

District of Ontario
Division No. 09 - Toronto
Court No. 31-3147113
Estate No. 31-3147113

**IN THE MATTER OF THE PROPOSAL OF
UNTETHER CAPITAL INC.
OF THE CITY OF VAUGHAN
IN THE PROVINCE OF ONTARIO**

To the Creditors of Untether Capital Inc. (the “Company”)

On October 29, 2024, Untether Technologies Inc. and Untether Capital Inc. (the “**Companies**”) filed a Notice of Intention to Make a Proposal (the “**NOI**”) pursuant to Section 50.4(1) of Part III, Division I of the Bankruptcy and Insolvency Act (Canada) separately and MNP Ltd. was appointed as the proposal trustee for the companies.

A Joint Proposal under Part III, Division I, of the *Bankruptcy and Insolvency Act* (the “**BIA**”), dated November 25, 2024 (the “**Joint Proposal**”) lodged with MNP Ltd. (the “**Proposal Trustee**”) by Companies and filed with the Official Receiver on November 26, 2024.

Please find enclosed the following:

- A. A Joint Proposal;
- B. Notice of Joint Proposal to Creditors;
- C. Report of Trustee to the Creditors;
- D. a statement of affairs, detailing the Company’s assets and liabilities as of October 29, 2024 (“**SOA**”);
- E. a proof of claim form;
- F. a voting letter if you wish to vote in advance of the meeting; and
- G. a general proxy.

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

As noted in the Notice, a meeting of creditors to consider the Proposal (the “**Meeting**”) will be held on Monday, December 23, 2024, at 10:00 a.m. (**Toronto, Ontario Time**) by MS Teams video/telephone conference. To attend/join the meeting, you may connect by the following:

MS Teams Link: <http://alturl.com/h34qr>

OR

Telephone (audio only):

- Toll free:(877) 252-9279;
- Phone Conference ID: 478 050 822#

In order to ensure that we receive your PoC and voting letter, we strongly encourage you to submit/file your PoC and voting letter by no later than 9:00 AM (Toronto time) on December 23, 2024.

You may forward your PoC, proxy and voting letter by email to Chahna.Nathwani@mnp.ca or via facsimile mentioned in the bottom of the letter.

Proof of claim forms are to be filed based on the amount owed as of **October 29, 2024**, the date the Notice of Intention to make a Proposal was filed.

Please visit our webpage at <https://mnpdebt.ca/en/corporate/corporate-engagements/untether-group> in order to obtain any updated information that may be posted during the course of these proposal proceedings.

If you have any questions concerning the foregoing or require any additional information, please contact Akhil Kapoor at Akhil.Kapoor@mnp.ca or call at (647) 475-4573.

Dated at Toronto, Ontario this 12th day of December 2024.

MNP LTD.,
Trustee *in re* the Proposal of
Untether Capital Inc.
Per:



Jerry Henechowicz
Licensed Insolvency Trustee

Encl.

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE JOINT PROPOSAL OF
UNTETHER CAPITAL INC. AND UNTETHER TECHNOLOGIES INC.
OF THE CITY OF VAUGHAN
IN THE PROVINCE OF ONTARIO

JOINT PROPOSAL

Untether Capital Inc. and Untether Technologies Inc. (collectively, the “**Debtor**”) hereby submit the following Joint Proposal (the “**Proposal**”) pursuant to the provisions of the *Bankruptcy and Insolvency Act*, RSC 1985, C B-3.

ARTICLE 1

INTERPRETATION

1.1 Definitions

1.1 In this Proposal unless otherwise stated or the context otherwise requires, capitalized terms shall have the following meanings:
:

- (a) “**Act**” means the *Bankruptcy and Insolvency Act*, (Canada) R.S.C. 1985, c. B-3, as it may be amended from time to time;
- (b) “**Administrative Fees and Expenses**” means the proper fees, expenses, including legal fees and disbursements, of the Trustee and the Debtor on and incidental to the preparation, presentation, consideration and implementation of the Proposal, any amendments thereto, and the proceedings, transactions and agreements contemplated thereby or arising therefrom;
- (c) “**Approval Order**” means an Order of the Court approving the Proposal pursuant to the provisions of the Act;
- (d) “**Business Day**” means a day, other than a Saturday, Sunday or holiday, on which banks are generally open for business in Toronto, Ontario;
- (e) “**Canada Pension Plan**” means the *Canada Pension Plan*, R.S.C. 1985, c. C-8, as amended;
- (f) “**Claim**” means any right of any Person against the Debtor in connection with any indebtedness, liability or obligation of any kind of the Debtor which indebtedness, liability or obligation is in existence at the Proposal Date, whether or not reduced

to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, unknown, by guarantee, by surety or otherwise and whether or not such a right is executory in nature, including, without limitation, the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future based in whole or in part on facts which exist prior to or as of the Proposal Date, where such claims are proved and allowed, and “Claims” has a corresponding meaning;

- (g) “**Court**” means the Ontario Superior Court of Justice (In Bankruptcy and Insolvency);
- (h) “**Creditor**” means any Person, who holds one or more Claims, including Secured Creditors and Unsecured Creditors and “Creditors” has a corresponding meaning;
- (i) “**Creditors’ Meeting**” means the meeting of the Unsecured Creditors called for the purpose of considering and voting upon the Proposal;
- (j) “**Creditors’ Meeting Date**” means the date and time as may be called by the Trustee for the meeting of creditors to consider this Proposal, but in any event shall be no later than twenty-one (21) days following the Proposal Date or as otherwise may be extended;
- (k) “**Crown Creditors**” means Her Majesty in Right of Canada or a Province for all amounts that were outstanding at the Proposal Date and are of a kind that could be subject to a demand under.
 - (i) subsection 224(1.2) of the *Income Tax Act*;
 - (ii) any provision of the Canada Pension Plan or of the *Employment Insurance Act* that refers to subsection 224(2.2) of the *Income Tax Act* and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, and of any related interest, penalties or other amounts; or
 - (iii) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the *Income Tax Act*, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum
 - A. has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the *Income Tax Act*, or

- B. is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection;
- (l) “**Debtor**” means Untether Capital Inc. and Untether Technologies Inc.;
 - (m) “**Directors**” means the Debtor’s current and former directors;
 - (n) “**Employee Creditors**” means employees and former employees of the Debtor, not to include independent commissioned sales agents or contractors, for amounts equal to the amounts that they would be qualified to receive under Paragraph 136(l)(d) of the Act if the Debtor became bankrupt on the Proposal Date, as well as wages, salaries, commissions or compensation for services rendered after that date and before the Court approval of the Proposal, together with, in the case of travelling salesmen, disbursements properly incurred by those salesmen in and about the Debtor’s business during the same period. For greater clarity, the Claims of Employee Creditors does not include amounts associated with termination pay or severance pay due by statute, common law or otherwise;
 - (o) “**Employment Insurance Act**” means the *Employment Insurance Act*, S.C. 1996 c. 23, as amended;
 - (p) “**Funding**” has the meaning ascribed in **Article 5.1**.
 - (q) “**Implementation Date**” means the date upon which the conditions set forth in **Article 7.6** have been satisfied;
 - (r) “**Income Tax Act**” means the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp.), as amended;
 - (s) “**Inspectors**” means one or more inspectors appointed pursuant to the Act as provided for in the Proposal;
 - (t) “**MNP**” means MNP Ltd.;
 - (u) “**Official Receiver**” shall have the meaning ascribed thereto in the Act;
 - (v) “**Ordinary Creditor**” means a Creditor with a Proven Claim, except for those Claims that:
 - (i) the Trustee determines not to be a provable claim in accordance with subsection 135(1.1) of the Act;
 - (ii) have been finally and conclusively disallowed in accordance with the Act;

- (iii) are Claims by Preferred Creditors;
 - (iv) are Claims by Employee Creditors;
 - (v) are Claims by Crown Creditors;
 - (vi) are Claims by a Related Party Creditor;
 - (vii) are Claims by Secured Creditors; or
 - (viii) are Claims in respect of the Administrative Fees and Expenses;
- and “**Ordinary Creditors**” has a corresponding meaning;
- (w) “**Performance of the Proposal**” means the full performance of this Proposal as set out in **Article 6.10**;
 - (x) “**Post-Filing Goods and Services**” means the goods and services purchased by the Debtor subsequent to the Proposal Date;
 - (y) “**Person**” means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government or any agency or instrumentality thereof, or any other entity howsoever designated or constituted;
 - (z) “**Preferred Creditors**” means Unsecured Creditors that are required by the Act to be paid in priority to all other claims under a proposal made by a debtor save and except for Employee Creditors and Crown Creditors.
 - (aa) “**Proof of Claim**” shall mean the proof of claim required by the Act to be mailed to each known Creditor prior to the Creditors’ Meeting;
 - (bb) “**Proposal**” means this proposal together with any amendments or additions thereto;
 - (cc) “**Proposal Date**” means the date of the filing of the Proposal with the Official Receiver;
 - (dd) “**Proposal Fund**” means the Funds proposed to be generated from the sale of assets of the Debtor to be held in a designated trust account;
 - (ee) “**Proven Claim**” of a Creditor means the amount of the Claim of such Creditor finally determined in accordance with the provisions of the Act;
 - (ff) “**Secured Creditor**” means a person holding a mortgage, hypothec, charge, pledge, charge or lien on or against the property or assets of the Debtor as security for a debt due or accruing due to the person from the Debtor;
 - (gg) “**Trustee**” means MNP Ltd. or its duly appointed successor or successors;

- (hh) “**Unsecured Creditors**” means the Preferred Creditors and any Creditor who is not a Secured Creditor or a Related Party Creditor;
- (ii) “**Voting Letter**” shall mean the voting letter required by subsection 51(1) of the Act to be mailed to each known Creditor prior to the Creditors’ Meeting;

1.2 Articles of Reference

The terms “hereof”, “hereunder”, “herein” and similar expressions refer to the Proposal and not to any particular article, section, subsection, clause or paragraph of the Proposal and include any agreements supplemental hereto. In the Proposal, a reference to an article, section, subsection, clause or paragraph will, unless otherwise stated, refer to an article, section, subsection, clause or paragraph of the Proposal.

1.3 Extended Meanings

In this Proposal words importing the singular number only include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, partnerships, associations, trusts, unincorporated organizations and corporations.

1.4 Interpretation Not Affected by Headings

The division of this Proposal into Parts and Sections and the insertion of headings are for the convenience of reference only and do not affect the construction or interpretation of this Proposal. The terms “this Proposal”, “hereof”, “hereunder” and similar expressions refer to this entire Proposal and not to any particular Part, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent herewith, references herein to Parts and Sections are to Parts and Sections of this Proposal.

1.5 Date for Any Action

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

1.6 Time

All times expressed herein are local time in Toronto, Ontario, Canada unless otherwise stipulated. Where the time for anything pursuant to the Proposal on a particular date is unspecified herein, the time shall be deemed to be 5:00 p.m. local time in Toronto, Ontario, Canada.

1.7 Numbers

In the Proposal, where the context requires, a word importing the singular number will include the plural and *vice versa* and a word or words importing gender will include all genders.

1.8 Currency

Unless otherwise stated herein, all references to currency in the Proposal are to lawful money of Canada.

1.9 Statutory References

Except as otherwise provided herein, any reference in the Proposal to a statute includes all regulations made thereunder, all amendments to such statute or regulation(s) in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulation(s).

1.10 Successors and Assigns

The Proposal will be binding upon and will enure to the benefit of the heirs, administrators, executors, legal personal representatives, successors and assigns of any Person named or referred to in the Proposal.

ARTICLE 2

CLASSIFICATION AND TREATMENT OF CREDITOR

2.1 Classes of Creditors

For the purposes of voting on the Proposal, only the Unsecured Creditors will be entitled to vote on the Proposal. There shall be one (1) class of Unsecured Creditors.

2.2 Secured Creditors

The Claims of Secured Creditors shall not be compromised by this Proposal and Secured Creditors shall be paid in accordance with the respective agreement(s) between each Secured Creditor and the Debtor or as otherwise agreed between each Secured Creditor and the Debtor.

2.3 Preferred Creditors

The Proven Claims of the Preferred Creditors of the Debtor are to be paid in full in priority to the Proven Claims of the Unsecured Creditors in accordance with the Act and the Proposal.

2.4 Crown Creditors

Unless Her Majesty in Right of Canada or a Province agrees otherwise, the Proven Claims, if any, of Crown Creditors shall be paid within six (6) months after the making of the Approval Order out of the Proposal Fund.

2.5 Unsecured Creditors

The Proven Claims of the Unsecured Creditors of the Debtor will be satisfied or paid as provided by **Article 6**.

2.6 Related Party Creditors

Each Proven Claims of a Related Party Creditor shall be paid \$1,000 as full and final settlement of their Proven Claim.

2.7 Filing of Proofs of Claim

Each Unsecured Creditor must file a Proof of Claim as required by the Act to vote on, or receive a distribution under, the Proposal. Unsecured Creditors will receive a distribution in accordance with **Article 6** based on their Proven Claims.

2.8 Allowance of Claims

Upon receipt of a completed Proof of Claim, the Trustee shall examine the Proof of Claim and shall, in consultation with the Debtor, deal with each Proof of Claim in accordance with the provisions of the Act.

2.9 Procedure in Act Applicable

Subjection to **Article 3.2**, the procedure for: (a) determining and valuing Claims of the Unsecured Creditors that are contingent or unliquidated; and (b) disallowing and resolving disputes with respect to Claims will be as set forth in section 135 of the Act.

ARTICLE 3

MEETING OF CREDITORS

3.1 Creditors' Meeting

On the Creditors' Meeting Date, the Trustee shall hold the Creditors' Meeting in order for the Creditors to consider and vote upon the Proposal.

3.2 Time and Place of Meeting

Unless otherwise ordered by the Court, the Creditors' Meeting shall be held at a time and place to be established by the Official Receiver, or the nominee thereof, and confirmed in the notice of Creditors' Meeting to be mailed to Creditors pursuant to the Act.

3.3 Conduct of Meetings

The Official Receiver, or the nominee thereof, shall preside as the chair of the Creditors' Meeting and will decide all matters relating to the conduct of the Creditors' Meeting. The only persons entitled to attend the Creditors' Meeting are those persons, including the holders of proxies, entitled to vote at the Creditors' Meeting, and the officers, directors, auditors and legal counsel of the Debtor, together with such representatives of the Trustee as the Trustee may appoint in its discretion, and such scrutineers as may be duly appointed by the chair of such

meeting. Any other person may be admitted on invitation of the chair of the Creditors' Meeting or with the consent of the Unsecured Creditors.

3.4 Adjournment of Meetings

The Creditors' Meeting may be adjourned in accordance with section 52 of the Act.

3.5 Voting by Creditors

Any Proof of Claim in respect of a Claim of an Unsecured Creditor that is not a Proven Claim as at the Creditors' Meeting Date will be marked as objected to in accordance with subsection 108(3) of the Act.

3.6 Approval by Creditors

The Proposal will be binding on the Unsecured Creditors in accordance with the Act, if: (a) it is accepted by the class of Unsecured Creditors by a majority in the number of the Unsecured Creditors who actually vote upon the Proposal (in person or by proxy) at the Creditors' Meeting or by a Voting Letter, representing two-thirds (2/3) or more in value of the Proven Claims of the Unsecured Creditors in that class who actually vote upon the Proposal (whether in person or by proxy) at the Creditors' Meeting or by a Voting Letter; and (b) the Approval Order is made.

4.7 Appointment of Inspectors

At the Creditors' Meeting, the Unsecured Creditors may appoint up to five (5) Inspectors whose powers will be limited to the powers granted to Inspectors under the Act, including: (a) advising the Trustee concerning any dispute which may arise as to the validity of Claims; (b) the power to waive any default in the performance of any provisions of the Proposal; and (c) advising the Trustee from time to time with respect to any other matter that the Trustee may refer to them.

Any decision, direction or act of the Inspectors may be referred to the Court by the Trustee and the Court may confirm, reverse or modify the decision, direction or act and make such order as it deems just.

ARTICLE 4

FUNDING AND THE IMPLEMENTATION OF PROPOSAL

4.1 The Proposal Fund

The principal assets of the Debtor comprise five (5) customized vehicles, referred to as Fleets Coffee Mobile Cafes (the "**Mobile Cafes**") These Mobile Cafes are specifically designed and outfitted to prepare and deliver a variety of coffee shop products in a spacious and comfortable mobile setting. Emphasizing speed-of-service, consistency, and quality, the Mobile Cafes establish a new benchmark for specialized mobile kitchens.

The Proposal Fund will include proceeds expected from the sale of these Mobile Cafes. The Debtor and the Proposal Trustee are coordinating with the prospective purchasers and liquidators to facilitate the sale. Within 120 days following Court Approval of this Proposal, the Debtor will complete the sale and the proceeds (“**Funding**”) will be remitted to the Trustee (the “**Trust Account**”) that will be managed by the Trustee until the Implementation Date. Secured Creditors will be paid in the order of priority to be established, and any remaining funds in the Trust Account will be distributed among the unsecured and preferred creditors on a pro-rata basis as outlined in **Article 6**.

ARTICLE 5

DISTRIBUTION

5.1 Payment of Administrative Fees and Expenses

The Administrative Fees and Expenses shall be paid in full out of the Proposal Fund prior to distribution to the Unsecured Creditors, to a maximum of Forty Thousand Dollars (\$40,000) plus disbursements and applicable taxes.

5.2 Distribution to Crown Creditors

Unless Her Majesty agrees otherwise, the Proven Claims, if any, of the Crown Creditors shall be paid by the Trustee within six (6) months after the making of the Approval Order out of the Proposal Fund.

5.3 Distribution to Employee Creditors

The Claims, if any, of the Employee Creditors shall be paid by the Trustee after the making of the Approval Order in the ordinary course from the Proposal Fund.

5.4 Distribution to Preferred Creditors

The Proven Claims of Preferred Creditors shall be paid by the Trustee in full from the Proposal Fund in priority to all claims of Unsecured Creditors in accordance with the scheme of distribution set forth in the Act.

5.5 Distribution to the Ordinary Creditors

The Proven Claims of Ordinary Creditors shall be paid by the Trustee from the remaining balance of the Proposal Fund after payment of the Administrative Fees and Expenses, and the Claims, if any, set out in paragraphs 6.2, 6.3, and 6.4 above, their *pro rata* share¹ of the Proposal Fund.

¹ Based on the proportion that the Proven Claim of such Ordinary Creditor bears to the total Proven Claims of all Ordinary Creditors.

5.6 Requirement to File Proofs of Claim

On the Implementation Date the Trustee shall deliver notice pursuant to subsection 149(1) of the Act requiring that any of the Debtor's Unsecured Creditors that have not filed a Proof of Claim file a Proof of Claim within thirty (30) days.

5.7 Distribution to Related Party Creditors

If this Proposal is accepted by the creditors, approved by the Court, and not subsequently annulled, the Related Party Creditors shall receive \$1,000 for each of their respective Proven Claims as full and final settlement of their claims.

5.8 Claims Against Director

Any Claims against the Debtor by any Creditor that are also Claims against the Director and officers of the Debtor that relate to obligations of the Debtor where directors are under any law liable in their capacity as Director for the payment of such obligations and that the claims arose before the commencement of the proposal proceedings shall be, and upon Court approval of this Proposal, are hereby, to the extent permitted by the Act, compromised and released and forever discharged as against the Director of the Debtor in accordance with the Act and this Proposal upon acceptance of this Proposal by the Unsecured Creditors and approval by the Court.

5.9 Levy

Payments to each Unsecured Creditor shall be net of any applicable levy payable to the Office of the Superintendent of Bankruptcy as required by the Act and the Trustee shall remit the amount of such levy to the Office of the Superintendent of Bankruptcy contemporaneous with the distributions to Unsecured Creditors.

5.10 Certificate of Full Performance

The Trustee shall issue a certificate of Full Performance upon the Debtor fulfilling the terms of this Proposal as set out above in **Article 5.1**.

5.11 Discharge of Trustee

Upon the payment by the Trustee of the amounts contemplated in this **Article 6**, the Trustee shall have discharged its duties as Trustee and the Trustee shall be entitled to apply for its discharge as Trustee. For greater certainty, the Trustee will not be responsible or liable for any obligations of the Debtor and will be exempt from any personal liability in fulfilling any duties or exercising any powers conferred upon it by this Proposal unless such acts have been carried out in bad faith and constitute a wilful or wrongful act or default.

ARTICLE 6

MISCELLANEOUS

6.1 Payment of Post-Filing Goods and Services

All Post-Filing Goods and Services shall be paid in full in the ordinary course of the Debtor's business and on terms agreed to between the Debtor and its respective creditors from funds other than the Proposal Fund. The Debtor agrees that the Trustee shall not in any case be responsible for ensuring that payment is duly made to any person supplying Post-Filing Goods and Services.

6.2 Payment of Post-Filing Crown Creditors

During the period between the Filing Date and the Effective Date, the Debtor shall pay and keep current Her Majesty in Right of Canada and in Right of Ontario all amounts of a kind that could be subject to a demand under subsection 224(1.2) of the Income Tax Act or otherwise as provided for in subsection 60(1.1) of the Act or any substantially similar provision of Ontario legislation.

6.3 Compromise Effective for All Purposes

The provisions of this Proposal will be binding upon each Creditor, their subsidiaries and affiliates, shareholders, directors and officers, heirs, executors, administrators, successors and assigns, for all purposes.

6.4 Modification of Proposal

The Debtor may propose an alteration or modification to the Proposal prior to the vote taking place on the Proposal.

6.5 Consents, Waivers and Agreements

As at 12:01 a.m. on the Implementation Date, each Unsecured Creditor will be deemed:

- (a) to have executed and delivered to the Debtor all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out this Proposal in its entirety;
- (b) to have waived any default by the Debtor in any provision, express or implied, in any agreement or other arrangement, written or oral, existing between such Unsecured Creditor and the Debtor that has occurred on or prior to the Implementation Date;
- (c) to have agreed, in the event that there is any conflict between the provisions, express or implied, of any agreement or other arrangement, written or oral, existing between such Unsecured Creditor and the Debtor as at the Implementation Date (other than those entered into by the Debtor on, or with

effect from, the Implementation Date) and the provisions of this Proposal, that the provisions of this Proposal shall take precedence and priority and the provisions of such agreement or other arrangement shall be amended accordingly; and

- (d) to have released the Debtor, the Trustee, the Director and all of their respective affiliates, employees, agents, directors, officers, shareholders, advisors, consultants and solicitors from any and all demands, claims, actions, causes of action, counter-claims, suits, debts, sums of money, accounts, covenants, damages, judgements, expenses, executions, liens, set off rights and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Person may be entitled to assert, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Implementation Date, relating to or arising out of or in connection with the matters herein; provided that nothing herein shall release: (i) the Debtor of its obligation to make the distributions to Unsecured Creditors contemplated in this Proposal (ii) any person from liabilities or claims which cannot be released pursuant to subsection 50(14) of the Act as determined by a final, non-appealable judgment of the Court.

6.6 Conditions to Proposal Implementation

The implementation of the Proposal by the Debtor will be conditional upon the fulfilment or satisfaction of the following conditions:

- (a) The acceptance of the Proposal by the Unsecured Creditors; and
- (b) The Court issuing the Approval Order and the expiry of all appeal periods.

6.7 Effect of Proposal Generally

As at 12:01 a.m. on the Implementation Date:

- (a) The treatment of all Claims under the Proposal shall be final and binding on the Debtor and all Unsecured Creditors (along with their respective heirs, executors, administrators, legal personal representatives, successors and assigns); and
- (b) The Proposal shall constitute: (i) a full, final and absolute settlement of all rights of the holders of the Claims and other Persons affected hereby; and (ii) an absolute release and discharge of all indebtedness, liabilities and obligations of the Debtor and other Persons of or in respect of the Claims or other obligations affected by the Proposal.

6.8 Conduct of Debtor's Business

Subject to any Order made by the Court, the Debtor shall remain in possession and control of their property and assets at all times, both before and after the Implementation Date.

ARTICLE 7

AVOIDANCE OF TRANSACTION

7.1 Avoidance Proceedings

Sections 95 to 101 of the Act will not apply in respect of the Debtor or this Proposal.

GENERAL

7.2 Events of Default

The Debtor shall be deemed to be in default of this Proposal if the net proceeds from the sale of the Mobile Cafes are not completed and remitted to the Trustee within 120 days of the date of Court Approval of this Proposal.

7.3 Trustee

MNP, of the City of Toronto, in the Province of Ontario, shall be the Trustee under this Proposal and all monies payable under this Proposal shall be paid over to the Trustee who shall make the payment of all dividends in accordance with the terms of this Proposal.

MNP is acting in its capacity as Trustee under this Proposal and not in its personal capacity and no officer, director, employee, or agent of MNP shall incur any obligations or liabilities in connection with this Proposal or in respect of the business or liabilities of the Debtor.

Any payments made by the Trustee to the Unsecured Creditors hereunder shall be made by the Trustee net of any levies payable or due under the Act.

7.4 Notices

Any notices or communication to be made or given hereunder shall be in writing and shall refer to this Proposal and may, subject as hereinafter provided, be made or given by personal delivery, by prepaid mail or by telecopier (except for Proofs of Claim which may only be sent by personal delivery, telecopier or registered mail) addressed to the respective parties as follows:

- (a) if to the Debtor:

Untether Capital Inc. and Untether Technologies Inc.
2-60 Snow Blvd.,
Concord, Ontario L4K 4B3

Attention: Kirk Tobias
E-mail: **Kirk.Tobias@fleetscoffee.com**

- (b) if to an Unsecured Creditor, to the address or telecopier number for such Unsecured Creditor specified in the Proof of Claim filed by such Unsecured Creditor or, if no proof of Claim has been filed, to such other address or telecopier number at which the notifying party may reasonably believe that the Unsecured Creditor may be contacted; and
- (c) if to the Trustee:

MNP Ltd.

1 Adelaide Street East,
Toronto, ON, M5C 2V9

Attention: Jerry Henechowicz

E-mail: Jerry.Henechowicz@mnp.ca

or to such other address or telecopier number as any party may from time to time notify the others in accordance with this section. In the event of any strike, lock-out and other event which interrupts postal service in any part of Canada, all notices and communications during such interruption may only be given or made by personal delivery or by telecopier and any notice or other communication given or made by prepaid mail within the five (5) Business Day period immediately preceding the commencement of such interruption will be deemed not to have been given or made. All such notices and communications will be deemed to have been received, in the case of notice by telecopier or by delivery prior to 5:00 p.m. (local time) on a Business Day, when received or if received after 5:00 p.m. (local time) on a Business Day or at any time on a non-Business Day, on the next following Business Day and in to case of notice mailed as aforesaid, on the fifth (5th) Business Day following the date on which such notice or other communication is mailed. The unintentional failure to give a notice contemplated hereunder to any particular Creditor will not invalidate this Proposal or any action taken by any Person pursuant to this Proposal.

7.5 Foreign Currency Obligations

For purposes of this Proposal, Claims denominated in a currency other than Canadian funds will be converted to Canadian Dollars at the closing spot rate of exchange of the Bank of Canada on the Proposal Date.

7.6 Applicable Law

This Proposal shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract.

7.7 Non-Severability

It is intended that all provisions of this Proposal shall be fully binding on and effective between all Persons named or referred to in this Proposal and in the event that any particular provision or provisions of this Proposal is or are found to be void, voidable or unenforceable for any reason

whatever, then the remainder of this Proposal and all other provisions shall be void and of no force or effect

7.8 Deeming Provisions

In this Proposal, the deeming provisions are not rebuttable and are conclusive and irrevocable.

DATED in the City of Vaughan, in the Province of Ontario, this 26th day of November 2024.

Untether Capital Inc. and Untether Technologies Inc.

e-Signed by Kirk Tobias
Per: 2024-11-26 20:14:57:57 EST

Name: Kirk Tobias
Title: Director

I have the authority to bind the corporation.

District of: Ontario
Division No. 09 - Toronto
Court No. 31-3147113
Estate No. 31-3147113

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

In the Matter of the Proposal of
Untether Capital Inc.
of the City of Vaughan
in the Province of Ontario

Take notice that Untether Capital Inc. of the City of Vaughan in the Province of Ontario has lodged with me a proposal under the *Bankruptcy and Insolvency Act*.

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

A general meeting of the creditors will be held on the 23rd day of December 2024 at 10:00 AM via MS Teams Audio/Video Conference Call or MS Teams Link: <http://alturl.com/h34qr>, Meeting ID: 213 647 680 51; Passcode: v899Yu7J, Toll free:(877) 252-9279; Phone Conference ID: 478 050 822#.

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

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

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

Dated at the City of Toronto in the Province of Ontario, this 12th day of December 2024.

MNP Ltd. - Licensed Insolvency Trustee



1900 - 1 Adelaide Street East
Toronto ON M5C 2V9

Phone: (416) 596-1711 Fax: (416) 323-5240

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-3147113
 Estate No. 31-3147113

FORM 92 --- Continued

In the Matter of the Proposal of
 Untether Capital Inc.
 of the City of Vaughan
 in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
407 ETR Express Toll Route Marion Richardson/Collections	6300 Steeles Ave W Woodbridge ON L4H 1J1	776391204	19,340.74
Bank of Montreal	1 First Canadian Place, P.O. Box 150 Toronto ON M5X 1H3	00026920745	137,500.11
Bank of Montreal	1 First Canadian Place, P.O. Box 150 Toronto ON M5J 0E7	Secured-Equipment Loan	58,666.63
Blake, Cassels & Graydon LLP	199 Bay St. #4000 Toronto ON M5L 1A9		80,000.00
Business Development Bank of Canada	81 Bay St. Suite 3700 Toronto ON M5J 0E7	Loan 175004	244,110.02
Compass Group	475 Seaman Street Stoney Creek ON L8E 2R2	Truck financing	331,309.92
CRA - GST/HST - Shawinigan-Sud Quebec Insolvency Intake Centre	Shawinigan - Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-sud QC G9P 5H9	73782 0886 RT0001	50,000.00
CRA - Tax - Ontario	Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9	73782 0886 RP0001	35,000.00
CRA - Tax - Ontario	Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9	73782 0886 RP0001	215,387.00
Crystal Fountains Inc.	60 Snow Blvd #3 Concord ON L4K 4B3	Landlord	622,630.00
Daimler Truck Financial	2680 Matheson Blvd East, Suite 202 Mississauga ON L4W 0A5	Truck financing	461,103.00
Export Development Canada	PO Box 4530 STN A Toronto ON M5W 0N2	CEBA	60,000.00
Government of Canada	60 Queen St., 8th Floor Ottawa ON K1P 5Y7	5001168369	386,000.00

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-3147113
 Estate No. 31-3147113

FORM 92 --- Concluded

In the Matter of the Proposal of
 Untether Capital Inc.
 of the City of Vaughan
 in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Kirk Tobias	20 Peter Street Markham ON L3P 2A4	Unpaid Expenses	48,500.00
Kirk Tobias	20 Peter Street Markham ON L3P 2A4	Shareholder Loan	933,889.00
Paula Tobias	20 Peter Street Markham ON L3P 2A4	Unpaid Wages	12,210.00
Petro Canada	PO Box 2844 150 6 Ave SW Calgary AB T2P 3Y7	9933092315 - Petro Pass	11,500.00
Rogers Communications / CBV Collection	c/o FCT Default Solutions PO Box 2514, Strn B London ON N6A 4G9		14,988.00
Shareholder advances	C/O 2-60 Snow Blvd. Vaughan ON L4K 4B3	Shareholder advances	3,500,000.00
Taligent Group	150 Jardin Dr unit 9 Concord ON L4K 3P9		3,000.00
TD Canada Trust C/O FCT Default Solutions	PO Box 2514, Station B London ON N6A 4G9	4520170077968284 - Visa	33,500.00
Total			7,258,634.42

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

**IN THE MATTER OF THE JOINT PROPOSAL OF
UNTETHER CAPITAL INC. AND UNTETHER TECHNOLOGIES INC.
OF THE CITY OF VAUGHAN
IN THE PROVINCE OF ONTARIO**

REPORT OF TRUSTEE TO THE CREDITORS
(Section 50(5) of the Bankruptcy and Insolvency Act)

Enclosed are the following documents:

- ♦ Notice of Joint Proposal to Creditors;
- ♦ Joint Proposal under Part III, Division I, of the *Bankruptcy and Insolvency Act* (the “**BIA**”), dated November 25, 2024 (the “**Joint Proposal**”) lodged with MNP Ltd. (the “**Proposal Trustee**”) by Untether Capital Inc. and Untether Technologies Inc. (collectively, “**Untether Group**” or the “**Company**”) and filed with the Official Receiver on November 26, 2024;
- ♦ a statement of affairs, detailing the Company’s assets and liabilities as of October 29, 2024 (“**SOA**”);
- ♦ a proof of claim form;
- ♦ a voting letter if you wish to vote in advance of the meeting; and
- ♦ a general proxy.

The following is an outline of the background and financial position of the Company, including relevant information that should be of assistance to the creditors in considering their position with respect to the Joint Proposal.

In preparing this Report and making the comments herein, the Proposal Trustee has been provided with, and has relied upon, certain unaudited, draft and/or internal financial information, the Company’s books and records, discussions with management and information from other third-party sources (collectively, the “**Information**”). Except as described in this Report, the Proposal Trustee has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the CPA Canada Handbook.

Capitalized terms used in this Report are the same as those referenced in the Joint Proposal.

SECTION A - Background

The Company, an Ontario corporation, started operations in August 2018. The Company offers mobile cafe services to niche customers throughout the GTA and nearby cities, operating from its leased premises in Vaughan, Ontario. The Company operates under the “**Fleets Coffee**” brand.

The principal of the Company is Kirk Tobias (“**Mr. Tobias**”) the sole director and an officer (the “**Director**”) of the Company. Mr. Tobias directs and manages all aspects of the Company’s operations.

On November 26, 2024, Untether Group filed a Joint Proposal pursuant to the BIA.

The Company commenced these proceeds as a means to:

- (i) allow for the orderly liquidation and distribution of the net assets of the Company; and
- (ii) maximize the distribution/recovery for Untether Group’s creditors by offering a liquidating proposal.

SECTION B - Summary of the Proposal

This section contains a summary of the Joint Proposal, the terms of which would only be effective if the Joint Proposal is accepted by the creditors and approved by the Court, in accordance with the provisions of the BIA (collectively the “**Implementation Date**”).

As set out in the Proposal, the Proposal provides for the following:

- (i) **Funding of the Proposal** – The Proposal Fund will comprise the net proceeds from the sale of the Company’s principal assets comprised of five (5) customized trucks being operated as “**Mobile Cafes**” having an estimated value totalling approximately \$1,950,000.
- (ii) **Administrative Fees and Expenses** – The fees and expenses of the Trustee and those of the Company’s legal counsel incidental to the preparation, presentation, consideration, and implementation of the Joint Proposal, shall be paid in full out of the Proposal Fund prior to distribution to the Unsecured Creditors, to a maximum of forty thousand dollars (\$40,000) plus disbursements and applicable taxes;
- (iii) **Secured Creditors** - To be paid in full from the Proposal Fund in priority to subordinate creditors;
- (iv) **Crown Creditors** - Unless Her Majesty in Right of Canada or a Province agrees otherwise, the Proven Claims, if any, of Crown Creditors shall be paid within six (6) months after Court approval of the Proposal out of the Proposal Fund. Based on the SOA, the Company’s obligation to the Canada Revenue Agency in respect of unpaid source deductions including penalties and interest;
- (v) **Employee Creditors** - The Proven Claims, if any, of the Employee Creditors who are owed a preferred claim for qualifying wages under subsection 136(1)(d) of the BIA (this does not include termination or severance pay owing), shall be paid immediately after Court approval of the Joint Proposal out of the Proposal Fund.
- (vi) **Preferred Creditors** – The Company will pay each Preferred Creditor their Proven Claim according to the priority set by the BIA. According to the SOA, the Company has one preferred creditor, the landlord of the rental premises. Their preferred claim has not yet been quantified;

- (vii) **Ordinary Creditors** – The Proven Claims of Ordinary Creditors shall be paid by the Proposal Trustee from the remaining balance of the Proposal Fund after payment of the Administrative Fees and Expenses, and the Claims, if any, set out in paragraphs (iii) to (vi) of this Section, their pro rata share of the Proposal Fund;
- (viii) **Related Party Creditors** – Any Related Party creditors shall not be entitled to vote in favour of the Joint Proposal and will receive \$1,000 in full and final settlement of each of their respective proven claims;
- (ix) **Levy** – Payments to each Unsecured Creditor shall be net of any applicable levy payable to the Office of the Superintendent of Bankruptcy (the “**OSB**”) as required by the BIA and the Proposal Trustee shall remit the amount of such levy to the OSB with the distributions to Unsecured Creditors;
- (x) **Preferences and Transactions at Under Value** - Sections 95-101 of the BIA will not apply in respect of this Proposal;
- (xi) **Claims Against Directors** - Any Claims against the Company by any Creditor that are also Claims against the directors and/or officers of the Company that relate to obligations of Company where the directors are under any law liable in their capacity as directors for the payment of such obligations and that claims arose before the commencement of the proposal proceedings shall be, upon Court approval of the Joint Proposal and to the extent permitted by the BIA, released and forever discharged as against the directors of the Company;

The above description of the Joint Proposal is a summary only, and readers are cautioned that if there is an inconsistency between this Report and the Joint Proposal, the terms of the Joint Proposal shall govern.

SECTION C - Financial Position and Causes of Difficulties

The below table summarize the Company’s internally prepared historical financial results as follows:

	Year ended	
	September 2023	September 2022
Sales	\$766,791	\$598,900
Cost of Sales	406,796	419,043
Payroll expenses	143,058	173,315
Amortization	561,207	696,018
Other expenses	376,806	707,793
Net Income	(\$721,076)	(\$1,397,269)

The following factors have contributed to the financial difficulties faced by the Untether Group over the past few years:

1. **Impact of COVID-19 and Changing Market Conditions:** The business was primarily designed to serve transit commuters, but the pandemic kept people at home for 2-3 years. The numbers have yet to return to pre-COVID levels.
2. **Inability to Pivot to New Markets:** The company has struggled to fully replace the lost revenue from transit commuters with new markets like catering & events.
3. **Rising Costs During and After COVID-19:** Input costs, including labour and food, have increased by 20%-50%, without a corresponding rise in prices.
4. **Higher Debt Servicing Costs:** The cost of servicing debt has risen due to high interest rates in the post-COVID marketplace.
5. **Economic Slowdown Due to High Interest Rates:** High interest rates post-COVID have slowed the economy, leading to a significant decline in corporate spending on events.
6. **Insufficient Working Capital:** A lack of working capital has hindered the Company's ability to invest in growth and increase top-line revenue.

SECTION D - Interim Receiver

Not Applicable.

SECTION E - Identification and Evaluation of Assets

According to the sworn SOA, the Company's principal recoverable assets comprise the 5 Mobile Cafes valued at approximately between USD 275,000 and USD 350,000 each for an approximate total amount of \$1,950,000.

SECTION F - Conduct of the Company

The conduct of the Company does not appear to be subject to censure.

SECTION G - Creditors' Claims

As per the sworn SOA and Proofs of Claim filed to date, the Company's creditors are summarized below:

Creditor Classifications	Indebtedness Per SOA
Due to CRA re employee source deductions	\$267,000
Third-Party Secured	\$1,500,000
Related Party Secured	\$934,000
Preferred	\$300,000
Third-Party Unsecured	\$1,200,000
Total	\$4,201,000

SECTION H - Previous Business Dealings with the Company

The Company had previously hired MNP LLP for bookkeeping services and has a small outstanding balance that is not listed under unsecured creditors and will be written off by MNP LLP.

SECTION I - Informal Meeting with Major Creditors

The Trustee and the Company's counsel have been in discussions with counsel to the Company's senior secured creditors being Daimler and Bank of Montreal regarding the terms of the Joint Proposal.

SECTION J - Remuneration of Proposal Trustee

The Joint Proposal includes the Proposal Trustee's fees and expenses for administering the Proposal, as well as the Company's legal counsel fees (collectively referred to as '**Administrative Fees and Expenses**') to a maximum of \$40,000 plus disbursements and applicable taxes. These will be covered by the Proposal Fund.

SECTION K - Other

Not Applicable

SECTION L - Estimated Realizations- Joint Proposal vs Bankruptcy

UNTETHER CAPITAL INC. & UNTETHER TECHNOLOGIES INC. JOINT PROPOSAL ESTIMATED DISTRIBUTIONS

	Note	Total	Joint Proposal	Bankruptcy
FUNDS AVAILABLE FOR DISTRIBUTION				
Net assets of the Company	1.		1,950,000	1,350,000
Gross Funds Available for distribution			1,950,000	1,350,000
LESS Professional Fees and Expenses			(45,200)	(45,200)
NET FUNDS AVAILABLE FOR DISTRIBUTION			1,904,800	1,304,800
CREDITOR CLAIMS AND ESTIMATED DISTRIBUTIONS IN ORDER OF PRIORITY				
Canada Revenue Source Deductions Claim	2.	267,000	267,000	267,000
Secured Creditors - Third Party	2.	1,500,000	1,500,000	1,037,800
Secured Creditors - Related Party	2.	934,000	4,000	-
		2,701,000	1,771,000	1,304,800
AVAILABLE FOR DISTRIBUTION TO PREFERRED AND UNSECURED CREDITORS	3.	1,500,000	133,800	-

NOTES:

1. Represents in Joint Proposal scenario the estimated net proceeds for the sale of the Mobile Cafes based on Letters of Intent received and current negotiations with prospective purchasers.
2. Based on terms of the Joint Proposal, Statement of Affairs and Proofs of Claim filed to date.
3. Represents the estimated claims of preferred creditors and third party unsecured creditors.

Based on the above analysis, the Proposal Trustee estimates that Unsecured Creditors should receive a distribution if the Joint Proposal is accepted by the Creditors and approved by the Court, rather than if it is rejected and the Company is deemed bankrupt. This is because Mr. Tobias, with his industry experience, is conducting the sale process for the Company's principal assets, Mobile Cafes, and should maximize recoveries as opposed to those achievable by a Trustee in Bankruptcy. In addition, the Proposal Trustee will supervise the sales of the Mobile Cafes and sale proceeds will be paid directly to the Proposal Trustee.

Preferences and Transactions at Under Value

The Joint Proposal provides that sections 95-101 are not applicable. To evaluate the appropriateness of this clause, the Proposal Trustee is reviewing the Company's bank statements and cancelled cheques from October 30, 2023, to October 29, 2024. This review aims to identify any potential preferences or transfers at undervalue, and the Trustee will report the findings to the creditors at the meeting to consider the Joint Proposal.

SECTION M - Recommendations

Based on the above and subject to no material potential preferences or transfers at undervalue being identified, the Proposal Trustee recommends the acceptance of the Proposal as the Proposal contemplates a distribution to the Unsecured Creditors which would not occur if the Company were bankrupt.

SECTION N - Technical Requirements for a Successful Proposal

This Joint Proposal will become effective only if it is accepted by a resolution of the Unsecured Creditors and approved by the Court. To obtain Creditor approval, a simple majority in the number of Unsecured Creditors voting, with this majority representing at least 2/3 of the dollar value of the Unsecured Creditors voting, must vote in favour of the Joint Proposal. If the Unsecured Creditors do not accept the Joint Proposal, then the Company will be deemed to have made an assignment in bankruptcy and a meeting of creditors in the matter of the bankruptcy will immediately take place.

If the Unsecured Creditors vote to accept the Joint Proposal, Court approval of the Joint Proposal must then be sought. If the Court does not approve the Joint Proposal, the Company would be deemed to have made an assignment in bankruptcy and the Trustee of the bankruptcy estate will then call a meeting of creditors in the matter of the bankruptcy.

When completing the Proof of Claim form submitted herewith, Creditors should include all outstanding amounts as of October 29, 2024, the date of the filing of the Notice of Intention to Make a Proposal. It is expressly noted and should be clearly understood that MNP Ltd., in its capacity as Proposal Trustee, assumes no personal liability for any claims that Creditors may have against the Company, filed, proven, deemed or otherwise, either before or after the filing of the Joint Proposal.

Creditors may attend, in person or by proxy, the meeting to consider the Proposal, which will be held on **Monday, December 23, 2024, at 10:00 a.m. (Toronto, Ontario Time) by video/telephone conference (via Microsoft Teams Meetings)**. To attend/join the meeting you may connect by the following:

Teams: Video Conferencing

MS Teams Link: <http://alturl.com/h34qr>

Telephone (audio only)

Toll free:(877) 252-9279;

Phone Conference ID: 478 050 822#

In order to participate and vote at the meeting, Creditors must file their claims at or before 4 pm (Toronto Time) on December 22, 2024. Creditors who do not wish to attend or be represented at the meeting but who wish to vote may forward their Proofs of Claim and voting letters to the Proposal Trustee either by email to Chahna.Nathwani@mnp.ca or by fax to 416.596.7894.

Should you have any questions or comments on the Proposal or this report, please do not hesitate to contact the undersigned.

Dated in Toronto, Ontario, on the 12th day of December 2024.

MNP LTD.

Trustee acting *in re* the Joint Proposal of
Untether Capital Inc. and Untether Technologies Inc.

Per:



Jerry Henechowicz
Licensed Insolvency Trustee

Encl.

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-3147113
 Estate No. 31-3147113

Original Amended

Form 78
 Statement of Affairs (Corporate Proposal)
 (Subsection 49(2) and Paragraph 158(d) of the Act / subsections 50(2) and 62(1) of the Act)

In the Matter of the Proposal of
 Untether Capital Inc.
 of the City of Vaughan
 in the Province of Ontario

To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 26th day of November 2024. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration by a duly authorized director, if the debtor is a corporation, or by yourself, in other cases..

Give reasons for the bankrupt's/debtor's financial difficulty (Select all that apply and provide details):

- | | | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Negative market conditions; | <input type="checkbox"/> Foreign Exchange Fluctuations; | <input type="checkbox"/> Economic Downturn; | <input type="checkbox"/> Poor Financial Performance; | <input type="checkbox"/> Legal Matters (Provide details); |
| <input checked="" type="checkbox"/> Lack of Working Capital/Funding; | <input type="checkbox"/> Competition; | <input type="checkbox"/> Legislated or Regulatory Restrictions; | <input type="checkbox"/> Natural Disaster; | <input checked="" type="checkbox"/> Increased Cost of Doing Business; |
| <input type="checkbox"/> Overhead Increasing; | <input type="checkbox"/> Faulty Infrastructure or Business Model; | <input type="checkbox"/> Unsuccessful Marketing Initiatives; | <input type="checkbox"/> Personal Issues; | <input type="checkbox"/> Poor Management; |
| <input type="checkbox"/> Faulty Accounting; | <input type="checkbox"/> Tax Liabilities; | <input type="checkbox"/> Labour; | <input type="checkbox"/> Other (Please specify). | |

Provide relevant details:

ASSETS

(totals from the list of assets as stated and estimated by bankrupt/debtor)

1. Cash on hand	0.00
2. Deposits in financial institutions	0.00
3. Accounts receivable and other receivables	
Total amount	0.00
Estimated realizable value	0.00
4. Inventory	0.00
5. Trade fixtures, etc.	0.00
6. Livestock	0.00
7. Machinery and equipment	0.00
8. Real property or immovables	0.00
9. Furniture	0.00
10. Intangible assets (intellectual properties, licences, cryptocurrencies, digital tokens, etc.)	0.00
11. Vehicles	1,750,000.00
12. Securities (shares, bonds, debentures, etc.)	0.00
13. Other property	0.00

Total of lines 1 to 13 1,750,000.00

If debtor is a corporation, add:

Amount of subscribed capital	0.00
Amount paid on capital	0.00
Balance subscribed and unpaid	0.00
Estimated to produce	0.00

Total assets 1,750,000.00

Deficiency -5,508,634.42

Total value of assets located outside Canada included in lines 1 to 13 0.00

LIABILITIES

(totals from the list of liabilities as stated and estimated by bankrupt/debtor)

1. Secured creditors	1,448,076.68
2. Preferred creditors, securities, and priorities	0.00
3. Unsecured creditors	5,810,557.74
4. Contingent, trust claims or other liabilities estimated to be provable for	0.00
Total liabilities	7,258,634.42
Surplus	5,508,634.42

List of Assets

Arrange by Nature of asset and number consecutively

No.	Nature of asset ¹	Address/Location	Asset located outside Canada	Details	Percentage of bankrupt's/debtor's interest	Total value of the bankrupt's/debtor's interest	Estimated realizable value	Equity or Surplus	Placeholder (values on this line are for notification)
801	Vehicles	n/a	<input type="checkbox"/>	2020 - Coffee Trucks - Mobile Cafes - FREIGHTLINER - MT55 - 4UZAC3EA9LCLT0877	100.00	350,000.00	350,000.00	0.00	<input type="checkbox"/>
802	Vehicles	n/a	<input type="checkbox"/>	2020 - Coffee Trucks - Mobile Cafes - FREIGHTLINER - MT55 - 4UZAC3EA0LCLT0878	100.00	350,000.00	350,000.00	0.00	<input type="checkbox"/>
803	Vehicles	n/a	<input type="checkbox"/>	2020 - Coffee Trucks - Mobile Cafes - FREIGHTLINER - MT55 - 4UZAC3EA2LCLT0879	100.00	350,000.00	350,000.00	0.00	<input type="checkbox"/>
804	Vehicles	n/a	<input type="checkbox"/>	2020 - Mobile Cafes -Coffee Trucks - FREIGHTLINER - MT55 - 4UZAARFD2LCLT0883	100.00	350,000.00	350,000.00	0.00	<input type="checkbox"/>
805	Vehicles	n/a	<input type="checkbox"/>	2020 - Mobile Cafes -Coffee Trucks - FREIGHTLINER - MT55 - 4UZAARFD4LCLT0884	100.00	350,000.00	350,000.00	301,923.32	<input type="checkbox"/>
Total						1,750,000.00	1,750,000.00		

¹ Choose one option for each item: Cash on hand; Deposits in financial institutions; Accounts receivable and other receivables; Inventory; Trade fixtures, etc.; Livestock; Machinery and equipment; Residential rental property; Commercial building; Industrial building; Land; Immovable industrial equipment; Other real property; Furniture; Intangible assets (intellectual properties, licences, cryptocurrencies, digital tokens, etc.); Vehicles; Securities (shares, bonds, debentures, etc.); Bills of exchange, promissory note, etc.; Tax refunds; Other personal property.

e-Signed by Kirk Tobias
2024-11-26 20:16:05 EST

Kirk Tobias

26-Nov-2024

Date

List of Liabilities

No.	Name of creditor or claimant	Address	Nature of liability ²	Details	Date given/ incurred	Amount of Claim					Asset securing the liability	Ground for the right to a priority ³	Estimated surplus or (deficit) from security	Placeholder (values on this line are for notification only)
						Unsecured	Secured	Preferred/Priorities	Contingent, trust claims or other liabilities	Total amount of claim				
1	407 ETR Express Toll Route Attn: Marion Richardson /Collections	6300 Steeles Ave W Woodbridge ON L4H 1J1	Other	AP		19,340.74	0.00	0.00	0.00	19,340.74			0.00	<input type="checkbox"/>
2	Bank of Montreal	1 First Canadian Place, P.O. Box 150 Toronto ON M5X 1H3	Bank Loans except real property mortgage	Secured-CSFBL	30-Mar-2020	0.00	137,500.11	0.00	0.00	137,500.11	801,802,803,804,805		0.00	<input type="checkbox"/>
3	Bank of Montreal	1 First Canadian Place, P.O. Box 150 Toronto ON M5J 0E7	Other	Secured-Equipment Loan	17-Aug-2020	0.00	58,666.63	0.00	0.00	58,666.63	801,802,803,804,805		0.00	<input type="checkbox"/>
4	Blake, Cassels & Graydon LLP	199 Bay St. #4000 Toronto ON M5L 1A9	Other	AP		80,000.00	0.00	0.00	0.00	80,000.00			0.00	<input type="checkbox"/>
5	Business Development Bank of Canada	81 Bay St. Suite 3700 Toronto ON M5J 0E7	Bank Loans except real property mortgage	Secured-BDC Loan	30-Apr-2020	0.00	244,110.02	0.00	0.00	244,110.02	801,802,803,804,805		301,923.32	<input type="checkbox"/>
6	Compass Group	475 Seaman Street Stoney Creek ON L8E 2R2	Other	Secured-Truck financing	17-Aug-2020	0.00	331,309.92	0.00	0.00	331,309.92	804,805		0.00	<input type="checkbox"/>
7	CRA - GST/HST - Shawinigan -Sud Attn: Quebec Insolvency Intake Centre	Shawinigan - Sud National Verification and Collection Centre 4695 Shawinigan -Sud Blvd Shawinigan -sud QC G9P 5H9	Other	HST Taxes		50,000.00	0.00	0.00	0.00	50,000.00			0.00	<input type="checkbox"/>

e-Signed by Kirk Tobias
2024-11-26 20:16:47 EST

Kirk Tobias

26-Nov-2024

Date

List of Liabilities

No.	Name of creditor or claimant	Address	Nature of liability ²	Details	Date given/ incurred	Amount of Claim					Asset securing the liability	Ground for the right to a priority ³	Estimated surplus or (deficit) from security	Placeholder values on this line are for notification only)
						Unsecured	Secured	Preferred/Priorities	Contingent, trust claims or other liabilities	Total amount of claim				
8	CRA - Tax - Ontario	Shawiniga n-Sud National Verification and Collection Centre 4695 Shawiniga n-Sud Blvd Shawiniga n-Sud QC G9P 5H9		Secured-Source Deduction	01-Jan-2020	0.00	215,387.00	0.00	0.00	215,387.00	801,802,803,804,805		0.00	<input type="checkbox"/>
9	CRA - Tax - Ontario	Shawiniga n-Sud National Verification and Collection Centre 4695 Shawiniga n-Sud Blvd Shawiniga n-Sud QC G9P 5H9		Interest and Penalties of Source Deduction		35,000.00	0.00	0.00	0.00	35,000.00			0.00	<input type="checkbox"/>
10	Crystal Fountains Inc.	60 Snow Blvd #3 Concord ON L4K 4B3	Other	Landlord		622,630.00	0.00	0.00	0.00	622,630.00			0.00	<input type="checkbox"/>
11	Daimler Truck Financial	2680 Matheson Blvd East, Suite 202 Mississauga ON L4W 0A5	Other	Secured-Truck financing	03-Nov-2020	0.00	461,103.00	0.00	0.00	461,103.00	801,802,803		0.00	<input type="checkbox"/>
12	Export Development Canada	PO Box 4530 STN A Toronto ON M5W 0N2	Other	CEBA		60,000.00	0.00	0.00	0.00	60,000.00			0.00	<input type="checkbox"/>
13	Government of Canada	60 Queen St., 8th Floor Ottawa ON K1P 5Y7	Other	RRRF		386,000.00	0.00	0.00	0.00	386,000.00			0.00	<input type="checkbox"/>
14	Kirk Tobias	20 Peter Street Markham ON L3P 2A4	Other	Unpaid Expenses		48,500.00	0.00	0.00	0.00	48,500.00			0.00	<input type="checkbox"/>

e-Signed by Kirk Tobias

2024-11-26 20:19:14:14 EST

26-Nov-2024

Kirk Tobias

Date

List of Liabilities

No.	Name of creditor or claimant	Address	Nature of liability ²	Details	Date given/ incurred	Amount of Claim					Asset securing the liability	Ground for the right to a priority ³	Estimated surplus or (deficit) from security	Placeholder (values on this line are for notification only)
						Unsecured	Secured	Preferred/Priorities	Contingent, trust claims or other liabilities	Total amount of claim				
15	Kirk Tobias	20 Peter Street Markham ON L3P 2A4		Secured-Shareholder Loan		933,889.00	0.00	0.00	0.00	933,889.00			-933,889.00	<input type="checkbox"/>
16	Paula Tobias	20 Peter Street Markham ON L3P 2A4	Other	Wages Payable		12,210.00	0.00	0.00	0.00	12,210.00			0.00	<input type="checkbox"/>
17	Petro Canada	PO Box 2844 150 6 Ave SW Calgary AB T2P 3Y7	Other	Petro Pass		11,500.00	0.00	0.00	0.00	11,500.00			0.00	<input type="checkbox"/>
18	Rogers Communications / CBV Collection	c/o FCT Default Solutions PO Box 2514, Stn B London ON N6A 4G9	Other	AP		14,988.00	0.00	0.00	0.00	14,988.00			0.00	<input type="checkbox"/>
19	Shareholder advances	C/O 2-60 Snow Blvd. Vaughan ON L4K 4B3	Other	Shareholder advances		3,500,000.00	0.00	0.00	0.00	3,500,000.00			0.00	<input type="checkbox"/>
20	Taligent Group	150 Jardin Dr unit 9 Concord ON L4K 3P9	Other	AP		3,000.00	0.00	0.00	0.00	3,000.00			0.00	<input type="checkbox"/>
21	TD Canada Trust C/O FCT Default Solutions	PO Box 2514, Station B London ON N6A 4G9	Bank Loans except real property mortgage	Visa		33,500.00	0.00	0.00	0.00	33,500.00			0.00	<input type="checkbox"/>
Total						5,810,557.74	1,448,076.68	0.00	0.00	7,258,634.42				

² Choose one option for each item: Accounts payable; Owed rent; Owed wages; Severance pay; Corporate taxes; Sales taxes; Employee source deductions; Litigation/legal costs and awards; Subordinated debenture; Bills of exchange; Promissory notes; Lien notes; Mortgages or hypothec on real or immovable property; Chattel mortgages or movable hypothec; General Security Agreement; Intercompany loans; Bank loans (except real property mortgage); Finance company loans; Shareholder loans; Shares and subscribed capital; Other claim or liability.

³ Choose one option for each item with a preferred or priority amount: Unpaid supplier; Farmer, fisherman or aquaculturist; Owed wages; Unpaid amount regarding pension plan; Municipal taxes; Rent; Customer of a bankrupt securities firm; Deemed trust in favour of the Crown; Priming charges and interim financing; Environmental liabilities; Other.

e-Signed by Kirk Tobias
2024-11-26 20:20:23 EST

Kirk Tobias

26-Nov-2024

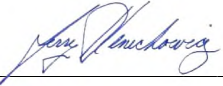
Date

I, Kirk Tobias, of the City of Markham in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are, to the best of my knowledge, a full, true and complete statement of the affairs of the Corporation on the 26th day of November 2024 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED) remotely by Kirk Tobias stated as being located in the City of Markham in the Province of Ontario before me at the City of Toronto in the Province of Ontario, on this 26th day of November 2024 in accordance with provincial Regulation on Administering Oath or Declaration Remotely.

e-Signed by Kirk Tobias
2024-11-26 20:20:26 EST

Kirk Tobias



Jerry Henechowicz, Commissioner of Oaths
For the Province of Ontario
MNP Ltd.
Expires

Court No. 31-3147113

Estate No. 31-3147113

In the Matter of the Proposal of
Untether Capital Inc.
of the City of Vaughan
in the Province of Ontario

Form 78 (8R22)
Statement of affairs (Business bankruptcy)

Trustee: Jerry Henechowicz

License: 3167

Email:

MNP Ltd. - Licensed Insolvency Trustee
1900 - 1 Adelaide Street East
Toronto ON M5C 2V9
Phone: (416) 596-1711 Fax: (416) 323-5240

District of: Ontario
Division No. 09 - Toronto
Court No. 31-3147113
Estate No. 31-3147113

FORM 31

Proof of Claim

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

In the Matter of the Proposal of
Untether Capital Inc.
of the City of Vaughan
in the Province of Ontario

The creditor's preference is to receive all notices and correspondence regarding this claim at the following address and/or facsimile number and/or email address (a mailing address must be provided in all cases):

Address: _____
Facsimile: _____
Email: _____
Contact person name or position: _____
Telephone number for contact person: _____

In the matter of the proposal of Untether Capital Inc. of the City of Vaughan in the Province of Ontario and the claim of _____, creditor.

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

1. That I am a creditor of the above named debtor (or that I am _____ (state position or title) of _____, (name of creditor or representative of the creditor) and that I am authorized to represent and (if the creditor is a corporation) that I have authority to bind the creditor of the above-named debtor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of proposal, namely the 29th day of October 2024, and still is, indebted to the creditor in the sum of \$_____, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. Any debt payable in a currency other than Canadian currency was converted to Canadian currency as of the date of proposal.

(The attached statement of account or affidavit must specify the supporting documents or other evidence in support of the claim)

4. That, to the best of my knowledge, this debt has never been (or this debt has been or part of this debt has been) statute-barred as determined under the relevant legislation.

5. That payment for this debt by the debtor to the creditor has been due (or has been in default) since the ____ day of _____, and that the last payment, if any, on this debt by the debtor to the creditor was made on the ____ day of _____, and/or that the last acknowledgement, if any, of liability for this debt by the debtor to the creditor was made on the ____ day of _____, as follows:

(Give full particulars of the claim, including its history, any acknowledgement or legal action)

6. (Check and complete appropriate category)

A. Unsecured claim of \$_____

(Other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and:

(Check appropriate description)

Regarding the amount of \$_____, I do not claim a right to a priority.

Regarding the amount of \$_____, I claim a right to a priority under paragraph 136(1)(d) of the Act (Complete paragraph 6E below.)

Regarding the amount of \$_____, I claim a right to a priority under paragraph 136(1)(d.01) of the Act.

District of Ontario
Division No. 09 - Toronto
Court No. 31-3147113
Estate No. 31-3147113

FORM 31 --- Continued
In the Matter of the Proposal of
Untether Capital Inc.
of the City of Vaughan
in the Province of Ontario

- Regarding the amount of \$ _____, I claim a right to a priority under paragraph 136(1)(d.02) of the Act.
- Regarding the amount of \$ _____, I claim a right to a priority under paragraph 136(1)(d.1) of the Act.
- Regarding the amount of \$ _____, I claim a right to a priority under paragraph 136(1)(e) of the Act.
- Regarding the amount of \$ _____, I claim a right to a priority under paragraph 136(1)(f) of the Act.
- Regarding the amount of \$ _____, I claim a right to a priority under paragraph 136(1)(g) of the Act.
- Regarding the amount of \$ _____, I claim a right to a priority under paragraph 136(1)(i) of the Act.

(Set out on an attached sheet details to support priority claim)

- B. Claim of Lessor for disclaimer of a lease of \$ _____**

That I make a claim under subsection 65.2(4) of the Act, the particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based)

- C. Secured claim of \$ _____**

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

A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in the proof of security, by the secured creditor.

- D. Claim by Farmer, Fisherman or Aquaculturist of \$ _____**

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

- E. Claim by Wage Earner of \$ _____**

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

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

- F. Claim by Pension Plan for unpaid amount of \$ _____**

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

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

- G. Claim against Director of \$ _____**

(To be completed when a proposal provides for the compromise of claims against directors)
That I make a claim under subsection 50(13) of the Act, the particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based)

- H. Claim of a Customer of a Bankrupt Securities Firm of \$ _____**

That I make a claim as a customer for net equity as contemplated by section 262 of the Act, the particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based)

District of Ontario
Division No. 09 - Toronto
Court No. 31-3147113
Estate No. 31-3147113

FORM 31 --- Concluded
In the Matter of the Proposal of
Untether Capital Inc.
of the City of Vaughan
in the Province of Ontario

7. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

8. That the following are the payments that I have received from the debtor, the credits that I have allowed to the debtor, and the transfers at undervalue within the meaning of section 2 of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of section 2 of the Act:

(Provide details of payments, credits and transfers at undervalue)

9. (Applicable only in the case of the bankruptcy of an individual.)

Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.

I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Warning: Subsection 201(1) of the Act provides for the imposition of severe penalties in the event that a creditor or person claiming to be a creditor makes any false claim, proof, declaration or statement of account.

Dated at _____, this _____ day of _____.

Signature of creditor or representative

District of: Ontario
Division No. 09 - Toronto
Court No. 31-3147113
Estate No. 31-3147113

FORM 37

Voting Letter
(Paragraph 51(1)(f) of the Act)

In the Matter of the Proposal of
Untether Capital Inc.
of the City of Vaughan
in the Province of Ontario

I, _____, creditor (or I, _____, representative
of _____, creditor), of _____, a creditor in the above matter
for the sum of \$ _____, hereby request the trustee acting with respect to the proposal of Untether
Capital Inc., to record my vote _____ (for or against) the acceptance of the proposal as made on
the _____ day of _____, _____.

Dated at _____, this _____ day of _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:
MNP Ltd. - Licensed Insolvency Trustee
Per:

Jerry Henechowicz - Licensed Insolvency Trustee
1900 - 1 Adelaide Street East
Toronto ON M5C 2V9
Fax: (416) 323-5240

District of: Ontario
Division No. 09 - Toronto
Court No. 31-3147113
Estate No. 31-3147113

FORM 36
Proxy
(Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3)(b) of the Act)

In the Matter of the Proposal of
Untether Capital Inc.
of the City of Vaughan
in the Province of Ontario

I, _____, of _____, a creditor in the above matter, hereby
appoint _____, of _____, to be
my proxyholder in the above matter, except as to the receipt of dividends, _____ (with or without)
power to appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____, _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

MNP Ltd. - Licensed Insolvency Trustee

1900 - 1 Adelaide Street East
Toronto ON M5C 2V9
Fax: (416) 323-5240

Guidance for Completing Form 31, Proof of Claim

Creditor Contact Information

The creditor's preferred contact details for correspondence about the claim.

- This can be a mailing address, fax number or email address.
- More than one type of contact can be provided. The LIT will then have the discretion to send correspondence by one of these options.

The creditor's mailing address **must** be given to allow the LIT to distribute any estate funds.

Name a contact person to receive correspondence about the claim.

- This can be the creditor or the name or position of a creditor representative.
- A telephone number for the contact person can be given for communication with the LIT.

Additional Details

Enter the following:

- Select if the claim relates to a bankruptcy, a proposal or a receivership.
- The full legal name of the debtor, or the full legal or trade name of the debtor corporation.
- The city and province of the debtor.
- The full legal name of the creditor.

The type of proceeding and the name and city of the debtor may be pre-filled by the LIT.

Creditor Information

Enter the following:

- The full name of the creditor or creditor representative.
- The city and province of the creditor or creditor representative.

Creditor Statement

The creditor or creditor representative confirms that all information related to the creditor's claim is true and completed to the best of their knowledge.

Paragraphs 1 and 2:

- If you are an employee the creditor or a creditor representative, supply your position or job title, and the full legal name of your employer.
- If the creditor is a corporation, the person completing the form must confirm that they have the authority to bind the creditor.

Paragraph 3

Claim details:

- Select if the claim relates to a bankruptcy, a receivership, a proposal or a proposal made following a notice of intention.
- The filing date of the proceeding (day, month, and year).
 - This date may be pre-filled by the LIT.
- The full amount, in Canadian dollars, the debtor owes the creditor on the date of the proceedings, minus any counterclaims to which the debtor is entitled.
 - If the amount owing was payable in a currency other than Canadian dollars, it should be converted to Canadian dollars at the rate provided in the proposal.
 - If there is no specified rate, use the exchange rate on the filing date provided above.
- Attach supporting documents to provide all relevant details to prove the claim. This allows the LIT to examine the claim and decide whether to allow it.

Paragraph 4

Confirmation of debt status:

- Select whether all, part or none of the debt is statute-barred.
 - A debt is statute-barred when legislation extinguishes the debt or bars a creditor from taking legal action to recover on it due to the passage of time, known as the limitation period.
 - The specific conditions and the time for a debt to become statute-barred vary depending on the circumstances and relevant legislation. For most unsecured liabilities, the general limitation period is between two and six years.
 - A statute-barred debt is not a provable claim under the Act. If you have a claim, it is advisable to seek legal advice to confirm the relevant legislation and limitation period that apply to your claim.

Paragraph 5

Claim Details:

- Provide the date (day, month, and year) when payment was owed and the date (day, month, and year) of the last payment made by the debtor for the debt, if any.
- Provide the date of the debtor's most recent acknowledgment of the debt, if any.
- Include all relevant details about the debt or obligation, e.g., the nature and history of the claim, how and when the debt or obligation was contracted, etc.

Paragraph 6

Type of Claim (according to the Act)

Check each applicable category for the claim or claims and include the required information and supporting documentation for each claim.

A. **Unsecured Claim**

- For a claim against a securities firm, omit any amount claimed against the customer pool fund.

Priority claims:

If not claiming a right to a priority, check the first box and enter the amount for which there is no priority being claimed.

If claiming a right to a priority under any of paragraphs 136(1)(d), (d.01), (d.02), (d.1), (e), (f), (g) or (i) of the Act, check the corresponding box and enter the amount for which a priority is claimed.

- **Employee claims:** For unpaid wages, salaries, commissions or compensation of up to \$2000, for work done during the six months preceding the bankruptcy or receivership, check the paragraph 136(1)(d) box. The details of the claim must also be provided in section E.
- **Secured creditor claims:** For the amount not received from the realization of the security because of the legislated security for unpaid wages or pension plans for the benefit of the debtor's employees, check the paragraph 136(1)(d.01) or 136(1)(d.02) box.
- **Former partner or child support claims:** For unpaid alimony, alimentary pension, support or maintenance of a former partner or child for a lump sum or periodic payment for amounts due in the year before the bankruptcy or proposal, check the paragraph 136(1)(d.01) box.
- **Municipal tax claims:** For unpaid property taxes owed for the last two years before the bankruptcy or proposal and for which the municipality has not registered on title, check the paragraph 136(1)(e) box.
- **Lessor claims:** For unpaid rent for the three months before the bankruptcy or proposal or accelerated rent for the three months after the bankruptcy or proposal, check the paragraph 136(1)(f) box.
- **Creditor cost claims:** For legal fees and costs paid by a creditor for any process against the property of the debtor filed before the bankruptcy or proposal, check the paragraph 136(1)(g) box.
- **Insurer claims:** For claims of insurers who paid money for injuries to the debtor's employees not covered by the provisions of any workers' compensation legislation, check the paragraph 136(1)(i) box.

The total amount of all the amounts in priority must correspond to the total amount for unsecured claims reported at A.

B. Lessor's claim for a disclaimer of a lease:

- This is only available if the debtor used a proposal to end a commercial lease.
- Provide details of the claim, including calculations on which the claim is based.

C. Secured claim:

- Provide the amount of the secured debt and complete details of the security, including the date the security was given and the value at which it is assessed at the date of completing the form.
- Include copies of security and registration documents.

D. Claims by Farmers, Fishers or Aquaculturists:

- The amount entered on both lines should be the same.
- This claim only applies to inventory supplied by farmers, fishers or aquaculturists within 15 days of the bankruptcy date or receiver's appointment (see the filing date at Paragraph 3).
- Include sales agreements and delivery receipts.

E. Claims by Wage Earner:

- If the claim relates to the bankruptcy of the employer, check the subsection 81.3(8) box.

- Enter the amount claimed for unpaid wages for work done within six months before the bankruptcy.
- If the claim relates to the appointment of a receiver to the property of the employer, check the subsection 81.4(8) box.
 - Enter the amount claimed for unpaid wages for work done within six months before the receiver's appointment.
 - A priority claim can often be filed at A for these unpaid wages under paragraph 136(1)(d).

F. Claims by Pension Plans:

- This claim should be filed by the pension plan administrator, not by the employee or former employee of the debtor.
- If the claim relates to the employer's bankruptcy, check the section 81.5 box.
 - Enter the amount claimed for unpaid amounts from the pension plan.
- If the claim relates to the appointment of a receiver to the property of the employer, check the section 81.6 box.
 - Enter the amount claimed for unpaid amounts from the pension plan.

G. Claims against Directors:

- This only applies to corporations that have filed a proposal that includes a compromise or protection from claims against the directors of the corporation made under subsection 50(13).
- A director of a corporation other than an income trust means a person who holds the position of a director regardless of their title, and in the case of an income trust, a person holding the position of trustee by any name.
- Fully explain the claim and include detailed calculations upon which the claim is based.

H. Claims by a customer of a bankrupt securities firm:

- A securities firm refers to a business that buys and sells securities, such as shares, mutual funds shares, notes, bonds, debentures, commodity futures, or derivatives, on behalf of its customers.
- The amount claimed must be for the net equity of the customer:
 - This is the value of the securities in the customer's account, had it been liquidated at the close of business on the date of bankruptcy, less any amount owed by the customer to the securities firm on the same date.
- Include detailed calculations upon which the claim is based.

Paragraph 7

Relationship to the Debtor

- Indicate whether the creditor is related to the debtor:
 - Individuals are related if they are connected by blood, marriage, common-law partnership, or adoption.
 - Corporations are typically related to individuals who control them, as well as other corporations controlled by the same persons or are part of the same group of corporations.
- Indicate whether the creditor has dealt with the debtor in a non-arm's length manner:
 - Non-arm's length refers to a relationship or transaction between parties who are related to each other.
 - Creditors related to the debtor are generally considered not to deal with each other at arm's length.

Paragraph 8

Payment and Credits

List all payments received from the debtor and credit extended to the debtor during the designated period.

- Designated period:
 - For related persons or persons who are not at arm's length, the designated period is twelve months before the date of filing in Paragraph 3.
 - Otherwise, the designated period is three months before the date of filing in Paragraph 3.
- Provide information on any transfers at undervalue by the debtor that the creditor was a party to, or is aware of, for the designated period.
 - Transfers at undervalue include all transactions, either for goods or services, for which the debtor received conspicuously less than reasonable value.
- Include all details of payments, credits or any transfers at undervalue.

Paragraph 9

Request for Information

If the proof of claim relates to an individual bankrupt, you can request to receive specific information by checking the applicable box.

Check the first box to be informed whenever the LIT reviews the bankrupt's financial situation, redetermines if they must make surplus income payments to the estate, and the new amount of these payments.

Check the second box to receive a copy of the LIT's report on the discharge of the bankrupt which includes information such as the reasons for bankruptcy, the bankrupt's conduct, performance of their required duties, and other relevant facts.

- The LIT will send a copy of the report to the creditor using the contact information provided in the **Creditor Contact Information** section.

Paragraph 10

Signature

The person completing the form must sign it and include the location and specific date (day, month, and year) they signed it.

- Signing this form binds the creditor and attests that the information is full, true and complete to the best of their knowledge.
- It is a serious offence for a creditor to include any false information or to make any false claims with the intent to defraud. The offence can result in a fine of up to \$5,000, imprisonment for up to one year, or both.