

# SWANICK & ASSOCIATES

Lawyers Practicing in Association

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No. of Pages Faxed \_\_\_\_\_

File No.

September 19, 2018

## Via Courier

**MNP Ltd.**  
111 Richmond Street West  
Suite 300  
Toronto, ON M5H 2G4  
ATTN: SHELDON TITLE

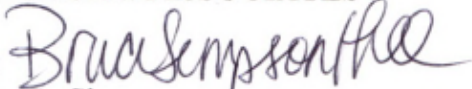
Dear Sirs:

**Re: 1787930 Ontario Inc. – Transit Petroleum a division of Hogg Fuel and Supply Ltd.**

Please find enclosed a Motion Record returnable on October 2, which is being served upon you.

Yours very truly,

**SWANICK & ASSOCIATES**

Per:   
Bruce A. Simpson

BAS:lc

W:\SIMPSON\GENERAL\DATA\BAS\MESSENGER - HOGG\HOGG MOTION\MNP LETTER.DOC

Court File Numbers: 35-2395487 and 35-2395481  
Estate File Numbers: 35-2395487 and 35-2395481

ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF  
1732427 ONTARIO INC. AND 1787930 ONTARIO INC. BOTH OF THE CITY OF ST.  
THOMAS, IN THE PROVINCE OF ONTARIO

**MOTION RECORD**

(Returnable October 2, 2018)

**SWANICK & ASSOCIATES**

Barristers and Solicitors

Suite 101

225 Duncan Mill Road

Don Mills, Ontario

M3B 3K9

ATTN: BRUCE SIMPSON 18977E

(416) 510-1888 - phone

(416) 510-1945 - fax

Lawyers for 1787930 Ontario Inc.

TO: **MILLER, THOMSON**

One London Place

255 Queens Avenue

Suite 2010

London, ON N6A 5R8

Attn: SHERRY KETTLE

(519) 931-3500 – phone

(519) 858-8511 – fax

Lawyers for Transit Petroleum a division of Hogg Fuel and Supply Ltd.

TO: **The Superintendent of Bankruptcy**

451 Talbot Street

Suite 303

London, ON N6A 5C9

TO: **MNP Ltd.**

111 Richmond Street West

Suite 300

Toronto, ON M5H 2G4

ATTN: SHELDON TITLE

416-323-5240 – phone

416-573-5320 – Cell Phone

Trustee of 1787930 Ontario Inc.

Court File Numbers: 35-2395487 and 35-2395481  
Estate File Numbers: 35-2395487 and 35-2395481

ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF  
1732427 ONTARIO INC. AND 1787930 ONTARIO INC. BOTH OF THE CITY OF ST.  
THOMAS, IN THE PROVINCE OF ONTARIO

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ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF  
1732427 ONTARIO INC. AND 1787930 ONTARIO INC. BOTH OF THE CITY OF ST.  
THOMAS, IN THE PROVINCE OF ONTARIO

**NOTICE OF MOTION**

(Returnable October 2, 2018)

1787930 Ontario Inc. (“**178**”) will make a motion pursuant to section 69(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the “**Act**”) for an order requiring the return of funds received by Transit Petroleum a division of Hogg Fuel and Supply Ltd. (“**Hogg**”) from 178 following the issuance of the Notice of Intention to File a Proposal dated July 2, 2018, (the “**NOI**”), for fuel provided prior to the issuance of the NOI, before the Court on October 2, 2018, at 80 Dundas Street, London, Ontario, N6A 6A3 at 10:00 a.m. or as soon after that time as the motion can be heard.

**PROPOSED METHOD OF HEARING:** orally

**THIS MOTION IS FOR:**

1. An Order, if necessary, dispensing or abridging the time for service of the within Motion;
2. An Order requiring Hogg to return the sum of \$83,734.05, being the amount which Hogg received and retained from 178 for fuel provided prior to the issuance of the NOI;
3. In the alternative, an Order requiring Hogg to return the sum of \$35,299.77, being the amount which Hogg received and retained from 178 for fuel provided prior to the issuance of the NOI, less the amount which remains owing for fuel provided by Hogg post NOI;
4. Costs on a substantial indemnity basis; and
5. Such further and other Orders as this Honourable Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:**

1. 178 entered into a contract with Hogg to provide fuel for 178's fleet of vehicles.
2. 178 set up pre-authorized payments on account with Hogg.
3. 178 filed a NOI to its creditors under the provisions of the Act and has received an extension to file a Proposal until September 14, 2018, and has received a second extension to file a Proposal until October 12, 2018.
4. As a result of the issuance of the NOI, all creditors were stayed pursuant to section 69(1) of the Act from any recovery against 178's property for pre-NOI debts.
5. On or about July 5, 2018, following the issuance of the NOI, Hogg wrongfully withdrew the sum of \$83,734.05 from 178's account for pre-NOI debts.
6. 178 has demanded the return of the sum of \$83,734.05 from Hogg, but to date Hogg has refused to return the funds.
7. Hogg has applied the funds which it has wrongfully taken from 178 against outstanding balances owing for the period prior to the date of the NOI.
8. Following the issuance of the NOI, during the period from July 3 until July 8, 2018, Hogg supplied fuel to 178 for which it has invoiced the sum of \$50,639.03.
9. Following the issuance of the NOI, during the period from July 9 until July 15, 2018, Hogg supplied fuel and services to 178 for which it has invoiced the sum of \$33,795.25.
10. 178 has paid the sum of \$36,000 to Hogg for fuel provided post-NOI on July 9, 10, and 11, 2018,

11. As a result of the above referenced financial transactions, Hogg has supplied post-NOI fuel in the aggregate amount of \$84,434.28, for which it has been paid the sum of \$36,000, leaving a balance owing to Hogg for post-NOI fuel of \$48,434.28.

12. Pursuant to the Act, Hogg is entitled to the payment of \$48,434.28 for fuel provided post-NOI.

13. As a result of the foregoing transactions, Hogg's net obligation to 178 is the sum of (\$83,734.05 less \$48,434.28) \$35,299.77.

14. Hogg has refused to return any funds to 178.

15. The funds being wrongfully held by Hogg constitute a payment withdrawn in breach of the stay provision of the Act, or in the alternative, a preference pursuant to the Act.

16. The refusal of Hogg to return the funds is subjecting 178 to undue financial duress to operate in order to maximize the recovery for the benefit of all of its creditors.

17. Sections 50.4 and 69.1 of the Act;

18. Rules 3.02 and 37 of the Rules of Civil Procedure.

19. Such further and other grounds as this Honourable Court may deem just.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of this Motion:

1. Affidavit of Nathan McDaniel, together with Exhibits.

2. Such further and other relief as this Honourable Court may deem just.

Dated: September 19, 2018

**SWANICK & ASSOCIATES**  
Barristers and Solicitors  
Suite 101  
225 Duncan Mill Road  
Don Mills, Ontario  
M3B 3K9  
ATTN: BRUCE SIMPSON 18977E  
(416) 510-1888 - phone  
(416) 510-1945 - fax  
Lawyers for 1787930 Ontario Inc.

TO: **MILLER, THOMSON**  
One London Place  
255 Queens Avenue  
Suite 2010  
London, ON N6A 5R8  
Attn: SHERRY KETTLE  
(519) 931-3500 – phone  
(519) 858-8511 – fax  
Lawyers for Transit Petroleum a division of Hogg Fuel and Supply Ltd.

TO: **The Superintendent of Bankruptcy**  
451 Talbot Street  
Suite 303  
London, ON N6A 5C9

TO: **MNP Ltd.**  
111 Richmond Street West  
Suite 300  
Toronto, ON M5H 2G4  
ATTN: SHELDON TITLE  
416-323-5240 – phone  
416-573-5320 – Cell Phone  
Trustee of 1787930 Ontario Inc.

Court File Numbers: 35-2395487 and 35-2395481  
Estate File Numbers: 35-2395487 and 35-2395481

ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF  
1732427 ONTARIO INC. AND 1787930 ONTARIO INC. BOTH OF THE CITY OF ST.  
THOMAS, IN THE PROVINCE OF ONTARIO

**AFFIDAVIT**  
(sworn September 18, 2018)

I, Nathan McDaniel of the Town of Aylmer, in the Province of Ontario, **MAKE OATH  
AND SAY AS FOLLOWS:**

1. I am the Financial Controller for 1787930 Ontario Inc. ("**178**") and as such have personal knowledge of the matters hereinafter deposed to. Where my knowledge is stated to be on information and belief, I verily believe such information to be true.

2. 178 entered into a contract with Transit Petroleum a division of Hogg Fuel and Supply Ltd. ("**Hogg**") to provide fuel for 178's fleet of trucks. 178 set up a pre-authorized payment system to pay Hogg's account.

3. On July 2, 2018, 178 filed a Notice of Intention to File a Proposal (the "**NOI**") to its creditors under the provisions of the *Bankruptcy and Insolvency Act* and has received two extensions to file a Proposal until October 12, 2018. Annexed hereto and marked as **Exhibit "A"** to this my affidavit is a true copy of the Notice of Intention to File a Proposal of 178. Annexed hereto and marked as **Exhibit "B"** are true copies of the Order for Extension dated July 31, 2018, and the Order for Extension dated September 11, 2018.

4. It is my understanding and belief based on discussions with our lawyer, Bruce A. Simpson that a result of the issuance of the NOI, all of 178's creditors were stayed from any recovery against 178's property for pre-NOI debts.



5. I personally advised Monique Paul, the Credit Analyst at Hogg that 178 had filed a NOI, that 178 was not permitted by law to pay accounts which are owed for fuel supplied prior to July 2, 2018, and that 178 was prepared to pay for fuel supplied following the NOI.
6. I contacted our financial institution and advised them to stop the pre-authorized payment system to Hogg, but they were unable or unwilling to cancel the pre-authorization immediately.
7. On or about July 5, 2018, following the issuance of the NOI, Hogg withdrew the sum of \$83,734.05 from 178's account pursuant to the preauthorized payment arrangement for the supply of fuel prior to the issuance of the NOI.
8. On July 11, 2018, I made a demand for the return of \$83,734.05 to 178 by telephone. Don Poort, Chief Financial Officer of Transit Petroleum, advised me by telephone that Hogg would not return the funds. Hogg to date has refused to return the funds.
9. It is my understanding and belief that Hogg has applied the \$83,734 taken from 178 against outstanding balances owing for the period prior to the date of the NOI.
10. Following the issuance of the NOI, during the period from July 3 until July 8, 2018, Hogg supplied fuel to 178 for which it has invoiced the sum of \$50,639.03.
11. During the period from July 9 until July 15, 2018, Hogg supplied fuel and services to 178 for which it has invoiced the sum of \$33,795.25.
12. 178 has paid the sum of \$36,000 to Hogg for fuel provided on July 9, 10, and 11, 2018,
13. As a result of the above referenced financial transactions, Hogg has supplied post-NOI fuel in the aggregate amount of \$84,434.28, for which it has been paid the sum of \$36,000, leaving a balance owing to Hogg for post-NOI fuel of \$48,434.28.

14. 178 does not dispute that Hogg is entitled to the payment of \$48,434.28 for fuel provided post-NOI.

15. As a result of the foregoing transactions, Hogg's net obligation to 178 is the sum of (\$83,734.05 less \$48,434.28) \$35,299.77.

16. Hogg has refused to return any funds to 178.

17. This affidavit is filed in support of a motion seeking the recovery of the payment in the amount of \$83,734.05 which was wrongfully recovered by Hogg for the supply of fuel pre NOI, or in the alternative, the payment of \$35,299.77, being the net amount owing as set out in Paragraph 13 above and for no improper purpose.

SWORN before me in the City of  
Toronto in the Province of Ontario,  
this 18 day of September, 2018

)  
)  
)  
)



Nathan McDaniel

  
\_\_\_\_\_  
Commissioner for Taking Affidavits

**“A”**

This is Exhibit "A" Referred to in the  
Affidavit of Nathan McDaniel  
sworn before me this 18<sup>th</sup> day  
of September, 2018

A handwritten signature in black ink, appearing to be 'Jh' followed by a long horizontal stroke.

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A commissioner, etc.

District of: Ontario  
Division No. 05 - London  
Court No.  
Estate No.


- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the matter of the proposal of  
1787930 Ontario Inc cob as Messenger Freight Systems  
of the City of St. Thomas  
in the Province of Ontario

Take notice that:

1. 1787930 Ontario Inc. cob as Messenger Freight Systems, an insolvent person, state, pursuant to subsection 50.4(1) of the Bankruptcy and Insolvency Act (the "Act"), that we intend to make a proposal to our creditors.
2. MNP LTD. of 300 - 111 Richmond Street West, Toronto, ON, M5H 2G4, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against us are stayed as of the date of filing of this notice with the official receiver in our locality.

Dated at the City of Toronto in the Province of Ontario, this 2nd day of July 2018.



\_\_\_\_\_  
1787930 Ontario Inc. oa Messenger Freight Systems  
Insolvent Person

To be completed by Official Receiver:

\_\_\_\_\_  
Filing Date

\_\_\_\_\_  
Official Receiver

District of: Ontario  
Division No. 05 - London  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the matter of the proposal of  
1787930 Ontario Inc cob as Messenger Freight Systems  
of the City of St. Thomas  
in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Active Heavy Towing Recovery Tilt	1764 Victoria Street North Kitchener ON N2B 3E5		1,158.25
Altruck Idealease	405 Laird Road Guelph ON N1G 4P7		805,931.58
Altruck International Truck Centres	405 Laird Road Guelph ON N1G 4P7		61,159.86
Baker Heavy Towing Inc.	250 Dundas St South Cambridge ON N1R 8A8		665.50
Bank of Nova Scotia	Harrison Pensa 450 Talbot Street PO Box 3237 London ON N6A 4K3		2,019,960.00
Bank of Nova Scotia	Harrison Pensa LLP 450 Talbot Street PO Box 3237 London ON N6A 4K3		42,383.98
BFI Print & Promotion Solutions	6-1031 Hubrey Road London ON N6N 1B4		4,186.65
Brent W. Swanick	225 Duncan Mill Road Don Mills ON M3B 3K9		54,977.23
Carrier Truck Centres	645 Athlone Place WOODSTOCK ON N4S 7V8		5,612.95
Checker Flag Leasing	4-5845 Luke Road Mississauga ON L4W 2K5		1,288.20
Checkers Cleaning Supply	371 Scanlan Street London ON N5W 6G9		3,380.54
COMTOW	2677 Drew Road Mississauga ON L4T 3X1		844.12
Country Collision	40133 Longhurst Line R.R. #7 St. Thomas ON N5P 3T2		694.56

District of: Ontario  
 Division No. 05 - London  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of  
 1787930 Ontario Inc cbb as Messenger Freight Systems  
 of the City of St. Thomas  
 in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
CRA - Tax - Ontario Quebec Insolvency Intake Centre	Shawinigan - Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-sud QC G9P 5H9		202,110.00
DNO Towing	1020 Talbot Street St. Thomas ON N5P 1G3		395.50
Dowler-Karr Limited Sherry Robinson	43841 Talbot Line, RR #3 St Thomas ON N5P 3S7		251.50
Duncan Mill Consultants	225 Duncan Mill Road, Suite 101 Toronto ON M3B 3K9		15,034.65
Express Employment Professionals	PO Box 9245 Postal Stn A Toronto ON M5W 3M1		1,956.31
Expressway Trucks	2843 Cedar Creek Road Ayr ON N0B 1E0		19,716.78
Forest City Staffing	60 Meg Drive London ON N6E 3T8		748,652.05
Granvel	3-35 Lingard Rd Cambridge ON N1T 2H4		3,295.00
GTM Legal Services	PO Box 1413, 426 King St West Prescott ON K0E 1T0		339.00
Kal Tire	20 Enterprise Drive London ON N3N 1A7		21,715.13
KAS Personnel Services Inc.	7895 Tranmere Drive, Unit #18 Mississauga ON L5S 1V9		90,507.91
KJM Alignment Services Inc.	3 Phoebe Cres Elmira ON N3B 3B9		322.05
Liftow Limited	PO Box 8092, Stn A Toronto ON M5W 3W5		908.44
Masterlift Inc.	2899 Plymouth Drive OAKVILLE ON L6H 6G7		315.27

District of: Ontario  
Division No. 05 - London  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the matter of the proposal of  
1787930 Ontario Inc cob as Messenger Freight Systems  
of the City of St. Thomas  
in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Perfect Pen & Stationery	PO Box 4090 Station A Toronto ON M5W 0E9		849.08
ProTrans Personnel Service	1575 Bishop Street North, Suite 400 Cambridge ON N1R 7J4		159,498.58
ProTreadz 2012	4230 Fountain St. N Cambridge ON N3H 4R7		813.35
Rescue Team	96 Hinrichs Cr Cambridge ON N1T 0A9		10,197.52
Revolution Staffing	69 Mary Street Barrie ON L4V 1T2		9,749.65
Rob Gillies Truck & Auto Service	21 Laing Blvd St. Thomas ON N5P 4B5		7,698.78
ROSS TOWING	995 POND MILLS ROAD London ON N6N 1C3		1,525.50
Safety-Klean Canada	PO Box 15221, Station A Toronto ON M5W 1C1		1,453.86
Shareholder	150 Dennis Road London ON N5P 0B6		92,362.00
Spectrum Communications	79 Wellington Street London ON N6B 2K4		761.22
TEF Link Security Group Inc.	18 Concession St, Unit 103, Suite 2 Cambridge ON N1R 2G5		3,204.65
The Agency Employment Services	125 Wallace Avenue North Listowel ON N4W 1K8		48,999.70
The Aylmer Express	390 Talbot Street East Box 160 Aylmer ON N5H 2R9		4,123.37
Trailer Wizards	4649 Hastings Street Burnaby BC V5C 2K8		2,651.29
Transit Hogg Fuel & Supply Limited	5 Hill Street Kilchener ON N2G 4R3		96,950.58



District of: Ontario  
Division No. 05 - London  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the matter of the proposal of  
1787930 Ontario Inc. c/o as Messenger Freight Systems  
of the City of St. Thomas  
in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Transit Trailer Limited	22217 Bloomfield Road, RR #3 Chatham ON N7M 5J3		3,257.32
Tubby's Truck & Trailer	545 Hudson Drive Dorchester ON N0L 1G5		19,324.96
Twin City Graphics	350 Shirley Avenue, Unit 3 Kitchener ON N2B 2E1		592.12
Verus Valuations Ltd.	23850 River Road Maple Ridge BC V2W 1B7		333.35
Workplace Safety Insurance Board	PO Box 4115 Station A Toronto ON M5W 2V3		19,500.00
Yale Industrial Trucks Inc.	37 Intrepid Court London ON N5V 4N8		1,371.97
<b>Total</b>			<b>4,592,971.86</b>



1787930 Ontario Inc. c/o as Messenger Freight Systems  
Insolvent Person

- Proposal Consent -

In the matter of the proposal of  
1787930 Ontario Inc. cob as Messenger Freight Systems  
of the City of St. Thomas  
in the Province of Ontario

To whom it may concern,

This is to advise that we hereby consent to act as trustee under the Bankruptcy and Insolvency Act for the proposal of 1787930 Ontario Inc. cob as Messenger Freight Systems.

Dated at the City of Toronto in the Province of Ontario, this 2nd day of July 2018.

MNP LTD. - Licensed Insolvency Trustee



---

300 - 111 Richmond Street West  
Toronto ON M5H 2G4  
Phone: (416) 596-1711 Fax: (416) 323-5242



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Ontario  
Division No. 05 - London  
Court No. 35-2395481  
Estate No. 35-2395481

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

**1787930 Ontario Inc.**  
Insolvent Person  
**MNP LTD / MNP LTÉE**  
Licensed Insolvency Trustee

---

Date of the Notice of Intention: July 02, 2018

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

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

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

Date: July 03, 2018, 09:22

E-File/Dépôt Electronique

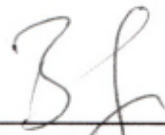
Official Receiver

Federal Building - London, 451 Talbot Street, Suite 303, London, Ontario, Canada, N6A5C9; (877)376-9902

**Canada**

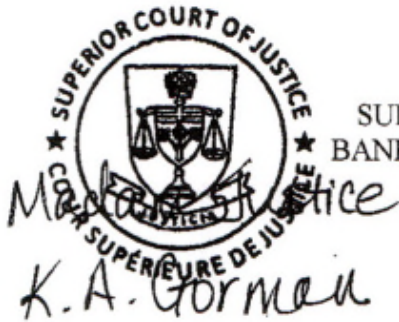
**“B”**

This is Exhibit "B" Referred to in the  
Affidavit of Nathan McDaniel  
sworn before me this 18<sup>th</sup> day  
of September, 2018

A handwritten signature in black ink, appearing to be the initials 'BF' with a long horizontal flourish extending to the right.

---

A commissioner, etc.



ONTARIO  
 SUPERIOR COURT OF JUSTICE  
 BANKRUPTCY AND INSOVLENCY

) TUESDAY, THE 31<sup>ST</sup> DAY  
 )  
 ) OF JULY, 2018

IN THE MATTER OF THE PROPOSAL OF 1787930 ONTARIO INC. CARRYING ON BUSINESS AS MESSENGER FREIGHT SYSTEMS OF THE CITY OF ST. THOMAS, IN THE PROVINCE OF ONTARIO

**ORDER**

**THIS MOTION** made by 1787930 Ontario Inc. ("178") an insolvent person, for an Order: abridging the time of service of this Notice of Motion, for the administrative consolidation of the proposal of proceedings of 177 and 1732427 Ontario Inc. ("173"), the grant of an Administration Charge, and extending time for 173 to file its proposal to September 14, 2018, was heard at 80 Dundas Street, London, Ontario.

**UPON READING** the Notice of Motion of 178, the Affidavit of Louise Vonk (aka Louise Hiddink) sworn July 12, 2018, the First Report to the Court submitted by the Proposal Trustee MNP Ltd., and on hearing the submissions of counsel for 178 and no on appearing for the creditors.

1. **THIS COURT DECLARES** that time for service of this motion is abridged and declares that the Notice of Motion is properly returnable today and further that service of this Notice of Motion upon any other interested party is dispensed with.

2. **THIS COURT ORDERS** that the date for filing 178's proposal is extended from August 1, 2018, to September 14, 2018, and is granted under section 50.4(9) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3 (the "BIA").

ORDER ENTERED  
 JUN 31 2018  
 3273

3. **THIS COURT ORDERS** that the proposal proceedings of 178 (estate number: 35-2395481), and 173 (estate number: 35-2395487) (collectively the "**Proposal Proceedings**") are hereby administratively consolidated and the Proposal Proceedings are hereby authorized and

directed to continue under the following joint title of proceedings:

Court File Numbers: 35-2395487 and 35-2395481  
Estate File Numbers: 35-2395487 and 35-2395481

**IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF  
1732427 ONTARIO INC. AND 1787930 ONTARIO INC. BOTH OF THE CITY OF ST.  
THOMAS, IN THE PROVINCE OF ONTARIO**

4. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee, and counsel to 178 and 173 shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the property of 178 and 173 (the "**Property**") which charge shall not exceed an aggregate amount of \$75,000.

5. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge shall not be required, and that the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charge coming into existence, notwithstanding any such failure to register, record or perfect.

6. **THIS COURT ORDERS** that the Administration Charge shall constitute a charge on the Property and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively the "**Encumbrance**") in favour of any person or entity (a "**Person**") except for (i) any security interest (other than as described in (ii) below) in the Property of any "secured creditor" as defined in the BIA, who did not receive notice of this Motion, and (ii) any statutory Encumbrance existing as at the date 178 filed its Notice of Intention to Make a Proposal, namely July 2, 2018, in favour of any Person which is a "secured creditor", as defined in the BIA, in respect of (A) any amounts under the Wage Earners' Protection Program that are subject to a priority claim under the BIA, including source deductions from wages, employer health tax, workers compensation, vacation pay and banked overtime for employees, and (B) any amounts that are subject to priority claims pursuant to Section 81.5(1) of the BIA and subsections 227(4) and (4.1) of the Income Tax Act, subsections 23(3) and (4) of the Canada Pension Plan and subsection 86(2) and (2.1) of the Employment Insurance Act.

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

K. A. J.



Court File Numbers: 35-2395487 and 35-2395481  
Estate File Numbers: 35-2395487 and 35-2395481

ONTARIO  
SUPERIOR COURT OF JUSTICE  
BANKRUPTCY AND INSOVLENCY

*App. Report*

) TUESDAY, THE 11<sup>TH</sup> DAY  
)  
) OF SEPTEMBER, 2018

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF  
1732427 ONTARIO INC. AND 1787930 ONTARIO INC. BOTH OF THE CITY OF ST.  
THOMAS, IN THE PROVINCE OF ONTARIO

**ORDER**

**THIS MOTION** made by 1732427 Ontario Inc. ("173") an insolvent person and  
1787930 Ontario Inc. ("178"), an insolvent person, for an Order abridging the time for service of  
this Notice of Motion and extending the time for 173 and 178 to file their proposals to October  
29, <sup>2018</sup> was heard at 80 Dundas Street, London, Ontario.

**UPON READING** the Notice of Motion of 173 and 178, the Affidavit of Louise Vonk  
(aka Louise Hiddink) sworn August 23, 2018, the Second Report to the Court submitted by the  
Proposal Trustee MNP Ltd., and on hearing the submissions of counsel for 173 and 178 and no  
one appearing for the creditors.

1. **THIS COURT DECLARES** that time for service of this motion is abridged and declares  
that the Notice of Motion is properly returnable today and further that service of this Notice of  
Motion upon any other interested party is dispensed with.
2. **THIS COURT ORDERS** that the date for filing 173 and 178's proposals are extended  
from September 14, 2018, to October 12, 2018, and is granted under section 50.4(9) of the  
*Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3 (the "BIA").

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

A handwritten signature in black ink is written over a solid horizontal line. The signature is stylized and appears to consist of several overlapping loops and strokes, possibly representing the initials 'JL' or a similar set of initials. The line extends across the width of the signature.

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF 1732427 ONTARIO INC. AND 1787930 ONTARIO INC.  
BOTH OF THE CITY OF ST. THOMAS, IN THE PROVINCE OF ONTARIO

Court File Numbers: 35-2395487 and 35-2395481  
Estate File Numbers: 35-2395487 and 35-2395481

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*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY

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**MOTION RECORD**  
(Hogg Motion)  
Returnable October 2, 2018

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