	0.40	140.00
Total			8.70	CAD \$ 7,605.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 5
Invoice #: 2016639

Our Fees	\$ 7,605.00	
Net Fees	<u>7,605.00</u>	
HST	<u>988.65</u>	
Total Fees Including Taxes		<u>\$ 8,593.65</u>

Disbursements

Non-Taxable

06/28/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240628 ONCORP	8.00
06/28/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240628 ONCORP	8.00

Taxable

06/28/2024	Printing: Black & White	251.20
06/28/2024	Binders	10.00
06/28/2024	Tabs	10.80
06/28/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240628 ONCORP	10.00
06/28/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240628 ONCORP	10.00
Total Disbursements		<u>308.00</u>
HST		<u>37.96</u>
Total Disbursements Including Taxes		<u>\$ 345.96</u>

Total Fees, Disbursements and Taxes	<u>CAD \$ 8,939.61</u>
-------------------------------------	------------------------

Tax Summary

HST	<u>1,026.61</u>
Total Taxes Included in This Bill	<u>1,026.61</u>

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Attention: Greg Karpel

July 23, 2024
Invoice #: 2016639

GST/HST#: 87937 6127
QST#: 1023151835

REMITTANCE COPY Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through June 30, 2024 as described in the attached memorandum.

Total Fees	\$ 7,605.00
Total Taxable Disbursements	292.00
Total Non Taxable Disbursements	16.00
Total Disbursements	308.00
Total Taxes	1,026.61
Total Fees, Disbursements and Taxes	8,939.61
Total Amount Owning This Bill	<u>CAD \$ 8,939.61</u>

Tax Summary	
HST	1,026.61
Total Taxes Included in This Bill	<u>1,026.61</u>

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200 Bay Street, Suite 2900
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Toronto ON M5J 2J1

August 26, 2024
Invoice #: 2028088

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through July 31, 2024 as described in the attached memorandum.

Total Fees	\$ 15,112.50
Total Taxable Disbursements	90.90
Total Non Taxable Disbursements	34.50
Total Disbursements	125.40
Total Taxes	1,976.44
Total Fees, Disbursements and Taxes	17,214.34
Total Amount Owing This Bill	CAD \$ 17,214.34

Tax Summary

HST	1,976.44
Total Taxes Included in This Bill	1,976.44

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

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August 26, 2024
Invoice #: 2028088

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

FEE MEMORANDUM

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

07/02/2024	Reviewing notice of appeal from Heather Fisher (Gowlings) and considering issues; email to client re: [REDACTED]; reviewing letter from Jonn Reiterowski re: small claims court action and email correspondence with client re: [REDACTED]. Dylan Chochla	0.40 hrs.	1,025.00/hr	\$ 410.00
07/02/2024	Emails with client re: [REDACTED] Mitch Stephenson	0.20 hrs.	825.00/hr	\$ 165.00
07/03/2024	Reviewing [REDACTED]; email correspondence and phone call with client re: [REDACTED]; email correspondence with client re: [REDACTED]; email to John Reiterowski responding to inquiry re: small claims court action; reviewing responding motion record of Millar in U.K. enforcement action; considering [REDACTED] [REDACTED]; email to Katie James (Blake Morgan) re: [REDACTED]. Dylan Chochla	2.50 hrs.	1,025.00/hr	\$ 2,562.50
07/03/2024	Reviewing emails from client re: [REDACTED] Mitch Stephenson	0.20 hrs.	825.00/hr	\$ 165.00
07/04/2024	Email correspondence with Mark Brennan re: [REDACTED] Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
07/04/2024	Reviewing [REDACTED], responding to several emails from Dylan Chochla [REDACTED] Mark Brennan	1.00 hrs.	1,325.00/hr	\$ 1,325.00
07/05/2024	Preparing for and attending conference call with client and Katie James (Blake Morgan) re: [REDACTED] [REDACTED]; phone call with client re: [REDACTED]; considering issues. Dylan Chochla	0.90 hrs.	1,025.00/hr	\$ 922.50
07/09/2024	Considering email from client re: [REDACTED]; reviewing draft letter re: same; further email correspondence with client re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
07/09/2024	Finalizing and sending letter to Peter Balatidis re: small claims judgment; emails with client re: [REDACTED]. Mitch Stephenson	0.40 hrs.	825.00/hr	\$ 330.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

07/15/2024	Reviewing email from Peter Balatidis re: small claims court judgment; drafting response and email to client re: [REDACTED]; considering email from Jordan Redlin re: NOSIs; email to client re: [REDACTED]. Dylan Chochla	0.50 hrs.	1,025.00/hr	\$ 512.50
07/15/2024	Emails with client and Rosa DeFilippis re: [REDACTED] Mitch Stephenson	0.20 hrs.	825.00/hr	\$ 165.00
07/16/2024	Reviewing motion record from Scotiabank re: surplus mortgage proceeds; email to client re: [REDACTED]; email to Peter Balatidis re: small claims court judgment; email to client re: [REDACTED]. Dylan Chochla	0.60 hrs.	1,025.00/hr	\$ 615.00
07/17/2024	Email correspondence with client re: [REDACTED]; considering email from Katie James (Blake Morgan) re: [REDACTED]; email to Katie James re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
07/22/2024	Emails with Greg Karpel re: [REDACTED] email to UK counsel re: [REDACTED]. Mitch Stephenson	0.20 hrs.	825.00/hr	\$ 165.00
07/23/2024	Conduct a subsearch of title re lands in [REDACTED]; retrieve copies of transfer, charges and relevant documents for Rosa DeFilippis. Anita Wieringa	1.20 hrs.	455.00/hr	\$ 546.00
07/23/2024	Emails with Rosa DeFilippis re: title searches. Mitch Stephenson	0.10 hrs.	825.00/hr	\$ 82.50
07/23/2024	Review e-mail correspondence and tax bills; review parcel registers, block maps, copies of instruments on title and discussions with Anita Wieringa. Rosa DeFilippis	1.40 hrs.	925.00/hr	\$ 1,295.00
07/24/2024	Review data retention report from Land Registry office and forward same to Rosa DeFilippis. Anita Wieringa	0.30 hrs.	455.00/hr	\$ 136.50
07/24/2024	Email correspondence with client re: [REDACTED]. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
07/24/2024	Emails with Rosa DeFilippis re: title searches. Mitch Stephenson	0.10 hrs.	825.00/hr	\$ 82.50
07/24/2024	Review Registry parcel registers; review instruments on title; e-mail correspondence with Mitch Stephenson and Anita Wieringa; draft summary of findings. Rosa DeFilippis	2.80 hrs.	925.00/hr	\$ 2,590.00
07/30/2024	Reviewing analysis from Rose DeFilippis re: [REDACTED]; reviewing relevant PINs and documents; email to client re: [REDACTED]. Mitch Stephenson	1.30 hrs.	825.00/hr	\$ 1,072.50
07/31/2024	Reviewing and considering [REDACTED] and providing comments re: [REDACTED]; considering issues and email correspondence re: [REDACTED]. Dylan Chochla	0.90 hrs.	1,025.00/hr	\$ 922.50
07/31/2024	Emails with client re: [REDACTED]. Mitch Stephenson	0.40 hrs.	825.00/hr	\$ 330.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 4
Invoice #: 2028088

Professional Summary

Professional	Title	Rate	Hours	Fees
Chochla, Dylan	Partner	1,025.00	6.50	6,662.50
Brennan, Mark	Partner	1,325.00	1.00	1,325.00
Stephenson, Mitch	Partner	825.00	3.10	2,557.50
DeFilippis, Rosa	Counsel	925.00	4.20	3,885.00
Wieringa, Anita	Paralegal / Law Clerks	455.00	1.50	682.50
Total			16.30	CAD \$ 15,112.50

Our Fees

\$ 15,112.50

Net Fees	15,112.50
HST	1,964.62
Total Fees Including Taxes	<u>\$ 17,077.12</u>

Disbursements

Non-Taxable

07/18/2024	B.C. ONLINE - SEARCH 1357246 BSH105 PT52731 From20240717to20240717	8.50
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Image - Download Plan_19R4865	5.00
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Parcel register, other LRO, add'l pages_39276-0126	1.15
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Parcel register, other LRO_39276- 0128	9.35
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Parcel register, other LRO_39276- 0126	9.35
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Parcel register, other LRO, add'l pages_39276-0128	1.15

Taxable

07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Parcel register, other LRO, add'l pages_39276-0128	1.15
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Image - Download Instrument_H275835	3.00
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Image - Download Instrument_H248847	3.00
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Image - Download Plan_19R4865	10.00
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Image - Download Instrument_H277941	3.00
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Parcel register, other LRO_39276- 0128	23.30
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Parcel register, other LRO, add'l pages_39276-0126	1.15
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Image - Download Instrument_H277942	3.00
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Image - Download Instrument_H277940	3.00
07/23/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_07/23/2024_Image - Download	3.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 6
Invoice #: 2028088

	Instrument_H248846	
	TERANET COLLATERAL MANAGEMENT SOLUTIONS -	
07/23/2024	Teraview_07/23/2024_Image - Download	3.00
	Instrument_H275836	
	TERANET COLLATERAL MANAGEMENT SOLUTIONS -	
07/23/2024	Teraview_07/23/2024_Display parcel map (by map)_	5.00
	TERANET COLLATERAL MANAGEMENT SOLUTIONS -	
07/23/2024	Teraview_07/23/2024_Parcel register, other LRO_39276-0126	23.30
	TERANET COLLATERAL MANAGEMENT SOLUTIONS -	
07/23/2024	Teraview_07/23/2024_Image - Download	3.00
	Instrument_H279769	
	TERANET COLLATERAL MANAGEMENT SOLUTIONS -	
07/23/2024	Teraview_07/23/2024_Image - Download	3.00
	Instrument_H276435	
Total Disbursements		125.40
HST		11.82
Total Disbursements Including Taxes		\$ 137.22

Total Fees, Disbursements and Taxes

CAD \$ 17,214.34

Tax Summary

HST	1,976.44
Total Taxes Included in This Bill	1,976.44

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Toronto ON M5J 2J1

August 26, 2024
Invoice #: 2028088

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

REMITTANCE COPY Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through July 31, 2024 as described in the attached memorandum.

Total Fees	\$ 15,112.50
Total Taxable Disbursements	90.90
Total Non Taxable Disbursements	34.50
Total Disbursements	125.40
Total Taxes	1,976.44
Total Fees, Disbursements and Taxes	17,214.34
Total Amount Owning This Bill	CAD \$ 17,214.34

Tax Summary

HST	1,976.44
Total Taxes Included in This Bill	1,976.44

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PAYMENT OPTIONS

Banking Instructions for Wire Transfer or EFT in CAD Currency

Beneficiary Information

Beneficiary Name: Fasken Martineau DuMoulin LLP
Beneficiary Address: Fasken Martineau DuMoulin LLP
Bay Adelaide Centre
333 Bay Street, Suite 2400
P.O. Box 20
Toronto ON M5H 2T6
Beneficiary Account: 476961041614

Beneficiary Bank Information

Bank Name: Bank of Nova Scotia
Bank Address: 44 King Street West
Toronto, Ontario
Canada M5H 1H1
Bank Identifier: **Transit Number:** 47696
Bank Code: 002
Swift Code: NOSCCATT

Payment by Cheque

Mail cheques to:

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Bay Adelaide Centre
333 Bay Street, Suite 2400
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Toronto ON M5H 2T6

Online Bill Payment

1. Sign-in to your Banking Platform
2. Go to Bill Payment and "Add Payee"
Payee Name: Fasken Ontario
3. Enter Account # (28593700015)

If you opt to make payment via credit card or for payment remittance, kindly contact our Cash Application Team via email at credits@fasken.com.

Fasken does not alter its payment instructions. If you receive new payment instructions in relation to Fasken, please disregard and notify us immediately.

FASKEN

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+1 800 268 8424
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Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

September 19, 2024
Invoice #: 2037205

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through August 31, 2024 as described in the attached memorandum.

Total Fees	\$ 7,820.50
Total Taxable Disbursements	691.50
Total Disbursements	691.50
Total Taxes	1,106.56
Total Fees, Disbursements and Taxes	9,618.56
Total Amount Owing This Bill	CAD \$ 9,618.56

Tax Summary

HST	1,106.56
Total Taxes Included in This Bill	1,106.56

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

Your payment via EFT, Wire, Online Bank Pay or Credit Card is appreciated.
Our Banking Details are below. For credit card payments please contact your Fasken office directly.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

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Toronto ON M5J 2J1

September 19, 2024
Invoice #: 2037205

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

FEE MEMORANDUM

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

08/01/2024	Review assignments of charge; review registry parcel registers; e-mail correspondence with Mitch Stephenson. Rosa DeFilippis	1.80 hrs.	925.00/hr	\$ 1,665.00
08/06/2024	Reviewing email correspondence and budget from Katie James (Blake Morgan) re: [REDACTED] Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
08/12/2024	Email correspondence with Katie James (Blake Morgan) and client re: [REDACTED] enforcement proceeding. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
08/13/2024	Reviewing notice of dismissal for delay from Court of Appeal and email to client [REDACTED]; considering correspondence from Katie James (Blake Morgan) re: [REDACTED] and email correspondence with client re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
08/13/2024	Emails with UK counsel re: [REDACTED]; call with Melanie MacKenzie re: [REDACTED] Mitch Stephenson	0.70 hrs.	825.00/hr	\$ 577.50
08/14/2024	Email correspondence with client re: [REDACTED]. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
08/14/2024	Emails with client and UK counsel re: [REDACTED]; reviewing revised direction received from UK counsel. Mitch Stephenson	0.60 hrs.	825.00/hr	\$ 495.00
08/16/2024	Phone call with client re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
08/22/2024	Reviewing UK enforcement timeline and email to client working group re: [REDACTED]; considering [REDACTED] and email to client working group re: [REDACTED]. Dylan Chochla	0.60 hrs.	1,025.00/hr	\$ 615.00

08/23/2024	Arranging for Ontario-wide real estate searches on [REDACTED] for Anita Wieringa; Correspondence with same. Adam Simon	0.30 hrs.	350.00/hr	\$ 105.00
08/23/2024	Considering issues re: [REDACTED]; email correspondence with client working group re: [REDACTED]; email correspondence with Rosa DeFilippis re: real property searches in Ontario. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
08/26/2024	Correspondence with Anita Wieringa regarding Ontario wide real estate searches on [REDACTED] Adam Simon	0.30 hrs.	350.00/hr	\$ 105.00
08/26/2024	Review and forward results of Ontario wide name search. For Rosa DeFillipis. Anita Wieringa	0.10 hrs.	455.00/hr	\$ 45.50
08/26/2024	Review and respond to e-mail correspondence with Dylan Chochla and Mitch Stephenson regarding [REDACTED]; instructions to Anita Wieringa; review search results and report to Dylan Chochla. Rosa DeFilippis	1.60 hrs.	925.00/hr	\$ 1,480.00
08/27/2024	Email correspondence with Rosa DeFilippis re: real property search results. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
08/27/2024	Arrange for additional [REDACTED]; review additional search results; reporting and discussion with Dylan Chochla. Rosa DeFilippis	1.40 hrs.	925.00/hr	\$ 1,295.00
08/28/2024	Arranging for Ontario-wide real estate searches on [REDACTED] for Anita Wieringa; Correspondence with same. Adam Simon	0.30 hrs.	350.00/hr	\$ 105.00
08/28/2024	Email correspondence with Rosa DeFillipis re: real property searches; reviewing results. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 4
Invoice #: 2037205

Professional Summary

Professional	Title	Rate	Hours	Fees
Chochla, Dylan	Partner	1,025.00	1.90	1,947.50
Stephenson, Mitch	Partner	825.00	1.30	1,072.50
DeFilippis, Rosa	Counsel	925.00	4.80	4,440.00
Simon, Adam	Paralegal / Law Clerks	350.00	0.90	315.00
Wieringa, Anita	Paralegal / Law Clerks	455.00	0.10	45.50
		Total	9.00	CAD \$ 7,820.50

Our Fees

\$ 7,820.50

Net Fees	7,820.50	
HST	1,016.66	
Total Fees Including Taxes		\$ 8,837.16

Disbursements

Taxable

08/27/2024	ONCORP DIRECT INC. - 10274 - Real Estate Name Search - Dtd 20240827 ONCORP - 285937.00015	276.60	
08/28/2024	ONCORP DIRECT INC. - 10274 - Real Estate Name Search - Dtd 20240828 ONCORP - 285937.00015	414.90	
Total Disbursements		691.50	
HST		89.90	
Total Disbursements Including Taxes			\$ 781.40

Total Fees, Disbursements and Taxes

CAD \$ 9,618.56

Tax Summary

HST	1,106.56
Total Taxes Included in This Bill	1,106.56

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Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

September 19, 2024
Invoice #: 2037205

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

REMITTANCE COPY Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through August 31, 2024 as described in the attached memorandum.

Total Fees	\$ 7,820.50
Total Taxable Disbursements	691.50
Total Disbursements	691.50
Total Taxes	1,106.56
Total Fees, Disbursements and Taxes	9,618.56
Total Amount Owing This Bill	CAD \$ 9,618.56

Tax Summary

HST	1,106.56
Total Taxes Included in This Bill	1,106.56

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PAYMENT OPTIONS

Banking Instructions for Wire Transfer or EFT in CAD Currency

Beneficiary Information

Beneficiary Name: Fasken Martineau DuMoulin LLP
Beneficiary Address: Fasken Martineau DuMoulin LLP
Bay Adelaide Centre
333 Bay Street, Suite 2400
P.O. Box 20
Toronto ON M5H 2T6
Beneficiary Account: 476961041614

Beneficiary Bank Information

Bank Name: Bank of Nova Scotia
Bank Address: 44 King Street West
Toronto, Ontario
Canada M5H 1H1
Bank Identifier: **Transit Number:** 47696
Bank Code: 002
Swift Code: NOSCCATT

Payment by Cheque

Mail cheques to:

Attn: Accounts Receivable
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P.O. Box 22
Toronto ON M5J 2J1

October 18, 2024
Invoice #: 2048724

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through September 30, 2024 as described in the attached memorandum.

Total Fees	\$ 9,916.00
Total Taxes	1,289.08
Total Amount Owing This Bill	CAD \$ 11,205.08

Tax Summary

HST	1,289.08
Total Taxes Included in This Bill	1,289.08

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

Your payment via EFT, Wire, Online Bank Pay or Credit Card is appreciated.
Our Banking Details are below. For credit card payments please contact your Fasken office directly.

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October 18, 2024
Invoice #: 2048724

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

FEE MEMORANDUM

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

09/05/2024	Considering email from client re: [REDACTED]; email correspondence with client re: [REDACTED] Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
09/06/2024	Preparing for and attending conference call with client re: [REDACTED]; drafting response to inquiry. Dylan Chochla	0.60 hrs.	1,025.00/hr	\$ 615.00
09/06/2024	Attending call with Dylan Chochla and client re: [REDACTED]; emails with Rosa DeFilippis re: [REDACTED]; call with Melanie MacKenzie re: [REDACTED]. Mitch Stephenson	0.70 hrs.	825.00/hr	\$ 577.50
09/10/2024	Reviewing and revising particulars of claim; reviewing [REDACTED]; emails with Greg Karpel and Melanie McKenzie re: [REDACTED]; emails with UK counsel re: [REDACTED]. Mitch Stephenson	2.60 hrs.	825.00/hr	\$ 2,145.00
09/11/2024	Prepare draft Document General to register court order for Rosa DeFilippis. Anita Wieringa	0.50 hrs.	455.00/hr	\$ 227.50
09/11/2024	Reviewing particulars of claim in UK enforcement; email correspondence with Rosa DeFilippis re: [REDACTED]. Dylan Chochla	0.70 hrs.	1,025.00/hr	\$ 717.50
09/11/2024	E-mail correspondence with Mitch Stephenson; review R-PIN's; discussions with Anita Wieringa regarding [REDACTED] Rosa DeFilippis	0.90 hrs.	925.00/hr	\$ 832.50
09/12/2024	Emails with Lillie Law re: sale of consumer portfolio; emails with client and U.K. counsel re: [REDACTED]. Mitch Stephenson	0.30 hrs.	825.00/hr	\$ 247.50
09/16/2024	Considering update from client re: [REDACTED]; email correspondence with client re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

09/16/2024	Emails with client re: [REDACTED]. Mitch Stephenson	0.20 hrs.	825.00/hr	\$ 165.00
09/19/2024	Email correspondence with client re: [REDACTED]. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
09/20/2024	Email correspondence with client re: [REDACTED]. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
09/23/2024	Email correspondence with Fabiana Da Costa (KRCM) and Jordan Redlin (Concorde) re: Silko motion and confirming receiver has no interest. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
09/23/2024	Review/revise draft Application to register court order; e-mail correspondence and discussions with Anita Wieringa and Mitch Stephenson regarding additional information; submission for preapproval. Rosa DeFilippis	1.80 hrs.	925.00/hr	\$ 1,665.00
09/26/2024	Discussion with Rosa DeFilippis regarding Document General to register court order and revise same per instructions from Mitch Stephenson for Rosa DeFilippis. Anita Wieringa	0.80 hrs.	455.00/hr	\$ 364.00
09/26/2024	Revisions to application to register court order; e-mail correspondence and discussions with Anita Wieringa; correspondence with preapproval department. Rosa DeFilippis	1.20 hrs.	925.00/hr	\$ 1,110.00
09/27/2024	Submit court order to OnLand for preapproval for Rosa DeFilippis. Anita Wieringa	0.40 hrs.	455.00/hr	\$ 182.00
09/27/2024	Emails with Rosa DeFilippis re: [REDACTED]. Mitch Stephenson	0.30 hrs.	825.00/hr	\$ 247.50
09/30/2024	Phone call with client re: [REDACTED]. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 4
Invoice #: 2048724

Professional Summary

Professional	Title	Rate	Hours	Fees
Chochla, Dylan	Partner	1,025.00	2.10	2,152.50
Stephenson, Mitch	Partner	825.00	4.10	3,382.50
DeFilippis, Rosa	Counsel	925.00	3.90	3,607.50
Wieringa, Anita	Paralegal / Law Clerks	455.00	1.70	773.50
	Total		11.80	CAD \$ 9,916.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 5
Invoice #: 2048724

Our Fees

\$ 9,916.00

Net Fees	9,916.00	
HST	1,289.08	
Total Fees Including Taxes		<u>\$ 11,205.08</u>

Total Fees, Disbursements and Taxes

CAD \$ 11,205.08

Tax Summary

HST	1,289.08
Total Taxes Included in This Bill	<u>1,289.08</u>

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Toronto ON M5J 2J1

October 18, 2024
Invoice #: 2048724

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

REMITTANCE COPY Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through September 30, 2024 as described in the attached memorandum.

Total Fees	\$ 9,916.00
Total Taxes	1,289.08
Total Amount Owing This Bill	CAD \$ 11,205.08

Tax Summary

HST	1,289.08
Total Taxes Included in This Bill	1,289.08

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+1 800 268 8424
F +1 416 364 7813
fasken.com

PAYMENT OPTIONS

Banking Instructions for Wire Transfer or EFT in CAD Currency

Beneficiary Information

Beneficiary Name: Fasken Martineau DuMoulin LLP
Beneficiary Address: Fasken Martineau DuMoulin LLP
Bay Adelaide Centre
333 Bay Street, Suite 2400
P.O. Box 20
Toronto ON M5H 2T6
Beneficiary Account: 476961041614

Beneficiary Bank Information

Bank Name: Bank of Nova Scotia
Bank Address: 44 King Street West
Toronto, Ontario
Canada M5H 1H1
Bank Identifier: **Transit Number:** 47696
Bank Code: 002
Swift Code: NOSCCATT

Payment by Cheque

Mail cheques to:

Attn: Accounts Receivable
Fasken Martineau DuMoulin LLP
Bay Adelaide Centre
333 Bay Street, Suite 2400
P.O. Box 20
Toronto ON M5H 2T6

Online Bill Payment

1. Sign-in to your Banking Platform
2. Go to Bill Payment and "Add Payee"
Payee Name: Fasken Ontario
3. Enter Account # (28593700015)

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Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

November 21, 2024
Invoice #: 2061106

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through October 31, 2024 as described in the attached memorandum.

Total Fees	\$ 28,206.00
Total Taxable Disbursements	34.00
Total Non Taxable Disbursements	85.95
Total Disbursements	119.95
Total Taxes	3,672.18
Total Fees, Disbursements and Taxes	31,998.13
Total Amount Owing This Bill	CAD \$ 31,998.13

Tax Summary

BCPST	0.98
HST	3,671.20
Total Taxes Included in This Bill	3,672.18

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

Your payment via EFT, Wire, Online Bank Pay or Credit Card is appreciated.
Our Banking Details are below. For credit card payments please contact your Fasken office directly.

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November 21, 2024
Invoice #: 2061106

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

FEE MEMORANDUM

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

10/01/2024	Email correspondence form Katie James (Blake Morgan) re: [REDACTED] Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
10/09/2024	Phone call and email correspondence with client re: [REDACTED] enforcement claim. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
10/09/2024	Review and respond to e-mail correspondence from Land Registry Office, Anita Wieringa and Mitch Stephenson regarding application to register Court order. Rosa DeFilippis	0.90 hrs.	925.00/hr	\$ 832.50
10/10/2024	Review OnLand response to Court order pre-approval submission and forward same to Rosa DeFilippis, prepare Document General for registration and forward to Rosa DeFilippis, email Document General to Mitch Stephenson for signature. For Rosa DeFilippis. Anita Wieringa	0.50 hrs.	455.00/hr	\$ 227.50
10/10/2024	Reviewing UK loan enforcement pleadings; preparing for and attending conference call with client, Grant Moffatt (TGF), Christine Sinclair and Tyler Ray (PwC) re: [REDACTED] [REDACTED]; email correspondence with Mitch Stephenson re: [REDACTED] re: same; email to Katie James (Blake Morgan) re: [REDACTED] Dylan Chochla	1.50 hrs.	1,025.00/hr	\$ 1,537.50
10/10/2024	Emails with Dylan Chochla re: [REDACTED] Mitch Stephenson	0.30 hrs.	825.00/hr	\$ 247.50
10/10/2024	Revisions to application to register Court order; e-mail correspondence with Mitch Stephenson. Rosa DeFilippis	0.80 hrs.	925.00/hr	\$ 740.00
10/11/2024	Email correspondence with Katie James (Blake Morgan) re: [REDACTED] Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
10/11/2024	Reviewing documents to work on draft memorandum; drafting memorandum regarding [REDACTED] [REDACTED] Julia (Yun Ji) Chung	2.60 hrs.	540.00/hr	\$ 1,404.00

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

10/11/2024	Call with Julia Chung re: [REDACTED]; emails with Julia Chung re: [REDACTED]; email to Katie James re: [REDACTED]. Mitch Stephenson	1.40 hrs.	825.00/hr	\$ 1,155.00
10/13/2024	Continuing drafting memo regarding [REDACTED] [REDACTED] Julia (Yun Ji) Chung	7.90 hrs.	540.00/hr	\$ 4,266.00
10/15/2024	Email from Katie James (Blake Morgan) re: [REDACTED]. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
10/15/2024	Attending to registering appointment order on title to [REDACTED] Mitch Stephenson	0.20 hrs.	825.00/hr	\$ 165.00
10/16/2024	Prepare and submit Document General for Court order registration for Rosa DeFilippis. Anita Wieringa	0.80 hrs.	455.00/hr	\$ 364.00
10/16/2024	E-mail correspondence and discussions with Anita Wieringa; attend to registration of application to register Court order; reporting to Mitch Stephenson. Rosa DeFilippis	1.20 hrs.	925.00/hr	\$ 1,110.00
10/17/2024	Email correspondence with Katie James re: [REDACTED]. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
10/17/2024	Reviewing and revising draft memorandum re: [REDACTED]; reviewing background documents as required. Mitch Stephenson	2.30 hrs.	825.00/hr	\$ 1,897.50
10/18/2024	Conducting due diligence searches on [REDACTED] for Mitch Stephenson; correspondence with same. Adam Simon	0.40 hrs.	350.00/hr	\$ 140.00
10/18/2024	Email correspondence with Katie James (Blake Morgan) re: [REDACTED]. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
10/18/2024	Reviewing pleadings and witness statements in UK action; drafting memorandum to PwC re: [REDACTED]; emails with UK counsel re: [REDACTED]. Mitch Stephenson	3.60 hrs.	825.00/hr	\$ 2,970.00
10/19/2024	Reviewing revised copy of [REDACTED]; updating notes to draft in the same; proofreading same. Julia (Yun Ji) Chung	2.60 hrs.	540.00/hr	\$ 1,404.00
10/19/2024	Reviewing and revising draft memorandum re: [REDACTED]; reviewing and considering [REDACTED]. [REDACTED] Mitch Stephenson	5.30 hrs.	825.00/hr	\$ 4,372.50
10/21/2024	Continuing drafting memo on [REDACTED]. Julia (Yun Ji) Chung	2.10 hrs.	540.00/hr	\$ 1,134.00
10/21/2024	Call with Julia Chung re: [REDACTED]. Mitch Stephenson	0.20 hrs.	825.00/hr	\$ 165.00
10/22/2024	Incorporating analysis from Blake Morgan into [REDACTED] Julia (Yun Ji) Chung	0.90 hrs.	540.00/hr	\$ 486.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

10/22/2024	Emails with UK counsel and Julia Chung re: [REDACTED]. Mitch Stephenson	0.30 hrs.	825.00/hr	\$ 247.50
10/23/2024	Reviewing and revising memorandum re: [REDACTED] [REDACTED] counsel; email to client re: [REDACTED]. Mitch Stephenson	2.80 hrs.	825.00/hr	\$ 2,310.00
10/30/2024	Email correspondence with client working group re: [REDACTED]; considering comments received from client. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
10/30/2024	Reviewing emails regarding [REDACTED] from Greg Karpel and Melanie MacKenzie. Julia (Yun Ji) Chung	0.20 hrs.	540.00/hr	\$ 108.00

Professional Summary

Professional	Title	Rate	Hours	Fees
Chochla, Dylan	Partner	1,025.00	2.40	2,460.00
Stephenson, Mitch	Partner	825.00	16.40	13,530.00
DeFilippis, Rosa	Counsel	925.00	2.90	2,682.50
Chung, Julia (Yun Ji)	Associate	540.00	16.30	8,802.00
Simon, Adam	Paralegal / Law Clerks	350.00	0.40	140.00
Wieringa, Anita	Paralegal / Law Clerks	455.00	1.30	591.50
Total			39.70	CAD \$ 28,206.00

Our Fees

\$ 28,206.00

Net Fees	28,206.00	
HST	3,666.78	
Total Fees Including Taxes		\$ 31,872.78

Disbursements

Non-Taxable

10/16/2024	TERAVIEW - Paper registration fee re UU23813 (H285404), Inv. UU23813, 10/16/2024, 23816, 050044621125	69.95
10/18/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20241018 ONCORP	8.00
10/18/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20241018 ONCORP	8.00

Taxable

10/18/2024	Printing: Black & White	14.00
10/18/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20241018 ONCORP	10.00
10/18/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20241018 ONCORP	10.00
Total Disbursements		119.95
BCPST		0.98
HST		4.42
Total Disbursements Including Taxes		\$ 125.35

Total Fees, Disbursements and Taxes

CAD \$ 31,998.13

Tax Summary

BCPST	0.98
HST	3,671.20
Total Taxes Included in This Bill	3,672.18

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
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+1 800 268 8424
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Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

November 21, 2024
Invoice #: 2061106

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

REMITTANCE COPY Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through October 31, 2024 as described in the attached memorandum.

Total Fees	\$ 28,206.00
Total Taxable Disbursements	34.00
Total Non Taxable Disbursements	85.95
Total Disbursements	119.95
Total Taxes	3,672.18
Total Fees, Disbursements and Taxes	31,998.13
Total Amount Owing This Bill	CAD \$ 31,998.13

Tax Summary

BCPST	0.98
HST	3,671.20
Total Taxes Included in This Bill	3,672.18

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 4.8% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

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Canada

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+1 800 268 8424
F +1 416 364 7813
fasken.com

PAYMENT OPTIONS

Banking Instructions for Wire Transfer or EFT in CAD Currency

Beneficiary Information

Beneficiary Name: Fasken Martineau DuMoulin LLP
Beneficiary Address: Fasken Martineau DuMoulin LLP
Bay Adelaide Centre
333 Bay Street, Suite 2400
P.O. Box 20
Toronto ON M5H 2T6
Beneficiary Account: 476961041614

Beneficiary Bank Information

Bank Name: Bank of Nova Scotia
Bank Address: 44 King Street West
Toronto, Ontario
Canada M5H 1H1
Bank Identifier: **Transit Number:** 47696
Bank Code: 002
Swift Code: NOSCCATT

Payment by Cheque

Mail cheques to:

Attn: Accounts Receivable
Fasken Martineau DuMoulin LLP
Bay Adelaide Centre
333 Bay Street, Suite 2400
P.O. Box 20
Toronto ON M5H 2T6

Online Bill Payment

1. Sign-in to your Banking Platform
2. Go to Bill Payment and "Add Payee"
Payee Name: Fasken Ontario
3. Enter Account # (28593700015)

If you opt to make payment via credit card or for payment remittance, kindly contact our Cash Application Team via email at credits@fasken.com.

Fasken does not alter its payment instructions. If you receive new payment instructions in relation to Fasken, please disregard and notify us immediately.

FASKEN

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fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

December 05, 2024
Invoice #: 2068508

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through November 30, 2024 as described in the attached memorandum.

Total Fees	\$ 48,007.00
Total Taxes	6,240.91
Total Amount Owing This Bill	CAD \$ 54,247.91

Tax Summary

HST	6,240.91
Total Taxes Included in This Bill	6,240.91

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

Your payment via EFT, Wire, Online Bank Pay or Credit Card is appreciated.
Our Banking Details are below. For credit card payments please contact your Fasken office directly.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 4.8% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

FASKEN

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200 Bay Street, Suite 2900
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Toronto ON M5J 2J1

December 05, 2024
Invoice #: 2068508

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

FEE MEMORANDUM

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

11/01/2024	Considering comments from client on amendment [REDACTED]; email correspondence with client re: [REDACTED]. Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50
11/03/2024	Considering strategy re: [REDACTED]; phone call with Mike McTaggart (PwC) re: same; email correspondence with client re: [REDACTED]. Dylan Chochla	0.40 hrs.	1,025.00/hr	\$ 410.00
11/04/2024	Emails with UK counsel re: [REDACTED]; reviewing and revising same based on [REDACTED]; emails with client re: [REDACTED]. Mitch Stephenson	3.00 hrs.	825.00/hr	\$ 2,475.00
11/05/2024	Reviewing and revising draft memorandum re: [REDACTED]; emails with client re: [REDACTED]; email to UK counsel re: [REDACTED]. Mitch Stephenson	1.50 hrs.	825.00/hr	\$ 1,237.50
11/06/2024	Reviewing [REDACTED]; considering comments from client re: [REDACTED]; email correspondence with Reid Crombie and Gabrielle Motuz re: [REDACTED]; phone call with client working group re: [REDACTED]; preparing for and attending conference call with Mike McTaggart and Christine Sinclair (PwC), Adam Driedger (TGF) and client re: strategy and amendment to note. Dylan Chochla	2.60 hrs.	1,025.00/hr	\$ 2,665.00
11/06/2024	Reviewing and responding to correspondence from Dylan Chochla. Gabrielle Motuz	0.30 hrs.	700.00/hr	\$ 210.00
11/06/2024	Call with client and Dylan Chochla re: [REDACTED]. Mitch Stephenson	0.50 hrs.	825.00/hr	\$ 412.50
11/07/2024	Email correspondence with Mitch Stephenson re: [REDACTED]. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

11/07/2024	Reviewing comments from UK counsel re: [REDACTED]; revising memorandum as required; email to UK counsel re: [REDACTED]. Mitch Stephenson	0.40 hrs.	825.00/hr	\$ 330.00
11/12/2024	Reviewing draft memo re: [REDACTED]. Dylan Chochla	0.50 hrs.	1,025.00/hr	\$ 512.50
11/12/2024	Reviewing Vail Williams valuation; revising memorandum re: [REDACTED]; emails with Greg Karpel re: [REDACTED]. Mitch Stephenson	0.80 hrs.	825.00/hr	\$ 660.00
11/13/2024	Final review of [REDACTED] memo and email to TGF and PwC working groups enclosing same. Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50
11/13/2024	Finalizing memorandum re: [REDACTED]; email to Greg Karpel and Melanie MacKenzie re: [REDACTED]; email to Dylan Chochla re: [REDACTED]. Mitch Stephenson	0.30 hrs.	825.00/hr	\$ 247.50
11/14/2024	Emails with Greg Karpel re: [REDACTED]; email to Katie James (Blake Morgan) re: [REDACTED]. Mitch Stephenson	0.20 hrs.	825.00/hr	\$ 165.00
11/20/2024	Preparing for and attending conference call with TGF and PwC working groups re: U.K. litigation and assignment of vendor take-back note; considering [REDACTED]; reviewing and revising draft hearing request form and attending to issues re: [REDACTED]; email correspondence with Reid Crombie and Gabrielle Motuz re: [REDACTED]. Dylan Chochla	1.10 hrs.	1,025.00/hr	\$ 1,127.50
11/20/2024	Reviewing and responding to correspondence from the Fasken team. Gabrielle Motuz	0.10 hrs.	700.00/hr	\$ 70.00
11/20/2024	Drafting hearing request form for December 18, 2024 with respect to assignment of the estate of 2305145 Ontario Inc.; correspondence with Mitch Stephenson and Dylan Chochla regarding [REDACTED]; correspondence with Grant Moffat (TGF) and A&M to confirm availability for December 18, 2024; correspondence with court office to secure hearing date. Julia (Yun Ji) Chung	1.60 hrs.	540.00/hr	\$ 864.00
11/20/2024	Preparing for and attending call with PwC, TGF, Greg Karpel, Melanie MacKenzie, and Dylan Chochla re: [REDACTED]; attending to scheduling a hearing for distribution and assignment approval motion; email to Katie James (Blake Morgan) re: [REDACTED]. Mitch Stephenson	1.80 hrs.	825.00/hr	\$ 1,485.00
11/20/2024	Review correspondence re: [REDACTED]; consider same and discussions with Jonathan Duforest re: [REDACTED]; emails with Fasken team on [REDACTED]. Reid Crombie	0.70 hrs.	900.00/hr	\$ 630.00
11/21/2024	Email correspondence with Katie James (Blake Morgan) re: [REDACTED]. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
11/21/2024	Attending meeting with Reid Crombie discussing [REDACTED]; drafting [REDACTED]. Jonathan Duforest	5.40 hrs.	540.00/hr	\$ 2,916.00
11/21/2024	Reviewing and considering email from Katie James (Blake Morgan) re: [REDACTED]. Mitch Stephenson	0.10 hrs.	825.00/hr	\$ 82.50

Matter Number: 285937.00015

Invoice #: 2068508

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

11/21/2024	Review and revise documents re: [REDACTED]; consider issues and additions to documents; review transaction documents re: same; discussions and emails with Jonathan Duforest. Reid Crombie	2.00 hrs.	900.00/hr	\$ 1,800.00
11/22/2024	Continuing draft of assignment and assumption agreement; Drafting email to Reid Crombie providing [REDACTED] Jonathan Duforest	2.50 hrs.	540.00/hr	\$ 1,350.00
11/22/2024	Review correspondence re: [REDACTED]; consider issues and discussions and emails with Fasken team re: [REDACTED]. Reid Crombie	1.20 hrs.	900.00/hr	\$ 1,080.00
11/24/2024	Review assignment agreement and underlying documents; prepare language re: same and emails with Jonathan Duforest re: [REDACTED]. Reid Crombie	1.00 hrs.	900.00/hr	\$ 900.00
11/25/2024	Correspondence with Reid Crombie discussing [REDACTED]; revising assignment and assumption agreement; correspondence with Gabrielle Motuz and Reid Crombie discussing [REDACTED]; drafting [REDACTED]; Drafting email to Gabrielle Motuz providing revised assignment and assumption agreement. Jonathan Duforest	3.00 hrs.	540.00/hr	\$ 1,620.00
11/25/2024	Preparing motion materials for December 18 hearing. Julia (Yun Ji) Chung	0.20 hrs.	540.00/hr	\$ 108.00
11/25/2024	Drafting Notice of Motion for December 18 hearing. Julia (Yun Ji) Chung	0.80 hrs.	540.00/hr	\$ 432.00
11/25/2024	Review and revise assignment document; review transaction documents and correspondence re: [REDACTED]; emails with Fasken team re: [REDACTED]. Reid Crombie	2.00 hrs.	900.00/hr	\$ 1,800.00
11/26/2024	Considering issues re: [REDACTED]; email correspondence with Reid Crombie re: [REDACTED]. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
11/26/2024	Reviewing and preparing [REDACTED] and corresponding with the Fasken team regarding [REDACTED]. Gabrielle Motuz	1.40 hrs.	700.00/hr	\$ 980.00
11/26/2024	Correspondence with Reid Crombie discussing [REDACTED]; revising same; drafting email to Reid Crombie providing [REDACTED]. Jonathan Duforest	1.20 hrs.	540.00/hr	\$ 648.00
11/26/2024	Correspondence with Mitch Stephenson and Connie Deng regarding [REDACTED]; drafting summary of [REDACTED] and reviewing previous reports. Julia (Yun Ji) Chung	0.70 hrs.	540.00/hr	\$ 378.00
11/26/2024	Discussions with Jonathan Duforest re: [REDACTED]; revise [REDACTED]; review [REDACTED] for [REDACTED]; emails with Gabrielle Motuz re: [REDACTED]; prepare revisions and emails with Fasken team. Reid Crombie	1.60 hrs.	900.00/hr	\$ 1,440.00

Matter Number: 285937.00015

Invoice #: 2068508

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

11/27/2024	Correspondence with Reid Crombie discussing [REDACTED]; correspondence with Mitch Stephenson regarding [REDACTED]; revising [REDACTED]. Jonathan Duforest	1.70 hrs.	540.00/hr	\$ 918.00
11/27/2024	Continuing drafting of [REDACTED]; discussing [REDACTED] with Mitch Stephenson; correspondence with finance team for fee affidavit timekeeper summaries and account summary information; correspondence with Connie Deng regarding [REDACTED]; redacting all invoices and compiling fee affidavit exhibits; drafting fee affidavit; searching for [REDACTED]; continuing drafting notice of motion; reviewing emails regarding Assignment Agreement. Julia (Yun Ji) Chung	4.30 hrs.	540.00/hr	\$ 2,322.00
11/27/2024	Reviewing and revising draft assignment agreement; reviewing receiver's reports and transaction documents as required. Mitch Stephenson	5.60 hrs.	825.00/hr	\$ 4,620.00
11/27/2024	Emails and discussions re: [REDACTED]; consider [REDACTED]; review records for [REDACTED]; emails re: [REDACTED]; revise documents re: [REDACTED]. Reid Crombie	1.10 hrs.	900.00/hr	\$ 990.00
11/28/2024	Reviewing and revising draft assignment agreement; email correspondence with client working group re: [REDACTED]. Dylan Chochla	1.40 hrs.	1,025.00/hr	\$ 1,435.00
11/28/2024	Correspondence with Reid Crombie discussing [REDACTED]; revising [REDACTED]; correspondence with Dylan Chochla, Mitch Stephenson, and Reid Crombie discussing [REDACTED]; revising and reviewing [REDACTED]. Jonathan Duforest	3.90 hrs.	540.00/hr	\$ 2,106.00
11/28/2024	Correspondence with finance team for timekeeper summaries and account summary; compiling fee affidavit exhibits; revising fee affidavit and sending draft to Mitch Stephenson; discussing [REDACTED] with Mitch Stephenson. Julia (Yun Ji) Chung	1.50 hrs.	540.00/hr	\$ 810.00
11/28/2024	Email with internal working group re: [REDACTED]; reviewing and revising draft assignment; email to the client re: [REDACTED]. Mitch Stephenson	1.20 hrs.	825.00/hr	\$ 990.00
11/28/2024	Review updated assignment document; prepare [REDACTED] and provide instructions to Jonathan Duforest; emails with Fasken team re: [REDACTED]; review revised documents and emails with Fasken team on [REDACTED]; consider [REDACTED]. Reid Crombie	2.50 hrs.	900.00/hr	\$ 2,250.00
11/29/2024	Initial review of affidavit of fees. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
11/29/2024	Emails with Julia Chung re: [REDACTED]. Mitch Stephenson	0.50 hrs.	825.00/hr	\$ 412.50
11/29/2024	Review revised [REDACTED]; prepare [REDACTED] and emails with Fasken team re: [REDACTED]. Reid Crombie	1.10 hrs.	900.00/hr	\$ 990.00

Professional Summary

Professional	Title	Rate	Hours	Fees
Chochla, Dylan	Partner	1,025.00	7.10	7,277.50
Crombie, Reid	Partner	900.00	13.20	11,880.00
Motuz, Gabrielle	Partner	700.00	1.80	1,260.00
Stephenson, Mitch	Partner	825.00	15.90	13,117.50
Chung, Julia (Yun Ji)	Associate	540.00	9.10	4,914.00
Duforest, Jonathan	Associate	540.00	17.70	9,558.00
		Total	64.80	CAD \$ 48,007.00

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 7
Invoice #: 2068508

Our Fees

\$ 48,007.00

Net Fees	48,007.00	
HST	6,240.91	
Total Fees Including Taxes		\$ 54,247.91

Total Fees, Disbursements and Taxes

CAD \$ 54,247.91

Tax Summary

HST	6,240.91
Total Taxes Included in This Bill	6,240.91

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
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Toronto ON M5J 2J1

December 05, 2024
Invoice #: 2068508

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

REMITTANCE COPY Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through November 30, 2024 as described in the attached memorandum.

Total Fees	\$ 48,007.00
Total Taxes	6,240.91
Total Amount Owing This Bill	CAD \$ 54,247.91

Tax Summary

HST	6,240.91
Total Taxes Included in This Bill	6,240.91

FASKEN

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F +1 416 364 7813
fasken.com

PAYMENT OPTIONS

Banking Instructions for Wire Transfer or EFT in CAD Currency

Beneficiary Information

Beneficiary Name: Fasken Martineau DuMoulin LLP
Beneficiary Address: Fasken Martineau DuMoulin LLP
Bay Adelaide Centre
333 Bay Street, Suite 2400
P.O. Box 20
Toronto ON M5H 2T6
Beneficiary Account: 476961041614

Beneficiary Bank Information

Bank Name: Bank of Nova Scotia
Bank Address: 44 King Street West
Toronto, Ontario
Canada M5H 1H1
Bank Identifier: **Transit Number:** 47696
Bank Code: 002
Swift Code: NOSCCATT

Payment by Cheque

Mail cheques to:

Attn: Accounts Receivable
Fasken Martineau DuMoulin LLP
Bay Adelaide Centre
333 Bay Street, Suite 2400
P.O. Box 20
Toronto ON M5H 2T6

Online Bill Payment

1. Sign-in to your Banking Platform
2. Go to Bill Payment and "Add Payee"
Payee Name: Fasken Ontario
3. Enter Account # (28593700015)

If you opt to make payment via credit card or for payment remittance, kindly contact our Cash Application Team via email at credits@fasken.com.

Fasken does not alter its payment instructions. If you receive new payment instructions in relation to Fasken, please disregard and notify us immediately.

This is Exhibit "C" referred to in the Affidavit of Mitchell Stephenson in the City of Toronto, in the Province of Ontario, on this 5th day of December, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

55E789B2BDB249D

Commissioner for Taking Affidavits (or as may be)
JULIA CHUNG (LSO: 90012D)

Timekeeper Summary						
Timekeeper	Timekeeper Name	Title	Total Hours	Amount	Billed	Hourly Rate
20252	Stephenson, Mitch	Partner	137.40	113,355.00		825.00
18295	Chochla, Dylan	Partner	64.30	65,907.50		1,025.00
20696	DeFilippis, Rosa	Counsel	17.60	16,280.00		925.00
23007	Chung, Julia (Yun Ji)	Student	6.50	2,502.50		385.00
23007	Chung, Julia (Yun Ji)	Associate	25.40	13,716.00		540.00
19005	Crombie, Reid	Partner	16.20	14,580.00		900.00
22225	Licari, Montana	Associate	20.80	12,480.00		600.00
23010	Duforest, Jonathan	Associate	17.70	9,558.00		540.00
17624	Brennan, Mark	Partner	3.20	4,240.00		1,325.00
23816	Wieringa, Anita	Paralegal / Law Clerks	5.30	2,411.50		455.00
23009	Kaur Deol, Manpreet	Student	5.00	1,925.00		385.00
11197	Casuccio, Paul V.	Partner	1.50	1,912.50		1,275.00
18259	Steeves, Christopher	Partner	1.20	1,830.00		1,525.00
20029	Bellefontaine, Craig	Partner	1.40	1,260.00		900.00
21186	Motuz, Gabrielle	Partner	1.80	1,260.00		700.00
21581	Martelli, Anna	Paralegal / Law Clerks	2.30	1,196.00		520.00
18432	Simon, Adam	Paralegal / Law Clerks	1.70	595.00		350.00
21797	Phillips, Rachel	Partner	0.70	577.50		825.00
23133	Gates, Nathan	Associate	0.60	465.00		775.00
21747	Poonai, Toshni	Paralegal / Law Clerks	0.80	312.00		390.00
22866	Lauria, Diana	Paralegal / Law Clerks	0.20	70.00		350.00
TOTALS:			331.60	\$ 266,433.50		

PRICEWATERHOUSECOOPERS INC. (solely in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and certain related entities and investment funds)

-and- **2305145 ONTARIO INC. et al.**

Applicant

Respondents

Court File No. CV-22-00692309-00CL

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

**Proceeding commenced at
Toronto**

**AFFIDAVIT OF MITCHELL STEPHENSON
(Sworn December 5, 2024)**

FASKEN MARTINEAU DuMOULIN LLP

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PRICEWATERHOUSECOOPERS INC. (solely in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and certain related entities and investment funds)

Applicant

-and-

2305145 ONTARIO INC. et al.

Respondents

Court File No. CV-22-00692309-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at
Toronto

FIFTH REPORT OF THE RECEIVER

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