

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

B E T W E E N:

SMARTPAY INC.

Applicant

- and -

CUREXE INC.

Respondent

IN THE MATTER OF PART XVIII OF THE *CANADA BUSINESS CORPORATIONS ACT*, RSC 1985, C C-44

**SUPPLEMENTAL MOTION RECORD
(RETURNABLE 18 OCTOBER 2021)**

Date: 15 October 2021

GOWLING WLG (CANADA) LLP

Barristers and Solicitors

1 First Canadian Place

100 King Street West, Suite 1600

Toronto, ON M5X 1G5

E. Patrick Shea (LSO No. 39655K)

Tel: (416) 369-7399

Fax: (416) 862-7661

Solicitors for the Liquidator

TO: THE ATTACHED SERVICE LIST

SERVICE LIST

AND TO: GOWLING WLG (CANADA) LLP

Barristers & Solicitors
1 First Canadian Place
100 King Street West, Suite 1600
Toronto, Ontario M5X 1G5

E. Patrick Shea

Tel: (416) 369-6684
Fax: (416) 863-7661
Email: Patrick.shea@gowlingwlg.com

Lawyers for the Applicant, SmartPay Inc.

AND TO: AFFLECK GREENE MCMURTRY LLP

365 Bay Street, Suite 200
Toronto, Ontario M5H 2V1

Masiel A. Matus

Tel: (416) 360-5794
Fax: (416) 360-2800
Email: mmatus@agmlawyers.com

Solicitors for POSdirect

AND TO: CANADA REVENUE AGENCY

London-Windsor Tax Services Centre
451 Talbot Street
London, Ontario N6A 5E5

Attention: Kamila Figaszewska (Insolvency Officer)

Tel: (416) 997-1102
Fax: (416) 954-6411
Email: kamila.figaszewska@cra-arc.gc.ca

AND TO: DINH SYNDICATE LTD.

c/o TU DINH
Unit 1701 - 18 Brownlow Avenue
Toronto, Ontario M4S 2K8

Attention: Julie Dinh

Email: jdinhx@gmail.com

AND TO: **PERFECTION ACCESSORIES INC.**
6689 Doman St.
Vancouver, British Columbia V5S 3H5

Attention: Michael Dinh
Email: perfectionaccessories@protonmail.com

AND TO: **TPN MEDIA INC.**
3220 Euclid Avenue
Vancouver, British Columbia V5R 5H8

Attention: Alvin Lescano
Email: ccalex1990@gmail.com

AND TO: **1205790 B.C. LTD**
5377 Walter Place
Burnaby, British Columbia V5G 4K5

Attention: Anthony Nguyen
Email: anguyenbusiness@outlook.com

AND TO: **1240110 B.C. LTD**
62-8876 158 St.
Surrey, British Columbia V4N 5W3

Attention: Raymond Huynh
Email: Raymond.huynh8277@gmail.com

AND TO: **1219719 B.C. LTD.**
Suite 1080 - 789 West Pender Street,
Vancouver, British Columbia V6C 1H2

Attention: Nafees Khan
Email: support@preciseonline.ca

AND TO: **1245144 B.C. LTD**
303-7337 MacPherson Ave
Burnaby, British Columbia V5J 0A9

Attention: Lori Beth Yu
Email: runhappycanada@gmail.com

AND TO: **1194708 B.C. LTD.**
4346 Welwyn Street
Vancouver, British Columbia V5N 3Z4

Attention: Michael Guarin
Email: support@zaopocu.ca

AND TO: **11991680 CANADA CORP.**
2025 Willingdon Avenue, Unit 900,
Burnaby, British Columbia V5C 0J3

Attention: Raymond Cheng
Email: info@onetreesavings.com

AND TO: **2747522 Ontario Limited**
351 Ladycroft Terrace
Mississauga, Ontario L5A 3N7

Attention: Jennifer Dang
Email: subscriptiontakeover@gmail.com

AND TO: **1198169 B.C. LTD**
3347 Wellington Ave
Vancouver, British Columbia V5R 3Y4

Attention: Shelly Kumar
Email: Luxpay@protonmail.com

AND TO: **WORLD MEDIA MARKETING INC.**
2606-777 Richards Street
Vancouver, British Columbia V6B 0M6

Attention: Brittany Hassan
Email: worldmediamarketinginc@gmail.com

AND TO: **2727527 ONTARIO LTD**
566 Southridge Drive, Unit 7
Ancaster, Ontario L9C 7W5

Attention: Graeme Tosh
Email: jbacct@protonmail.com

AND TO: 2671085 ONTARIO LIMITED
107 - 3600 Billings Court
Burlington, Ontario L7N 3N6

Attention: Graeme Tosh
Email: jbacct@protonmail.com

AND TO: 11579673 CANADA INC.
6 Resolute Drive
Hamilton, Ontario L9A 5G4

Attention: Kevin Nguyen
Email: superkn.89@gmail.com

AND TO: CBCA Director
Email: genevieve.gobeil@ised-isde.gc.ca
Email: RuiXiu.Li@ised-isde.gc.ca

AND TO: Jonathan Holland
Email: Johnathan.holland@eqil.co.

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Supplemental Report to the First Report of the Liquidator dated 15 October 2021	1
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TAB 1

Court File No. CV-20-00650219-00CL

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

BETWEEN:

SMART PAY INC.

Applicant

- and -

CUREXE INC.

Respondent

**IN THE MATTER OF PART XVIII OF THE *CANADA BUSINESS CORPORATIONS ACT*,
R.S.C., 1985, C. C-44**

**SUPPLEMENTAL REPORT TO THE FIRST REPORT OF MNP LTD.,
IN ITS CAPACITY AS LIQUIDATOR OF CUREXE INC.**

October 15, 2021

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APPENDICES

Appendix “A” Email from Johnathan Holland, dated October 13, 2021

I. INTRODUCTION

1. On November 2, 2020, the Honourable Mr. Justice Cavanagh of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted an order (appointing MNP Ltd. (“**MNP**” or the “**Liquidator**”) as liquidator of Curexe Inc. (“**Curexe**” or the “**Company**”) pursuant to Part XVIII of the *Canada Business Corporations Act* on the application of SmartPay Inc. (“**SmartPay**”).
2. On October 8, 2021 the Liquidator filed with the Court its first report to the Court, dated October 8, 2021 (the “**First Report**”) in support of its motion (returnable October 18, 2021) seeking, *inter alia*, an order approving the activities of the Liquidator, approving the final fees and disbursement of the Liquidator and its counsel, approving the Liquidator’s proposed distribution of funds, directing the Director to issue a certificate of dissolution of the Company, directing the directors of Curexe to maintain custody of the records of the Company for a minimum of 7 years and approving the discharge of the Liquidator.
3. This supplemental report (this “**Report**”) is to be read in conjunction with the First Report, and all capitalized terms not defined in this Report are as defined in the First Report.

II. PURPOSE OF THIS REPORT

4. The purpose of this Report is to update the Court with respect to Holland’s position on the SmartPay Claim and the proposed distribution to the Proven Claimants.

III. TERMS OF REFERENCE

5. The Terms of Reference set-out in Section III of the First Report continue to apply in this Report.

IV. HOLLAND’S POSITION ON THE SMARTPAY CLAIM AND PROPOSED DISTRIBUTION

6. In the First Report the Liquidator reported that Holland previously advised the Liquidator that SmartPay was prepared to withdraw its claim, however the Liquidator experienced difficulties in reaching Holland and did not receive formal notification from SmartPay of the withdrawal of its claim. Accordingly, the Liquidator proceeded on the basis that SmartPay would continue as a creditor in these liquidation proceedings and would participate in the distribution, subject to the

adjustments made to SmartPay's claim as set-out in the notice of disallowance issued on October 7, 2021.

7. Subsequent to finalizing and serving the First Report, on October 13, 2021 the following email exchanges occurred between the Liquidator and Holland:
 - a. Holland sent an email to the Liquidator advising that his email was no longer operational and provided a new email address to the Liquidator;
 - b. In a response to Holland, the Liquidator forwarded to Holland a copy of the Motion Record and requested that Holland confirm whether he:
 - i. Consents to dispensing with and abridging the time for SmartPay to bring a motion to Court to appeal the notice of disallowance of SmartPay's claim; and
 - ii. is in agreement with the proposed distribution to the Proven Claimants (incl. SmartPay);
 - c. Holland replied to the Liquidator's email advising that he was in agreement with the proposed distribution set-out in the First Report.
8. A copy of Holland's email reply of October 13, 2021 and the earlier exchanges between the Liquidator and Holland is attached hereto as **Appendix "A"**.

All of which is respectfully submitted on this 15th day of October 2021.

MNP LTD.,
in its capacity as Liquidator of
Curexe Inc.
Per:



Caryl Newbery-Mitchell, MBA, CIRP, LIT
Senior Vice President

APPENDIX A

Caryl Newbery-Mitchell

From: Johnathan Holland <johnathan.holland@eqil.co>
Sent: October 13, 2021 10:26 AM
To: Caryl Newbery-Mitchell
Cc: Sheldon Title
Subject: Re: Follow-up to my emails..

CAUTION: This email originated from outside of the MNP network. Be cautious of any embedded links and/or attachments.
MISE EN GARDE: Ce courriel ne provient pas du réseau de MNP. Méfiez-vous des liens ou pièces jointes qu'il pourrait contenir.

Thanks for sending, Caryl.

Do you require anything else from my end?

I am okay with the proposed distribution.

Thanks so much for your efforts. I know this was a lot of work on all stakeholders.

J

On Wed, Oct 13, 2021 at 9:23 AM Caryl Newbery-Mitchell <Caryl.Newbery@mnp.ca> wrote:

Hello Johnathan,

Thank you for getting in touch and for providing an alternate email address. We have been trying to reach you over the last couple of weeks, as you likely noticed from my voicemails and text message as well.

As we did not hear from you in respect of withdrawing SmartPay Inc.'s claim, we have proceeded on the following basis:

1. We have disallowed a portion of SmartPay Inc.'s claim. The disallowed portion relates to fees charged by POSconnect after the date of the funds being frozen and the holdback amounts charged by Curexe to the claimants.
2. The portion of SmartPay Inc.'s claim that has been allowed will share in the distribution, which is estimated to provide a net distribution of \$33,642.31.

Attached is a copy of the motion record that was served Friday. Kindly review the attached motion record and advise whether you consent to waiving the 30-day appeal period for the notice of disallowance and are in agreement with the proposed distribution to the claimants and SmartPay Inc.

Please feel free to give me a call if you wish to discuss further. I will be out of the office for the morning, but will be available again from about 1pm.

Caryl Newbery-Mitchell, MBA, CIRP, LIT

DIRECT 416.515.3946

PH. 416.515.3921

FAX 416.323.5240

410-90 [Eglinton Avenue East](#)

[Toronto, ON M4P 2Y3](#)

caryl.newbery@mnpc.ca

mnpcdebt.ca

Please take a moment to leave us a Google Review by clicking on the link below.



Etobicoke



Oakville



Yonge & Eg



Markham

From: Johnathan Holland <johnathan.holland@eqil.co>

Sent: October 13, 2021 7:19 AM

To: Caryl Newbery-Mitchell <Caryl.Newbery@mnpc.ca>; Sheldon Title <Sheldon.Title@mnpc.ca>

Subject: Follow-up to my emails..

CAUTION: This email originated from outside of the MNP network. Be cautious of any embedded links and/or attachments.

MISE EN GARDE: Ce courriel ne provient pas du réseau de MNP. Méfiez-vous des liens ou pièces jointes qu'il pourrait contenir.

Hi Caryl and Sheldon,

It seems that my Cevnn email is no longer operational (since the end of September) and my emails were not going through to you both.

This is my new email and you can reach me here anytime.

--

I've given it some thought and since I have shareholders in SmartPay Inc. I am going to require as much capital as possible to get a professional liquidation done on SmartPay Inc.

That being said, I wish to collect as much of the proceeds left from the Curexe Inc. liquidation as I can to give my investors that peace of mind.

Do you require my attendance for the October 18th date? What happens after court?

--

Johnathan Holland

Chief Executive Officer

CEO | eqil.co



This email and any accompanying attachments contain confidential information intended only for the individual or entity named above. Any dissemination or action taken in reliance on this email or attachments by anyone other than the intended recipient is strictly prohibited. If you believe you have received this message in error, please delete it and contact the sender by return email. In compliance with Canada's Anti-spam legislation (CASL), if you do not wish to receive further electronic communications from MNP, please reply to this email with "REMOVE ME" in the subject line.

--

Johnathan Holland

Chief Executive Officer

CEO | eqil.co

<p>B E T W E E N:</p> <p>SMARTPAY INC. Applicant</p> <p>- and -</p> <p>CUREXE INC. Respondent</p>	
	<p><i>ONTARIO</i></p> <p>SUPERIOR COURT OF JUSTICE (Commercial List)</p> <p>(PROCEEDING COMMENCED AT TORONTO)</p>
	<p>SUPPLEMENTAL MOTION RECORD (RETURNABLE 18 OCTOBER 2021)</p>
	<p>GOWLING WLG (CANADA) LLP Barristers and Solicitors 1 First Canadian Place 100 King Street West, Suite 1600 Toronto ON M5X 1G5</p> <p>E. Patrick Shea (LSO#39655K) Tel: (416) 369-7399 Fax: (416) 862-7661</p> <p>Solicitors for the Liquidator</p>