

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

B E T W E E N:

PILLAR CAPITAL CORP.

Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Respondent

APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE*
ACT, R.S.O. 1990, c. C-43, AS AMENDED

**MOTION RECORD
(returnable July 18, 2022)**

July 8, 2022

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(as at April 25, 2022)

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TAB 1

Court File No.: CV-20-00646729-00CL

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

BETWEEN:

PILLAR CAPITAL CORP.

Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Respondent

APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C-43, AS AMENDED

**NOTICE OF MOTION
(returnable July 18, 2022)**

MNP Ltd. (“MNP”), in its capacity as the court-appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and properties of Turuss (Canada) Industry Co., Ltd. (“**Turuss**”), will make a motion to a judge presiding over the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on July 18, 2022, at 11:30 a.m., or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard

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

at the following location 330 University Ave, Toronto, Ontario, via Zoom (the details of which will be provided by the Court at a later date).

THE MOTION IS FOR:

1. An Order, substantially in the form attached hereto as **TAB 3** of the motion record dated July 8, 2022 (the “**Motion Record**”), for the following relief:
 - (a) abridging the time for service of the Motion Record, this Notice of Motion, and the Ninth Report of the Receiver dated July 8, 2022 (the “**Ninth Report**”) so that this Motion is properly returnable on July 18, 2022, and dispensing with further service thereof, if necessary;
 - (b) authorizing and directing the Receiver to distribute (the “**Turuss Distribution**”) the residual sale proceeds in the receivership estate (the “**Residual Sale Proceeds**”), net of the Fee Holdback (as defined herein), to the Turuss’ bank account held with Royal Bank of Canada, as described in the Ninth Report (the “**Turuss Bank Account**”):
 - (c) approving the fees and disbursements of the Receiver as set out in the affidavit of Jerry Henechowicz sworn July 6, 2022 (the “**Henechowicz Affidavit**”), the fees and disbursements of the Receiver's counsel, Dentons Canada LLP (“**Dentons**”), as set out in the affidavit of Robert Kennedy sworn July 8, 2022 (the “**Kennedy Affidavit**”), and the estimated fees and disbursements to be incurred by the Receiver and Dentons through to completion of the remaining activities in connection with these receivership proceedings, as set out in the Ninth Report (the “**Remaining Fees**”);
 - (d) authorizing and directing the Receiver to retain the Fee Holdback;
 - (e) approving the Ninth Report, and the activities of the Receiver as set out therein;
 - (f) approving the final statement of receipts and disbursements dated July 6, 2022 (the “**R&D**”);

- (g) discharging and releasing MNP as Receiver of Turuss, upon the Receiver filing with the Court a certificate in the form attached as **Schedule “A”** to the draft Order (the “**Receiver’s Discharge Certificate**”); and
 - (h) such further and other grounds as counsel may advise and this Court may permit.
2. Capitalized terms not otherwise defined herein shall have the meaning ascribed to that term pursuant to the Claims Procedure Order (as defined herein).

THE GROUNDS FOR THE MOTION ARE:

Background

3. Pursuant to the Order of Justice Hainey dated September 18, 2020, MNP was appointed the receiver and manager over the assets, undertakings and properties of Turuss (the “**Receivership Order**”).
4. On June 7, 2021, the Court granted an approval and vesting Order which, among other things, approved and authorized the closing of the transaction (the “**Transaction**”) contemplated in the asset purchase agreement between the Receiver and Chelsea Property Holdings Inc. dated May 31, 2021 (as amended) (“**Chelsea APA**”). The Transaction contained a purchase price of \$9,200,000 (the “**Sale Proceeds**”), and closed on June 25, 2021. The Receiver filed the Receiver’s certificate pursuant to the Chelsea APA, confirming the completion of the Transaction and that the Receiver is in receipt of the Sale Proceeds.
5. Pursuant to the Order of Justice Dunphy dated June 7, 2021, the Court authorized a distribution by the Receiver to Pillar Capital Corp. (“**Pillar**”) in an amount sufficient to repay Pillar in respect of principal in connection to its demand credit facility, and the principal amount owing by the Receiver to Pillar pursuant to the Receiver’s borrowings. Pursuant to the same Order, the Court authorized a distribution by the Receiver to Kuo-Tong Hsieh (“**Hsieh**”) in an amount sufficient to repay to Hsieh the principal amount owing by Turuss to Hsieh only.

6. The Court authorized and approved a final distribution to Pillar and Hsieh for remaining amounts pursuant to the Order of Justice Koehnen dated August 3, 2021.
7. The Court approved a Claims Procedure pursuant to the Order of Justice Koehnen dated August 3, 2021 (“**Claims Procedure Order**”). The Receiver implemented the Claims Procedure Order in accordance with its terms, most notably by:
 - (a) publishing and advertising its Notice to Creditors, and distributing a copy of the Claim Document Package to any Person who claimed to be a Creditor and requested such material in writing;
 - (b) receiving each Proof of Claim by September 30, 2021, and reviewing the same thereafter; and
 - (c) accepting or otherwise dealing with each Proof of Claim, and notifying Creditors in writing with respect to the same.
8. The Claims Procedure resulted in eleven creditors delivering a Proof of Claim to the Receiver. The Receiver determined that Proven Claims totaled in aggregate \$638,830.84. The Order of Justice Penny dated October 29, 2021 authorized, and the Receiver completed, the distribution to Creditors of Turuss with Proven Claims. For clarity, the aforementioned amount did not include Canada Revenue Agency (“**CRA**”) claims for unremitted HST and/or source deductions. The Receiver issued payment to CRA in the total amount of \$181,374.22 in respect to unremitted HST, and employee source deductions, as described in the Ninth Report.
9. With respect to the Proven Claims, the Receiver has made distributions on account of those Proven Claims in accordance with the Order of Justice Penny dated October 29, 2021. Of note, the Receiver delivered distributions by either wire transfer or cheque and with respect to the distributions made by cheque, each recipient has negotiated the cheque payment.
10. All matters associated with the Claims Procedure are complete and the Receiver is satisfied that all creditor claims against Turuss have been paid.

Distribution of Residual Sale Proceeds to Turuss

11. Given the surplus of funds following the payment of all Turuss creditor claims, the Receiver reviewed the books and records of Turuss to identify the current shareholder, directors and officers of Turuss. The Receiver also reviewed the books and records of Chesley Wood Industry Co. Inc. (“**Chesley Wood**”), as the 100% shareholder of Turuss. The Receiver met with the directors and officers of Turuss to communicate its plan to complete the Turuss Distribution. Turuss director Guoning Li was also the principal of Chesley Wood’s largest shareholder, Dalian Turuss Wood Industry Co., Ltd., and is supportive of the Turuss Distribution.
12. The Receiver also met with the principal of Chesley Wood’s minority shareholder Veyron Wood Industry Inc., being Zhenghang Li (also known as Lawrence Li) (“**Lawrence**”) to communicate its plan to complete the Turuss Distribution. During this meeting, Lawrence expressed some concerns regarding the proposed Turuss Distribution and the ability for Veyron to receive its equity share in the Residual Sale Proceeds. In response, the Receiver advised Lawrence to seek legal advice. The Receiver has attempted to seek an update from Lawrence on various occasions without success.
13. As of the date hereof, the Receiver holds the Residual Sale Proceeds in the amount of approximately \$3,400,000, and respectively requests that the Court authorize and approve the Turuss Distribution from the Residual Sale Proceeds. None of directors or officers of Turuss oppose the proposed Turuss Distribution. The Receiver believes that completing the Turuss Distribution is fair and reasonable in the circumstances.

Fees and Disbursements

14. As noted above, the Receiver has provided services and incurred disbursements during the period of October 1, 2021 to June 29, 2022 which are described in the Henechowicz Affidavit.
15. Additionally, the Receiver has incurred legal fees of its legal counsel, Dentons, in respect of these proceedings, as more particularly set out in the Kennedy Affidavit.

16. The Receiver and Dentons have implemented reasonable measures to control the time spent and costs incurred in these proceedings.
17. The Receiver requests that this Court approve its accounts for the period of October 1, 2021 to June 29, 2022 in the amount of \$93,703.56, inclusive of disbursements and HST, and approve the accounts of its legal counsel for the period of October 1, 2021 to June 30, 2022 in the amount of \$188,509.58 inclusive of disbursements and HST (collectively, the “**Professional Fees**”).
18. The Receiver requests that this Court approve the estimated Remaining Fees in connection with these receivership proceedings, in the amount of \$70,000, as set out in the Ninth Report.
19. The Receiver submits that the Professional Fees and Remaining Fees, are reasonable in the circumstances and have been validly or will be incurred in accordance with the provisions of the Receivership Order.

Fee Holdback

20. The Receiver and its counsel, Dentons, have incurred fees from July 1, 2022 to July 8, 2022 and will continue to incur fees as it completes the Remaining Activities (as defined herein). The Receiver respectfully requests that the Court authorize and direct the Receiver to retain the amount of \$70,000 from the Residual Sale Proceeds (the “**Fee Holdback**”) to satisfy these fees.

Receipts and Disbursements

21. The R&D reports net final receipts over disbursements, as at July 6, 2022, of \$3,431,464.60. The Receiver respectfully requests that the Court approve the R&D.

Receiver Discharge

22. All of the Receiver’s activities as set out in the Receivership Order will be completed upon (collectively, the “**Remaining Activities**”):
 - (a) retaining and administering the Fee Holdback;

- (b) completing the Turuss Distribution;
 - (c) preparation and filing of all remaining post-receivership HST returns and reporting;
 - (d) collection of any available HST refunds, which will be distributed to Turuss as part of the Turuss Distribution (or such later date, as necessary);
 - (e) prepare and file the Receiver's final report as required under section 246(3) of the BIA, and other administrative filings; and
 - (f) any incidental tasks that may be required in connection with concluding the receivership proceedings including, without limitation, the filing of the Receiver's Discharge Certificate.
23. To the best of the Receiver's knowledge, following the completion of the Remaining Activities, the Receiver will have completed its administration of the receivership estate in accordance with the terms of the Receivership Order, and the various Orders rendered by the Court in the course of these proceedings. The Receiver is not aware of its services being required for any further purpose other than as set out in the Ninth Report. Accordingly, the Receiver is seeking its discharge in accordance with the terms of the Distribution and Discharge Order.

**THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING
OF THE MOTION:**

24. The Ninth Report; and
25. Such further and other material as counsel may advise and this Honourable Court may permit.

DATED: July 8, 2022

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Lawyers for the Receiver

TO: SERVICE LIST

PILLAR CAPITAL CORP.

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Applicant

Respondent

ONTARIO

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

PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION
(returnable July 18, 2022)

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Lawyers for the Receiver

TAB 2

Court File No. CV-20-00646729-00CL

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

BETWEEN:

PILLAR CAPITAL CORP.

Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Respondent

APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE*
ACT, R.S.O. 1990, c. C-43, AS AMENDED

**NINTH REPORT OF MNP LTD. AS RECEIVER AND MANAGER OF THE
ASSETS, UNDERTAKINGS AND PROPERTIES OF
TURUSS (CANADA) INDUSTRY CO., LTD.**

July 8, 2022

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APPENDICES

- Appendix “A”:** Receivership Order dated September 18, 2020 and corresponding Endorsement
- Appendix “B”:** Eighth Report of the Receiver dated October 25, 2021 (without appendices)
- Appendix “C”:** Order of Justice Penny dated October 29, 2021
- Appendix “D”:** CRA proof of claims dated May 30, 2022
- Appendix “E”:** Corporate Structure Memo
- Appendix “F”:** Li Affidavit dated April 11, 2022
- Appendix “G”:** Henechowicz Affidavit dated July 6, 2022
- Appendix “H”:** Kennedy Affidavit dated July 8, 2022
- Appendix “I”:** Final statement of receipts and disbursements dated July 6, 2022

INTRODUCTION AND BACKGROUND

1. On September 18, 2020, MNP Ltd. (“**MNP**”) was appointed as the receiver and manager (the “**Receiver**”) without security, of the assets, undertakings and properties (the “**Property**”) of Turuss (Canada) Industry Co., Ltd. (“**Turuss**” or the “**Company**”) by order (the “**Receivership Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). A copy of the Receivership Order and its corresponding endorsement is attached as **Appendix “A”**.
2. The circumstances leading to the appointment of the Receiver are set out in the affidavit of Steve Dizep sworn September 4, 2020, filed in support of the Receivership Order.
3. Turuss is a federally incorporated entity that previously manufactured, imported and distributed hardwood flooring. Ms. Yang Jiang (“**Jiang**”) is an officer and director of Turuss. The Company’s primary asset consisted of a 349,000 sq. ft. commercial property and adjacent vacant land located at 60 Industrial Park Road, Chesley, Ontario (the “**Chesley Property**”).
4. The Receiver filed eight (8) reports and has obtained numerous Orders in this receivership proceeding, namely:
 - (a) the first report to the Court, dated October 21, 2020, in support of its motion (returnable October 29, 2021) seeking, *inter alia*, an order authorizing the Receiver to complete a sale process (the “**Sale Process**”) for the Chesley Property;
 - (b) on October 29, 2020, the Court issued an order authorizing the Receiver to implement the Sale Process for the Chesley Property;
 - (c) the second report, dated November 9, 2020, in support of its motion (returnable November 10, 2020) seeking, *inter alia*, an order directing Jiang to deliver Turuss’ books and records (the “**Books and Records**”) to the Receiver;

- (d) the third report, dated January 5, 2021 (the “**Third Report**”), together with the Receiver’s supplement to the Third Report, dated January 20, 2021, seeking, *inter alia*, an order extending the bid deadline for the submission of offers in the Sale Process (the “**Deadline**”) from January 11, 2021 to February 26, 2021;
- (e) on January 11, 2021, the Court issued an order extending the Deadline from January 11, 2021 to February 26, 2021 (subject to a further extension by the Receiver, in its discretion, for an additional period no greater than four (4) weeks);
- (f) the fourth report to the Court, dated March 23, 2021, in support of its motion (returnable March 26, 2021) seeking, *inter alia*, an order:
 - (i) authorizing the Receiver to further extend the Deadline from February 26, 2021 to April 16, 2021; and
 - (ii) approving the auction procedures to be implemented by the Receiver in the event there were multiple competitive offers received for the Chesley Property on or before the Deadline;
- (g) the Receiver’s fifth report, dated April 13, 2021, in support of its motion (returnable April 14, 2021) seeking, *inter alia*, an order:
 - (i) authorizing the Receiver to execute the Asset Purchase Agreement dated April 13, 2021 between the Receiver and Westmount Park Investments Inc. in respect of the Chesley Property to be used as the “stalking horse bid”; and
 - (ii) approving the stalking horse bidding procedures as set out in the Fifth Report, and extending the Deadline to April 30, 2021;
- (h) the Receiver’s sixth report, dated May 31, 2021 (the “**Sixth Report**”) in support of its motion (returnable June 7, 2021) seeking, *inter alia*, an order:
 - (i) approving and authorizing the Chelsea APA (as defined herein), the Transaction (as defined herein) and authorizing the Receiver to take

such steps as are necessary and appropriate to facilitate the closing the Transaction;

- (ii) vesting Turuss' right, title and interest, if any, in and to the Chesley Property to the Purchaser (as defined herein), free and clear of any encumbrances, save and except as otherwise contemplated by the Chelsea APA;
 - (iii) authorizing and approving a distribution by the Receiver to Pillar Capital Corp. ("**Pillar**") from the sale proceeds generated from the closing of the Transaction contemplated in the Chelsea APA (the "**Sale Proceeds**"), in an amount sufficient to repay to Pillar in full and final satisfaction of all amounts owing by the Receiver to Pillar pursuant to the Receiver's borrowings and all amounts owing by Turuss to Pillar; and
 - (iv) authorizing and approving a distribution by the Receiver to Kuo-Tong Hsieh ("**Hsieh**") from the Sale Proceeds, in an amount sufficient to repay to Hsieh the principal amount owing by Turuss to Hsieh only (the "**Limited Hsieh Distribution**"), and authorizing the Receiver to make such further distributions to Hsieh on account of interest and other costs claimed;
- (i) On June 7, 2021, the Court issued an order:
- (i) authorizing the Receiver to take such steps as are necessary and appropriate to facilitate the closing of the transaction (the "**Transaction**") contemplated in the asset purchase agreement (the "**Chelsea APA**") between the Receiver and Chelsea Property Holdings Inc. (the "**Purchaser**") dated May 31, 2021 (as amended), and vesting Turuss' right, title and interest, if any, in and to the Chesley Property to the Purchaser, free and clear of any encumbrances, save and except as otherwise contemplated by the Chelsea APA;

- (ii) authorizing a distribution by the Receiver to Pillar from the Sale Proceeds, in an amount sufficient to repay Pillar in respect of principal in connection to its demand credit facility, and the principal amount owing by the Receiver to Pillar pursuant to the Receiver's borrowings; and
 - (iii) authorizing a distribution by the Receiver to Hsieh from the Sale Proceeds, in the amount of the Limited Hsieh Distribution;
- (j) the Receiver's Supplemental Report to the Sixth Report dated June 28, 2021, in support of its motion (returnable June 30, 2021) for the Court's advice and direction regarding a proposed first amendment to the Chelsea APA (the "**Amendment**");
- (k) on June 25, 2021, the Court issued an endorsement authorizing the Receiver to execute the Amendment and complete the Transaction contemplated by the Chelsea APA;
- (l) the Receiver's Seventh report, dated July 26, 2021 in support of its motion (returnable August 3, 2021) seeking, *inter alia*, orders:
 - (i) authorizing and approving a final distribution to Pillar from the Sale Proceeds, in an amount sufficient to repay to Pillar: (i) all remaining amounts owing by Turuss in respect of accrued interest and fees, and (ii) all remaining amounts owing by the Receiver pursuant to the Receiver's borrowings (the "**Final Pillar Distribution**"); and
 - (ii) authorizing and approving the Receiver to distribute to Hsieh from the Sale Proceeds such further funds on account of proper interest and fees owing to Hsieh by Turuss (the "**Final Hsieh Distribution**"); and
 - (iii) approving and authorizing a claims procedure (the "**Claims Procedure**") and authorizing, directing and empowering the Receiver to administer the Claims Procedure in accordance with the terms of

the Claims Procedure Order dated August 3, 2021 (the “**Claims Procedure Order**”); and

- (m) On August 3, 2021, the Court issued the Claims Procedure Order authorizing the Receiver to implement the Claims Procedure in accordance with the claims Procedure Order. In addition, the Court issued an Order dated August 3, 2021 that authorized and directed the Receiver to make the Final Pillar Distribution and the Final Hsieh Distribution;
- (n) the Receiver’s eighth report, dated October 25, 2021 (the “**Eighth Report**”) in support of its motion (returnable October 29, 2021) seeking, *inter alia*, orders approving and authorizing a distribution by the Receiver to the creditors of Turuss with Proven Claims from the Sale Proceeds;

A copy of the Eighth Report (without appendices) is attached hereto as **Appendix “B”**.

- 5. Pursuant to the Order of Justice Penny dated October 29, 2021, the Court authorized and approved a distribution by the Receiver to the Creditors of Turuss with Proven Claims (the “**Creditor Distribution Order**”) a copy of which is attached hereto as **Appendix “C”**.
- 6. Information regarding the receivership proceedings has been posted to the Receiver’s case website at www.mnpdebt.ca/turuss (the “**Website**”).

PURPOSE OF THIS REPORT

- 7. The purpose of the Receiver’s Ninth Report is to provide the Court with information regarding:
 - (a) the Receiver’s activities since the time of filing the Eighth Report;
 - (b) the priority claims of Canada Revenue Agency (“**CRA**”) for unremitted HST and employee source deductions, and payment of same;

- (c) distributions to Creditors of Turuss with Proven Claims pursuant to the Creditor Distribution Order;
- (d) the Receiver's review and investigation of Turuss' corporate structure including its directors, officers and shareholders, for the purposes of completing the Turuss Distribution (as defined herein); and
- (e) the Receiver's recommendation for an order, *inter alia* (the "**Distribution and Discharge Order**"):
 - (i) abridging the time for service of the Motion Record dated July 8, 2022 (the "**Motion Record**"), the Notice of Motion dated July 8, 2022 ("**Notice of Motion**"), and this Ninth Report so that the motion is properly returnable on July 18, 2022, and dispensing with further service thereof, if necessary;
 - (ii) authorizing and directing the Receiver to distribute (the "**Turuss Distribution**") the residual sale proceeds in the receivership estate (the "**Residual Sale Proceeds**"), net of the Fee Holdback, to the Turuss' bank account held with Royal Bank of Canada as described herein (the "**Turuss Bank Account**");
 - (iii) approving the fees and disbursements of the Receiver as set out in the affidavit of Jerry Henechowicz sworn July 6, 2022, the fees and disbursements of the Receiver's counsel, Dentons Canada LLP ("**Dentons**"), as set out in the affidavit of Robert Kennedy sworn July 8, 2022 (together, the "**Fee Affidavits**"), and the estimated fees and disbursements to be incurred by the Receiver and Dentons through to the completion of the remaining activities, as described herein (the "**Remaining Fees**");
 - (iv) authorizing and directing the Receiver to retain the Fee Holdback (as defined herein);

- (v) approving this Ninth Report, and the activities of the Receiver as set out herein;
- (vi) approving the final statement of receipts and disbursements dated July 6, 2022 (the “**R&D**”);
- (vii) discharging and releasing MNP as Receiver of Turuss, upon the Receiver filing with the Court a certificate in the form attached as **Schedule “A”** to the draft Order (the “**Receiver’s Discharge Certificate**”); and
- (viii) such further and other grounds as counsel may advise and this Court may permit.

TERMS OF REFERENCE

8. Capitalized terms not otherwise defined herein shall have the meaning ascribed to that term pursuant to the Claims Procedure Order.
9. In preparing this Ninth Report and all preceding reports, the Receiver has relied on unaudited financial and other information regarding Turuss and its assets which includes, but not limited to, the following information (collectively the “**Information**”):
 - (a) as provided by Jiang, which includes the Books and Records;
 - (b) obtained in discussions with creditors and stakeholders generally;
 - (c) as provided by a former employee of Turuss, who was retained by the Receiver on a contract basis; and
 - (d) as otherwise available to the Receiver and its counsel.
10. Except as described in this Eighth Report, the Receiver 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 the Generally Accepted Assurance Standards of the Chartered Professional Accountants of Canada.

11. All currency references are in Canadian Dollars unless otherwise specified.

ACTIVITIES TO DATE

12. Since filing the Eighth Report, the Receiver's activities have concentrated on:
 - (a) updating the Website, as necessary;
 - (b) responding to enquiries from CRA and other potential creditors regarding their Claims, including resolving the Liyuan Qi claim (as described in the Eighth Report);
 - (c) attending to the completion of the Final Pillar Distribution, Final Hsieh Distribution, Proven Claims distributions and statutory claim payments;
 - (d) completing the review and investigation of Turuss' corporate structure including a review of its shareholders, directors, and officers; and
 - (e) preparing this Ninth Report.

PRIORITY CLAIMS

13. The Receiver was advised by CRA that it was examining the potential Turuss' liabilities resulting from unremitted HST and employee source deductions, including employer contributions, interest and penalties.
14. Following CRA's examination and assessment of its priority claim, the CRA delivered two proof of claims each dated May 30, 2022 (collectively, "**CRA Proof of Claims**") totaling \$181,374.22, comprising of: (i) \$151,147.04 of unremitted HST, and (ii) \$30,227.18 for employee source deductions. Attached hereto as **Appendix "D"** is a copy of the CRA Proof of Claims. Following the Receiver's review of the CRA Proof of Claims, the Receiver issued payment to CRA for the full amount of their claims as set out in the CRA Proof of Claims.

DISTRIBUTION TO PROVEN CREDITORS

15. On or before the Claims Bar Date, eleven creditors delivered a Proof of Claim to the Receiver. Following the Receiver's review of the aforementioned claims, the Receiver determined Proven Claims totaling in aggregate \$638,830.84. For clarity, the aforementioned claim amount does not include the amounts set out in the CRA Proof of Claims.
16. With respect to the Proven Claims, the Receiver has made distributions on account of those Proven Claims in accordance with the Creditor Distribution Order. Of note, the Receiver delivered distributions by either wire transfer or cheque and with respect to the distributions made by cheque, each recipient has negotiated the cheque payment.
17. All matters associated with the Claims Procedure are now complete.

DISTRIBUTION OF RESIDUAL SALE PROCEEDS TO TURUSS

18. All Proven Claims have now been satisfied including payment to CRA on account of the CRA Proof of Claims. Currently, as set out in the R&D, the Receiver holds approximately \$3,400,000 for distribution to Turuss.
19. The Receiver has reviewed the Books and Records, and other information made available by Jiang to identify the current shareholders, directors and officers of Turuss. Following that review, the Receiver determined that:
 - (a) Chesley Wood Industry Co. Inc. ("**Chesley Wood**") is the 100 percent shareholder of Turuss;
 - (b) Turuss' has two acting directors, being Jiang and Guoning Li ("**Li**"); and
 - (c) Turuss has three acting officers, being Jiang (Secretary and Treasurer) and Li (President).
20. The Receiver conducted the following meetings in connection with the development of a distribution plan for the Residual Sale Proceeds:

- (a) an initial virtual meeting on February 28, 2022 with Jiang, being the primary point of contact for Turuss during receivership administration, to review the Memorandum prepared by Dentons regarding the Turuss corporate structure (the “**Corporate Structure Memo**”) and inform Jiang of the Receiver’s considerations in recommending the Turuss Distribution and also request information relating to the Turuss Bank Account (“**Virtual Planning Meeting 1**”). A copy of the Corporate Structure Memo is attached hereto as **Appendix “E”**;
- (b) following Virtual Planning Meeting 1, the Receiver requested that Jiang contact Li (acting Turuss President) to coordinate a virtual meeting with Li, Jiang and the Receiver to inform Li of the Receiver’s considerations in recommending the Turuss Distribution (“**Virtual Planning Meeting 2**”);
- (c) Virtual Planning Meeting 2 occurred on March 8, 2022. During this meeting, the Receiver to addressed questions, concerns and any other alternative suggestions presented by Li and/or Jiang. Li confirmed the information discussed in this meeting by way of affidavit sworn April 11, 2022 (the “**Li Affidavit**”). In short, Li is supportive of the Turuss Distribution. A copy of the Li Affidavit is attached hereto as **Appendix “F”**; and
- (d) following Virtual Planning Meeting 2, the Receiver requested that Li and Jiang coordinate a virtual meeting with one of Chesley Wood’s shareholders, Veyron Wood Industry Inc. (“**Veyron**”). The principal of Veyron is Zhenghang Li (also known as Lawrence Li) (“**Lawrence**”), and a further meeting was scheduled to inform him of the Receiver’s considerations in recommending the Turuss Distribution (“**Virtual Planning Meeting 3**”). Veyron owns 16% of the outstanding common shares of Chesley Wood. Of note, the Receiver did not hold a meeting with the other shareholder of Chesley Wood, Dalian Turuss Wood Industry Co., Ltd. (holding 84% of the outstanding common shares) (“**Dalian Turuss**”), as Li is the principal of Dalian Turuss and is supportive of the Turuss Distribution. Virtual Planning Meeting 3 occurred on April 25, 2022. During this meeting, the Receiver

addressed questions, concerns and any other alternative suggestions presented by Lawrence.

21. During Virtual Planning Meeting 3, Lawrence expressed some concerns regarding the proposed Turuss Distribution and the ability for Veyron to receive its equity share in the Residual Sale Proceeds. In response, the Receiver advised Lawrence to seek legal advice. The Receiver has attempted to seek an update from Lawrence on various occasions without success. On June 22, 2022, Dentons sent email correspondence to Lawrence advising him of the Receiver's intention to proceed with the motion for an Order approving and directing the Receiver to complete the Turuss Distribution. As of the date of this Report, the Receiver has not heard from Lawrence.
22. None of the directors or officers of Turuss oppose the proposed Turuss Distribution. The Receiver is of the view that the Turuss Distribution is fair and reasonable in the circumstances.

FEES AND DISBURSEMENTS

23. As noted above, the Receiver has provided services and incurred disbursements during the period October 1, 2021 to June 29, 2022 totaling \$93,703.56 inclusive of disbursements and applicable HST as set out in the Henechowicz Affidavit. A copy of the Henechowicz Affidavit is attached hereto as **Appendix "G"**.
24. Additionally, the Receiver has incurred legal fees of its legal counsel, Dentons, in respect of these proceedings, as more particularly set out in the Kennedy Affidavit. A copy of the Kennedy Affidavit attached hereto as **Appendix "H"**.
25. The Receiver requests that this Court approve its interim accounts for the period of October 1, 2021 to June 29, 2022 in the amount of \$93,703.56 inclusive of disbursements and HST, and approve the interim accounts of its legal counsel for the period of October 1, 2021 to June 30, 2022 in the amount of \$188,509.58 inclusive of disbursements and HST (collectively, the **"Professional Fees"**).

26. The Receiver and its counsel, Dentons, have incurred fees from July 1, 2022 to July 9, 2022 and will continue to incur fees as it completes the Remaining Activities (as defined herein). The Receiver respectfully requests that the Court authorize and direct the Receiver to retain the amount of \$70,000 from the Residual Sale Proceeds (the “**Fee Holdback**”) to satisfy these fees (the Remaining Fees).
27. The Receiver submits that the Professional Fees including the Remaining Fees to be incurred, are reasonable in the circumstances and have been or will be validly incurred in accordance with the provisions of the Receivership Order.

RECEIPTS AND DISBURSEMENTS

28. The R&D reports net final receipts over disbursements, as at July 6, 2022, of \$3,431,464.60. The Receiver respectfully requests that the Court approve the R&D. A copy of the R&D is attached hereto as **Appendix “I”**.

RECEIVER DISCHARGE

29. The Receiver has concluded the majority of its administration of the receivership. The remaining tasks to conclude the receivership administration are as follows (collectively, the “**Remaining Activities**”):
 - (a) retaining and administering the Fee Holdback;
 - (b) completing the Turuss Distribution;
 - (c) preparation and filing of all remaining post-receivership HST returns and reporting;
 - (d) collection of any available HST refunds (which will be distributed to Turuss as part of the Turuss Distribution, or as a further distribution depending on the timing of receipt of any refunds);
 - (e) prepare and file the Receiver’s final report as required under section 246(3) of the BIA, and other administrative filings; and

- (f) any incidental tasks that may be required in connection with concluding the receivership proceedings including, without limitation, the filing of the Receiver's Discharge Certificate.

30. To the best of the Receiver's knowledge, following the completion of the Remaining Activities, the Receiver will have completed its administration of the receivership estate in accordance with the terms of the Receivership Order, and the various Orders rendered by the Court in the course of these proceedings. The Receiver is not aware of its services being required for any further purpose other than as set out in this Ninth Report. Accordingly, the Receiver is seeking its discharge in accordance with the terms of the Distribution and Discharge Order.

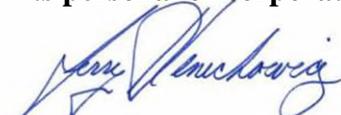
CONCLUSION AND RECOMMENDATION

31. Based on the foregoing and as outlined in this Ninth Report, the Receiver respectfully requests that this Court issue an order as outlined in paragraph 7(e).

All of which is respectfully submitted this 8th day of July, 2022.

MNP Ltd, in its capacity as the Court-appointed Receiver and Manager of Turuss (Canada) Industry Co., Ltd. and not in its personal or corporate capacity

Per: _____


Jerry Henechowicz CPA, CA, CIRP, LIT
Senior Vice President

Appendix “A”
to the Ninth Report of the Receiver

Court File No. CV-20-00646729-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST



THE HONOURABLE

MR. JUSTICE HAINEY

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FRIDAY, THE 18TH

DAY OF SEPTEMBER, 2020

PILLAR CAPITAL CORP.

Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Respondent

ORDER
(appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing MNP Ltd. ("MNP") as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Turuss (Canada) Industry Co., Ltd. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day by judicial videoconference via Zoom in Toronto, Ontario due to the COVID-19 pandemic,

ON READING the affidavit of Steve Dizep sworn September 4, 2020 and the Exhibits thereto, the pre-filing report of the proposed Receiver dated September 15, 2020, and the exhibits thereto (collectively, the "Pre-Filing Report"), and on hearing the submissions of counsel for the Applicant, counsel for the proposed Receiver, those other parties listed on the counsel slip, no one else appearing for any other party although duly served as appears from the affidavit of service of Angelica Wilamowicz sworn September 10, 2020, and on reading the consent of MNP to act as the Receiver.

APPOINTMENT

1. THIS COURT ORDERS that pursuant to section 243(1) of the BIA, and section 101 of the CJA, MNP is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor and all proceeds thereof (collectively, the "Property"), including but not limited to the lands and premises listed in Schedule "A" hereto (the "Real Property").

RECEIVER'S POWERS

2. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, real estate brokers, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

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- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property including as against the Real Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DISTRIBUTION OF RENTAL REVENUE

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to distribute to the Applicant leasing revenue generated from the Real Property, either in whole or in part, up to the amount of the total indebtedness owing to the Applicant, subject to the Applicant entering into the Reimbursement Agreement (as defined in the Pre-Filing Report), substantially in the form attached to the Pre-Filing Report.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and

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shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory

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provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such

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employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA, or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$750,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim

expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL <https://mnpdebt.ca/en/corporate/corporate-engagements/Turuss>.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that

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any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver is hereby authorized and empowered, but not obligated, to cause the Debtor to make an assignment in bankruptcy and nothing in this Order shall prevent the Receiver from acting as trustee in the Debtor's bankruptcy.

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

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. 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 the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

SEP 21 2020

TOR_LAWA 1044253616

PER / PAR:




SCHEDULE "A"

DESCRIPTION OF REAL PROPERTY

The lands and premises municipally known as 60 Queen Street North / 60 Industrial Park Road, Chesley, Ontario and legally described as:

- PIN 33183-0177 (LT): PT PARKLT T, U PL 217 PT 6 ,7 3R7734; MUNICIPALITY OF ARRAN-ELDERSLIE
- PIN 33183-0178 (LT): LT 13-34, 36-47, 50-61, 65-76, 80-91, 96-101 PL 310; MCGAW ST, HIGH ST PL 310 S/T & T/W R376714; PT PARKLT T, U PL 217 & PT RIVER ST PL 310 CLOSED BY CH7716, PT 1 & 5 3R7740, PT 1, 2, 4 3R7734; PT FAIRVIEW AV, RIVER ST PL 310 PT 1, 2, 4 3R4763, PT 11 3R7734 CLOSED BY R374503, PT 1, 2, 3 3R6870 CLOSED BY R339205, PT 6, 7 3R4763 CLOSED BY CH7716; PT LANE PL 310 CLOSED BY CH7716, BTN LT 13 TO 22 PL 310; LANE LYING NORTHERLY OF LT 23 TO 32, PL 310; PT LANE PL 310 LYING EASTERLY AND ABUTTING LT 32 TO 34, PL 310 CLOSED BY R374503 PT 7, 8, 9 3R7740; LANE PL 310 BTN HIGH ST AND MCGRAW ST EXTENDING FROM QUEEN ST TO FAIRVIEW AV; LANE PL 310 BTN RIVER ST AND HIGH ST EXTENDING FROM QUEEN ST TO FAIRVIEW AV; LANE PL 310 BTN LT 40 TO 43, 54 TO 57, 69 TO 72, 84 TO 87, 100 & 101 PL 310, CLOSED BY R374503; LANE PL 310 BTN LT 100 & 101; PT LORNE ST PL 310 PT 3 3R7740, S/T R377152, PT 9, 10 3R7734, S/T R375072, CLOSED BY R374503; S/T R278375, R324241, R356491, R356492, R380920, R380921; MUNICIPALITY OF ARRAN-ELDERSLIE

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that MNP Ltd., the receiver (the "Receiver") of the assets, undertakings and properties Turiss (Canada) Industry Co., Ltd. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 18th day of September, 2020 (the "Order") made in an action having Court file number CV-20-00646729-00CL, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

MNP LTD., solely in its capacity
as Receiver of the Property, and not in its personal
capacity

Per: _____
Name:
Title:

PILLAR CAPITAL CORP.

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

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

Respondent

| |
|--|
| <p>ONTARIO</p> <p>SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)</p> <p>PROCEEDING COMMENCED AT TORONTO</p> <p>RECEIVERSHIP ORDER</p> <p>GOWLING WLG (CANADA) LLP Barristers & Solicitors 1 First Canadian Place 100 King Street West, Suite 1600 Toronto ON M5X 1G5 Tel: 416-862-7525 Fax: 416-862-7661</p> <p>Thomas Gertner (LSO# 67756S) Tel: 416-369-4618 thomas.gertner@gowlingwlg.com</p> <p>Solicitors for the Applicant</p> |
|--|

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Pillae Capital Corp
Plaintiff(s)

AND

TURUS (CANADA) FINANCIAL
Defendant(s)

Case Management Yes No by Judge: _____

| Counsel | Telephone No: | Facsimile No: |
|---------|---------------|---------------|
| | | |
| | | |

- Order Direction for Registrar (No formal order need be taken out)
 Above action transferred to the Commercial List at Toronto (No formal order need be taken out)

- Adjourned to: _____
 Time Table approved (as follows):

① Order to go on the
terms of the attached.

Haining J
September 18, 2020

_____ Date

_____ Judge's Signature

Additional Pages _____

Appendix “B”
to the Ninth Report of the Receiver

Court File No. CV-20-00646729-00CL

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

BETWEEN:

PILLAR CAPITAL CORP.

Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Respondent

APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE*
ACT, R.S.O. 1990, c. C-43, AS AMENDED

**EIGHTH REPORT OF MNP LTD. AS RECEIVER AND MANAGER OF
THE ASSETS, UNDERTAKINGS AND PROPERTIES OF
TURUSS (CANADA) INDUSTRY CO., LTD.**

October 25, 2021

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APPENDICES

- Appendix “A”:** Appointment Order dated September 18, 2020 and corresponding Endorsement
- Appendix “B”:** Seventh Report of the Receiver dated July 27, 2021
- Appendix “C”:** Claims Procedure Order dated August 3, 2021
- Appendix “D”:** Claims Procedure Table
- Appendix “E”:** Globe and Mail Newspaper and National Post advertisements dated August 11, 2021
- Appendix “F”:** Order dated April 8, 2021 (Dalian Action)
- Appendix “G”:** Email correspondence to Dalian Natural Wood Industry Co, Ltd. on August 13, 2021, September 14, 2021, September 22, 2021, September 27, 2021, and September 29, 2021.
- Appendix “H”:** Summary of Proven Claims
- Appendix “I”:** Henechowicz Affidavit dated October 21, 2021
- Appendix “J”:** Kennedy Affidavit dated October 25, 2021
- Appendix “K”:** Interim statement of receipts and disbursements dated October 21, 2021

INTRODUCTION

1. On September 18, 2020, MNP Ltd. (“**MNP**”) was appointed as the receiver and manager (the “**Receiver**”) without security, of the assets, undertakings and properties (the “**Property**”) of Turuss (Canada) Industry Co., Ltd. (“**Turuss**” or the “**Company**”) by order (the “**Appointment Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). A copy of the Appointment Order and its corresponding endorsement is attached as **Appendix “A”**.
2. The circumstances leading to the appointment of the Receiver are set out in the affidavit of Steve Dizep sworn September 4, 2020, filed in support of the Appointment Order.
3. The Company is a federally incorporated entity that previously manufactured, imported and distributed hardwood flooring. Ms. Yang Jiang (“**Jiang**”) is the sole officer and director of the Company. The Company’s primary assets consist of a 349,000 sq. ft. commercial property and adjacent vacant land located at 60 Industrial Park Road, Chesley, Ontario (the “**Chesley Property**”), that is leased to Bruce Power L.P. (“**Bruce Power**”) pursuant to a lease agreement between Turuss and Bruce Power dated November 30, 2018, as amended.
4. The Receiver has filed seven (7) reports and received numerous Orders in this receivership proceeding, namely:
 - (a) the first report to the Court, dated October 21, 2020 (the “**First Report**”), in support of its motion (returnable October 29, 2021) seeking, *inter alia*, an order authorizing the Receiver to complete a sale process (the “**Sale Process**”) for the Chesley Property;
 - (b) on October 29, 2020, the Court issued an order authorizing the Receiver to implement the Sale Process for the Chesley Property;

- (c) the second report, dated November 9, 2020, in support of its motion (returnable November 10, 2020) seeking, *inter alia*, an order directing Jiang to deliver the Company's books and records (the "**Books and Records**") to the Receiver;
- (d) the third report, dated January 5, 2021 (the "**Third Report**"), together with the Receiver's supplement to the Third Report, dated January 20, 2021, seeking, *inter alia*, an order extending the bid deadline for the submission of offers in the Sale Process (the "**Deadline**") from January 11, 2021 to February 26, 2021;
- (e) on January 11, 2021, the Court issued an order extending the Deadline from January 11, 2021 to February 26, 2021 (subject to a further extension by the Receiver, in its discretion, for an additional period no greater than four (4) weeks);
- (f) the fourth report to the Court, dated March 23, 2021, in support of its motion (returnable March 26, 2021) seeking, *inter alia*, an order:
 - (i) authorizing the Receiver to further extend the Deadline from March 26, 2021 to April 16, 2021; and
 - (ii) approving the approving auction procedures to be implemented by the Receiver in the event there were multiple competitive offers received for the Chesley Property on or before the Deadline (the "**Auction Procedures**");
- (g) on March 26, 2021, the Court issued an order extending the Deadline from March 26, 2021 to April 16, 2021 and approving the Auction Procedures;
- (h) the Receiver's fifth report, dated April 13, 2021 (the "**Fifth Report**"), in support of its motion (returnable April 14, 2021) seeking, *inter alia*, an order:
 - (i) authorizing the Receiver to execute the Asset Purchase Agreement dated April 13, 2021 (the "**Stalking Horse Bid**") between the

Receiver and Westmount Park Investments Inc. in respect of the Chesley Property to be used as the “stalking horse bid”; and

- (ii) approving the stalking horse bidding procedures as set out in the Fifth Report (the “**Stalking Horse Bidding Procedures**”), and extending the Deadline to April 30, 2021;
- (i) on April 14, 2021, the Court issued an order:
 - (i) authorizing the Receiver to execute the Stalking Horse Bid; and
 - (ii) approving the Stalking Horse Bidding Procedures and an extension to the Deadline to April 30, 2021;
- (j) the Receiver’s sixth report, dated May 31, 2021 (the “**Sixth Report**”) in support of its motion (returnable June 7, 2021) seeking, *inter alia*, an order:
 - (i) approving and authorizing the Chelsea APA (as defined herein), the Transaction (as defined herein) and authorizing the Receiver to take such steps as are necessary and appropriate to facilitate the closing the Transaction;
 - (ii) vesting Turuss’ right, title and interest, if any, in and to the Chesley Property to the Purchaser (as defined herein), free and clear of any encumbrances, save and except as otherwise contemplated by the Chelsea APA;
 - (iii) authorizing and approving a distribution by the Receiver to Pillar Capital Corp. (“**Pillar**”) from the sale proceeds generated from the closing of the Transaction contemplated in the Chelsea APA (the “**Sale Proceeds**”), in an amount sufficient to repay to Pillar in full and final satisfaction of all amounts owing by the Receiver to Pillar pursuant to the Receiver’s borrowings and all amounts owing by Turuss to Pillar; and
 - (iv) authorizing and approving a distribution by the Receiver to Kuo-Tong Hsieh (“**Hsieh**”) from the Sale Proceeds, in an amount sufficient to

repay to Hsieh the principal amount owing by Turuss to Hsieh only (the “**Limited Hsieh Distribution**”), and authorizing the Receiver to make such further distributions to Hsieh on account of proper interest and other costs claimed;

- (k) On June 7, 2021, the Court issued an order:
 - (i) authorizing the Receiver to take such steps as are necessary and appropriate to facilitate the closing of the transaction (the “**Transaction**”) contemplated in the asset purchase agreement (the “**Chelsea APA**”) between the Receiver and Chelsea Property Holdings Inc. (the “**Purchaser**”) dated May 31, 2021 (as amended), and vesting Turuss’ right, title and interest, if any, in and to the Chesley Property to the Purchaser, free and clear of any encumbrances, save and except as otherwise contemplated by the Chelsea APA;
 - (ii) authorizing a distribution by the Receiver to Pillar from the Sale Proceeds, in an amount sufficient to repay to Pillar in respect of its principal and interest, and the principal amount owing by the Receiver to Pillar pursuant to the Receiver’s borrowings; and
 - (iii) authorizing a distribution by the Receiver to Hsieh from the Sale Proceeds, in the amount of the Limited Hsieh Distribution;
- (l) the Receiver’s Supplemental Report to the Sixth Report dated June 28, 2021, in support of its motion (returnable June 30, 2021) for the Court’s advice and direction regarding a proposed first amendment to the Chelsea APA (the “**Amendment**”);
- (m) on June 25, 2021, the Court issued an endorsement authorizing the Receiver to execute the Amendment and complete the Transaction contemplated by the Chelsea APA;

- (n) the Receiver's Seventh report, dated July 27, 2021 (the "**Seventh Report**") in support of its motion (returnable August 3, 2021) seeking, *inter alia*, orders:
- (i) authorizing and approving a distribution to Pillar from the Sale Proceeds, in an amount sufficient to repay to Pillar: (i) all remaining amounts owing by Turuss in respect of accrued interest and fees, and (ii) all remaining amounts owing by the Receiver pursuant to the Receiver's borrowings (the "**Final Pillar Distribution**");
 - (ii) authorizing and approving the Receiver to distribute to Hsieh from the Sale Proceeds such further funds on account of proper interest and fees owing to Hsieh by Turuss (the "**Final Hsieh Distribution**").
 - (iii) approving and authorizing a claims procedure (the "**Claims Procedure**") and authorizing and directing the Receiver to administer the Claims Procedure in accordance with the terms of the Claims Procedure Order dated August 3, 2021 (the "**Claims Procedure Order**"); and
 - (iv) such further and other grounds as counsel may advise and this Court may permit;

A copy of the Seventh Report (without appendices) is attached hereto as **Appendix "B"**;

- (o) On August 3, 2021, the Court issued the Claims Procedure Order authorizing the Receiver to implement the Claims Procedure in accordance with the claims Procedure Order. In addition, the Court issued an Order dated August 3, 2021 authorizing and directing the Receiver to make the Final Pillar Distribution and the Final Hsieh Distribution. A copy of the Claims Procedure Order is attached hereto as **Appendix "C"**.

5. Information regarding the receivership proceedings has been posted to the Receiver's case website at www.mnpdebt.ca/turuss (the "**Website**").

PURPOSE OF THIS REPORT

6. The purpose of the Receiver's eight report dated October 24, 2021 (the "**Eighth Report**") is to update the Court with respect to:
 - (a) the Receiver's activities since the date of the Seventh Report;
 - (b) the Claims Procedure implemented by the Receiver and details of the claims filed and proven in accordance with the Claims Procedure, as well as other remaining and unresolved claims against Turuss;
 - (c) the Receiver's recommendation for orders, *inter alia*:
 - (i) abridging the time for service of the Motion Record, this Notice of Motion, and this Eighth Report;
 - (ii) approving and authorizing a distribution by the Receiver to the creditors of Turuss with proven claims (the "**Proven Creditors**"), as determined by the Receiver in accordance with the terms with the Claims Procedure set out in Claims Procedure Order, from the remaining Sale Proceeds currently held by the Receiver (the "**Remaining Sales Proceeds**");
 - (iii) approving the Eighth Report, and the activities of the Receiver as set out therein;
 - (iv) approving the fees and disbursements of the Receiver and its legal counsel, Dentons Canada LLP ("**Dentons**"), as set out in the fee Affidavit of Jerry Henechowicz sworn October 21, 2021 (the "**Henechowicz Affidavit**") and the fee Affidavit of Robert Kennedy sworn October 25, 2021 (the "**Kennedy Affidavit**");
 - (v) approving the interim statement of receipts and disbursements dated October 21, 2021 (the "**R&D**"); and
 - (vi) such further and other grounds as counsel may advise and this Court may permit.

TERMS OF REFERENCE

7. Capitalized terms not otherwise defined herein shall have the meaning ascribed to that term pursuant to the Claims Procedure Order.
8. In preparing the Eighth Report, the Receiver has relied on unaudited financial and other information regarding the Company and its assets which includes, but is not limited to, the following information (collectively the “**Information**”):
 - (a) as provided by Jiang, which includes the Company’s available Books and Records;
 - (b) obtained in discussions with creditors and stakeholders generally;
 - (c) as provided by a former employee of Turuss, who was retained by the Receiver on a contract basis; and
 - (d) as otherwise available to the Receiver and its counsel.
9. Except as described in this Eighth Report, the Receiver 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 the Generally Accepted Assurance Standards of the Chartered Professional Accountants of Canada.
10. All currency references are in Canadian Dollars unless otherwise specified.

ACTIVITIES TO DATE

11. Since filing the Seventh Report, the Receiver’s activities have concentrated on:
 - (a) updating the Website, as necessary;
 - (b) attending to the completion of the Final Pillar Distribution and Final Hsieh Distribution;
 - (c) attending to the payment of all operating expenses incurred by the Receiver in relation to the Chesley Property prior to the closing of the Transaction, as well as collecting any additional rents due to the Receiver;

- (d) implementing the Claims Procedure in accordance with the Claims Procedure Order;
- (e) reviewing and assessing all Proofs of Claim received in accordance with the Claims Procedure;
- (f) investigating and reviewing a third party property claim by Liyuan Qi (“**Qi**”) with respect to some property previously located and stored at the Chesley Property (the “**Qi Claim**”);
- (g) responding to enquiries from Canada Revenue Agency (“**CRA**”) and other potential creditors regarding their Claims; and
- (h) preparing this Eighth Report.

CLAIMS PROCEDURE

12. The Claims Procedure Order set out certain steps to be implemented by the Receiver in terms of notice to creditors, and established the Claims Bar Date and a claim revision and objection procedure. Attached as **Appendix “D”** is a table summarizing the key provisions of the Claims Procedure.
13. On August 10, 2021, based on the review of the Company’s limited books and records and other available information to the Receiver, the Claim Document Package comprised of the prescribed Instruction Letter, Notice to Creditors, Proof of Claim, and Notice of Revision or Disallowance was sent to a total of 22 known creditors.
14. On August 11, 2021, the Notice to Creditors was published in the national editions of the Globe and Mail Newspaper and National Post. Copies of the advertisements are attached as **Appendix “E”**.
15. On August 11, 2021, a copy of the Claims Procedure Order, Notice to Creditors and the Claim Document Package was posted on the Website.

16. Leading up to the Claims Bar Date, the Receiver maintained constant communication with each creditor expressing an interest in making a Claim in accordance with the Claims Procedure. The Receiver responded to all inquiries with respect to the Claims Procedure generally, or requests for a copy of the Claim Document Package.

Dalian Natural Wood Industry Co., Ltd. Action

17. On December 11, 2020, the Receiver was contacted by Cambridge LLP (“**Cambridge**”), representing Dalian Natural Wood Industry Co., Ltd. (“**Dalian**”), in connection with a Statement of Claim dated February 10, 2020 made by Dalian against Turuss (the “**Dalian Action**”). During the course of those communications, Dalian’s counsel inquired about filing a proof of claim in the receivership proceeding, however, at that time, no procedure in the receivership administration existed for the calling of claims against Turuss.
18. From review of the Dalian Action, it appears Dalian claims the amount of \$3,000,000 resulting from Turuss’ breach of various agreements between Dalian and Turuss, unjust enrichment, and corresponding interest and costs. The Receiver has no other information relating to the Dalian Action.
19. The Receiver was notified in January 2021 that Cambridge no longer represented Dalian, and to add Dalian’s representative, an employee named Tina Li (naturalwood001@126.com), to the Receiver’s service list.
20. As part of the general distribution of Claim Document Packages, the Receiver provided a Claim Document Package to Dalian’s former counsel on August 10, 2021. Shortly thereafter, Cambridge again confirmed that it no longer represented Dalian.
21. The Receiver reviewed the Court records associated with the Dalian Action. As part of that review, the Receiver located an Order dated April 8, 2021 removing Cambridge as solicitors of record for Dalian in the Dalian Action (the “**Dalian**

Order”). The Dalian Order set out contact information for Dalian. A copy of the Dalian Order is attached as **Appendix “F”**.

22. The Receiver and Dentons attempted to contact Dalian numerous times by email with respect to the Claims Procedure and its claim, including on August 13, 2021, September 14, 2021, September 22, 2021, September 27, 2021, and September 29, 2021, but received no response from Dalian (collectively, the “**Dalian Email Correspondence**”). A copy of the Dalian Email Correspondence is attached as **Appendix “G”**.
23. The Receiver completed a federal and provincial corporate profile search for “Dalian Natural Wood Industry Co., Ltd.” to retrieve further contact details, but no corporate profile exists in Canada. The Receiver has barred this claim due to Dalian not submitting a Proof of Claim on or prior to the Claims Bar Date.

Liyuan Qi Claim

24. The Receiver received a proof of claim from Qi in the amount of \$313,223 for outstanding amounts in connection with inventory previously located at the Chesley Property. The Receiver and Qi are currently in discussions regarding the claimed amounts and intend to report to the Court in the future regarding the status of Qi’s Claim.

Emix Ltd. Claim

25. The Receiver received a proof of claim from Emix Ltd. (“**Emix**”) in the amount of \$159,394.61 regarding its claim to outstanding rent, legal fees, and removal costs for a commercial space leased by Turuss in Pickering, Ontario. The Receiver has issued a notice of revision, with a revised claim amount of \$147,544.45. The revised amount accounts for the application of deposit funds against the outstanding indebtedness.

Hydro One Networks Inc.’s Claim

26. As set out in Appendix “H” referenced below, the Receiver revised the Proof of Claim by Hydro One Networks Inc. (“**Hydro One**”). The revised amount of the

Hydro One claim accounts for the application of a credit in the amount of \$45,841.01. Accordingly, the Receiver has issued a notice of revision, with a revised claim amount of \$302,631.82.

STATUTORY PRIORITIES

27. The Receiver understands that based on assessments and other correspondence from CRA:
 - (a) the Company's liability for unremitted HST at the Receiver's appointment date, is in the range of between \$450,000 to \$500,000; and
 - (b) the potential liability for unremitted employee source deductions is likely less than \$50,000.

28. The Receiver is working with CRA to co-ordinate a trust examination of the Company's available records that has been delayed due to COVID-19 safety protocols. The Receiver will update the Court on the status CRA claims in the future.

PROVEN CLAIMS

29. On or before the Claims Bar Date, eleven (11) creditors delivered a Proof of Claim to the Receiver. Following the Receiver's review of the aforementioned claims, the Receiver has finally determined each of the claims above as proven totaling in aggregate \$638,830.84 (subject to the two notices of revision discussed above) (collectively, the "**Proven Claims**"). For greater certainty, the aforementioned amount does not include CRA claims for unremitted HST and/or source deductions or amounts claimed pursuant to the Qi Claim.

Attached hereto as **Appendix "H"** is a table summarizing the Proven Claims.

30. The Receiver is reasonably satisfied that it has reviewed all claims of creditors in accordance with the Claims Procedure. A distribution on account of the Proven Claims is appropriate and reasonable in the circumstances.

DISTRIBUTION TO PROVEN CREDITORS

31. As set out in the R&D, the Receiver holds approximately \$4,719,106.38. Should the Court authorize the Receiver's recommended distribution from the Remaining Sale Proceeds to Proven Creditors in the amount of \$638,830.84, sufficient cash will remain in the receivership estate to address the claims associated with:
- (a) the payment of the statutory priorities set out above;
 - (b) any potential amounts on account of the Qi Claim;
 - (c) any other amounts due to those creditors that have received a notice of revision; and
 - (d) the fees of the Receiver and its counsel to the completion of these proceedings.
32. Following the receipt, verification and payment of CRA's statutory priority claims and settlement of the Qi Claim, the Receiver will provide the Court with its recommendation regarding the final distribution of the residual of the Remaining Sale Proceeds. Currently, the Receiver is in the process of reviewing the corporate books and records of Turuss to review and assess any distribution mechanics and the current shareholdings.

FEES AND DISBURSEMENTS

33. As noted above, the Receiver has provided services and incurred disbursements during the period July 5 to September 30, 2021 totaling \$48,413.72 inclusive of disbursements and applicable HST as set out in the Henechowicz Affidavit. A copy of the Henechowicz Affidavit is attached hereto as **Appendix "T"**.
34. Additionally, the Receiver has incurred legal fees of its legal counsel, Dentons, in respect of these proceedings, as more particularly set out in the Kennedy Affidavit. A copy of the Kennedy Affidavit attached hereto as **Appendix "J"**.

35. The Receiver requests that this Court approve its interim accounts for the period of July 5 to September 30, 2021 in the amount of \$48,413.72, inclusive of disbursements and HST, and approve the interim accounts of its legal counsel for the period of June 10, 2021 to September 30, 2021 in the amount of \$79,368.39 inclusive of disbursements and HST (collectively, the “**Professional Fees**”).
36. The Receiver submits that the Professional Fees, are reasonable in the circumstances and have been or will be validly incurred in accordance with the provisions of the Receivership Order.

RECEIPTS AND DISBURSEMENTS

37. The R&D reports net interim receipts over disbursements, as at October 21, 2021, of \$4,719,106.38. The Receiver respectfully requests that the Court approve the R&D. A copy of the R&D is attached hereto as **Appendix “K”**.

CONCLUSION AND RECOMMENDATION

38. Based on the foregoing and as outlined in this Eighth Report, the Receiver respectfully requests that this Court issue an order as outlined in paragraph 6(c).

All of which is respectfully submitted this 25th day of October, 2021.

MNP Ltd, in its capacity as the Court-appointed Receiver and Manager of Turuss (Canada) Industry Co., Ltd. and not in its personal or corporate capacity

Per: 

Jerry Henechowicz CPA, CA, CIRP, LIT
Senior Vice President

PILLAR CAPITAL CORP.
Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.
Respondent

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

PROCEEDING COMMENCED AT TORONTO

EIGHTH REPORT OF THE RECEIVER

DENTONS CANADA LLP

77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, Ontario M5K 0A1

Robert Kennedy (LSO #474070)

Tel: (416) 367-6756

Fax: (416) 863-4592

robert.kennedy@dentons.com

Daniel Loberto (LSO # 79632Q)

Tel: (416) 863-4760

daniel.loberto@dentons.com

Lawyers for the Receiver

Appendix “C”
to the Ninth Report of the Receiver

Court File No. CV-20-00646729-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

| | | |
|----------------|---|----------------------------------|
| THE HONOURABLE |) | FRIDAY, THE 29 th DAY |
| |) | |
| JUSTICE PENNY |) | OF OCTOBER, 2021 |

BETWEEN:

PILLAR CAPITAL CORP.

Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Respondent

APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY*
ACT, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF*
***JUSTICE* ACT, R.S.O. 1990, c. C-43, AS AMENDED**

DISTRIBUTION ORDER

THIS MOTION made by MNP Ltd., in its capacity as court-appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and properties of Turuss (Canada) Industry Co., Ltd. (“**Turuss**”) for an order,

- (a) abridging the time for service of the Motion Record dated October 25, 2021 (the “**Motion Record**”), the Notice of Motion dated October 25, 2021 (“**Notice of Motion**”), the Eighth Report of the Receiver dated October 25, 2021 (the “**Eighth Report**”), and Supplemental Report to the Eighth Report dated October 28, 2021 (the “**Supplemental Report**”) so that this Motion is properly returnable on October 29, 2021, and dispensing with further service thereof;

- (b) approving and authorizing a distribution by the Receiver to the creditors of Turuss with proven claims as set out in the Amended Claims Summary contained in the Supplemental Report (the “**Proven Creditors**”), from the remaining sale proceeds resulting from the closing of the transaction contemplated in the asset purchase agreement between the Receiver and Chelsea Property Holdings Inc. dated May 31, 2021 (as amended) (the “**Remaining Sale Proceeds**”);
- (c) approving the Eighth Report and Supplemental Report, and the activities of the Receiver as set out therein;
- (d) approving the fees and disbursements of the Receiver and its legal counsel, Dentons Canada LLP, as set out in the Eighth Report, the fee Affidavit of Jerry Henechowicz sworn October 21, 2021 (the “**Henechowicz Affidavit**”) and the fee Affidavit of Robert Kennedy sworn October 25, 2021 (the “**Kennedy Affidavit**”, and collectively the Henechowicz Affidavit, the “**Fee Affidavits**”);
- (e) approving the interim statement of receipts and disbursements dated October 21, 2021 (the “**R&D**”); and
- (f) such further and other grounds as counsel may advise and this Court may permit;

was heard this day via videoconference due to the COVID-19 pandemic.

ON READING the Motion Record, the Eighth Report, Supplemental Report and on hearing the submissions of counsel for the Receiver, and any such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Amanda Campbell sworn October 25, 2021, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Motion Record, Notice of Motion, Eighth Report, and Supplemental Report is abridged and validated such that this Motion is properly returnable today, and further service of the Motion Record, Notice of Motion, Eighth Report, and Supplemental Report is hereby dispensed with.

DISTRIBUTION

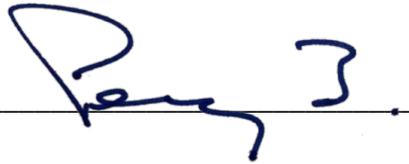
2. **THIS COURT ORDERS** that the Receiver is authorized and directed to make distributions from the Remaining Sale Proceeds each in an amount sufficient to pay each of the Proven Creditors in full and final satisfaction of all amounts owing by Turuss to the Proven Creditors.

RECEIVER'S ACTIVITIES

3. **THIS COURT ORDERS** that the Eighth Report and Supplemental Report, and the activities described therein are hereby approved.

4. **THIS COURT ORDERS** that the fees and disbursements as outlined in the Fee Affidavits are hereby approved.

5. **THIS COURT ORDERS** that the R&D is hereby approved.



A handwritten signature in blue ink, appearing to read "Perry J.", is written over a horizontal line.

PILLAR CAPITAL CORP.

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Applicant

Respondent

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

PROCEEDING COMMENCED AT TORONTO

DISTRIBUTION ORDER

DENTONS CANADA LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON M5K 0A1

Robert J. Kennedy (LSO #474070)
Tel: (416) 367-6756
Fax: (416) 863-4592
robert.kennedy@dentons.com

Daniel Loberto (LSO #79632Q)
Tel: (416) 863-4760
daniel.loberto@dentons.com

Lawyers for the Receiver

Appendix “D”
to the Ninth Report of the Receiver

Canada Revenue Agency
Agence du revenu
du Canada

78

Tax Centre
Hamilton ON L8R 3P7

June 06, 2022

TURUSS (CANADA) INDUSTRY CO., LTD.
C/O MNP LTD.
300 - 111 RICHMOND ST W
TORONTO ON M5H 2G4Account Number
83679 5716 RP0001

Dear Jerry Henechowicz:

Subject: TURUSS (CANADA) INDUSTRY CO., LTD.
Account number: 83679 5716 RP0001

We were told that you have been appointed as receiver for the above-named. There is a debt owed to the Canada Revenue Agency for source deductions amounting to \$30,227.18 for income tax and Canada Pension Plan (CPP) contributions, as well as employment insurance (EI) premiums.

Details of the debt are as follows:

| | |
|-------------------------|-------------|
| Tax deductions: | \$16,924.06 |
| CPP: | \$5,702.98 |
| EI: | \$1,952.16 |
| Penalties and interest: | \$5,647.98 |
| Total: | \$30,227.18 |

Further to the Income Tax Act, the Canada Pension Plan, and the Employment Insurance Act, the following amounts, which are included in the above totals, are trust funds and form no part of the property, business, or estate of TURUSS (CANADA) INDUSTRY CO., LTD. in receivership.

| | |
|------------------------|-------------|
| Federal income tax: | \$12,629.93 |
| Provincial income tax: | \$4,294.13 |
| CPP employee part: | \$2,851.49 |
| EI employee part: | \$813.40 |
| Total: | \$20,588.23 |

Payment for the total amount of this trust, namely \$20,588.23, must be made to the Receiver General for Canada out of the realization of any property that is subject to these statutory trusts in priority to all other creditors.

.../2

National Insolvency Office
55 Bay Street North
Hamilton ON L8R 3P7Local : 416-997-1102
Fax : 416-954-6411
Web site : canada.ca/taxes

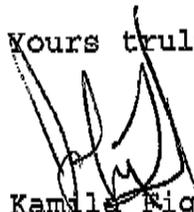
Please let us know when payment of this trust amount and the remaining balance of \$9,628.23 will be made.

This letter also serves as notice that should payment be made for any amount described in subsection 153(1) of the Income Tax Act for periods before or after your appointment, you must withhold tax deductions and remit payments in accordance with that subsection and sections 101 and 108 of the Income Tax Regulations.

Also, see section 5 of the Employment Insurance Act and section 8 of the Canada Pension Plan Regulations.

For more information or clarification, please call me at 416-997-1102.

Yours truly,


Kamila Figaszewska
Complex Case Officer

RECEIVED



Tax Centre
Hamilton ON L8R 3P7

May 30, 2022

TURUSS (CANADA) INDUSTRY CO., LTD.
C/O MNP LTD.
111 RICHMOND ST W
TORONTO ON M5H 2G4

Account Number
83679 5716 RT0001

Dear Jerry Henechowicz;

Subject: TURUSS (CANADA) INDUSTRY CO., LTD.

We understand that you have been appointed receiver or receiver-manager (receiver) for the above GST/HST registrant. Currently, the registrant owes goods and services tax / harmonized sales tax (GST/HST) of \$151,147.04.

| Period outstanding | GST/HST payable | Penalty & interest | Total |
|--------------------|-----------------|--------------------|--------------|
| 2020-08-31 | \$ 3,416.76 | \$ 444.60 | \$ 3,861.36 |
| 2020-07-31 | \$10,501.40 | \$1415.27 | \$11,916.67 |
| 2020-06-30 | \$11,130.97 | \$1553.70 | \$12,684.67 |
| 2020-05-31 | \$ 692.82 | \$ 100.04 | \$ 792.86 |
| 2020-03-31 | \$13,914.27 | \$2009.51 | \$15,923.78 |
| 2020-02-29 | \$ 6,596.67 | \$ 952.70 | \$ 7,549.37 |
| 2019-12-31 | \$ 612.22 | \$ 94.87 | \$ 707.09 |
| 2019-11-30 | \$ 5,562.12 | \$ 894.72 | \$ 6,456.84 |
| 2019-09-30 | \$12,209.00 | \$1728.19 | \$13,937.19 |
| 2019-07-31 | \$15,079.00 | \$2393.77 | \$17,472.77 |
| 2019-06-30 | \$ 8,607.00 | \$1441.93 | \$10,048.93 |
| 2019-05-31 | \$20,923.00 | \$3690.19 | \$24,613.16 |
| 2019-02-28 | \$15,902.00 | \$3225.83 | \$19,127.83 |
| 2019-01-31 | \$ 2,712.00 | \$ 574.75 | \$ 3,286.75 |
| 2018-12-31 | \$ 1,309.50 | \$1458.24 | \$ 2,767.74 |
| ===== | ===== | ===== | ===== |
| TOTAL | \$129,168.73 | \$21,978.31 | \$151,147.04 |

Under the Excise Tax Act, \$129,168.73 of the above totals represents property of the Crown held in trust and does not form

.../2



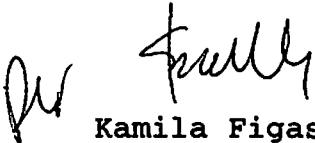
part of TURUSS (CANADA) INDUSTRY CO., LTD.'s property, business, or estate. This is the case whether or not those funds are kept separate and apart from the registrant's own money or from the estate's assets.

You must pay the Receiver General for Canada \$129,168.73 out of the realization of any property subject to the trust created by subsection 222(3) of the Act before paying any other creditor. Please send us your payment right away. If this is not possible, please tell us when you will make the payment. Also, please tell us when you will pay the remaining balance of \$21,978.31.

As a receiver, you must collect and remit the registrant's GST/HST for the period you are acting as a receiver. You also must file the registrant's returns for any periods ending while you were acting as receiver. This includes any returns the registrant did not file for a period ending in or immediately before the fiscal year you became receiver.

For more information or clarification, please call us at 416-997-1102.

Yours truly,



Kamila Figaszewska
Complex Case Officer

Appendix “E”
to the Ninth Report of the Receiver

MEMORANDUM

To: MNP Ltd., in its capacity as Court appointed receiver of Turuss (Canada) Industry Co., Ltd. (the “**Receiver**”)

From: Dentons Canada LLP

Date: February 17, 2022

Subject: Turuss (Canada) Industry Co., Ltd. – Distribution of Remaining Sale Proceeds
File No.: 541179-7

Set out below is a summary and analysis of the Turuss (Canada) Industry Co., Ltd. (“**Turuss**”) corporate minute book and records (the “**Turuss Corporate Records**”) and the Chesley Wood Industry Co. Inc. (“**Chesley**”) corporate minute book and records (the “**Chesley Corporate Records**”), as it relates to the distribution of estimated residual proceeds in the amount of approximately \$3,415,000¹ held by the Receiver in the receivership administration (following the payment of all secured and unsecured creditors, and reserving for contingent claims asserted by CRA) (the “**Residual Proceeds**”).

For ease of reference, a Turuss organizational chart is attached **Schedule “A”**.

The analysis and conclusions herein are subject to the assumptions and qualifications set out under the heading “Assumptions and Qualifications” below.

1. **Turuss Corporate Records**

(a) Overview

Turuss is formed by way of articles of amalgamation dated December 19, 2012 (“**Turuss Articles**”) pursuant to the *Canada Business Corporations Act* (the “**CBCA**”), by amalgamating GRS Investment Inc., Chesley GRS Flooring Ltd., GRS Wood Products Inc., Green Hardwood Flooring Inc., 7742053 Canada Inc. (the “**Amalgamated Entities**”).

The Turuss Articles establish that Turuss is authorized to issue an unlimited number of common shares.

(b) Shareholdings

As part of this amalgamation, the Amalgamated Entities entered into an Amalgamation Agreement dated December 18, 2012 (the “**Amalgamation Agreement**”). Section 7(a) of the Amalgamation Agreement states that, upon the amalgamation becoming effective:

¹ The amount of \$3,415,000 is an estimation of net residual proceeds as at the date of this memorandum.

- 100 class A shares issued and outstanding in the capital of GRS Investment Inc. (“**GRS Investment Shares**”) shall be converted into 100 common shares in the capital of Turuss, on the basis of 1 common share of Turuss for each class A share of GRS Investment Inc.;
- 100 common shares issued and outstanding in the capital of GRS Wood Products Inc. (“**GRS Wood Shares**”) shall be converted into 100 common shares in the capital of Turuss, on the basis of 1 common share of Turuss for each common share of GRS Wood Products Inc.;
- 100 common shares issued and outstanding in the capital of Green Hardwood Flooring Inc. (“**Green Hardwood Shares**”) shall be converted into 100 common shares in the capital of Turuss, on the basis of 1 common share of Turuss for each Common Share of Green Hardwood Flooring Inc.;
- 100 common shares issued and outstanding in the capital of 7742053 Canada Inc. shall be cancelled without any repayment of capital; and
- 100 class A shares issued and outstanding in the capital of Chesley GRS Flooring Ltd. shall be cancelled without any repayment of capital.

Despite the Amalgamation Agreement setting forth a conversion of the GRS Investment Shares, GRS Wood Shares, and Green Hardwood Shares to common shares in Turuss, the Turuss Corporate Records do not contain a resolution or any other document evidencing the underlying authority authorizing for the issuance of the aforementioned Turuss common shares. In addition, we further note the following: (i) the Turuss Corporate Records do not contain the common shares issued to the holders of the GRS Investment Shares, GRS Wood Shares, and Green Hardwood Shares, and (ii) the Turuss shareholders’ register does not reflect the issuance of Turuss common shares to GRS Investment Shares, GRS Wood Shares, and Green Hardwood Shares pursuant to the Amalgamation Agreement.

However, the resolutions of the Board of Directors of Turuss dated December 19, 2012 (“**December 19 Resolutions**”) resolve that Rui Yang (“**R. Yang**”) (residency unknown) be issued 150 common shares (C-001) of Turuss, and Guoning Li (“**Li**”) (a Canadian resident based on the Turuss Corporate Records) be issued 150 common shares (C-002) of Turuss.

The resolutions of the Board of Directors of Turuss dated December 20, 2012 (“**December 20 Resolutions**”) resolve that the shares held by each of R. Yang and Li be transferred and consolidated to Chesley under share certificate C-003.²

Turuss also accepted a share subscription from Chesley dated April 8, 2013 to acquire an additional 7,000,000 common shares, and a further share subscription dated August 31, 2013 for an additional 2,436,000 common shares, totalling 9,436,000 common shares of Turuss at \$1.00 USD per share. Turuss issued share certificates C-004 and C-005 with respect to these additional shares.³

² The December 20 Resolutions provide for the transfer of the R. Yang (C-001) shares and Li (C-002) shares to Chesley.

³ The Resolution of the Board of Directors of Turuss dated April 8, 2013 accepted the subscription by Chesley to 7,000,000 common shares of Turuss for the aggregate consideration of USD7,000,000, and directed that a certificate representing 7,000,000 common shares be issued to Chesley. The Resolution of the Board of Directors of Turuss dated August 31, 2013 accepted the subscription by Chesley to 2,436,000 common shares of Turuss for the aggregate consideration of USD2,436,000, and directed that a certificate representing 2,436,000 common shares be issued to Chesley.

According to the Turuss shareholders' register dated January 10, 2014, there are 9,436,300 issued and outstanding common shares of Turuss, with all common shares owned by Chesley. Based on our review of the Turuss Corporate Records, and subject to the Qualifications, Chesley is the 100 percent shareholder of Turuss.

(c) Directors and Officers

According to the Turuss directors' register, as of January 4, 2013, Turuss has two (2) acting directors, being Yang Jiang ("**Jiang**") (a Canadian resident based on the Turuss Corporate Records) and Li. There is also a further shareholder resolution dated February 12, 2014 confirming the appointment of the existing directors for an additional term, together with additional rolling resolutions confirming the director appointments year over year, for a limited period of time.

According to the Turuss officers' register, as of January 4, 2013, Turuss has three (3) acting officers as follows: (i) Jiang acting as Secretary and Treasurer, and (ii) Li acting as President. There is also a further shareholder resolution dated February 12, 2014 confirming the appointment of the existing officers for an additional term, together with additional rolling resolutions confirming the officer appointments year over year, for a limited period of time.

Pursuant to the Turuss Federal Corporate Profile report dated January 5, 2022, only Jiang is listed as Director. The Turuss directors and officers are summarized on Schedule "B", as evidenced by the aforementioned registers.

In accordance with Turuss By-Law No. 1 (the "**Turuss By-Laws**"), the designated officer position of President will have the "general supervision of the business and affairs of the Corporation". In this regard, it would appear that Li has the general power and duties to oversee Turuss.

Based on our review of the Turuss Corporate Records, and subject to the Qualifications, Jiang and Li are the existing directors and officers, and Li is the acting President with the general authority to supervise the business and affairs of Turuss.

(d) Distribution of Funds upon Liquidation

Upon a review of the Turuss By-laws, we have not been able to locate a specific section that addresses the distribution of surplus cash upon the liquidation and the satisfaction of all Turuss debt obligations.

2. **Chesley Corporate Records**

(a) Overview

Chesley was formed by articles of incorporation dated December 3, 2012 ("**Chesley Articles**") pursuant to the CBCA. The Chesley Articles establish that Chesley is authorized to issue an unlimited number of common shares.

(b) Shareholdings

The current shareholders of Chesley are Dalian Turuss Wood Industry Co., Ltd. (“**Dalian**”) (a Chinese corporation based on the Chesley Corporate Records), and Veyron Wood Industry Inc. (“**Veyron**”), (a CBCA corporation based on the Chesley Corporate Records). According to the shareholder register contained in the Chesley Corporate Records, as at April 13, 2016, Dalian holds 11,736,100 common shares and Veyron holds 2,235,448 common shares. The shareholdings for each of Dalian and Veyron arise from various share subscriptions, and a single debt conversion by Dalian in exchange for 2,000,000 common shares in Chesley.⁴

Based on our review of the Chesley Corporate Records, and subject to the Qualifications, Dalian is the majority shareholder holding approximately 84 percent of the common shares of Chesley

(c) Directors and Officers

According to the Chesley directors’ register, as of December 18, 2012, Chesley has two (2) acting directors, being Jiang and Li.

According to the Turuss officers’ register, as of December 18, 2012, Turuss has three (3) acting officers as follows: (i) Jiang acting as Secretary and Treasurer, and (ii) Li acting as President.

Pursuant to the Chesley Federal Corporate Profile dated January 5, 2022, only Jiang is listed as Director. The Chesley directors and officers are summarized on Schedule “C”, as evidenced by the aforementioned registers.

In accordance with Chesley By-Law No. 1 dated December 3, 2012 (the “**Chesley By-Laws**”), the designated officer position of President will have the “general supervision of the business and affairs of the Corporation”. In this regard, it would appear that Li has the general power and duties to oversee Chesley.

Based on our review of the Chesley Corporate Records, and subject to the Qualifications, Jiang and Li are the existing directors and officers, and Li is the acting President with the general authority to supervise the business and affairs of Chesley.

⁴ The Resolution of the Board of Directors of Chesley dated December 3, 2012 accepted the subscription by Dalian to 100 common shares of Chesley for the aggregate consideration of \$100, and directed that a certificate representing 100 common shares be issued to Dalian. The Resolution of the Board of Directors of Chesley dated December 14, 2012 accepted the subscription by Dalian to 300,000 common shares of Chesley for the aggregate consideration of \$300,000 CDN, and directed that a certificate representing 300,000 common shares be issued to Dalian. The Resolution of the Board of Directors of Chesley dated April 8, 2013 accepted the subscription by Dalian to 7,000,000 common shares of Chesley for the aggregate consideration of \$7,000,000 USD, and directed that a certificate representing 7,000,000 common shares be issued to Dalian. The Resolution of the Board of Directors of Chesley dated August 31, 2013 accepted the subscription by Dalian to 2,436,000 common shares of Chesley for the aggregate consideration of \$2,436,000 USD, and directed that a certificate representing 2,436,000 common shares be issued to Dalian. The Resolution of the Board of Directors of Chesley dated October 22, 2015 authorized Chesley to enter into the Debt Conversion Agreement dated October 22, 2015 between Chesley and Dalian in exchange for 2,000,000 common shares. The Resolutions of the Board of Directors of Chesley dated October 22, 2015 approved a subscription by Veyron for the aggregate consideration of \$3,000,000 in exchange for 2,235,448 common shares.

(d) Chesley Share Ownership of Turuss

The Chesley Corporate Records reflect and include documentation evidencing the acquisition of the initial 300 common shares in Turuss pursuant to the Turuss Share Transfer Transaction. However, the Chesley Corporate Records do not contain any documentation associated with the additional share subscriptions totalling 9,436,000 common shares in Turuss at the time of the transactions in 2013.

3. **Distribution Plan**

The corporate requirements and priorities set out in the Turuss Corporate Records are the most authoritative source of instructions and guidance on the distribution of the Residual Proceeds.

Based on a review of the Turuss Corporate Records and the Chesley Corporate Records, we are of the view that the Residual Proceeds should be distributed to the Turuss bank account contained in **Schedule “D”** as designated by an authority on behalf of Turuss, and approved by the Court. Strictly, the Residual Proceeds are assets and property of Turuss; our view is that the Receiver should obtain an Order directing the distribution of the Residual Proceeds to Turuss. Thereafter, Turuss would be required to manage and administer the Residual Proceeds in accordance with its governing corporate documents.

The distribution plan set forth above will require the input from the officers/directors of Turuss and the shareholders of Chesley. In this regard, we view the following steps to be necessary to assist in formulating the distribution plan and also provide the Court with the necessary information in a Court report to approve the Receiver’s recommendations:

- (a) Initial virtual meeting with Jiang, being the primary point of contact for Turuss during receivership administration, to inform her of our considerations in recommending the distribution plan and also request information relating to an active Turuss bank account (“**Virtual Planning Meeting 1**”);
- (b) Following Virtual Planning Meeting 1, request that Jiang contact Li (acting Turuss President) to coordinate a virtual meeting with Li, Jiang and the Receiver to inform Li of our considerations in recommending the distribution plan (“**Virtual Planning Meeting 2**”). During this meeting, the Receiver to address questions, concerns or any other alternative suggestions presented by Li and/or Jiang; and
- (c) Following Virtual Planning Meeting 2, request that Li and Jiang coordinate a virtual meeting with the shareholders of Chesley, to inform the shareholders of Chesley of the Receiver’s considerations in recommending the distribution plan (“**Virtual Planning Meeting 3**”, and together with Virtual Planning Meeting 1 and Virtual Planning Meeting 2, the “**Consultations**”). During this meeting, the Receiver to address questions, concerns or any other alternative suggestions presented by Li and/or Jiang.

As the Receiver holds the Consultations, the distribution plan may adjust based on input from Jiang, Li, the Chesley shareholders or any other issues that may surface. The timing for a distribution and discharge motion will be largely based on the outcome of the Consultations. Proposed timing for the Consultations:

- (i) Virtual Planning Meeting 1: the week of February 21, 2022;
- (ii) Virtual Planning Meeting 2: the week of February 28, 2022; and
- (iii) Virtual Planning Meeting 3: the week of March 7, 2022.

4. Assumptions and Qualifications

We are qualified to render legal analysis and advice as to the laws of the Province of Ontario and the federal laws of Canada applicable therein and the opinions expressed herein are confined to the laws of those jurisdictions in effect on the date hereof. We do not accept any responsibility to inform the addressee of any change in law subsequent to this date that does or may affect the analysis set forth herein. In our capacity as counsel, we have participated in the examination of a scanned copy of the minute books of Turuss and Chesley, and all documents therein (the “**Documents**”). In connection with the analysis and opinions expressed herein, we have assumed the following, without independent investigation or inquiry:

- (a) the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to authentic original documents of all documents submitted to us as certified, notarial, facsimile or photostatic copies;
- (b) that all relevant individuals had full legal capacity at all times;
- (c) that each of the parties to the Documents, (i) is a validly constituted and organized and validly subsisting corporation under its governing laws, (ii) has full capacity, power and authority to own its property, carry on the business it currently conducts, to enter into each Document to which it is a party and to perform its obligations set out therein, (iii) has taken all necessary action to authorize the execution of each Document to which it is a party on its behalf by the persons executing same and the performance by it of its obligations thereunder; and (iv) has duly executed and delivered the Documents to which it is a party in accordance with the laws of the jurisdiction governing their execution and delivery;
- (d) that the Documents constitute legal, valid and binding obligations of each of the parties to the Documents, enforceable against such parties in accordance with their respective terms and there are no other amendments, agreements, articles, bylaws, contracts or other documents pertaining to the share terms and any related matters concerned with herein that would render our analysis and opinions herein inaccurate;
- (e) that all representations and warranties as to factual matters made by any party to the Documents, are true and correct as of the date hereof and insofar as the opinions set forth herein relate to, or depend upon, any matter of fact, we have relied upon such representations and warranties without independent verification; and

(f) that all facts set forth in the Documents are complete, true and accurate as of the date hereof.

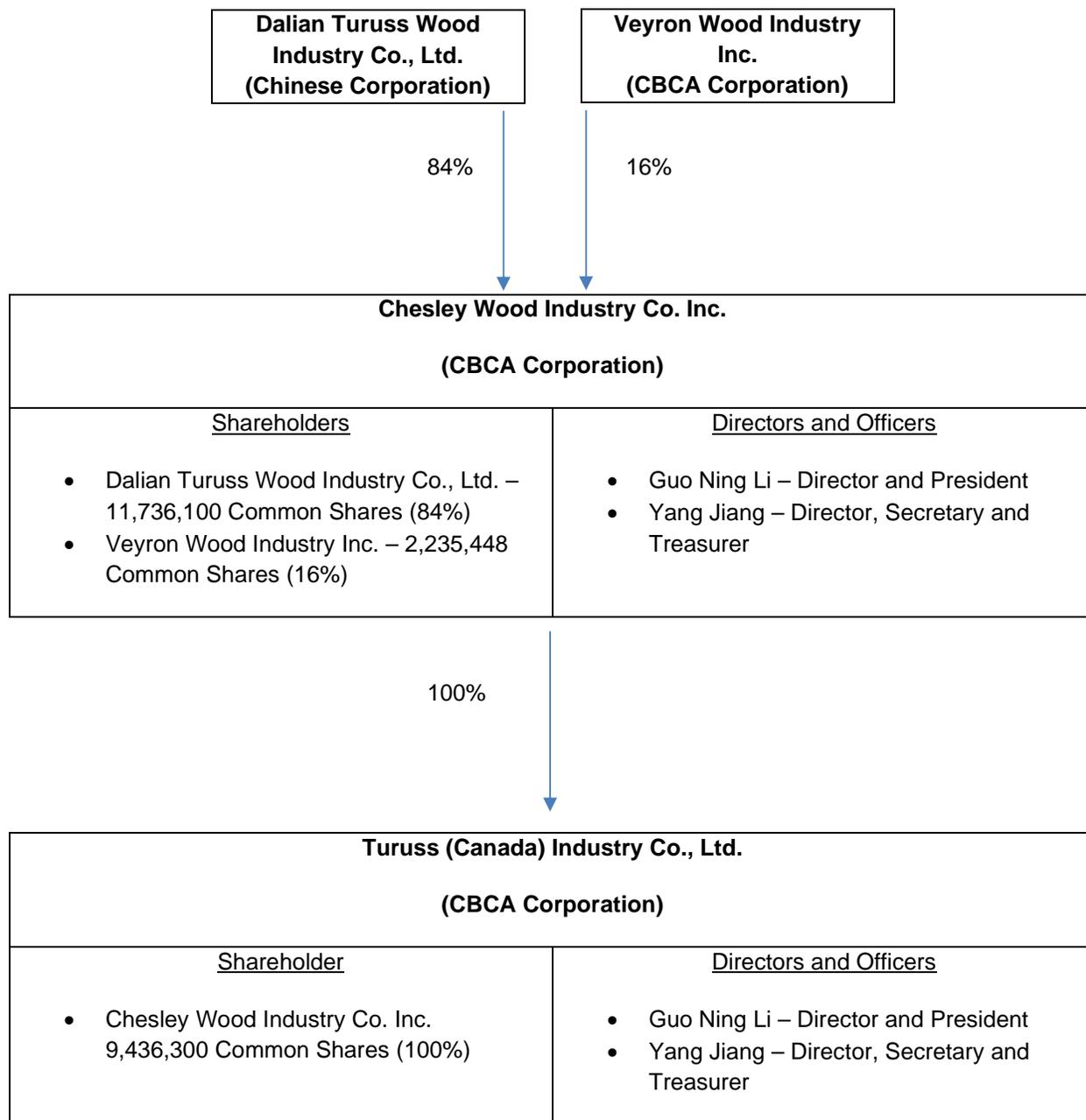


Robert Kennedy



Daniel Loberto

Schedule “A” – Organizational Chart



Schedule "B" – Turuss (Canada) Industry Co., Ltd.Shareholders List

| Name | Class of Shares | Number of Shares | Percentage of Total Preferred Shares |
|--|------------------------|-------------------------|---|
| Chesley Wood Industry Co. Inc. | Common | 9,436,300 | 100% |
| <u>Total Outstanding Shares</u> | | <u>9,436,300</u> | <u>100%</u> |

Directors and Officers

| Name | Director | Officer Positions |
|-------------|-----------------|--------------------------|
| Guo Ning Li | Yes | President |
| Yang Jiang | Yes | Secretary and Treasurer |

Schedule "C" – Chesley Wood Industry Co. Inc.Shareholders List

| Name | Class of Shares | Number of Shares | Percentage of Total Preferred Shares |
|--|------------------------|--------------------------|---|
| Dalian Turuss Wood Industry Co., Ltd. | Common | 11,736,100 | 84% |
| Veyron Wood Industry Inc. | Common | 2,235,448 | 16% |
| <u>Total Outstanding Shares</u> | | <u>13,971,548</u> | <u>100%</u> |

Directors and Officers

| Name | Director | Officer Positions |
|-------------|-----------------|--------------------------|
| Guo Ning Li | Yes | President |
| Yang Jiang | Yes | Secretary and Treasurer |

Schedule "D" – Turuss Bank Account Details

Royal Bank of Canada
P.O. Box 4047 Terminal A
Toronto, ON M5W 1L5

Business Account Number: 03172 109-895-3

Appendix “F”
to the Ninth Report of the Receiver

Court File No.: CV-20-00646729-00CL

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

B E T W E E N:

PILLAR CAPITAL CORP.

Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Respondent

APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE*
ACT, R.S.O. 1990, c. C-43, AS AMENDED

AFFIDAVIT OF GUONING LI
(sworn April 11, 2022)

I, **GUONING LI**, of the City of Dalian, in the Country of China, **SWEAR AND SAY AS FOLLOWS:**

本人李国宁，在中国大连市宣誓如下：

- | | |
|---|---|
| <p>1. I met with Jerry Henechowicz of MNP Ltd., in its capacity as receiver (the “Receiver”) of Turuss (Canada) Industry Co., Ltd. (“Turuss”), counsel to the Receiver (“Dentons”), Yang Jiang (“Jiang”) and Lucy Li on March 7, 2022 for the purpose of completing Virtual Planning Meeting 2 in</p> | <p>1. 2022年3月7日，我和MNP Ltd.,公司的Jerry Henechowicz (托拉斯 (加拿大) 实业有限公司的接管人)、接管人的法律顾问大成律师事务所 (大成)、Yang Jiang 以及 Lucy Li 通过网络视频会议进行了会谈。本次视频会议是根据大成起草的、于2022年2月17日签署的备忘录的规定而召开的第二次规划会议。</p> |
|---|---|

accordance with the memorandum dated February 17, 2022 prepared by Dentons.

2. I confirmed during Virtual Planning Meeting 2 certain information with respect to Dalian Turuss Wood Industry Co., Ltd. (“**Dalian Turuss**”) and the statement of claim dated February 10, 2020 issued by Dalian Natural Wood Industry Co., Ltd. (“**Dalian Natural Wood**”) against Turuss. More specifically, I confirmed that I am the principal of Dalian Turuss. I clarified that I did not understand the basis for the Statement of Claim.
 3. I provided the Receiver with further details during Virtual Planning Meeting 2 with respect to Veyron Wood Industry Inc. (“**Veyron**”). I confirmed that Veyron is an independent company, and Veyron’s parent company had business relations with Dalian Turuss. I further confirmed that Dalian owed Veyron’s parent company funds, and in connection to repaying this indebtedness, Chesley Wood Industry Co. Inc. issued shares to Veyron. I confirmed to the Receiver that Zhenghang Li, also known as Lawrence Li
2. 在前述第二次视频会议中，本人确认了和大连华宇托拉斯木业有限公司（“大连托拉斯”）有关的若干信息以及 Dalian Natural Wood Industry Co., Ltd. 于 2020 年 2 月 10 日向加拿大托拉斯出具的索赔声明。具体地说，我确认了我是大连托拉斯的负责人，也澄清了我本人并不清楚索赔声明的理由。
3. 在第二次视频会议中，我向接管人提供了有关 Veyron Wood Industry Inc.（“Veyron”）的更多详细信息。我确认 Veyron 是一家独立公司，而 Veyron 的母公司与大连托拉斯有业务往来。本人进一步确认大连欠 Veyron 木业母公司资金，为偿还这笔债务，Chesley Wood Industry Co. Inc. (“Chesley”) 向 Veyron 发行了股份。我向接管人确认，Zhenghang Li，又名 Lawrence Li（“Lawrence”），是 Veyron 的负责人。我之前没有和 Lawrence 通信过，Yang Jiang 上次与 Lawrence 通信是在 2019 年 3 月。我向接管人确认，Yang Jiang 或我将在会后不久向接管人提供 Lawrence 的联系方式。视频会议之后，Yang Jiang 向接管人提供了她知道的 Lawrence 的最新电子邮件地址，即 lilizhenghang@gmail.com。

(“Lawrence”), is the principal of Veyron. I have not corresponded with Lawrence before, and Jiang last corresponded with Lawrence in March 2019. I confirmed to the Receiver that Jiang or I will provide the Receiver Lawrence’s contact information shortly after the meeting. After Virtual Planning Meeting 2, Yang Jiang provided the Receiver with the latest email address she had for Lawrence, being lilizhenghang@gmail.com.

4. When discussing the residual funds to be distributed to Turuss’ RBC bank account, I agreed that the residual funds could be deposited to the same account. I understand that Jiang is the only individual with authorization to withdraw from Turuss’ RBC bank account. In summary, I have no objections to the Receiver distributing the residual funds to Turuss’ RBC bank account.
5. During Virtual Planning Meeting 2, the Receiver offered to send an email summarizing the contents of this meeting, and I agreed to re-confirm my understanding of information discussed during this meeting.

4. 在讨论剩余资金分配到加拿大托拉斯的 RBC 银行账户时，我同意剩余资金可以存入同一个账户。我了解 Yang Jiang 是唯一有权从加拿大托拉斯的 RBC 银行账户提款的个人。简单地说，我同意接管人将剩余资金汇入托拉斯的 RBC 银行账户。

5. 在第二次视频会议期间，接管人提出发送一封电子邮件，概述本次会议的内容。我也同意再次确认我对本次会议讨论的信息的理解。接管人完成了这个动作。我提供此宣誓书以提供所需的再次确认。

The Receiver completed this action. I provide this affidavit to provide the required re-confirmation.

6. During Virtual Planning Meeting 2, the Receiver answered questions that Jiang and I had with respect to possible steps for her and I to take once the Receiver is discharged, such as organizing the shareholders of Turuss to decide on how Turuss would be managed going forward.

6. 在第二次视频会议中，接管人回答了我和 Yang Jiang 关于一但接管人离职后我和她可能采取的步骤的问题，例如组织加拿大托拉斯的股东决定如何继续运营。
7. Upon the completion of Virtual Planning Meeting 2, the Receiver strongly advised Jiang and I to retain legal counsel and solicit legal advise regarding these receivership proceedings. The Receiver offered to answer any questions raised by such legal counsel.

7. 第二次视频会议结束后，接管人强烈建议 Yang Jiang 和我聘请法律顾问就接管程序提供法律意见。接管人愿意回答该法律顾问提出的任何问题。
8. Since the date of Virtual Planning Meeting 2, I understand that Jiang will be consulting legal counsel in connection to these receivership proceedings, and that such legal counsel will contact the Receiver when needed.

8. 自第二次视频会议之日起，我理解 Yang Jiang 就这些接管程序咨询法律顾问，并且该法律顾问将在需要时与接管人联系。

9. Due to the circumstances of the COVID-19 pandemic and proximity of where I reside relative to the Commissioner, I am unable to be physically present to swear this Affidavit. I, however, was linked by way of video technology to the Commissioner commissioning this document.

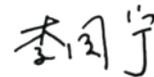
9. 由于冠状病毒疫情影响以及本人居住地的原因，我无法亲自到场进行宣誓。但我可以通过视频技术与公证此文件的公证员进行视频通话。

SWORN by Guoning Li of the City of Dalian in the Country of China, before Daniel Loberto of the City of Toronto in the Province of Ontario on April 11, 2022 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

根据 O. Reg. 431/20 关于远程宣誓的规定，李国宁于中国大连市，在位于安大略省多伦多市的大成律师事务所 Daniel Loberto 律师面前远程作出如上宣誓或声明，宣誓时间为 2022 年 4 月 11 日。



Daniel Loberto, the Commissioner for Taking this Affidavits



GUONING LI 李国宁

Affidavit of Guoning Li re Virtual Planning Meeting 2 (3)

Final Audit Report

2022-04-12

| | |
|-----------------|--|
| Created: | 2022-04-12 |
| By: | YANG JIANG (jiangyang818@gmail.com) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAGN5hdk6XYKKLCE0x6G_gjBMJ-ZfUZwx9 |

"Affidavit of Guoning Li re Virtual Planning Meeting 2 (3)" History

-  Document created by YANG JIANG (jiangyang818@gmail.com)
2022-04-12 - 0:12:38 AM GMT- IP address: 99.229.184.250
-  Document emailed to GUONING LI (yang.turussfloor@gmail.com) for signature
2022-04-12 - 0:13:32 AM GMT
-  Email viewed by GUONING LI (yang.turussfloor@gmail.com)
2022-04-12 - 0:13:41 AM GMT- IP address: 74.125.212.83
-  Document e-signed by GUONING LI (yang.turussfloor@gmail.com)
Signature Date: 2022-04-12 - 0:19:34 AM GMT - Time Source: server- IP address: 99.229.184.250- Signature captured from device with phone number XXXXXXX4375
-  Agreement completed.
2022-04-12 - 0:19:34 AM GMT

PILLAR CAPITAL CORP.

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Applicant

Respondent

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

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF GUONING LI

DENTONS CANADA LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON M5K 0A1

Robert Kennedy (LSO #474070)
Tel: (416) 367-6756
Fax: (416) 863-4592
robert.kennedy@dentons.com

Daniel Loberto (LSO # 79632Q)
Tel: (416) 863-4760
daniel.loberto@dentons.com

Lawyers for the Receiver

Appendix “G”
to the Ninth Report of the Receiver

Court File No.: CV-20-00646729-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

PILLAR CAPITAL CORP.

Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Respondent

APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE*
ACT, R.S.O. 1990, c. C-43, AS AMENDED

AFFIDAVIT OF JERRY HENECHOWICZ

(Sworn July 6, 2022)

I, Jerry Henechowicz, of the City of Markham, in the Province of Ontario,

MAKE OATH AND SAY AS FOLLOWS:

1. I am a Senior Vice President and a licensed Trustee with MNP Ltd. the Court-appointed receiver and manager (the “**Receiver**”) of Turuss (Canada) Industry Co., Ltd. (the “**Company**”) and as such have knowledge of the matters deposed to herein, except where such knowledge is stated to be based on information and belief, in which case I state the source of the information and verily believe such information to be true.
2. The Receiver was appointed, without security, of the assets, property and undertaking of the Company by Order of the Honourable Justice Hainey dated September 18, 2020.
3. The Receiver has prepared two Statements of Account in connection with its appointment as Receiver detailing its services rendered and disbursements incurred for the period

October 1, 2021 to June 29, 2022. Attached hereto and marked as Exhibit “A” to this my Affidavit is a summary of the Statement of Account.

4. Attached hereto and marked as Exhibit “B” are copies of the Statements of Account. The average hourly rate in respect of the account is \$435.40.
5. This Affidavit is made in support of a motion to, *inter alia*, approve the fees and disbursements of the Receiver and its accounts.
6. Due to the circumstances of the COVID-19 pandemic, I am unable to be physically present to swear this Affidavit. I, however, was linked by way of video technology to the Commissioner commissioning this document.

SWORN before me by)
 videoconference at the City of)
 Markham, in the Province of Ontario)
 This 6th day of July, 2022.)
)
 Commissioner for Taking Affidavits)



JERRY HENECHOWICZ

Matthew Eric Lem, a Commissioner, etc.,
 Province of Ontario, for MNP Ltd. And MNP LLP.
 Expires February 21, 2023

Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF JERRY HENECHOWICZ

Sworn before me by video conference

This 6th day of July, 2022



Commissioner for taking Affidavits, etc

**RECEIVERSHIP OF TURUSS (CANADA) INDUSTRY CO., LTD.
SUMMARY OF STATEMENT OF ACCOUNT OF
MNP LTD IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER
FOR THE PERIOD OCTOBER 1 TO JUNE 29, 2022**

| MNP INVOICE | DATE | HOURS | FEES | DISBURSEMENTS | HST | TOTAL |
|--------------------|-------------|---------------|---------------------|----------------------|---------------------|---------------------|
| 10065654 | Nov 5 2021 | 44.60 | \$ 25,302.00 | \$ 480.25 | \$ 3,351.69 | \$ 29,133.94 |
| 10194994 | Feb 20 2022 | 52.80 | 23,599.00 | | 3,067.87 | 26,666.87 |
| 10400077 | May 9 2022 | 74.55 | 25,964.75 | | 3,375.42 | 29,340.17 |
| 10497385 | Jul 5 2022 | 17.40 | 7,577.50 | | 985.08 | 8,562.58 |
| | | 189.35 | \$ 82,443.25 | \$ 480.25 | \$ 10,780.06 | \$ 93,703.56 |

Average Hourly Rate **\$ 435.40**

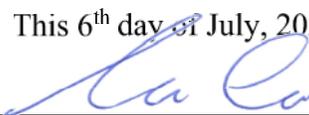
Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF JERRY HENECHOWICZ

Sworn before me video conference

This 6th day of July, 2022



Commissioner for taking Affidavits, etc

Invoice**Invoice Number :** 10065654**Client Number :** 0835555**Invoice Date :** Nov 5 2021**Invoice Terms :** Due Upon Receipt

Turuss (Canada) Industry Co., Ltd.
c/o MNP Ltd.
300-111 Richmond Street West
Toronto, ON M5H 2G4

For Professional Services Rendered :

Professional services as Court Appointed Receiver and Manager of Turuss
(Canada) Industry Co., Ltd. for the period ended October 31, 2021 as set out
on the attached time and billing summary. 25,782.25

Harmonized Sales Tax : 3,351.69

Total (CAD) : 29,133.94

HST Registration Number : 103697215 RT 0001

Invoices are due and payable upon receipt.

Thank you for your business. We
sincerely appreciate your trust in us.

Licensed Insolvency Trustees
111 RICHMOND STREET WEST, SUITE 300;
TORONTO ON; M5H 2G4
P: (416) 596-1711 F: (416) 596-7894 www.MNPDebt.ca

MNP LTD.**COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO., LTD.****FOR THE PERIOD ENDED OCTOBER 31, 2021**

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|-------------|---------------------|--------------|---|
| 01-Oct-2021 | Jerry Henechowicz | .50 | Review of claims filed, update emails with Dentons, |
| 05-Oct-2021 | Jerry Henechowicz | .80 | Emails with Dentons and Jiang to arrange call on claims, receipt and review of photos related to door inventory, review of claims filed to date |
| 05-Oct-2021 | Fatemah Khalfan | .40 | Received POC from WSIB; reviewed and entered into Ascend |
| 05-Oct-2021 | Fatemah Khalfan | .50 | Cheque requisition prepared and sent to J. Henechowicz for approval; entered to Ascend; arranged for mailing |
| 06-Oct-2021 | Jerry Henechowicz | .60 | Preparation for and update call with Dentons on claims process and related issues |
| 07-Oct-2021 | Jerry Henechowicz | .60 | Receipt and review of Jiang emails with information regarding corporate structure, responding to Dentons enquiry emails |
| 08-Oct-2021 | Jerry Henechowicz | .60 | CLaims process follow up |
| 08-Oct-2021 | Fatemah Khalfan | .40 | Checked recently received POCs; Printed claims register for J. Henechowicz |
| 12-Oct-2021 | Jerry Henechowicz | .70 | Providing claims information to Dentons, emails with Jiang [REDACTED] |
| 13-Oct-2021 | Jerry Henechowicz | 4.80 | Drafting of 8th report to Court, attending to payment of professional fees |
| 13-Oct-2021 | Fatemah Khalfan | .30 | Revised wire transfer for Dentons LLP and sent to M. Lem |
| 15-Oct-2021 | Jerry Henechowicz | 2.10 | Review of draft notice of motion, order etc. initial drafting of 8th report, responding to CRA enquiry |
| 15-Oct-2021 | Fatemah Khalfan | .40 | Emails exchanged with TK Elevator about outstanding Invoices |
| 15-Oct-2021 | Fatemah Khalfan | .40 | Email sent to J. Henechowicz about CRA's questions regarding June and August ITCs |
| 18-Oct-2021 | Jerry Henechowicz | 1.50 | Review of draft notice of motion and order, 8th report preparation, call with Dentons to review strategy |
| 19-Oct-2021 | Jerry Henechowicz | 1.70 | Drafting of 8th report, review and payment of professional fees, call with CRA re interim HST filings |
| 19-Oct-2021 | Fatemah Khalfan | .70 | Prepared two cheque requisitions and sent to M. Lem and J. Henechowicz for approval |
| 20-Oct-2021 | Jerry Henechowicz | 4.10 | Drafting of 8th report and all appendices |
| 20-Oct-2021 | Fatemah Khalfan | .40 | Emails exchanged with TK Elevator about o/s Invoices; requested copies which were sent to me; forwarded to J. Henechowicz |
| 20-Oct-2021 | Fatemah Khalfan | .70 | Wire requisition prepared and sent to J. Henechowicz and M. Lem; once received signed copy back, initiated transfer initiated for Dentons LLP; sent authorization to M. Lem |
| 21-Oct-2021 | Jerry Henechowicz | 5.20 | Drafting of 8th report and appendices, swearing of fee affidavit, emails and calls with Dentons on related issues |
| 21-Oct-2021 | Patricia Ball | .70 | Bank Recs |

MNP LTD.**COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO., LTD.****FOR THE PERIOD ENDED OCTOBER 31, 2021**

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|-------------|--------------------|--------------|--|
| 21-Oct-2021 | Matthew Lem | .10 | wire authroization |
| 21-Oct-2021 | Fatemah Khalfan | .90 | Modified wire authorization, twice, to Dentons LLP, and sent to M. Lem, along with cheque requisition for Trustee fees; received back, posted both to Ascend, printed cheque and left for R, Bernakevitch for processing |
| 21-Oct-2021 | Fatemah Khalfan | 1.00 | Reviewed ITCs paid for June and July 2021; prepared spreadsheet and sent to J. Henechowicz |
| 21-Oct-2021 | Deborah Hornbostel | 2.50 | Review and amend draft 8th report |
| 22-Oct-2021 | Jerry Henechowicz | 2.50 | Updates to 8th report, emails and calls with Dentons on related issues |
| 22-Oct-2021 | Fatemah Khalfan | .30 | Forwarded tear sheets for National Post and Globe and Mail to J. Henechowicz |
| 22-Oct-2021 | Fatemah Khalfan | 1.00 | Reviewed HST numbers [REDACTED]; sent email to J. Henechowicz |
| 24-Oct-2021 | Jerry Henechowicz | 1.40 | Update to report and sending same to Dentons for final review |
| 25-Oct-2021 | Jerry Henechowicz | 1.30 | Various amendments and adjustments to finalization of 8th report to court |
| 25-Oct-2021 | Deborah Hornbostel | .30 | Review email from Daniel Loberto of Dentons, locate and provide requested information re Hydro One claim |
| 26-Oct-2021 | Jerry Henechowicz | 1.10 | Posting of motion to website, review of Hydro and related claims changes, review of supplemental report and update sent to Dentons |
| 26-Oct-2021 | Fatemah Khalfan | .40 | Posting done to Sitecore |
| 27-Oct-2021 | Jerry Henechowicz | .80 | Update to supplemental report, responding to CRA for source claim |
| 27-Oct-2021 | Fatemah Khalfan | .80 | Revisions done to HST spreadsheet - June and July - sent to J. Henechowicz; phone call with P. Pimentel about uploading this information via CRA Rep ID; he |
| 27-Oct-2021 | Deborah Hornbostel | .10 | Review emails and accept court hearing appointment |
| 28-Oct-2021 | Matthew Lem | .30 | Attend to finalize supplemental report; discussions with D. Hosrnbostel re same. |
| 28-Oct-2021 | Fatemah Khalfan | .30 | Phone call with P. Pimentel at CRA re HST numbers that I had faxed over to him |
| 28-Oct-2021 | Deborah Hornbostel | .40 | Review emails re Supplementary 8th report, review and approve report and changes proposed by Dentons, advise Matt to release report |
| 29-Oct-2021 | Fatemah Khalfan | .40 | Posting done to Sitecore |
| 29-Oct-2021 | Deborah Hornbostel | .50 | Obtain copy of issued Supplemental 8th report and arrange for website posting, prepare for and attend Court hearing for distribution approval order |
| 31-Oct-2021 | Sheldon Title | .10 | bank rec |
| | | 44.60 | |

MNP LTD.

COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO., LTD.

FOR THE PERIOD ENDED OCTOBER 31, 2021

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|------|--------------|-------|-------------|
|------|--------------|-------|-------------|

| BILLING SUMMARY | | | |
|--------------------|--------------|-------------|------------------|
| PROFESSIONAL | HOURS | HOURLY RATE | AMOUNT |
| Deborah Hornbostel | 3.80 | 670.00 | 2,546.00 |
| Fatemah Khalfan | 9.30 | 215.00 | 1,999.50 |
| Jerry Henechowicz | 30.30 | 670.00 | 20,301.00 |
| Matthew Lem | 0.40 | 595.00 | 238.00 |
| Patricia Ball | 0.70 | 215.00 | 150.50 |
| Sheldon Title | 0.10 | 670.00 | 67.00 |
| Total | 44.60 | | 25,302.00 |

DISBURSEMENTS

| | |
|----------------|------------------|
| Data-room fees | 480.25 |
| | <u>25,782.25</u> |

Invoice



Invoice Number : 10194994

Client Number : 0835555

Invoice Date : Feb 20 2022

Invoice Terms : Due Upon Receipt

Turuss (Canada) Industry Co., Ltd.
c/o MNP Ltd.
300-111 Richmond Street West
Toronto, ON M5H 2G4

For Professional Services Rendered :

Professional services as Court-appointed Receiver and Manager of Turuss (Canada) Industry Co., Ltd. for the period ended January 31, 2022 as set out on the attached time and billing summary. 23,599.00

Harmonized Sales Tax : 3,067.87

Total (CAD) : 26,666.87

HST Registration Number : 103697215 RT 0001

Invoices are due and payable upon receipt.

Thank you for your business. We sincerely appreciate your trust in us.

Licensed Insolvency Trustees
111 RICHMOND STREET WEST, SUITE 300;
TORONTO ON; M5H 2G4
P: (416) 596-1711 F: (416) 596-7894 www.MNPDebt.ca

MNP LTD.**COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO., LTD.****FOR THE PERIOD ENDED JANUARY 31, 2022**

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|-------------|---------------------|--------------|---|
| 01-Nov-2021 | Jerry Henechowicz | 1.10 | Follow up regarding distribution order, arranging term deposit partial collapse, review of claims payment process |
| 01-Nov-2021 | Chahna Nathwani | .20 | Sitecore uploading - Court Order |
| 01-Nov-2021 | Fatemah Khalfan | .30 | Emails exchanged with J. Henechowicz about a posting to Sitecore; posting done to Sitecore |
| 01-Nov-2021 | Fatemah Khalfan | .50 | Receipt voucher prepared for partial redemption of GIC; sent to J. Henechowicz for signing; received back and posted to Ascend |
| 01-Nov-2021 | Deborah Hornbostel | .70 | Review issued Court Order for website posting, discuss distribution of funds and term deposit cashing with JH, email to Chana and Fatemah to update and provide supporting documentation, |
| 02-Nov-2021 | Jerry Henechowicz | .80 | Approval and execution of Qi claims settlement, preparation of distribution notice, banking update |
| 02-Nov-2021 | Fatemah Khalfan | .30 | Phone call with Hydro One re o/ accounts |
| 02-Nov-2021 | Fatemah Khalfan | .50 | Checked balances in Ascend GL and TD bank account; sent email to J. Henechowicz and D. Hornbostel re reconciliation; received email back from D. Hornbostel with some information to consider. |
| 02-Nov-2021 | Deborah Hornbostel | .40 | Review draft cover letter from Dentons and related email from Jerry Henechowicz, review bank rec from Sheldon Title and provide info and instructions to Fatemah |
| 03-Nov-2021 | Jerry Henechowicz | .80 | Review of payments, executing Qi claim mutual release |
| 03-Nov-2021 | Fatemah Khalfan | .60 | Reviewed online bank statement and Ascend GL in order to reconcile; compiled information |
| 03-Nov-2021 | Fatemah Khalfan | .70 | Notice to creditors re final distribution prepared |
| 04-Nov-2021 | Matthew Lem | .10 | wire authorization |
| 04-Nov-2021 | Fatemah Khalfan | .50 | Wire requisition prepared and revised; sent to J. Henechowicz and M. Lem; received back; saved |
| 05-Nov-2021 | Jerry Henechowicz | 1.30 | Preparation of Oct 2021 billing, update to releases re Qi Claim, review and approval of distributions to proven creditors, update call with CRA on status |
| 05-Nov-2021 | Fatemah Khalfan | 4.50 | Reconciled bank account to GL - bank charges, wire posting, and voiding one cheque; Preparation of cheque requisitions to unsecured creditors, as per Distribution Order; emailed to D. Hornbostel and J. Henechowicz; revised Notices; entered into Ascend and sent for e-signing; printed cheques; registered mail; per email from J. Henechowicz, checked term deposit entry in Ascend and online banking; attended at Canada Post to drop off registered mail envelopes |
| 05-Nov-2021 | Deborah Hornbostel | .50 | Review and approve requisitions and cheques, update from JH re Qi claim |
| 10-Nov-2021 | Jerry Henechowicz | .80 | Responding to email re Qi Claim settlement and arranging for wire transfer for settlement payment |
| 10-Nov-2021 | Matthew Lem | .10 | wire authorization |
| 10-Nov-2021 | Fatemah Khalfan | .50 | Prepared wire requisition, and facilitated my wire authorization; sent to M. Lem and J. Henechowicz |

MNP LTD.**COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO., LTD.****FOR THE PERIOD ENDED JANUARY 31, 2022**

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|-------------|---------------------|--------------|---|
| 10-Nov-2021 | Fatemah Khalfan | .70 | Tracking registered mail (done on November 5, 2021) and saving search results; email sent to J. Henechowicz and D. Hornbostel |
| 11-Nov-2021 | Jerry Henechowicz | .30 | Follow up on wire to Qi |
| 11-Nov-2021 | Fatemah Khalfan | .20 | Posting done to Ascend of wire transfer (Liyuan Qi) |
| 12-Nov-2021 | Jerry Henechowicz | .30 | Follow up on HST assessments |
| 15-Nov-2021 | Jerry Henechowicz | .40 | Responding to email from Dentons, responding to Bell Canada and purchaser on outstanding accounts |
| 15-Nov-2021 | Fatemah Khalfan | .20 | Searched for information on HST returns I had filed with CRA; passed information on to C. Nathwani |
| 15-Nov-2021 | Fatemah Khalfan | .40 | Prepared Affidavit of mailing re Distribution Notice and cheques; given to M. Lem for signing, saved to client folder |
| 15-Nov-2021 | Chahna Nathwani | .70 | Prepared a brief revised report as per JH |
| 16-Nov-2021 | Jerry Henechowicz | .20 | Responding to email from Westmount |
| 17-Nov-2021 | Patricia Ball | .10 | Oct Bank Rec |
| 18-Nov-2021 | Jerry Henechowicz | .30 | Review of CRA correspondence re HST filings and related source claim |
| 18-Nov-2021 | Fatemah Khalfan | .70 | Searched through Box 1 for payroll statement and bank statements |
| 19-Nov-2021 | Jerry Henechowicz | .40 | Reviewing CRA HST audit requests and arranging for provision of required information, follow up on Available payroll informaiton |
| 19-Nov-2021 | Fatemah Khalfan | 1.20 | Reviewed 2 storage boxes for payroll account and bank statements; email sent to J. Henechowicz |
| 19-Nov-2021 | Chahna Nathwani | 1.30 | HST invoices |
| 22-Nov-2021 | Jerry Henechowicz | .50 | Review of status of claims and next steps in proceedings |
| 22-Nov-2021 | Chahna Nathwani | 2.30 | hst filing for Sept and Oct and invoices sent for June, call in with FK for missing invoice, revised HST submitted to JH |
| 22-Nov-2021 | Fatemah Khalfan | 1.50 | Received email from C. Nathwani on a possible wire transaction from June 30, 2021; looked into it; sent email to M. Lem; phone call with M. Lem on this; sent email back to C. Nathwani |
| 23-Nov-2021 | Jerry Henechowicz | 1.10 | Review of HST RT002 filings, approving filing of same and payment of MNP and Denton Accounts |
| 23-Nov-2021 | Chahna Nathwani | .60 | HST Returns final calculations and E-filing with CRA |
| 25-Nov-2021 | Jerry Henechowicz | .40 | Approval of payments to Receiver and counsel, call with purchaser re insurance |
| 25-Nov-2021 | Fatemah Khalfan | .40 | Cheque requisition prepared and sent to J. Henechowicz and M. Lem for signing; put through Ascend for signature |
| 26-Nov-2021 | Jerry Henechowicz | .40 | Preparing response to CRA HST claim, follow up emails with Dentons on next steps with surplus funds |

MNP LTD.**COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO., LTD.****FOR THE PERIOD ENDED JANUARY 31, 2022**

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|-------------|---------------------|--------------|---|
| 29-Nov-2021 | Fatemah Khalfan | .30 | Voice message received from Elaine at CRA re audit and the information she has requested; sent email to J. Henechowicz on this |
| 30-Nov-2021 | Jerry Henechowicz | .30 | Updates to HST filings information |
| 01-Dec-2021 | Jerry Henechowicz | .30 | Update emails with Dentons on completion of administration |
| 02-Dec-2021 | Jerry Henechowicz | .20 | Review of HST payments |
| 03-Dec-2021 | Jerry Henechowicz | .40 | Review of HST filings and response to audit request |
| 03-Dec-2021 | Chahna Nathwani | .30 | Package prepared and Fax sent to HST examiner for June 2021 |
| 06-Dec-2021 | Jerry Henechowicz | .20 | Receipt and review of HST NOA re October 2021 |
| 07-Dec-2021 | Jerry Henechowicz | 1.00 | Approval and payment of Denton's accounts, review of HST NOA's, meeting with Dentons to review distribution and file completion timeline |
| 07-Dec-2021 | Chahna Nathwani | 1.90 | detailed analysis prepared for CRA notice reply for June HST, Meeting in person with Jerry for Turuss |
| 07-Dec-2021 | Fatemah Khalfan | .70 | Email sent to J. Henechowicz re October 2021 NOA received from CRA; meeting with J. Henechowicz on this |
| 08-Dec-2021 | Jerry Henechowicz | .80 | Review of HST filings, approval of Dentons accounts and payment of same |
| 08-Dec-2021 | Chahna Nathwani | .80 | HST - Sales of Assets - report sent it to Jerry for review |
| 08-Dec-2021 | Fatemah Khalfan | .60 | Cheque requisition done for Dentons; sent to J. Henechowicz for signing; received back and put through Ascend for e-signing; printed cheque and arranged for courier |
| 09-Dec-2021 | Fatemah Khalfan | 1.50 | Located a couple of invoices that J. Henechowicz was looking for; scanned and sent to him; package to CRA prepared with Tabs; given to J. Henechowicz; phone |
| 14-Dec-2021 | Jerry Henechowicz | .80 | Calls with CRA with Source Audit - update re claims process |
| 14-Dec-2021 | Patricia Ball | .10 | Nov Bank Rec |
| 03-Jan-2022 | Jerry Henechowicz | .80 | Review of post closing billings for Bell and email to Westmount to resolve payment |
| 04-Jan-2022 | Jerry Henechowicz | .60 | Emails related to meeting for closing strategy, arranging for payment of bell invoices preclosing costs |
| 05-Jan-2022 | Jerry Henechowicz | 1.30 | Preparation for and conference call with Dentons on steps to complete file, review of CRA claims and updates re source and hst claims |
| 05-Jan-2022 | Fatemah Khalfan | .70 | Cheque requisition and cover letter prepared and sent to J. Henechowicz; received back; put through Ascend for e-signing; cheque printed (Bell Canada) and courier arranged |
| 07-Jan-2022 | Jerry Henechowicz | .60 | Review of Dentons accounts, review of CRA priority claims including calls with CRA |
| 10-Jan-2022 | Jerry Henechowicz | .20 | Email to Dentons re CRA Statutory Claims |
| 10-Jan-2022 | Fatemah Khalfan | .40 | Prepared cheque requisition for Dentons Invoice; sent to J. Henechowicz for review |

MNP LTD.

COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO., LTD.

FOR THE PERIOD ENDED JANUARY 31, 2022

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|-------------|-------------------|--------------|---|
| 11-Jan-2022 | Jerry Henechowicz | .30 | Update call with CRA Auditor |
| 18-Jan-2022 | Patricia Ball | .10 | Dec Bank Rec |
| 21-Jan-2022 | Chahna Nathwani | .20 | Follow-up call with CRA Representative on HST June 2021 examination (as per Jerrys email) |
| 24-Jan-2022 | Jerry Henechowicz | .30 | Responding to emails on pre closing expenses, review of HST status |
| 24-Jan-2022 | Jerry Henechowicz | 1.50 | Initial report drafting |
| 24-Jan-2022 | Chahna Nathwani | .40 | call in with HST examiner on Turuss June HST examination with Ms. Elaine and later with Ms. Sherry |
| 24-Jan-2022 | Fatemah Khalfan | .40 | Cheque requisition prepared and sent to J. Henechowicz for review; put through Ascend for e-signing |
| 25-Jan-2022 | Jerry Henechowicz | .20 | Update emails with Dentons on timing of report in support of discharge motion |
| 25-Jan-2022 | Fatemah Khalfan | .20 | Cheque printed (Karn's Roofing) and mailed out |
| 26-Jan-2022 | Jerry Henechowicz | .70 | Initial review and emails related to distribution memo drafted by Dentons |
| 27-Jan-2022 | Jerry Henechowicz | 1.20 | Review of distribution memo, review of status of Rt002 HST filings and emails on point with staff |
| 27-Jan-2022 | Chahna Nathwani | .80 | HST filings prepared and sent it to Jerry, Rectification entries made in Ascend, HST filings with CRA |
| 30-Jan-2022 | Jerry Henechowicz | 1.10 | Detailed review of draft distribution memo |
| 31-Jan-2022 | Jerry Henechowicz | .80 | Preparation for and call with Dentons to review distribution memorandum and next steps |
| | | 52.80 | |

| BILLING SUMMARY | | | |
|--------------------|--------------|-------------|------------------|
| PROFESSIONAL | HOURS | HOURLY RATE | AMOUNT |
| Chahna Nathwani | 9.50 | 245.00 | 2,327.50 |
| Deborah Hornbostel | 1.60 | 625.00 | 1,000.00 |
| Fatemah Khalfan | 18.50 | 245.00 | 4,532.50 |
| Jerry Henechowicz | 22.70 | 685.00 | 15,549.50 |
| Matthew Lem | 0.20 | 625.00 | 125.00 |
| Patricia Ball | 0.30 | 215.00 | 64.50 |
| Total | 52.80 | | 23,599.00 |

Invoice



Invoice Number : 10400077

Client Number : 0835555

Invoice Date : May 9 2022

Invoice Terms : Due Upon Receipt

Turuss (Canada) Industry Co., Ltd.
c/o MNP Ltd.
300-111 Richmond Street West
Toronto, ON M5H 2G4

For Professional Services Rendered :

Professional services rendered as Court Appointed Receiver and Manager over Turuss (Canada) Industry Co., Ltd. for the period ended April 20, 2022 as set out on the attached time and billing summary. 25,964.75

Harmonized Sales Tax : 3,375.42

Total (CAD) : 29,340.17

HST Registration Number : 103697215 RT 0001

Invoices are due and payable upon receipt.

Thank you for your business. We sincerely appreciate your trust in us.

Licensed Insolvency Trustees
111 RICHMOND STREET WEST, SUITE 300;
TORONTO ON; M5H 2G4
P: (416) 596-1711 F: (416) 596-7894 www.MNPDebt.ca

MNP LTD.**COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO. LTD.****FOR THE PERIOD ENDED APRIL 20, 2022**

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|-------------|-------------------|-------|--|
| 03-Feb-2022 | Jerry Henechowicz | .80 | Report drafting |
| 07-Feb-2022 | Jerry Henechowicz | .30 | Receipt and preliminary review of distribution memo |
| 10-Feb-2022 | Jerry Henechowicz | 1.40 | Review of memo and drafting of report to Court |
| 10-Feb-2022 | Fatemah Khalfan | .40 | Email sent to TK Elevator; reviewed disbursements to TK Elevator; forwarded invoices and other information to J. Henechowicz |
| 11-Feb-2022 | Patricia Ball | .10 | Jan Bank Rec |
| 14-Feb-2022 | Jerry Henechowicz | .90 | Update to planning memo, arranging partial redemption of GIC, payment approval, |
| 14-Feb-2022 | Fatemah Khalfan | .50 | Emails exchanged with TK Elevator and J. Henechowicz on Invoice outstanding; cheque requisitioned and sent to J. Henechowicz; put through Ascend for e-signing; forwarded another Invoice, not payable by us, to M. Panchuk at Westmount |
| 15-Feb-2022 | Jerry Henechowicz | .50 | Calculation of residual funds available for distribution and sending same to Dentons |
| 15-Feb-2022 | Matthew Lem | .10 | Follow-up re t4's |
| 15-Feb-2022 | Chahna Nathwani | .50 | January 2022 - HST calculation prepared and sent it to Jerry for review |
| 15-Feb-2022 | Fatemah Khalfan | .40 | Phone call with K. Figaczewska of CRA |
| 15-Feb-2022 | Fatemah Khalfan | 1.00 | Went onto CRA website and filled in fillable T4 slip and T4 Summary form for J. Hingston; sent to J. Henechowicz for review; received back with some revisions to be made; made the revisions and sent back to J. Henechowicz |
| 16-Feb-2022 | Jerry Henechowicz | .50 | Review of information related to 2021 T4's |
| 16-Feb-2022 | Fatemah Khalfan | .10 | Arranged for mailing of cheque to TK Elevator; email sent to vendor advising that cheque was being mailed out |
| 16-Feb-2022 | Fatemah Khalfan | .20 | Email sent to J. Henechowicz re my phone call with CRA |
| 17-Feb-2022 | Chahna Nathwani | .20 | Filing HST return for January 2022 |
| 17-Feb-2022 | Fatemah Khalfan | .20 | Emails exchanged with J. Henechowicz on T4 slip and T4 Summary |
| 18-Feb-2022 | Fatemah Khalfan | .20 | Teams messages exchanged with J. Guo on term deposit postings |
| 22-Feb-2022 | Jerry Henechowicz | .20 | Payment of professional fees |
| 23-Feb-2022 | Jerry Henechowicz | .30 | Emails with Dentons related to review of distribution memo with Jiang |
| 23-Feb-2022 | Fatemah Khalfan | .30 | Phone call from CRA [REDACTED] |
| 24-Feb-2022 | Jerry Henechowicz | .30 | Update call with Trust Examiner |

MNP LTD.**COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO. LTD.****FOR THE PERIOD ENDED APRIL 20, 2022**

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|-------------|-------------------|-------|---|
| 24-Feb-2022 | Fatemah Khalfan | .60 | Cheque requisition to Receiver General prepared and sent to J. Henechowicz; received back, saved and put through Ascend for e-signing; printed cheque and mailed; T4 summary scanned to system and mailed out, and copy sent to C. Nathwani |
| 25-Feb-2022 | Jerry Henechowicz | .40 | Preparation issuance of T4's for Receiver's staff |
| 28-Feb-2022 | Jerry Henechowicz | 1.00 | Preparation for and call with Dentons Jiang on distribution memo and strategy, follow up on timing of next meeting |
| 01-Mar-2022 | Jerry Henechowicz | 1.30 | Review of claims status and payment of professional fees |
| 01-Mar-2022 | Fatemah Khalfan | .40 | Received email from J. Henechowicz re Bell cheque requisitions and cheques; searched 3rd floor cabinets and J. Henechowicz's office |
| 02-Mar-2022 | Ryan Sakaue | .50 | QBO reports, corresp with Jerry, instructions to Tiffany, review reports, email to Jerry |
| 02-Mar-2022 | Tiffany Kwan | .75 | Downloading reports from quickbooks (loads slowly too) |
| 02-Mar-2022 | Chahna Nathwani | 1.50 | Call in with Jerry on bank statements and HST 2020 returns, Reviewed the statement, converted and modified the spreadsheet by adding payee information from copies of the cheques, and calculated HST for Feb 2020 and sent it to Jerry for review/approval |
| 02-Mar-2022 | Fatemah Khalfan | .20 | Email sent to S. Ayer re Bell cheque requisitions and cheques; email received from T. Burningham |
| 03-Mar-2022 | Chahna Nathwani | 2.20 | (Continue) Reviewed the statement, converted and modified the spreadsheet by adding payee information from copies of the cheques, and calculated HST for 2020 - Jan and March 2020 |
| 04-Mar-2022 | Chahna Nathwani | 1.40 | (Continue) Reviewed the statement, converted and modified the spreadsheet by adding payee information from copies of the cheques, and calculated HST for Months of 2020 |
| 09-Mar-2022 | Chahna Nathwani | 3.50 | (Continue) Pre-receivership HST filings prepared Jan-Sept 2020; Prepared excel spreadsheet with Debit/credit entries, calculated HST; The report sent to Jerry |
| 11-Mar-2022 | Chahna Nathwani | 3.50 | (Continue) Pre-receivership HST calculations for the year 2020, Sent reports to J. Henechowicz for review/approval, Call in with CRA - Business department to get pre-receivership HST codes |
| 14-Mar-2022 | Jerry Henechowicz | .60 | Review of professional fees and arrangement of payment of same |
| 14-Mar-2022 | Chahna Nathwani | 4.50 | Pre-receivership HST preparation - Reviewing bank statements and preparing excel sheets; calculating HSTs |
| 15-Mar-2022 | Patricia Ball | .10 | Feb Bank Rec |
| 15-Mar-2022 | Chahna Nathwani | .80 | Preparation of HST returns - reviewed Banking reports, available invoices and prepared calculations for the month Feb 2022; Brief email sent to J. Henechowicz for review/approval |
| 15-Mar-2022 | Fatemah Khalfan | .50 | Checked bank account online; prepared cheque requisition for Dentons and sent to J. Henechowicz. |
| 16-Mar-2022 | Chahna Nathwani | .90 | Prepaid HST return., The calculation sheet sent to Jerry for review/approval, call in with Jerry to discuss, Efile Returns with CRA, Efile confirmations saved on WIP Folder, Call in with Ms. Kamila (CRA) re Auditor information; sent a brief email |

MNP LTD.

COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO. LTD.

FOR THE PERIOD ENDED APRIL 20, 2022

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|-------------|-------------------|-------|---|
| 16-Mar-2022 | Fatemah Khalfan | .10 | Put through requisition in Ascend for e-signing; let J. Henechowicz know |
| 16-Mar-2022 | Fatemah Khalfan | .20 | Printed banking activity and GL to reconcile |
| 17-Mar-2022 | Chahna Nathwani | 1.50 | Call with Kamila (CRA-Receivership administrator) in regards to Turuss refunds; Prepared a brief spreadsheet for all HST filings from 2020-2022; Email sent to Kamila with the table attached and requested to investigate the reason of not sending the refund amount |
| 18-Mar-2022 | Chahna Nathwani | .50 | Reviewing excel spreadsheets received from Turuss and reviewing and comparing with prepared pre-receivership HST filings |
| 21-Mar-2022 | Chahna Nathwani | .90 | Call with Trust Examiner Joyce Lamothe in regards to Payroll documents, Communication with F.Khalfan in regards to Turuss Online Access matter, Call with CRA Business Department [REDACTED], call with Kamila (CRA Receivership Officer) [REDACTED] |
| 21-Mar-2022 | Fatemah Khalfan | .20 | Printed cheque for Dentons LLP; scanned and saved to client folder; arranged for courier. |
| 21-Mar-2022 | Fatemah Khalfan | .40 | Emails exchanged with C. Nathwani on Rep ID and contact information for Trust examiner, S. Sullivan |
| 22-Mar-2022 | Chahna Nathwani | 3.50 | Reviewing income tax sheet received from Turuss in regards to HST for pre receivership period and comparing the sheet with bank statements, Call with Sherri (HST Examiner) in regards to HST enquiries for June 2021, August 2021 and 2020 Year returns, Sending a brief email to Jerry in regards to Pre-receivership HST findings, HST Audit and Payroll Examination |
| 23-Mar-2022 | Jerry Henechowicz | .50 | [REDACTED] |
| 23-Mar-2022 | Chahna Nathwani | 2.30 | Follow-up call with Helen Gelok in regards to HST Examination letter, Call with J. Henechowicz in regards to brief discussion on Pre-HST returns, Reviewing and calculating Pre-Receivership on the basis of Income tax data provided by Turuss; Filing outstanding pre-receivership HST returns after receiving an approval of J. Henechowicz |
| 23-Mar-2022 | Fatemah Khalfan | .30 | Received Bell statement from J. Henechowicz; checked it and we paid it; sent update to J. Henechowicz and email to M. Panchuk at Westmount about this bill and if they have managed to transfer over the account? |
| 24-Mar-2022 | Chahna Nathwani | .90 | Follow-up call with Helen in regards to HST, Brief call with Sherri-HST Audit examiner for HST Audit; Noted all invoices which got approved and declined, Discussion with Fatemah in regards to her calls received from Sherri, Left voicemail to Joyce - Trust examiner for payroll |
| 25-Mar-2022 | Jerry Henechowicz | .30 | Review of o/s information for CRA and filing data |
| 25-Mar-2022 | Chahna Nathwani | 3.40 | Invoice reviewing for HST filings, Call to trust examiner - CRA in regards to submitting documents; Left a voicemail |
| 28-Mar-2022 | Chahna Nathwani | .20 | Call with Trust Examiner in regards to submitting Payroll documents, Left a voicemail |
| 28-Mar-2022 | Fatemah Khalfan | .40 | Emails exchanged with M. Panchuk and J. Henechowicz about online billing account for Bell; email sent to M. Henry at Bell to ask for the existing online billing account to be deleted. |
| 29-Mar-2022 | Jerry Henechowicz | 3.00 | Emails with Dentons regarding timing of final distribution and discharge |

MNP LTD.

COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO. LTD.

FOR THE PERIOD ENDED APRIL 20, 2022

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|-------------|-------------------|-------|--|
| 29-Mar-2022 | Chahna Nathwani | .90 | Reviewing invoices for 2020 to 2022 HST Returns |
| 29-Mar-2022 | Fatemah Khalfan | .30 | Email received from M. Henry at Bell; forwarded to M. Panchuk at Westmount; received reply back; sent email to M. Henry advising of new address. |
| 30-Mar-2022 | Jerry Henechowicz | .30 | Review of information re CRA trust claims sent to CRA auditor |
| 30-Mar-2022 | Chahna Nathwani | 3.50 | Generating GL reports from December 2020 till Feb 2022 monthly basis and saved under directory for further calculations for HST, Saving all available invoices and separated them by monthly basis to compare with claimed ITCs, Comparing all GL Monthly reports with filed HST returns and remark for any changes, Call with Joyce-CRA Trust Examiner re Payroll Documents submission, Converting all Excel sheets with PDF files and combined into one, Prepared Fax cover letter and submitted documents to CRA, Fax confirmation saved in WIP folder, Email sent to Jerry for updates |
| 31-Mar-2022 | Chahna Nathwani | 2.60 | reviewing all invoices (Sept 2020 to Feb 2022) and comparing with Ledger, Highlighting the ones which are received and noting down the ones which are not saved under directory, Sending s brief email to Jerry with the findings |
| 04-Apr-2022 | Jerry Henechowicz | .80 | Preparation for, call and follow up on conference call with Dentons on Li Affidavit and timing of report |
| 05-Apr-2022 | Jerry Henechowicz | .80 | review of Li affidavit |
| 05-Apr-2022 | Chahna Nathwani | .50 | Follow-up call with Payroll examiner re submitted documents and updated Jerry |
| 07-Apr-2022 | Chahna Nathwani | .90 | Call received from Payroll examiner - CRA re submitted documents; Discussed on Year 2019-2020 documents, Call received of Kamila - CRA Receivership officer re RT01 Pre-receivership returns, RT02 ITC claims, RP02 source deduction liability and RC01 Outstanding tax returns; Sent a brief email to J. Henechowicz |
| 08-Apr-2022 | Jerry Henechowicz | .50 | Further review of affidavit, review and completion of HST filings |
| 08-Apr-2022 | Chahna Nathwani | 4.60 | Call with K. Figaszewska re RC waiver forms and RT01 HST account, Call with Payroll examiner re additional documents for 2020 and 2021 payroll year, Discussion with J. Henechowicz re updates and HST filings, Reviewing bank statements and comparing with Year 2020 payroll documents; Highlighting proof of payments and sent Docs to Payroll Examiner through Fax, Fax confirmation saved under the directory, Reviewing Nov-Dec 2019 bank statements; Prepared excel sheets and calculated HST filings, Sent a brief email to J. Henechowicz for review/approval |
| 11-Apr-2022 | Jerry Henechowicz | .80 | Preparation for and call with Jiang, her family and Dentons to execute affidavit re distribution |
| 11-Apr-2022 | Matthew Lem | .10 | Attend to stop payment - cheque 110; |
| 11-Apr-2022 | Chahna Nathwani | .50 | Prepared RC waiver forms and sent it to J. Henechowicz for review/signing |

MNP LTD.

COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO. LTD.

FOR THE PERIOD ENDED APRIL 20, 2022

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|-------------|-------------------|-------|--|
| 11-Apr-2022 | Fatemah Khalfan | .60 | Sent email to M. Lem with details of cheque (Karn's roofing) to be put a stop payment on; received confirmation back from M. Lem that cheque was stopped; prepared cheque request for Westmount and sent to J. Henechowicz for signing; received back; put through for e-signing; printed cheque and mailed; sent email to M. Panchuk advising that cheque was being mailed out. |
| 12-Apr-2022 | Jerry Henechowicz | 1.10 | Updating HST filings, meeting with staff to review and complete, review of Li executed affidavit |
| 12-Apr-2022 | Chahna Nathwani | 2.00 | Discussion with JH re RT01 HSTs, RC01 Waiver forms and Payroll submitted documents, filing Pre-receivership HST returns, Call with Payroll examiner re Outstanding matters, Submitted HST filings to the examiner via Fax, Saved Fax confirmation under the directory, Sent email to JH for updates, Prepared RC waiver forms and send it to JH for signing, Print/Scan and submitted the forms to CRA |
| 12-Apr-2022 | Fatemah Khalfan | .30 | Scanned TK Elevator March and April statements; sent email to TK Elevator that these Invoices are not ours to pay; should be sent to new purchaser of property and also moving forward. |
| 17-Apr-2022 | Jerry Henechowicz | .30 | Review of professional fees and arranging payment |
| 18-Apr-2022 | Fatemah Khalfan | .40 | Cheque requisition prepared - MNP Ltd Invoice - sent to J. Henechowicz and M. Lem; received back; saved and put through Ascend for e-filing. |
| 20-Apr-2022 | Sheldon Title | .10 | emails with Henechowicz on term deposit reinvestment given recent rate increases |

74.55

| BILLING SUMMARY | | | |
|-------------------|--------------|-------------|------------------|
| PROFESSIONAL | HOURS | HOURLY RATE | AMOUNT |
| Chahna Nathwani | 47.70 | 245.00 | 11,686.50 |
| Fatemah Khalfan | 8.20 | 245.00 | 2,009.00 |
| Jerry Henechowicz | 16.90 | 685.00 | 11,576.50 |
| Matthew Lem | 0.20 | 625.00 | 125.00 |
| Patricia Ball | 0.20 | 215.00 | 43.00 |
| Ryan Sakauye | 0.50 | 425.00 | 212.50 |
| Sheldon Title | 0.10 | 685.00 | 68.50 |
| Tiffany Kwan | 0.75 | 325.00 | 243.75 |
| Total | 74.55 | | 25,964.75 |

Invoice



Invoice Number : 10497385

Client Number : 0835555

Invoice Date : Jul 5 2022

Invoice Terms : Due Upon Receipt

Turuss (Canada) Industry Co., Ltd.
c/o MNP Ltd.
300-111 Richmond Street West
Toronto, ON M5H 2G4

For Professional Services Rendered :

Professional services as Court-appointed Receiver and Manager of Turuss (Canada) Industry Co. Ltd. for the period ended June 29, 2022 as set out on the attached time and billing summary 7,577.50

Harmonized Sales Tax : 985.08

Total (CAD) : 8,562.58

HST Registration Number : 103697215 RT 0001

Invoices are due and payable upon receipt.

Thank you for your business. We sincerely appreciate your trust in us.

Licensed Insolvency Trustees
111 RICHMOND STREET WEST, SUITE 300;
TORONTO ON; M5H 2G4
P: (416) 596-1711 F: (416) 596-7894 www.MNPDebt.ca

MNP LTD

COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO. LTD.

THE PERIOD ENDED JUNE 29, 2022

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|-------------|-------------------|-------|--|
| 22-Apr-2022 | Jerry Henechowicz | .50 | preparation for and attending to conference call re Li as minority shareholder |
| 25-Apr-2022 | Jerry Henechowicz | .70 | Preparation for and call with Dentons and Lawrence Li re distribution issues |
| 27-Apr-2022 | Jerry Henechowicz | .40 | Renewal of GIC to improve rate and update of distribution stats with Dentons |
| 28-Apr-2022 | Chahna Nathwani | .10 | Received TKE invoice, Saved under the directory and sent to Jerry for review |
| 29-Apr-2022 | Patricia Ball | .10 | March bank rec |
| 02-May-2022 | Chahna Nathwani | .40 | Call with J. Henechowicz, Review sales documents and sent email to TKE CC new purchaser re change of ownership |
| 02-May-2022 | Chahna Nathwani | .50 | Prepared RT02 March April month HST and sent it to J. Henechowicz to review/approve |
| 04-May-2022 | Chahna Nathwani | .10 | Reviewed RC waiver letter and sent it to Jerry for updates, Saved letter under the directory |
| 09-May-2022 | Jerry Henechowicz | .30 | Review of Denton's accounts and arranging payment for same. |
| 10-May-2022 | Fatemah Khalfan | .20 | Emails exchanged with J. Henechowicz on Hydro. |
| 11-May-2022 | Jerry Henechowicz | .40 | Review and payment of outstanding professional fees |
| 11-May-2022 | Matthew Lem | .10 | review and approve requisitions; |
| 11-May-2022 | Fatemah Khalfan | .50 | Prepared cheque requisitions x 3 and sent to J. Henechowicz and M. Lem for signing; received back; forwarded to N. Habib. |
| 12-May-2022 | Noah Habib | 3.50 | 4x cheque requests, scanning, courier, going to bank, MNP&Dentons |
| 17-May-2022 | Chahna Nathwani | 2.90 | Call with Jerry in regards to HST letter; Prepared final package; Draft letter and sent it to Jerry for review/signing; compiled/modified income tax documents and bank statements; Added appendix and prepared the final package and sent it to CRA Auditor in 7 parts (due to page limitations from their end); saved fax confirmations under the directory; email sent to Jerry with updates; Call with Turuss HST Auditor informing about Fax submission |
| 19-May-2022 | Jerry Henechowicz | 1.00 | Update with Dentons on status and timing of distribution and necessary next steps |
| 20-May-2022 | Chahna Nathwani | .30 | Call to HST Auditor in regards to HST Audit submission |
| 20-May-2022 | Chahna Nathwani | .30 | HST filings for March and April months of approved calculations |
| 24-May-2022 | Patricia Ball | .10 | April Bank Rec |

MNP LTD
COURT APPOINTED RECEIVER AND MANAGER OF TURUSS (CANADA) INDUSTRY CO. LTD.

THE PERIOD ENDED JUNE 29, 2022

| DATE | PROFESSIONAL | HOURS | DESCRIPTION |
|-------------|-------------------|-------|---|
| 25-May-2022 | Jerry Henechowicz | .20 | Email to Dentons on status of Lawrence Li response and timing |
| 25-May-2022 | Chahna Nathwani | .40 | Translating introduction paragraph to French as per Heather's email |
| 30-May-2022 | Jerry Henechowicz | 1.00 | Final report drafting |
| 31-May-2022 | Jerry Henechowicz | .30 | Update call with Dentons |
| 06-Jun-2022 | Jerry Henechowicz | .40 | Receipt and review of memo re distribution |
| 09-Jun-2022 | Fatemah Khalfan | .10 | Posted CRA Deemed trust claim to Ascend and saved to client folder. |
| 17-Jun-2022 | Patricia Ball | .10 | May Bank Rec |
| 29-Jun-2022 | Jerry Henechowicz | 2.50 | 9th report drafting |

17.40

| BILLING SUMMARY | | | |
|------------------------|--------------|-------------|-------------------|
| PROFESSIONAL | HOURS | HOURLY RATE | AMOUNT |
| Chahna Nathwani | 5.00 | 245.00 | \$1,225.00 |
| Fatemah Khalfan | 0.80 | 245.00 | 196.00 |
| Jerry Henechowicz | 7.70 | 685.00 | 5,274.50 |
| Matthew Lem | 0.10 | 650.00 | 65.00 |
| Noah Habib | 3.50 | 215.00 | 752.50 |
| Patricia Ball | 0.30 | 215.00 | 64.50 |
| Total | 17.40 | | \$7,577.50 |

Appendix “H”
to the Ninth Report of the Receiver

Court File No.: CV-20-00646729-00CL

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

B E T W E E N:

PILLAR CAPITAL CORP.

Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Respondent

APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE*
ACT, R.S.O. 1990, c. C-43, AS AMENDED

**AFFIDAVIT OF ROBERT KENNEDY
(sworn July 8, 2022)**

I, **ROBERT KENNEDY**, of the City of Pickering, in the Province of Ontario, **SWEAR
AND SAY AS FOLLOWS:**

1. I am a Partner with Dentons Canada LLP (“**Dentons**”), as such, I have knowledge of the matters to which I hereinafter depose.
2. Pursuant to an Order dated September 18, 2020 (the “**Receivership Order**”), MNP Ltd. was appointed receiver of Turuss (Canada) Industry Co., Ltd. in the within proceedings (the “**Receiver**”).
3. The Receiver retained Dentons as counsel to advise it with regard to the matters related to its appointment and the exercise of its powers and performance of its duties.

4. The Receivership Order provides at paragraph 18 that the Receiver, and counsel to the Receiver, shall be paid their reasonable fees and disbursements at their standard rates and charges.
5. The Dentons fees and disbursements for the period of October 1, 2021 to June 30, 2022 (the “**Fee Period**”), are summarized in the invoices rendered to the Receiver (the “**Invoices**”). The Invoices are a fair and accurate description of the services provided, the disbursements incurred and the amounts charged by Dentons. I am advised by the Receiver that it has reviewed the Invoices and that it considers the fees and disbursements as fair and reasonable. A copy of the Invoices, with minor redactions to protect confidentiality, are marked and attached as **Exhibit "A"**.
6. Attached and marked as **Exhibit “B”** is a schedule summarizing the Invoice, the total billable hours charged, the total fees charged (both prior to and after the application of the applicable discount) along with the average hourly rate charged.
7. Attached and marked as **Exhibit “C”** is a schedule summarizing the respective years of call and standard billing rates of each of the solicitors at Dentons who acted for the Receiver.
8. The Dentons rates and disbursements are consistent with those in the market for these types of matters and have been previously approved by this Honourable Court in similar proceedings.

9. Due to the circumstances of the COVID-19 pandemic, I am unable to be physically present to swear this Affidavit. I, however, was linked by way of video technology to the Commissioner commissioning this document.

10. I make this affidavit in support of the motion for, among other things, approval of the fees and disbursements of Dentons and for no other or improper purpose.

SWORN by Robert Kennedy of the City of Pickering in the Province of Ontario, before me at the City of Toronto in the Province of Ontario on July 8, 2022 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for Taking Affidavits, etc.



ROBERT KENNEDY

THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF SERVICE OF ROBERT KENNEDY
SWORN BEFORE ME THIS 8th DAY OF JULY, 2022.

A handwritten signature in blue ink, appearing to be "D. [unclear]", written over a horizontal line.

A Commissioner for Taking Affidavits, etc.

Dentons Canada LLP
 77 King Street West, Suite 400
 Toronto-Dominion Centre
 Toronto, ON, Canada M5K 0A1

T 416 863 4511
 F 416 863 4592

dentons.com

MNP LLP
 111 Richmond Street West
 Suite 300
 Toronto ON M5H 2G4
 Attention: Jerry Henechowicz

INVOICE # 3623659

GST/HST # R121996078
 QST # 1086862448 TQ 0001

| <u>Date</u> | <u>Matter Number</u> | <u>Lawyer</u> |
|------------------|----------------------|----------------|
| October 31, 2021 | 541179-000007 | Robert Kennedy |

MNP LLP
Re: Turuss (Canada) Industry Co. Ltd.

| | |
|----------------------------|--------------------------------|
| Professional Fees | \$ 59,296.00 |
| Less: Discount | <u>(1,296.00)</u> |
| Net Professional Fees | \$ 58,000.00 |
| Disbursements | 45.20 |
| HST (13.0%) on \$58,045.20 | <u>7,545.88</u> |
| Total Amount Due | <u>\$ 65,591.08 CAD</u> |

Payment Options:

Cheques:

Cheques payable to Dentons Canada LLP and mailed to the above noted address.

Wire Transfer:

Bank of Montreal
 1st Canadian Place, Toronto, ON
 Swift Code: BOFMCAM2
 Bank ID: 001 Transit: 00022
 CAD Funds Bank Account : 0004-324

Credit Card:

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).

Card No. _____ Expiry Date: _____ Card Verification Code (CVC): _____

Amount: _____ Cardholder Name: _____

Signature: _____

Internet Banking:

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 541179. Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.

Interac e-Transfer:

e-Transfer funds to AR.Canada@dentons.com referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to AR.Canada@dentons.com in separate email.

Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

Invoice Detail

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| Date | Timekeeper | Description of Work |
|-------------|-------------------|--|
| 01-Oct-21 | Rennie Ali | Ordering corporate profile with respect to 2256027 Ontario Inc. Correspondence with Daniel Loberto regarding same. |
| 01-Oct-21 | Daniel Loberto | Correspond with Robert Kennedy re: proof of claim submitted. Review proof of claim. |
| 01-Oct-21 | Robert Kennedy | Review property claim. Correspondence to and from Jerry Henechowicz re: property claims and sale of inventory. |
| 04-Oct-21 | Daniel Loberto | Correspond with Emix on claim particulars. Review Robert Kennedy description of QI Proof of Claim and provide comments. |
| 04-Oct-21 | Robert Kennedy | Work on claims procedure matters. Review property claim. Review correspondence from Daniel Loberto. Review property claim. |
| 05-Oct-21 | Daniel Loberto | Correspond with Robert Kennedy and Jerry Henechowicz. Draft correspondence to Jerry Henechowicz. Review correspondence provided by Jerry. Revise motion materials to reflect the outcome of claims procedure. |
| 05-Oct-21 | Robert Kennedy | Various correspondence to and from Jerry Henechowicz. Work on claims procedure matters. Conference with Daniel Loberto. Review correspondence from Jerry Henechowicz re: property claim. |
| 05-Oct-21 | Kenneth Kraft | Review emails and consider surplus issue. |
| 06-Oct-21 | Rennie Ali | Obtaining corporate profile with respect to Chesley Wood Industry Co. Inc. Correspondence with Daniel Loberto regarding same. |
| 06-Oct-21 | Daniel Loberto | Correspond with Robert Kennedy regarding Emix claim. Review information provided by Emix concerning accounting of claim. Attend conference call. Draft email to Andy Chen at Miller Thompson for corporate records. |
| 06-Oct-21 | Robert Kennedy | Conference with Daniel Loberto. Work on claims procedure matters. Review claims register. Attend conference call with Yang Jiang. Consider claims procedure matters. Consider distribution motion matters. Review correspondence to Andy Chan. |
| 07-Oct-21 | Daniel Loberto | Review corporate record documentation provided by Yang Jiang. |
| 07-Oct-21 | Robert Kennedy | Work on claims procedure matters. Conference with |

| Date | Timekeeper | Description of Work |
|-----------|----------------|--|
| 08-Oct-21 | Daniel Loberto | Daniel Loberto re: minute books. Review correspondence from Yang Jiang. Consider distribution matters. |
| 08-Oct-21 | Daniel Loberto | Correspond with Robert Kennedy regarding corporate records. Correspond with Miller Thompson regarding the same. Coordinate delivery of corporate records. |
| 08-Oct-21 | Robert Kennedy | Review correspondence from Daniel Loberto. Conference with Daniel Loberto re: books and records. Work on claims procedure matters. Review memorandum re: books and records. |
| 12-Oct-21 | Daniel Loberto | Review correspondence provided by Jerry Henechowicz regarding claims procedure. Revise motion materials. Correspond with law firm to receive Turuss minute books. |
| 12-Oct-21 | Robert Kennedy | Work on claims procedure matters. Various correspondence to and from Jerry Henechowicz. Conference with Daniel Loberto re: corporate books. Review revised motion materials. |
| 13-Oct-21 | Daniel Loberto | Coordinate scanning of minute books. |
| 14-Oct-21 | Daniel Loberto | Draft note to Turuss creditor and correspond with Robert Kennedy. |
| 14-Oct-21 | Robert Kennedy | Consider claims procedure matters. Conference with Daniel Loberto re: claims procedure matters. Conference with Ken Kraft. Review motion materials. Consider final distribution matters. |
| 14-Oct-21 | Kenneth Kraft |  |
| 15-Oct-21 | Daniel Loberto | Review corporate documents of Turuss and Chesley Wood. Correspond with claimant. Correspond with Jerry Henechowicz. |
| 15-Oct-21 | Robert Kennedy | Review motion materials. Conference with Daniel Loberto. |
| 18-Oct-21 | Daniel Loberto | Correspond with Robert Kennedy regarding meeting with Turuss creditor, and receiver report. Correspond with Turuss creditor regarding claim, and Jerry Henechowicz regarding meeting. Prepare for and attend conference call regarding claims procedure motion. Interoffice discussion with Robert Kennedy regarding next steps. |
| 18-Oct-21 | Robert Kennedy | Work on claims procedure matters. Conference with Daniel Loberto. Review Emix claim and consider revision. Attend conference call with Jerry Henechowicz re: distribution motion matters. |
| 19-Oct-21 | Daniel Loberto | Correspond with Turuss creditor regarding additional amounts claimed. Prepare for and attend call with Turuss creditor. Review documentation provided by |

| Date | Timekeeper | Description of Work |
|-------------|-------------------|--|
| | | Turuss creditor regarding claim. Interoffice discussion with Robert Kennedy. |
| 19-Oct-21 | Robert Kennedy | Review property claim and preparation for conference call. Attend conference call with Leanne Williams. Conference with Daniel Loberto. Various correspondence to and from Jerry Henechowicz. Review correspondence re: Emix claim. Review Emix claim documentation. |
| 20-Oct-21 | Daniel Loberto | Review and summarize revision amount for Emix Ltd. claim. Revise motion materials. Follow-up with Jerry Henechowicz. Review Jerry Henechowicz fee affidavit. |
| 20-Oct-21 | Robert Kennedy | Review various correspondence re: motion matters. Work on Emix claim. Work on motion materials. Conference with Daniel Loberto. Conversation with Jerry Henechowicz. |
| 21-Oct-21 | Daniel Loberto | Correspond with Jerry Henechowicz regarding fee affidavit. Interoffice discussion with Robert Kennedy. Commission Jerry Henechowicz affidavit. |
| 21-Oct-21 | Robert Kennedy | Conference with Daniel Loberto. Work on motion materials. Various correspondence to and from Jerry Henechowicz. Conversation with Jerry Henechowicz. Work on motion materials. |
| 22-Oct-21 | Daniel Loberto | Review motion materials and outstanding items. Further revise receiver's report and motion materials. |
| 22-Oct-21 | Robert Kennedy | Various correspondence to and from Jerry Henechowicz. Work on motion materials. Conference with Daniel Loberto. Work on notice of revision. |
| 24-Oct-21 | Daniel Loberto | Review latest draft of Receiver's report. |
| 25-Oct-21 | Daniel Loberto | Review latest draft of Receiver's report. Finalize and serve motion materials. Draft submissions for motion. |
| 25-Oct-21 | Robert Kennedy | Conference with Daniel Loberto. Work on claims procedure matters. Work on motion materials. Review various correspondence re: claim. Various correspondence to and from Jerry Henechowicz. Conference with Daniel Loberto re: claims. |
| 26-Oct-21 | Daniel Loberto | Review creditor correspondence and correspond with creditors. Draft submissions for upcoming motion. Interoffice discussion with Robert Kennedy. Draft supplement to eighth report, mutual release, and notice of revision. |
| 26-Oct-21 | Robert Kennedy | Review various correspondence re: Hydro One proof of claim. Work on and consider claims process matters. Conference with Daniel Loberto. Various correspondence to and from Jerry Henechowicz. Review and revise draft supplemental report. |

| Date | Timekeeper | Description of Work |
|-------------|-------------------|--|
| 27-Oct-21 | Daniel Loberto | Finalize supplement to eighth report. Correspond with Robert Kennedy. Amend submissions. |
| 27-Oct-21 | Robert Kennedy | Conference with Daniel Loberto. Work on claims process matters. Review Qi claim. Various correspondence to and from Leanne Williams. Review claims procedure. Review and revise supplemental report. Review draft order. Various correspondence to and from Jerry Henechowicz. |
| 28-Oct-21 | Daniel Loberto | Finalize supplement to eighth report. Revise mutual release. Interoffice discussions with Robert Kennedy. Amend submissions. Correspondence with Justice Penny. Review provisions of claims procedure order and receivership order with respect to settling claims outside of claims process. |
| 28-Oct-21 | Robert Kennedy | Work on claims process matters. Work on motion materials. Various correspondence to and from Mat Lem. Conference with Daniel Loberto re: motion. Review claims summary. Work on Qi release. Review various correspondence re: motion matters. Conference with Daniel Loberto re: motion preparation. |
| 29-Oct-21 | Daniel Loberto | Prepare for and attend distribution motion. |
| 29-Oct-21 | Robert Kennedy | Preparation for Court attendance. Conversation with Leanne Williams. Attend motion. Review various correspondence re: Order and endorsement. Conference with Daniel Loberto. Consider distribution matters. |

| Timekeeper | Hours | Rate | Fees |
|-------------------|--------------|-------------|--------------------|
| Daniel Loberto | 39.3 | 480.00 | 18,864.00 |
| Kenneth Kraft | 0.6 | 990.00 | 594.00 |
| Rennie Ali | 0.4 | 230.00 | 92.00 |
| Robert Kennedy | 47.6 | 835.00 | 39,746.00 |
| Total | 87.9 | | \$59,296.00 |

| | |
|--------------------------------|---------------------|
| TOTAL PROFESSIONAL FEES | \$ 59,296.00 |
| Less: Discount | (1,296.00) |
| NET PROFESSIONAL FEES | \$ 58,000.00 |

TAXABLE DISBURSEMENTS

| | |
|------------------------------------|-----------------|
| Searches | \$ 45.20 |
| TOTAL TAXABLE DISBURSEMENTS | \$ 45.20 |

| | |
|----------------------------|--------------|
| TOTAL DISBURSEMENTS | 45.20 |
|----------------------------|--------------|

| | |
|-------------------------------------|---------------------|
| TOTAL FEES AND DISBURSEMENTS | \$ 58,045.20 |
|-------------------------------------|---------------------|

TAXES

| | |
|---|-------------|
| HST (13.0%) on Professional Fees of \$58,000.00 | \$ 7,540.00 |
| HST (13.0%) on Taxable Disbursements of \$45.20 | <u>5.88</u> |

TOTAL TAXES

7,545.88

TOTAL AMOUNT DUE

\$ 65,591.08 CAD

Dentons Canada LLP
 77 King Street West, Suite 400
 Toronto-Dominion Centre
 Toronto, ON, Canada M5K 0A1

T 416 863 4511
 F 416 863 4592

dentons.com

MNP LLP
 111 Richmond Street West
 Suite 300
 Toronto ON M5H 2G4
 Attention: Jerry Henechowicz

INVOICE # 3633728

GST/HST # R121996078
 QST # 1086862448 TQ 0001

| <u>Date</u> | <u>Matter Number</u> | <u>Lawyer</u> |
|-------------------|----------------------|----------------|
| November 30, 2021 | 541179-000007 | Robert Kennedy |

MNP LLP
Re: Turuss (Canada) Industry Co. Ltd.

| | |
|----------------------------|--------------------------------|
| Professional Fees | \$ 18,670.50 |
| Disbursements | 320.00 |
| HST (13.0%) on \$18,670.50 | <u>2,427.17</u> |
| Total Amount Due | <u>\$ 21,417.67 CAD</u> |

Payment Options:

Cheques:

Cheques payable to Dentons Canada LLP and mailed to the above noted address.

Wire Transfer:

Bank of Montreal
 1st Canadian Place, Toronto, ON
 Swift Code: BOFMCAM2
 Bank ID: 001 Transit: 00022
 CAD Funds Bank Account : 0004-324

Credit Card:

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).

Card No. _____ Expiry Date: _____ Card Verification Code (CVC): _____

Amount: _____ Cardholder Name: _____

Signature: _____

Internet Banking:

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 541179. Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.

Interac e-Transfer:

e-Transfer funds to AR.Canada@dentons.com referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to AR.Canada@dentons.com in separate email.

Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

Invoice Detail

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| Date | Timekeeper | Description of Work |
|-------------|-------------------|---|
| 01-Nov-21 | Daniel Loberto | Draft template cover letter for distribution. |
| 01-Nov-21 | Robert Kennedy | Review Court Order. Consider next steps re: distribution. Conference with Daniel Loberto. Review draft correspondence re: distributions. Review various correspondence re: Qi claim. |
| 02-Nov-21 | Daniel Loberto | Correspond with Robert Kennedy regarding claims procedure. Draft correspondence to Jerry Henechowitz regarding distributions. Circulate executed copy of mutual release to Jerry. |
| 02-Nov-21 | Robert Kennedy | Work on distribution matters. Conference with Daniel Loberto. Review correspondence re: distributions. Review various correspondence from Jerry Henechowitz and Daniel Loberto re: distributions. Review various correspondence re: Qi claim. Review receivership order. [REDACTED] |
| 02-Nov-21 | Kenneth Kraft | Update discussion with Robert Kennedy. |
| 03-Nov-21 | Daniel Loberto | Correspondence with Leanne Williams regarding mutual release. Review claims procedure for next steps in claims procedure. |
| 03-Nov-21 | Robert Kennedy | Review various correspondence re: Qi claim. Review correspondence from Daniel Loberto. Review correspondence from Jerry Henechowicz. Review minute book. |
| 04-Nov-21 | Robert Kennedy | Review minute book and consider distribution matters. Conference with Daniel Loberto. |
| 05-Nov-21 | Daniel Loberto | [REDACTED] |
| 05-Nov-21 | Robert Kennedy | Review corporate records. Consider distribution strategy. Conference with Daniel Loberto re: corporate records and distribution matters. Conference with Ken Kraft. Review various correspondence re: Qi claim. |
| 05-Nov-21 | Kenneth Kraft | [REDACTED] |
| 07-Nov-21 | Daniel Loberto | Draft memo on disbursement of remaining funds. |
| 09-Nov-21 | Daniel Loberto | Draft memo on disbursement of remaining funds. |
| 09-Nov-21 | Robert Kennedy | Review Qi release. Conference with Daniel Loberto. |

| Date | Timekeeper | Description of Work |
|-------------|-------------------|--|
| | | Review claims procedure order. |
| 10-Nov-21 | Daniel Loberto | Draft memo on disbursement of remaining funds. |
| 10-Nov-21 | Robert Kennedy | Work on claims procedure matters. Various correspondence to and from Jerry Henechowicz. |
| 12-Nov-21 | Daniel Loberto | Correspond with creditor regarding receipt of funds. |
| 12-Nov-21 | Robert Kennedy | Conference with Daniel Loberto re: distributions. |
| 26-Nov-21 | Daniel Loberto | Interoffice discussion with Robert Kennedy regarding next steps. Correspondence with Jerry Henechowicz. |
| 26-Nov-21 | Robert Kennedy | Review correspondence from Jerry Henechowicz. Conference with Daniel Loberto re: final distribution and discharge matters. Review correspondence from Daniel Loberto. Review correspondence from Jerry Henechowicz. Consider next steps. |
| 29-Nov-21 | Robert Kennedy | Work on memorandum re: distributions. |
| 30-Nov-21 | Robert Kennedy | Work on memorandum re: distributions. |

| Timekeeper | Hours | Rate | Fees |
|-------------------|--------------|-------------|--------------------|
| Daniel Loberto | 10.0 | 480.00 | 4,800.00 |
| Kenneth Kraft | 0.6 | 990.00 | 594.00 |
| Robert Kennedy | 15.9 | 835.00 | 13,276.50 |
| Total | 26.5 | | \$18,670.50 |

TOTAL PROFESSIONAL FEES \$ **18,670.50**

NON-TAXABLE DISBURSEMENTS

Filing Fee* \$ 320.00

TOTAL NON-TAXABLE DISBURSEMENTS \$ **320.00**

TOTAL DISBURSEMENTS **320.00**

TOTAL FEES AND DISBURSEMENTS \$ **18,990.50**

TAXES

HST (13.0%) on Professional Fees of \$18,670.50 \$ 2,427.17

TOTAL TAXES **2,427.17**

TOTAL AMOUNT DUE \$ **21,417.67** CAD

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Toronto, ON, Canada M5K 0A1

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MNP LLP
111 Richmond Street West
Suite 300
Toronto ON M5H 2G4
Attention: Jerry Henechowicz

INVOICE # 3639701

GST/HST # R121996078
QST # 1086862448 TQ 0001

| <u>Date</u> | <u>Matter Number</u> | <u>Lawyer</u> |
|-------------------|----------------------|----------------|
| December 31, 2021 | 541179-000007 | Robert Kennedy |

MNP LLP
Re: Turuss (Canada) Industry Co. Ltd.

| | | |
|---------------------------|-----------|----------------------------|
| Professional Fees | \$ | 2,857.50 |
| HST (13.0%) on \$2,857.50 | | <u>371.48</u> |
| Total Amount Due | \$ | <u>3,228.98</u> CAD |

Payment Options:

Cheques:

Cheques payable to Dentons Canada LLP and mailed to the above noted address.

Wire Transfer:

Bank of Montreal
1st Canadian Place, Toronto, ON
Swift Code: BOFMCAM2
Bank ID: 001 Transit: 00022
CAD Funds Bank Account : 0004-324

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e-Transfer funds to AR.Canada@dentons.com referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to AR.Canada@dentons.com in separate email.

Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

Invoice Detail

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| Date | Timekeeper | Description of Work |
|-------------|-------------------|--|
| 01-Dec-21 | Daniel Loberto | Interoffice discussion with Robert Kennedy. Revise minute book analysis memorandum. |
| 01-Dec-21 | Robert Kennedy | Work on distribution memorandum. [REDACTED] Review correspondence from Daniel Loberto. |
| 02-Dec-21 | Daniel Loberto | Further review of minute book. Revise minute book analysis memorandum. |
| 07-Dec-21 | Robert Kennedy | [REDACTED] Review distribution memo. |

| Timekeeper | Hours | Rate | Fees |
|-------------------|--------------|-------------|-------------------|
| Daniel Loberto | 2.3 | 480.00 | 1,104.00 |
| Robert Kennedy | 2.1 | 835.00 | 1,753.50 |
| Total | 4.4 | | \$2,857.50 |

TOTAL PROFESSIONAL FEES \$ **2,857.50**

TAXES

HST (13.0%) on Professional Fees of \$2,857.50 \$ 371.48

TOTAL TAXES **371.48**

TOTAL AMOUNT DUE \$ **3,228.98** CAD

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dentons.com

MNP LLP
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 Suite 300
 Toronto ON M5H 2G4
 Attention: Jerry Henechowicz

INVOICE # 3646108

GST/HST # R121996078
 QST # 1086862448 TQ 0001

| <u>Date</u> | <u>Matter Number</u> | <u>Lawyer</u> |
|------------------|----------------------|----------------|
| January 31, 2022 | 541179-000007 | Robert Kennedy |

MNP LLP
Re: Turuss (Canada) Industry Co. Ltd.

| | |
|----------------------------|--------------------------------|
| Professional Fees | \$ 19,719.00 |
| Disbursements | 125.60 |
| HST (13.0%) on \$19,844.60 | <u>2,579.80</u> |
| Total Amount Due | <u>\$ 22,424.40 CAD</u> |

Payment Options:

Cheques:

Cheques payable to Dentons Canada LLP and mailed to the above noted address.

Wire Transfer:

Bank of Montreal
 1st Canadian Place, Toronto, ON
 Swift Code: BOFMCAM2
 Bank ID: 001 Transit: 00022
 CAD Funds Bank Account : 0004-324

Credit Card:

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).

Card No. _____ Expiry Date: _____ Card Verification Code (CVC): _____

Amount: _____ Cardholder Name: _____

Signature: _____

Internet Banking:

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 541179. Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.

Interac e-Transfer:

e-Transfer funds to AR.Canada@dentons.com referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to AR.Canada@dentons.com in separate email.

Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

Invoice Detail

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| Date | Timekeeper | Description of Work |
|-------------|-------------------|--|
| 05-Jan-22 | Rennie Ali | Correspondence from Daniel Loberto. Ordering corporate profiles. Various correspondence regarding the foregoing. |
| 05-Jan-22 | Daniel Loberto | Prepare for status update meeting and next steps. Attend meeting. Revise distribution memorandum. |
| 05-Jan-22 | Robert Kennedy | Work on distribution memorandum. Consider distribution matters. [REDACTED] Conference with Daniel Loberto. |
| 06-Jan-22 | Daniel Loberto | Revise distribution memorandum. |
| 06-Jan-22 | Robert Kennedy | Work on distribution memorandum. Consider distribution issues. Conference with Daniel Loberto. |
| 10-Jan-22 | Daniel Loberto | Review correspondence from Jerry Henechowicz. |
| 10-Jan-22 | Robert Kennedy | Various correspondence to and from Jerry Henechowicz. Work on distribution memorandum. |
| 19-Jan-22 | Daniel Loberto | Prepare notice of motion and Order for upcoming motion. |
| 19-Jan-22 | Robert Kennedy | Review file. Consider discharge and distribution motion matters. Conference with Daniel Loberto. |
| 20-Jan-22 | Daniel Loberto | Prepare notice of motion and Order for upcoming motion. |
| 24-Jan-22 | Robert Kennedy | Work on distribution memorandum. Review correspondence from Jerry Henechowicz. |
| 25-Jan-22 | Robert Kennedy | Work on distribution memorandum. Correspondence from and to Jerry Henechowicz. |
| 26-Jan-22 | Daniel Loberto | Review distribution memorandum. Revise notice of motion and Order accordingly. |
| 26-Jan-22 | Robert Kennedy | Work on distribution memorandum. Correspondence to Jerry Henechowicz. |
| 31-Jan-22 | Daniel Loberto | [REDACTED] Amend distribution memorandum. |
| 31-Jan-22 | Robert Kennedy | Review memorandum re: distributions. Attend conference call. Review revised distribution memorandum. [REDACTED] |

| Timekeeper | Hours | Rate | Fees |
|-------------------|--------------|-------------|--------------------|
| Daniel Loberto | 7.4 | 535.00 | 3,959.00 |
| Rennie Ali | 0.4 | 250.00 | 100.00 |
| Robert Kennedy | 17.4 | 900.00 | 15,660.00 |
| Total | 25.2 | | \$19,719.00 |

TOTAL PROFESSIONAL FEES \$ 19,719.00

TAXABLE DISBURSEMENTS

Searches \$ 125.60

TOTAL TAXABLE DISBURSEMENTS \$ 125.60

TOTAL DISBURSEMENTS 125.60

TOTAL FEES AND DISBURSEMENTS \$ 19,844.60

TAXES

HST (13.0%) on Professional Fees of \$19,719.00 \$ 2,563.47

HST (13.0%) on Taxable Disbursements of \$125.60 16.33

TOTAL TAXES 2,579.80

TOTAL AMOUNT DUE \$ 22,424.40 CAD

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 Toronto, ON, Canada M5K 0A1

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MNP LLP
 111 Richmond Street West
 Suite 300
 Toronto ON M5H 2G4
 Attention: Jerry Henechowicz

INVOICE # 3656157

GST/HST # R121996078
 QST # 1086862448 TQ 0001

| <u>Date</u> | <u>Matter Number</u> | <u>Lawyer</u> |
|-------------------|----------------------|----------------|
| February 28, 2022 | 541179-000007 | Robert Kennedy |

MNP LLP
Re: Turuss (Canada) Industry Co. Ltd.

| | |
|------------------------------------|--------------------------------|
| Professional Fees | \$ 13,953.50 |
| Other Fees/Charges & Disbursements | 468.16 |
| | <hr/> |
| HST (13.0%) on \$14,421.66 | 1,874.82 |
| | <hr/> |
| Total Amount Due | \$ <u>16,296.48</u> CAD |

Payment Options:

Cheques:

Cheques payable to Dentons Canada LLP and mailed to the above noted address.

Wire Transfer:

Bank of Montreal
 1st Canadian Place, Toronto, ON
 Swift Code: BOFMCAM2
 Bank ID: 001 Transit: 00022
 CAD Funds Bank Account : 0004-324

Credit Card:

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).

Card No. _____ Expiry Date: _____ Card Verification Code (CVC): _____

Amount: _____ Cardholder Name: _____

Signature: _____

Internet Banking:

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 541179. Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.

Interac e-Transfer:

e-Transfer funds to AR.Canada@dentons.com referencing invoice number in message. Please use matter number referenced on your invoice as the password. Alternatively, send password to AR.Canada@dentons.com in separate email.

Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 1.3% per annum on all outstanding amounts over 30 days.

Invoice Detail

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| Date | Timekeeper | Description of Work |
|-------------|-------------------|--|
| 04-Feb-22 | Robert Kennedy | Work on distribution memorandum. |
| 07-Feb-22 | Robert Kennedy | Review and revise distribution memorandum. Correspondence to Jerry Henechowicz. |
| 08-Feb-22 | Daniel Loberto | Review and revise distribution memorandum. |
| 08-Feb-22 | Robert Kennedy | Review and revise distribution memorandum. Correspondence from and to Jerry Henechowicz. |
| 11-Feb-22 | Daniel Loberto | Correspondence with Jerry Henechowicz. |
| 14-Feb-22 | Rennie Ali | Receive and review email from Daniel Loberto. Conducting corporate search and ordering corporate profiles with respect to Veyron Wood Industry Inc. Reviewing same. Conducting corporate search with respect to Dalian Natural Wood Industry Co., Ltd. Various correspondence regarding the foregoing. |
| 14-Feb-22 | Daniel Loberto | Review Jerry Henechowicz correspondence. Review and revise distribution memorandum. Project residual amount to be distributed. |
| 14-Feb-22 | Robert Kennedy | Review correspondence from Jerry Henechowicz. Review revisions to distribution memorandum. Work on distribution memorandum. |
| 15-Feb-22 | Robert Kennedy | Review revisions to distribution memorandum. Work on distribution memorandum. Review minute books. |
| 16-Feb-22 | Daniel Loberto | [REDACTED] |
| 16-Feb-22 | Robert Kennedy | Work on distribution memorandum. Correspondence to Jerry Henechowicz. |
| 17-Feb-22 | Daniel Loberto | Update motion materials. Review previous reports. Finalize memorandum. |
| 22-Feb-22 | Daniel Loberto | Correspondence with Yang Jiang regarding meeting request. Draft agenda for Virtual Planning Meeting 1. |
| 22-Feb-22 | Robert Kennedy | Review distribution memorandum. Conference with Daniel Loberto. |
| 23-Feb-22 | Daniel Loberto | Correspondence with Yang Jiang regarding meeting request. |
| 23-Feb-22 | Robert Kennedy | Review various correspondence re: Yang Jiang discussion. Review draft agenda. |
| 24-Feb-22 | Daniel Loberto | Correspondence with Yang Jiang regarding meeting request. Review draft agenda and memorandum. Prepare for Virtual Planning Meeting 1. |

| Date | Timekeeper | Description of Work |
|-----------|----------------|--|
| 24-Feb-22 | Robert Kennedy | Various correspondence from and to Jerry Henechowicz. Review distribution memorandum. Review agenda. |
| 28-Feb-22 | Daniel Loberto | Conduct Virtual Planning Meeting 1. |
| 28-Feb-22 | Robert Kennedy | Review distribution memorandum. Preparation for conference call re: distribution and discharge motion. Conference with Daniel Loberto. Attend conference call with Yang Jiang re: distributions. |

| Timekeeper | Hours | Rate | Fees |
|----------------|-------------|--------|--------------------|
| Daniel Loberto | 7.1 | 535.00 | 3,798.50 |
| Rennie Ali | 0.3 | 250.00 | 75.00 |
| Robert Kennedy | 11.2 | 900.00 | 10,080.00 |
| Total | 18.6 | | \$13,953.50 |

TOTAL PROFESSIONAL FEES \$ **13,953.50**

TAXABLE OTHER FEES/CHARGES

Technology & Administration Fee \$ 418.61

TOTAL TAXABLE OTHER FEES/CHARGES \$ **418.61**

TAXABLE DISBURSEMENTS

Searches \$ 49.55

TOTAL TAXABLE DISBURSEMENTS \$ **49.55**

TOTAL OTHER FEES/CHARGES AND DISBURSEMENTS 468.16

TOTAL FEES, OTHER FEES/CHARGES AND DISBURSEMENTS \$ **14,421.66**

TAXES

HST (13.0%) on Professional Fees of \$13,953.50 \$ 1,813.96

HST (13.0%) on Taxable Disbursements of \$468.16 60.86

TOTAL TAXES 1,874.82

TOTAL AMOUNT DUE \$ **16,296.48** CAD

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MNP LLP
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 Toronto ON M5H 2G4
 Attention: Jerry Henechowicz

INVOICE # 3668653

GST/HST # R121996078
 QST # 1086862448 TQ 0001

| <u>Date</u> | <u>Matter Number</u> | <u>Lawyer</u> |
|----------------|----------------------|----------------|
| April 30, 2022 | 541179-000007 | Robert Kennedy |

MNP LLP
Re: Turuss (Canada) Industry Co. Ltd.

| | |
|------------------------------------|--------------------------------|
| Professional Fees | \$ 30,350.50 |
| Other Fees/Charges & Disbursements | 926.77 |
| | <hr/> |
| HST (13.0%) on \$31,277.27 | 4,066.05 |
| | <hr/> |
| Total Amount Due | \$ <u>35,343.32</u> CAD |

Payment Options:

Cheques:

Cheques payable to Dentons Canada LLP and mailed to the above noted address.

Wire Transfer:

Bank of Montreal
 1st Canadian Place, Toronto, ON
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 Bank ID: 001 Transit: 00022
 CAD Funds Bank Account : 0004-324

Credit Card:

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).

Card No. _____ Expiry Date: _____ Card Verification Code (CVC): _____

Amount: _____ Cardholder Name: _____

Signature: _____

Internet Banking:

Accepted at most financial institutions. Your payee is Dentons Canada LLP and your account number is 541179. Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.

Interac e-Transfer:

e-Transfer funds to AR.Canada@dentons.com referencing invoice number in message. Auto-deposit is setup on our accounts and therefore no password required.

Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 8% per annum on all outstanding amounts over 30 days.

Invoice Detail

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| Date | Timekeeper | Description of Work |
|-------------|-------------------|---|
| 01-Mar-22 | Daniel Loberto | Draft memo with respect to virtual planning meeting 1. |
| 02-Mar-22 | Daniel Loberto | Correspondence with Yang Jiang regarding virtual planning meeting 2. |
| 04-Mar-22 | Daniel Loberto | Correspondence with Yang Jiang regarding virtual planning meeting 2. |
| 07-Mar-22 | Daniel Loberto | Preparation for Virtual Planning Meeting 2. Attend the same. |
| 07-Mar-22 | Robert Kennedy | Review various correspondence re: planning meeting. Preparation for conference call. Attend conference call. Consider next steps. |
| 08-Mar-22 | Daniel Loberto | Summarize Virtual Planning Meeting 2. Correspondence with Robert Kennedy. |
| 08-Mar-22 | Robert Kennedy | Conference with Daniel Loberto re: strategy and next steps. |
| 10-Mar-22 | Daniel Loberto | Summarize Virtual Planning Meeting 2. Correspondence with Robert Kennedy. Revise memorandum. |
| 10-Mar-22 | Robert Kennedy | Review notes re: shareholder meeting. Review draft correspondence from Daniel Loberto re: meeting. Conference with Daniel Loberto. [REDACTED] |
| 11-Mar-22 | Daniel Loberto | Correspondence with Jerry Henechowicz and Robert Kennedy regarding mandarin translation of email to Yang Jiang. |
| 14-Mar-22 | Daniel Loberto | Correspondence with Robert Kennedy regarding affidavit. Review affidavit precedents. |
| 14-Mar-22 | Robert Kennedy | Conference with Daniel Loberto. [REDACTED] |
| 15-Mar-22 | Daniel Loberto | Correspondence with Robert Kennedy regarding affidavit. Draft affidavit. |
| 16-Mar-22 | Daniel Loberto | Review and revise Guoning Li Affidavit. |
| 17-Mar-22 | Daniel Loberto | Review correspondence from Yang Jiang. |
| 18-Mar-22 | Daniel Loberto | Review correspondence from Yang Jiang. Correspondence with Robert Kennedy and Michael Wang. |
| 18-Mar-22 | Michael Wang | At the request of Daniel A. Loberto, review and translate an affidavit. |
| 18-Mar-22 | Robert Kennedy | Review draft affidavit re: planning meeting. Conference with Daniel Loberto. Review correspondence from Yang |

| Date | Timekeeper | Description of Work |
|-------------|-------------------|---|
| | | Jiang re: distribution. |
| 21-Mar-22 | Annette Fournier | Conduct corporate search. Email to Daniel Loberto regarding same. |
| 21-Mar-22 | Daniel Loberto | Correspondence with Michael Wang. Review Minute Book and provide Michael Wang with pertinent documentation to finalize translation. Correspondence with Annette Fournier regarding corporate profile for relevant entity. |
| 21-Mar-22 | Michael Wang | Review the translation and write to Daniel |
| 21-Mar-22 | Robert Kennedy | Various correspondence to and from Daniel Loberto. Review draft affidavit. Review correspondence from Yang Jiang. |
| 22-Mar-22 | Michael Wang | Reviewed documents sent from Daniel Loberto. Conducted search online the names of certain Chinese companies in order to match English and Chinese names. Sent email to Daniel Loberto to update. |
| 22-Mar-22 | Robert Kennedy | Review affidavit. Review correspondence from Michael Wang. |
| 23-Mar-22 | Daniel Loberto | Correspondence with Robert Kennedy regarding Michael Wang translation of affidavit. |
| 23-Mar-22 | Robert Kennedy | Conference with Daniel Loberto. |
| 25-Mar-22 | Daniel Loberto | Correspondence with Robert Kennedy regarding Michael Wang translation of affidavit. |
| 28-Mar-22 | Daniel Loberto | Correspondence with Robert Kennedy regarding Michael Wang translation of affidavit. |
| 28-Mar-22 | Robert Kennedy | Review correspondence from Jerry Henechowicz. |
| 29-Mar-22 | Daniel Loberto | Interoffice correspondence with Robert Kennedy regarding Michael Wang translation of affidavit. Correspondence with Michael Wang and Jerry Henechowicz. |
| 29-Mar-22 | Michael Wang | Communications with Daniel Loberto and the client regarding some proper names in the affidavit. Updated the translation. |
| 29-Mar-22 | Robert Kennedy | Review correspondence from Jerry Henechowicz. Review draft affidavit. Conference with Daniel Loberto. Correspondence to and from Jerry Henechowicz. |
| 30-Mar-22 | Daniel Loberto | Review Michael Wang revisions to affidavit. Correspondence with Michael Wang. Preparation for update meeting. |
| 30-Mar-22 | Michael Wang | Reviewed and updated the affidavit. |
| 30-Mar-22 | Robert Kennedy | Review correspondence from Daniel Loberto. Review revised affidavit. Consider next steps. |
| 04-Apr-22 | Daniel Loberto | Preparation for update meeting and attend the same. |
| 04-Apr-22 | Michael Wang | Translate the newly inserted part of the Affidavit. Reply |

| Date | Timekeeper | Description of Work |
|-------------|-------------------|--|
| | | email from Daniel Loberto. |
| 04-Apr-22 | Robert Kennedy | Review revised affidavit. Attend conference call re: affidavit and next steps. Conference with Daniel Loberto. Review revised affidavit. Review correspondence from Michael Wang. [REDACTED] |
| 05-Apr-22 | Daniel Loberto | Correspondence with Robert Kennedy re: Affidavit of Guoning Li. |
| 06-Apr-22 | Daniel Loberto | Correspondence with Yang Jiang re Guoning Li Affidavit. |
| 06-Apr-22 | Robert Kennedy | Review correspondence to Yang Jiang re: affidavit and next steps. Conference with Daniel Loberto. |
| 07-Apr-22 | Daniel Loberto | Correspondence with Yang Jiang re Guoning Li Affidavit. |
| 07-Apr-22 | Robert Kennedy | Review various correspondence re: affidavit. Review revised affidavit. Review correspondence from Daniel Loberto re: scheduling of Yang Jiang meeting. |
| 08-Apr-22 | Robert Kennedy | Review various correspondence from Yang Jiang re: affidavit. Review revised affidavit. |
| 11-Apr-22 | Daniel Loberto | Preparation for meeting with Yang Jiang and Guoning Li. Commission affidavit for Guoning Li. |
| 11-Apr-22 | Michael Wang | Attending the virtual meeting as an interpreter to commission Mr. Li to sign the Affidavit. |
| 11-Apr-22 | Robert Kennedy | Review various correspondence re: affidavit. Review affidavit and preparation for meeting. Attend meeting re: affidavit. Consider next steps. |
| 12-Apr-22 | Daniel Loberto | Correspondence with Robert Kennedy regarding Li Affidavit and Lawrence Li meeting. Correspondence with Michael Wang regarding Affidavit. |
| 12-Apr-22 | Robert Kennedy | Review correspondence from Daniel Loberto. Review executed affidavit. Review distribution memo. |
| 13-Apr-22 | Daniel Loberto | Correspondence with Robert Kennedy regarding Li Affidavit and Lawrence Li meeting. Update virtual meeting memorandum. |
| 13-Apr-22 | Robert Kennedy | Review correspondence from Daniel Loberto. Review distribution memorandum. |
| 14-Apr-22 | Robert Kennedy | Review draft correspondence to Lawrence Li. Revise correspondence. Conference with Daniel Loberto. |
| 18-Apr-22 | Daniel Loberto | Correspondence with Lawrence Li, Jerry Henechowicz, and Robert Kennedy regarding virtual planning meeting 3. |
| 19-Apr-22 | Robert Kennedy | Various correspondence re: Warren Li discussion. Review memorandum re: shareholders. |
| 20-Apr-22 | Robert Kennedy | Various correspondence re: Lawrence Li meeting. |
| 21-Apr-22 | Daniel Loberto | Preparation for virtual planning meeting 3. |
| 22-Apr-22 | Robert Kennedy | Preparation for virtual meeting with Lawrence Li. |

| Date | Timekeeper | Description of Work |
|-----------|----------------|---|
| | | Correspondence to and from Lawrence Li. Conversation with Jerry Henechowicz. |
| 25-Apr-22 | Rennie Ali | Correspondence from Daniel Loberto. Ordering security searches. Reviewing same. Various correspondence regarding the foregoing. |
| 25-Apr-22 | Daniel Loberto | Preparation for virtual planning meeting 3. Attend the same. Draft affidavit and update memorandum. |
| 25-Apr-22 | Robert Kennedy | Preparation for conference call re: distribution memorandum. Attend conference call with MNP and Lawrence Li. Consider distribution issues. Correspondence from and to Yang Jiang. Conference with Daniel Loberto. Review Chesley corporate books. Consider next steps. Conference with Ken Kraft re: strategy. |
| 25-Apr-22 | Kenneth Kraft | [REDACTED] |
| 26-Apr-22 | Robert Kennedy | Review searches. Review Chesley corporate books. [REDACTED] Conference with Daniel Loberto. |
| 27-Apr-22 | Daniel Loberto | Review Chesley Wood minute book regarding wind-up. Communicate findings to Robert Kennedy. |
| 27-Apr-22 | Robert Kennedy | [REDACTED] |
| 28-Apr-22 | Robert Kennedy | Correspondence from and to Jerry Henechowicz re: distribution matters. Review searches. [REDACTED] |

| Timekeeper | Hours | Rate | Fees |
|------------------|-------------|----------|--------------------|
| Annette Fournier | 0.2 | 375.00 | 75.00 |
| Daniel Loberto | 14.9 | 535.00 | 7,971.50 |
| Kenneth Kraft | 0.4 | 1,040.00 | 416.00 |
| Michael Wang | 5.2 | 815.00 | 4,238.00 |
| Rennie Ali | 0.4 | 250.00 | 100.00 |
| Robert Kennedy | 19.5 | 900.00 | 17,550.00 |
| Total | 40.6 | | \$30,350.50 |

TOTAL PROFESSIONAL FEES \$ **30,350.50**

TAXABLE OTHER FEES/CHARGES

Technology & Administration Fee \$ 910.52

TOTAL TAXABLE OTHER FEES/CHARGES \$ **910.52**

TAXABLE DISBURSEMENTS

Searches \$ 16.25

| | | |
|---|-----------|------------------------------------|
| TOTAL TAXABLE DISBURSEMENTS | \$ | 16.25 |
| TOTAL OTHER FEES/CHARGES AND DISBURSEMENTS | | <u>926.77</u> |
| TOTAL FEES, OTHER FEES/CHARGES AND DISBURSEMENTS | \$ | 31,277.27 |
| TAXES | | |
| HST (13.0%) on Professional Fees of \$30,350.50 | \$ | 3,945.57 |
| HST (13.0%) on Taxable Disbursements of \$926.77 | | <u>120.48</u> |
| TOTAL TAXES | | <u>4,066.05</u> |
| TOTAL AMOUNT DUE | \$ | <u><u>35,343.32</u></u> CAD |

Dentons Canada LLP
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 Toronto-Dominion Centre
 Toronto, ON, Canada M5K 0A1

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MNP LLP
 111 Richmond Street West
 Suite 300
 Toronto ON M5H 2G4
 Attention: Jerry Henechowicz

INVOICE # 3682187

GST/HST # R121996078
 QST # 1086862448 TQ 0001

| <u>Date</u> | <u>Matter Number</u> | <u>Lawyer</u> |
|---------------|----------------------|----------------|
| June 30, 2022 | 541179-000007 | Robert Kennedy |

MNP LLP
Re: Turuss (Canada) Industry Co. Ltd.

| | |
|------------------------------------|--------------------------------|
| Professional Fees | \$ 20,670.00 |
| Other Fees/Charges & Disbursements | 752.70 |
| | <hr/> |
| HST (13.0%) on \$21,422.70 | 2,784.95 |
| | <hr/> |
| Total Amount Due | <u>\$ 24,207.65 CAD</u> |

Payment Options:

Cheques:

Cheques payable to Dentons Canada LLP and mailed to the above noted address.

Wire Transfer:

Bank of Montreal
 1st Canadian Place, Toronto, ON
 Swift Code: BOFMCAM2
 Bank ID: 001 Transit: 00022
 CAD Funds Bank Account : 0004-324

Credit Card:

Payments are accepted via telephone, email or fax. We accept American Express, MasterCard or Visa (please circle one).

Card No. _____ Expiry Date: _____ Card Verification Code (CVC): _____

Amount: _____ Cardholder Name: _____

Signature: _____

Internet Banking:

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Interac e-Transfer:

e-Transfer funds to AR.Canada@dentons.com referencing invoice number in message. Auto-deposit is setup on our accounts and therefore no password required.

Please email us at AR.Canada@dentons.com referencing invoice number and payment amount.

Payment due on receipt. Interest will be charged at the rate of 8% per annum on all outstanding amounts over 30 days.

Invoice Detail

TO PROFESSIONAL SERVICES RENDERED in connection with the above noted matter:

| Date | Timekeeper | Description of Work |
|-------------|-------------------|---|
| 02-May-22 | Robert Kennedy | Review correspondence [REDACTED]. Consider next steps. |
| 03-May-22 | Robert Kennedy | Work on affidavit. Correspondence to Lawrence Li. Conference with Daniel Loberto. |
| 04-May-22 | Robert Kennedy | Review draft affidavit. Review Veyron searches. |
| 06-May-22 | Robert Kennedy | Review and revise affidavit. Review file re: Veyron. |
| 09-May-22 | Robert Kennedy | Conference with Daniel Loberto re: Lawrence Li. Review correspondence from Daniel Loberto. |
| 13-May-22 | Daniel Loberto | Correspondence with Lawrence Li regarding distribution of surplus funds and discharge. |
| 13-May-22 | Robert Kennedy | Conference with Daniel Loberto re: Lawrence Li. Review correspondence to Lawrence Li. Consider next steps. |
| 26-May-22 | Robert Kennedy | Review correspondence from Jerry Henechowicz. Review correspondence from Daniel Loberto. Review file re: Li communications. |
| 27-May-22 | Robert Kennedy | Correspondence to Jerry Henechowicz. Review file [REDACTED]. Consider next steps [REDACTED]. Conversation with Jerry Henechowicz. |
| 30-May-22 | Robert Kennedy | Various correspondence to and from Jerry Henechowicz. Voicemail left with Jerry Henechowicz. |
| 31-May-22 | Robert Kennedy | Conversation with Jerry Henechowicz. Consider discharge matters. |
| 01-Jun-22 | Robert Kennedy | Review file [REDACTED]. Consider discharge motion matters. |
| 05-Jun-22 | Robert Kennedy | Review file. Correspondence to Jerry Henechowicz re: discharge motion. |
| 06-Jun-22 | Robert Kennedy | Review virtual meeting memo. Consider distribution and discharge motion matters. |
| 15-Jun-22 | Robert Kennedy | Attend to scheduling matters. Review meeting memorandum. Correspondence to Lawrence Li. Review draft notice of motion. |
| 16-Jun-22 | Daniel Loberto | Correspondence with Robert Kennedy regarding distribution motion date. Review correspondence regarding the same. Review and revise distribution motion materials. |
| 16-Jun-22 | Robert Kennedy | Attend to motion scheduling. Conference with Daniel Loberto. Review motion materials. |

| Date | Timekeeper | Description of Work |
|-------------|-------------------|--|
| 17-Jun-22 | Daniel Loberto | Correspondence with Robert Kennedy regarding motion materials. Revise draft order. |
| 20-Jun-22 | Daniel Loberto | Review correspondence with Court. |
| 20-Jun-22 | Robert Kennedy | Review draft materials. Attend to motion scheduling. |
| 21-Jun-22 | Robert Kennedy | Work on motion materials. Conference with Daniel Loberto. |
| 22-Jun-22 | Daniel Loberto | Review and revise notice of motion and distribution order. Correspondence with Robert Kennedy regarding the same. Interoffice discussion with Robert Kennedy regarding the same. |
| 22-Jun-22 | Robert Kennedy | Work on motion materials. Conference with Daniel Loberto. Review correspondence to Lawrence Li. |
| 23-Jun-22 | Robert Kennedy | Review notice of motion. Consider motion matters. |
| 24-Jun-22 | Daniel Loberto | Correspondence with Jerry Henechowicz regarding Receiver's Report, Notice of Motion and Order. Correspondence with Robert Kennedy regarding the same. |
| 24-Jun-22 | Robert Kennedy | Review motion materials. Conference with Daniel Loberto re: motion matters. Review correspondence from Daniel Loberto. |
| 27-Jun-22 | Robert Kennedy | Review correspondence from Jerry Henechowicz. Work on motion materials. |
| 28-Jun-22 | Daniel Loberto | Correspondence with Jerry Henechowicz regarding Receiver's Report, Notice of Motion and Order. Correspondence with Robert Kennedy regarding the same. |
| 28-Jun-22 | Robert Kennedy | Review motion materials. Conference with Daniel Loberto re: discharge matters. |
| 29-Jun-22 | Daniel Loberto | Revise notice of motion for discharge motion. |
| 30-Jun-22 | Daniel Loberto | Revise notice of motion for discharge motion. |

| Timekeeper | Hours | Rate | Fees |
|-------------------|--------------|-------------|--------------------|
| Daniel Loberto | 6.0 | 535.00 | 3,210.00 |
| Robert Kennedy | 19.4 | 900.00 | 17,460.00 |
| Total | 25.4 | | \$20,670.00 |

TOTAL PROFESSIONAL FEES

\$ 20,670.00

TAXABLE OTHER FEES/CHARGES

Technology & Administration Fee \$ 620.10

TOTAL TAXABLE OTHER FEES/CHARGES \$ 620.10

TAXABLE DISBURSEMENTS

Searches \$ 132.60

TOTAL TAXABLE DISBURSEMENTS \$ 132.60

TOTAL OTHER FEES/CHARGES AND DISBURSEMENTS 752.70

TOTAL FEES, OTHER FEES/CHARGES AND DISBURSEMENTS \$ 21,422.70

TAXES

HST (13.0%) on Professional Fees of \$20,670.00 \$ 2,687.10

HST (13.0%) on Taxable Disbursements of \$752.70 97.85

TOTAL TAXES 2,784.95

TOTAL AMOUNT DUE \$ 24,207.65 CAD

THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF SERVICE OF ROBERT KENNEDY
SWORN BEFORE ME THIS 8th DAY OF JULY, 2022.

A handwritten signature in blue ink, appearing to be "D. [unclear]", is written above a horizontal line.

A Commissioner for Taking Affidavits, etc.

EXHIBIT "B"**Summary of Invoices and Calculation of Average Hourly Billing Rates of Dentons Canada LLP****The Period from October 1, 2021 to June 30, 2022**

| Date | Invoice No. | Fees | Discount | Disbursements | Taxes(HST) | Hours | Average Rate | Total |
|-------------------|--------------------|--------------|-----------------|----------------------|-------------------|--------------|---------------------|--------------|
| October 31, 2021 | 3623659 | 59,296.00 | -1,296.00 | 45.20 | 7,545.88 | 87.9 | 633.75 | 65,591.08 |
| November 30, 2021 | 3633728 | 18,670.50 | 0.00 | 320.00 | 2,427.17 | 26.5 | 768.33 | 21,417.67 |
| December 31, 2021 | 3639701 | 2,857.50 | 0.00 | 0.00 | 371.48 | 4.4 | 657.50 | 3,228.98 |
| January 31, 2022 | 3646108 | 19,719.00 | 0.00 | 125.80 | 2,579.80 | 25.2 | 561.67 | 22,424.40 |
| February 28, 2022 | 3656157 | 13,953.50 | 0.00 | 468.16 | 1,874.82 | 18.6 | 561.67 | 16,296.48 |
| April 30, 2022 | 3668653 | 30,350.50 | 0.00 | 926.77 | 4,066.05 | 40.6 | 652.50 | 35,343.32 |
| June 30, 2022 | 3682187 | 20,670.00 | 0.00 | 752.70 | 2,784.95 | 25.4 | 717.50 | 24,207.65 |
| TOTALS: | | \$165,517.00 | (\$1,296.00) | \$2,638.63 | \$21,650.15 | 228.6 | \$ 650.42 | \$188,509.58 |

THIS IS EXHIBIT "C" REFERRED TO IN THE
AFFIDAVIT OF SERVICE OF ROBERT KENNEDY
SWORN BEFORE ME THIS 8th DAY OF JULY, 2022.



A Commissioner for Taking Affidavits, etc.

EXHIBIT “C”**Billing Rates of Dentons Canada LLP**

For the period October 1, 2021 to June 30, 2022

| | <u>2021 Standard Rate</u> | <u>2022 Standard Rate</u> | <u>Year of Call</u> |
|----------------------|--------------------------------------|--------------------------------------|--|
| Kenneth Kraft | \$990 | \$1,040 | 1991 |
| Robert Kennedy | \$835 | \$900 | 2002 |
| Daniel Loberto | \$480 | \$535 | 2020 |
| Michael (Hanqi) Wang | N/A | \$815 | Foreign Legal Consultant, LSO, 2019 |
| Annette Fournier | N/A | \$375 | Law Clerk |
| Rennie Ali | \$230 | \$250 | Law Clerk |

PILLAR CAPITAL CORP.

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Applicant

Respondent

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

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF ROBERT KENNEDY

DENTONS CANADA LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON M5K 0A1

Robert Kennedy (LSO #474070)
Tel: (416) 367-6756
Fax: (416) 863-4592
robert.kennedy@dentons.com

Daniel Loberto (LSO # 79632Q)
Tel: (416) 863-4760
daniel.loberto@dentons.com

Lawyers for the Receiver

Appendix “I”
to the Ninth Report of the Receiver

**IN THE MATTER OF THE RECEIVERSHIP OF
TURUSS (CANADA) INDUSTRY CO., LTD.
FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD ENDED JULY 6, 2022**

| RECEIPTS | NOTE | |
|--|-------------|------------------------|
| Sale of real property proceeds | 1. | \$ 9,036,590.06 |
| Rental income and expense reimbursements | | 1,232,545.97 |
| Advance from Secured Creditor | | 597,500.00 |
| Equipment auction proceeds | 2. | 215,000.00 |
| HST Collected | | 131,823.43 |
| Cash in bank | | 8,293.82 |
| Interest Income | 3. | 3,707.21 |
| | | <u>11,225,460.49</u> |
| DISBURSEMENTS | | |
| Distributions to Pillar Capital | | 2,461,590.99 |
| Legal and disbursements | | 1,001,224.90 |
| Distributions to Hsieh | | 664,082.50 |
| Distribution to Proven Creditors | | 638,830.84 |
| Repayment of Receiver's Certificate | | 600,000.00 |
| Utilities | | 455,096.81 |
| Municipal Taxes | | 436,170.39 |
| Receiver's fees and disbursements | | 431,663.15 |
| HST paid | | 282,636.25 |
| Repairs & Maintenance | | 217,175.40 |
| Statutory priorities | | 181,374.22 |
| Salaries and wages | | 133,237.59 |
| Interest on Receiver's Certificate | | 83,040.51 |
| Insurance | 4. | 76,665.52 |
| Security system upgrades | | 39,303.14 |
| Hazardous waste removal | | 33,838.74 |
| Property manager fees | | 30,675.00 |
| License fees | | 8,742.50 |
| Appraisal | | 6,750.00 |
| Advertising re: sales process | | 5,062.62 |
| Advertising re: claims process | | 4,746.60 |
| Travel | | 830.67 |
| Bank charges | | 741.89 |
| Photocopies and printing | | 444.12 |
| Filing fees | | 71.54 |
| | | <u>7,793,995.89</u> |
| | | <u>\$ 3,431,464.60</u> |

NOTES:

1. Represents receipt of purchase price of \$9,200,000 less closing adjustments for prepaid rent and security deposit totalling \$123,383.75 and other customary adjustments for a sale of a commercial property of this type.
2. Net of \$15,000 settlement with Liyuan Qi.
3. Excludes accrued interest to July 6, 2022.
4. Net of a refund of \$53,989.64.

PILLAR CAPITAL CORP.
Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.
Respondent

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

PROCEEDING COMMENCED AT TORONTO

NINTH REPORT OF THE RECEIVER

DENTONS CANADA LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, Ontario M5K 0A1

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Tel: (416) 367-6756
Fax: (416) 863-4592
robert.kennedy@dentons.com

Daniel Loberto (LSO # 79632Q)
Tel: (416) 863-4760
daniel.loberto@dentons.com

Lawyers for the Receiver

TAB 3

Court File No. CV-20-00646729-00CL

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

| | | |
|----------------|---|----------------------|
| THE HONOURABLE |) | MONDAY, THE 18th DAY |
| |) | |
| JUSTICE MCEWAN |) | OF JULY, 2022 |

BETWEEN:

PILLAR CAPITAL CORP.

Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Respondent

APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C-43, AS AMENDED

DISTRIBUTION AND DISCHARGE ORDER

THIS MOTION made by MNP Ltd. (“**MNP**”), in its capacity as court-appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and properties of Turuss (Canada) Industry Co., Ltd. (“**Turuss**”) for an order,

- (a) abridging the time for service of the Motion Record dated July 8, 2022 (the “**Motion Record**”), the Notice of Motion dated July 8, 2022 (“**Notice of Motion**”), and the Ninth Report of the Receiver dated July 8, 2022 (the “**Ninth Report**”) so that this Motion is properly returnable on July 18, 2022, and dispensing with further service thereof, if necessary;

- (b) authorizing and directing the Receiver to distribute (the “**Turuss Distribution**”) the residual sale proceeds in the receivership estate (the “**Residual Sale Proceeds**”), net of the Fee Holdback (as defined herein), to the Turuss’ bank account held with Royal Bank of Canada, as described in the Ninth Report (the “**Turuss Bank Account**”);
- (c) approving the fees and disbursements of the Receiver as set out in the affidavit of Jerry Henechowicz sworn July 6, 2022, the fees and disbursements of the Receiver’s counsel, Dentons Canada LLP (“**Dentons**”), as set out in the affidavit of Robert Kennedy sworn July 8, 2022 (together, the “**Fee Affidavits**”), and the estimated fees and disbursements to be incurred by the Receiver and Dentons through to completion of the remaining activities in connection with these receivership proceedings, as set out in the Ninth Report (the “**Remaining Fees**”);
- (d) authorizing and directing the Receiver to retain the Fee Holdback;
- (e) approving the Ninth Report, and the activities of the Receiver as set out therein;
- (f) approving the final statement of receipts and disbursements dated July 6, 2022 (the “**R&D**”);
- (g) discharging and releasing MNP as Receiver of Turuss, upon the Receiver filing with the Court a certificate in the form attached hereto as **Schedule “A”** (the “**Receiver’s Discharge Certificate**”); and
- (h) such further and other grounds as counsel may advise and this Court may permit;

was heard this day via videoconference due to the COVID-19 pandemic.

ON READING the Motion Record and the Ninth Report, and on hearing the submissions of counsel for the Receiver, and any such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Amanda Campbell sworn July 8, 2022, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Motion Record, Notice of Motion, and the Ninth Report is abridged and validated such that this Motion is properly returnable today, and further service of the Motion Record, Notice of Motion, and the Ninth Report is hereby dispensed with.

DISTRIBUTION

2. **THIS COURT ORDERS** that the Receiver is authorized and directed to complete the Turuss Distribution (as described in the Ninth Report), and any further distribution(s) of surplus funds received by the Receiver up and until the filing of the Receiver's Discharge Certificate.

RECEIVER'S ACTIVITIES AND FEE HOLDBACK

3. **THIS COURT ORDERS** that: (i) the fees and disbursements as outlined in the Fee Affidavits are hereby approved, (ii) the Remaining Fees are hereby approved and no further approval of the fees and disbursements of the Receiver or Dentons is required in respect of the Remaining Fees, and (iii) the Receiver is hereby authorized to pay any unpaid fees and disbursements.

4. **THIS COURT ORDERS** that the Receiver is authorized and directed to retain the amount of \$70,000 from the Residual Sale Proceeds (the "**Fee Holdback**"), which amount shall be held by the Receiver on account of any outstanding fees due and owing to the Receiver and Dentons, and in relation to the Remaining Fees.

5. **THIS COURT ORDERS** that the Ninth Report, and the activities described therein, are hereby approved.

6. **THIS COURT ORDERS** that the R&D is hereby approved.

RECEIVER'S DISCHARGE

7. **THIS COURT ORDERS** that, upon the Receiver filing the Receiver's Discharge Certificate, MNP shall be discharged as Receiver, provided however, that notwithstanding its

discharge herein: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership proceedings, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in these proceedings, including all approvals, protections and stays of proceedings in favour of MNP in its capacity as Receiver.

8. **THIS COURT ORDERS AND DECLARES** that upon the filing the Receiver's Discharge Certificate, MNP is hereby released and discharged from any and all liability that MNP now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of MNP while acting in its capacities as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, MNP shall be hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

SCHEDULE “A” – DISCHARGE CERTIFICATE

Court File No. 20-00646729-00CL

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

B E T W E E N:

PILLAR CAPITAL CORP.

Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Respondent

DISCHARGE CERTIFICATE**RECITALS**

A. Pursuant to an Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated September 18, 2020, MNP Ltd. (“**MNP**”) was appointed as receiver (in such capacity, the “**Receiver**”), of the assets, undertakings and properties of Turuss (Canada) Industry Co., Ltd. (“**Turuss**”).

B. Pursuant to an Order of the Court dated July 18, 2022 (the “**Distribution and Discharge Order**”), MNP was discharged as Receiver of Turuss, effective upon the filing by the Receiver with the Court of a certificate certifying that MNP has completed the Remaining Activities (as defined in the Receiver’s Ninth Report dated July 8, 2022), provided however that, notwithstanding its discharge: (a) MNP shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein and the Remaining Activities, and (b) MNP shall continue to have the benefit of the provisions of all

Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of MNP, in its capacity as Receiver.

C. Capitalized terms not otherwise defined herein shall have the meaning ascribed to that term pursuant to the Distribution and Discharge Order.

THE RECEIVER CERTIFIES the following:

1. The Receiver has paid all amounts required to be paid pursuant to the Distribution and Discharge Order; and
2. The Receiver is satisfied that all Remaining Activities have been completed to the satisfaction of the Receiver.

THIS CERTIFICATE was delivered by the Receiver on _____, 2022.

MNP Ltd., in its capacity as the Court-appointed Receiver and Manager of Turuss (Canada) Industry Co., Ltd. and not in its personal or corporate capacity

Per: _____

Name:

Title:

PILLAR CAPITAL CORP.

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Applicant

Respondent

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

PROCEEDING COMMENCED AT TORONTO

DISTRIBUTION AND DISCHARGE ORDER

DENTONS CANADA LLP
77 King Street West, Suite 400
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Daniel A. Loberto (LSO #79632Q)
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daniel.loberto@dentons.com

Lawyers for the Receiver

TAB 4

Court File No. ~~_____~~ CV-20-00646729-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE _____) ~~WEEKDAY~~MONDAY, THE
JUSTICE ~~_____~~MCEWAN) #18th
) DAY
OF ~~MONTH, 20YR~~JULY,
2022

~~BETWEEN:~~

PLAINTIFF

~~Plaintiff~~

BETWEEN:

PILLAR CAPITAL CORP.

Applicant

- and -

DEFENDANT

~~Defendant~~

=

TURUSS (CANADA) INDUSTRY CO., LTD.

Respondent

APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY*
ACT, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF*
JUSTICE ACT, R.S.O. 1990, c. C-43, AS AMENDED

DISTRIBUTION AND DISCHARGE ORDER

THIS MOTION, made by [RECEIVER'S NAME]MNP Ltd. ("MNP"), in its capacity as ~~the Court~~ court-appointed receiver and manager (the "**Receiver**") of the ~~undertaking, property and~~ assets, undertakings and properties of [DEBTOR]Turuss (the "Debtor"), Canada) Industry Co., Ltd. ("Turuss") for an order:

- (a) ~~1. approving~~ abridging the activities time for service of the ~~Receiver as set out in the report~~ Motion Record dated July 8, 2022 (the "Motion Record"), the Notice of Motion dated July 8, 2022 ("Notice of Motion"), and the Ninth Report of the Receiver dated [DATE]July 8, 2022 (the "Ninth Report") so that this Motion is properly returnable on July 18, 2022, and dispensing with further service thereof, if necessary;
- ~~2. approving the fees and disbursements of the Receiver and its counsel;~~
- ~~3. approving the distribution of the remaining proceeds available in~~
- (b) authorizing and directing the Receiver to distribute (the "Turuss Distribution") the residual sale proceeds in the receivership estate (the "Residual Sale Proceeds"), net of the Fee Holdback (as defined herein), to the Turuss' bank account held with Royal Bank of Canada, as described in the Ninth Report (the "Turuss Bank Account");
- (c) approving the fees and disbursements of the Receiver as set out in the affidavit of Jerry Henechowicz sworn July 6, 2022, the fees and disbursements of the Receiver's counsel, Dentons Canada LLP ("Dentons"), as set out in the affidavit of Robert Kennedy sworn July 8, 2022 (together, the "Fee Affidavits"), and the estimated fees and disbursements to be incurred by the Receiver and Dentons through to completion of the remaining activities in connection with these receivership proceedings, as set out in the Ninth Report (the "Remaining Fees");
- (d) authorizing and directing the Receiver to retain the Fee Holdback;

- (e) approving the Ninth Report, and the estate activities of the Debtor; ~~and~~ Receiver as set out therein;
- (f) approving the final statement of receipts and disbursements dated July 6, 2022 (the "R&D");
- (g) ~~4.~~ discharging [RECEIVER'S NAME] and releasing MNP as Receiver of Turuss, upon the undertaking, property and assets of the Debtor [Receiver filing with the Court a certificate in the form attached hereto as Schedule "A" (the "Receiver's Discharge Certificate"); and

~~5. — releasing [RECEIVER'S NAME] from any and all liability, as set out in paragraph 5 of this Order¹;~~

- (h) such further and other grounds as counsel may advise and this Court may permit;

was heard this day ~~at 330 University Avenue, Toronto, Ontario~~ via videoconference due to the COVID-19 pandemic.

ON READING the Motion Record and the Ninth Report, ~~the affidavits of the Receiver and its counsel as to fees (the "Fee Affidavits")~~, and on hearing the submissions of counsel for the Receiver, and any such other counsel as were present, no one ~~else~~ appearing for any other person on the service list, although properly served as evidenced by appears from the Affidavit of [NAME] Amanda Campbell sworn [DATE] July 8, 2022, filed²; —

SERVICE

1. **THIS COURT ORDERS** that the ~~activities~~ time for service of the ~~Receiver, as set out in~~ Motion Record, Notice of Motion, and the Ninth Report, ~~are~~ is abridged and validated such

¹ ~~If this relief is being sought, stakeholders should be specifically advised, and given ample notice. See also Note 4, below.~~

² ~~This model order assumes that the time for service does not need to be abridged.~~

that this Motion is properly returnable today, and further service of the Motion Record, Notice of Motion, and the Ninth Report is hereby ~~approved~~dispensed with.

DISTRIBUTION

2. THIS COURT ORDERS that the Receiver is authorized and directed to complete the Turuss Distribution (as described in the Ninth Report), and any further distribution(s) of surplus funds received by the Receiver up and until the filing of the Receiver's Discharge Certificate.

RECEIVER'S ACTIVITIES AND FEE HOLDBACK

3. ~~2.~~ THIS COURT ORDERS that: (i) the fees and disbursements ~~of the Receiver and its counsel, as set out in the Report and~~as outlined in the Fee Affidavits, are hereby approved.

~~3. THIS COURT ORDERS that, after payment,~~ (ii) the Remaining Fees are hereby approved and no further approval of the fees and disbursements ~~herein approved,~~of the Receiver or Dentons is required in respect of the Remaining Fees, and (iii) the Receiver ~~shall pay the monies remaining in its hands to [NAME OF PARTY]³~~is hereby authorized to pay any unpaid fees and disbursements.

4. THIS COURT ORDERS that the Receiver is authorized and directed to retain the amount of \$70,000 from the Residual Sale Proceeds (the "Fee Holdback"), which amount shall be held by the Receiver on account of any outstanding fees due and owing to the Receiver and Dentons, and in relation to the Remaining Fees.

5. THIS COURT ORDERS that the Ninth Report, and the activities described therein, are hereby approved.

6. THIS COURT ORDERS that the R&D is hereby approved.

RECEIVER'S DISCHARGE

³~~This model order assumes that the material filed supports a distribution to a specific secured creditor or other party.~~

7. ~~4.~~ **THIS COURT ORDERS** that ~~upon payment of the amounts set out in paragraph 3 hereof [and,~~ upon the Receiver filing ~~a certificate certifying that it has completed the other activities described in the Report],~~ the Receiver's Discharge Certificate, MNP shall be discharged as Receiver ~~of the undertaking, property and assets of the Debtor,~~ provided however, that notwithstanding its discharge herein: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein proceedings, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in ~~this proceeding~~these proceedings, including all approvals, protections and stays of proceedings in favour of ~~[RECEIVER'S NAME]~~MNP in its capacity as Receiver.

8. ~~5.~~ **THIS COURT ORDERS AND DECLARES** that ~~[RECEIVER'S NAME]~~upon the filing the Receiver's Discharge Certificate, MNP is hereby released and discharged from any and all liability that ~~[RECEIVER'S NAME]~~MNP now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of ~~[RECEIVER'S NAME]~~MNP while acting in its ~~capacity~~capacities as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, ~~[RECEIVER'S NAME]~~is MNP shall be hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.⁴

⁴The model order subcommittee was divided as to whether a general release might be appropriate. On the one hand, the Receiver has presumably reported its activities to the Court, and presumably the reported activities have been approved in prior Orders. Moreover, the Order that appointed the Receiver likely has protections in favour of the Receiver. These factors tend to indicate that a general release of the Receiver is not necessary. On the other hand, the Receiver has acted only in a representative capacity, as the Court's officer, so the Court may find that it is appropriate to insulate the Receiver from all liability, by way of a general release. Some members of the subcommittee felt that, absent a general release, Receivers might hold back funds and/or wish to conduct a claims bar process, which would unnecessarily add time and cost to the receivership. The general release language has been added to this form of model order as an option only, to be considered by the presiding Judge in each specific case. See also Note 1, above.

SCHEDULE "A" – DISCHARGE CERTIFICATECourt File No. 20-00646729-00CLONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)B E T W E E N:PILLAR CAPITAL CORP.Applicant- and -TURUSS (CANADA) INDUSTRY CO., LTD.RespondentDISCHARGE CERTIFICATERECITALS

A. Pursuant to an Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated September 18, 2020, MNP Ltd. ("MNP") was appointed as receiver (in such capacity, the "Receiver"), of the assets, undertakings and properties of Turuss (Canada) Industry Co., Ltd. ("Turuss").

B. Pursuant to an Order of the Court dated July 18, 2022 (the "Distribution and Discharge Order"), MNP was discharged as Receiver of Turuss, effective upon the filing by the Receiver with the Court of a certificate certifying that MNP has completed the Remaining Activities (as defined in the Receiver's Ninth Report dated July 8, 2022), provided however that, notwithstanding its discharge: (a) MNP shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein and the Remaining Activities, and (b) MNP shall continue to have the benefit of the provisions

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of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of MNP, in its capacity as Receiver.

C. Capitalized terms not otherwise defined herein shall have the meaning ascribed to that term pursuant to the Distribution and Discharge Order.

THE RECEIVER CERTIFIES the following:

1. The Receiver has paid all amounts required to be paid pursuant to the Distribution and Discharge Order; and
2. The Receiver is satisfied that all Remaining Activities have been completed to the satisfaction of the Receiver.

THIS CERTIFICATE was delivered by the Receiver on _____, 2022.

MNP Ltd., in its capacity as the Court-appointed Receiver and Manager of Turuss (Canada) Industry Co., Ltd. and not in its personal or corporate capacity

Per:

Name:

Title:

PILLAR CAPITAL CORP.

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.

Applicant

Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

DISTRIBUTION AND DISCHARGE ORDER

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| Format changes | 0 |
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PILLAR CAPITAL CORP.
Applicant

- and -

TURUSS (CANADA) INDUSTRY CO., LTD.
Respondent

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

PROCEEDING COMMENCED AT TORONTO

MOTION RECORD
(returnable July 18, 2022)

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