

FORM 87

NOTICE AND STATEMENT OF RECEIVER

Subsection 245(1) and 246(1) of the Bankruptcy and Insolvency Act

IN THE MATTER OF THE RECEIVERSHIP OF

VOG Calgary App Developer Inc.

of the City of Calgary, in the Province of Alberta

THE RECEIVER GIVES NOTICE AND DECLARES THAT:

On December 20, 2023, the Court of King's Bench of Alberta (the "Court") granted an Order (the "Receivership Order") appointing MNP Ltd. as Receiver (the "Receiver") over all of the current and future assets, undertakings and property of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "Assets") of VOG Calgary App Developer Inc. ("VOG" or the "Company"):

A copy of the Receivership Order can be found on the Receiver's website at https://mnpdebt.ca/en/corporate/corporate-engagements/vog

BACKGROUND

VOG was incorporated under the laws of Alberta on July 7, 2014. VOG is in the business of software development. VOG's operations are based in Calgary, Alberta and operated out of its offices located at 214 – 11 Ave SW until immediately prior to the Receivership Order being granted.

On October 21, 2022, Shred Capital Ltd. ("Shred Capital") entered into a Facilities Agreement (the "Facilities Agreement") with VOG. Under the Facilities Agreement, Shred Capital advanced funds to the Company subject to a security agreement over all present and after-acquired personal property of VOG. On November 14, 2022, VOG issued to Leonite Fund I, LP ("Leonite") a secured promissory note to underpin amounts advanced to VOG by Leonite. VOG subsequently granted to Leonite a security interest

MNP LTD

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in all present and after-acquired property of VOG pursuant to a General Security Agreement (the "GSA").

On June 15, 2023, Shred Consulting Ltd. ("Shred Consulting" and together with Shred Capital, "Shred") entered into a Master Services Agreement ("MSA") with VOG to supply consulting and advisory services to the Company.

On November 20, 2023, Shred Capital and Leonite issued Notices of Intention to Enforce Security (the "Notices") pursuant to Section 244 of the *Bankruptcy and Insolvency Act* of Canada to VOG as the Company had defaulted on its financial obligations due to Shred and Leonite.

The balance owed to Shred as of November 20, 2023, was \$712,187.76 CAD with interest and costs continuing to accrue. The balance owed to Leonite as of November 20, 2023, was \$1,818,924.22 CAD (\$1,325,167.00 USD) with interest and costs continuing to accrue.

On November 29, 2023, VOG filed a Notice of Intention to Make a Proposal ("NOI"). VOG made an application to the Court to extend the initial Stay of Proceedings (the "Stay") under the NOI, and this application was heard by the Court on December 20, 2023. Shred and Leonite filed a counter application with the Court on December 20, 2023, to terminate the Stay and appoint a receiver. On December 20, 2023, the Court granted the Receivership Order and terminated the Stay.

The Receiver is currently evaluating whether there are viable customer contracts to complete to support a decision to continue operating the business.

ASSETS

Following its appointment, the Receiver took possession and control of the Assets. The Receiver notes that all of the Assets are subject to registered security interests. The Receiver has not yet obtained a legal opinion as to the validity and enforceability of the underlying security agreements. The equipment recorded on the Company's balance sheet consists primarily of computer hardware and office furniture and fixtures. The Company has one share investment in Karbon X, which is recorded at cost.



Assets	Net Book Value (\$'s)	Estimated Realizable Value (\$'s)		
Cash	\$634,894	\$634,894		
Accounts Receivable	445,926	Unknown		
Prepaid Assets	102,506	Unknown		
Computer Software	409,317	Unknown		
Equipment and Leaseholds	171,898	Unknown		
Share Investment	104,653	Unknown		
Total	\$1,869,194	Unknown		

CREDITORS

The Receivership Order was granted pursuant to an application by Shred and Leonite, who are collectively owed approximately \$2.53 million pursuant to the GSA, Facilities Agreement and the MSA. In addition to Shred and Leonite, the following creditors have registered security interests that appear in searches of the Alberta personal property registry ("PPR"):

- Royal Bank of Canada ("RBC") has a secured charge over all present and after-acquired personal property of the Company (the "RBC Indebtedness"). RBC's security was registered in the PPR on March 12, 2020. The Receiver is advised that the RBC Indebtedness has been fully repaid.
- 2. Porsche Financial Services Canada ("**Porsche**") has security over a specific motor vehicle owned by the Company. The corresponding security was registered in the PPR on July 13, 2022. Porsche is owed approximately \$143,680 on the leased vehicle.
- 3. On Deck Capital Canada, Inc. ("On Deck") has security over all present and after-acquired personal property of the Company, and its security was registered in the PPR on September 22, 2023. On Deck is owed approximately \$222,000.

Secured Party	Assets Secured	Estimated Amounts Owed (\$000's)	
Leonite Fund I, LP Shred Capital Ltd. On Deck Capital Canada, Inc. Porsche Financial Services Canada CRA - Source Deductions CRA - GST Employees - WEPPA Royal Bank of Canada Total	All Assets All Assets All Assets Specific Motor Vehicle All Assets All Assets Current Assets All Assets	\$1,819 555 222 144 340 10 39 Unknown	



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The Receiver has engaged Field Law LLP as its independent legal counsel to provide its opinion on the

validity, enforceability and priority of the secured creditors identified above.

The Receiver terminated all employees of VOG on December 21, 2023, with an effective date of

December 20, 2023. The Receiver is aware of unremitted GST in the approximate amount of \$10,000

and unremitted payroll source deductions in the approximate amount of \$340,000. The Receiver has

identified 35 employees with priority claims totaling approximately \$39,000 that are secured against the

Company's current assets.

In addition to the secured creditors, the books and records of VOG indicate that the Company has

unsecured creditors with claims of approximately \$1.1 million. A listing of known creditors is attached

as Appendix "A".

PLAN OF ACTION

The Receiver is currently in the process of determining the best realization strategy for the Company's

Assets which primarily consist of software development contracts.

The contact person for the Receiver is as follows:

MNP Ltd.

2000, 112 – 4th Avenue SW

Calgary, AB T2P 0H3

rick.anderson@mnp.ca

Attention: Rick Anderson

This Notice is provided for information purposes only. The Receiver has not yet implemented a process to

deal with creditors' claims and, as such, no further action is required by creditors at this time. Further

information with respect to the receivership proceedings will be posted to the Receiver's Website as it

becomes available.

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Dated at Calgary, Alberta this 3rd day of January 2024.

MNP Ltd. in its capacity as Receiver of VOG Calgary App Developer Inc. and not in its personal or corporate

capacity

Victor P. Kroeger, CPA, CA, CIRP, LIT, CFE

Senior Vice President



VOG Calgary App Developer Inc. Vendor List as of Dec 21, 2023

Name	Contact	Street 1	City	Province	Postal Code	Balance Owing
Leonite Fund I, LP		Suite 232, 1 Hillcrest Centre Dr.	Spring Valley	New York	10977	1,818,924.22
Shred Capital Ltd.		2015 Main Street	Vancouver	BC	V5T 3C2	554,885.06
Canada Revenue Agency - Source Deduction	ıs	9755 King George Blvd	Surrey	BC	V3T 5E1	340,363.32
Matrix Solutions Inc.	Angela Gosselin - CFO	Suite 600, 214 - 11 Ave SW	Calgary	Alberta	T2R 0K1	264,201.47
On Deck Capital Canada Inc.		610-1100 Boul Rene-Levesque	Montreal	Quebec	H3B 4N4	221,875.00
Shred Consulting Ltd.		2015 Main Street	Vancouver	BC	V5T 3C2	159,134.43
Porsche Financial Services Canada		150-165 Yorkland Blvd	North York	Ontario	M2J 4R2	143,680.00
Business Development Bank of Canada		Suite 301, 7136 11 St NE	Calgary	AB	T2E 4Y9	104,940.00
Vince O'Gorman		5807 104 St NW	Edmonton	Alberta	T6H 2K4	91,228.09
The Bank of Nova Scotia	c/o Canaccede International	P.O. Box 758 Station B	London	Ontario	N6A 4Y8	67,001.78
2M7 Financial		64 Signet Dr	North York	Ontario	M9L 2Y4	58,107.25
Roman Arekeev		5807 104 St NW	Edmonton	Alberta	T6H 2K4	28,349.97
Timilehin Ogunseye		9, Ilori Close	Lagos			19,584.00
Luis Olvera		5807 104 St NW	Edmonton	Alberta	T6H 2K4	14,583.35
DJG Global Marketing Inc.		P.O. Box 64045 Royal Bank Plaza	Toronto	Ontaio	M5J 2T6	13,650.00
Canada Revenue Agency - GST		9755 King George Blvd	Surrey	BC	V3T 5E1	10,371.43
1148781 B.C. Ltd. dba Inventive Immigration		307-4940-No 3 Road	Richmond	British Columbia	V6X 3A5	8,925.00
Cesar Eduardo Flores Palacios		Calle Londres #2407	Chihuahua		33620	6,625.02
Dafle Cardoso		5807 104 St NW	Edmonton	Alberta	T6H 2K4	5,641.91
Cameron J. G. Bally		#2650, 645 - 7th Ave SW	Calgary	Alberta	T2P 4G8	5,198.55
Joao Paulo Alverenga		Bernardes, 975, Apt 502	Campos dos Go	Rio de Janeiro	28015325	4,856.50
Ethan Livingstone		72 Evansmeade Common Nw	Calgary	Alberta		4,615.68
David Silverberg		1 - 195 Wychwood Avenue	Toronto	Ontario	M6C 2T5	4,181.00
Onyeachonam Chidiebere Daniel		5807 104 St NW	Edmonton	Alberta	T6H 2K4	3,730.64
Thilina Perera		5807 104 St NW	Edmonton	Alberta	T6H 2K4	3,231.12
Mesh		17 Barnard Crt	Ajax	Ontario	L1S 6Z8	2,825.00
1943773 Alberta Ltd.	Paisley Churchill	612 Aurora Place SE	Calgary	Alberta	T2J 1A2	2,200.00
Prikshit Chaudhary		5807 104 St NW	Edmonton	Alberta	T6H 2K4	2,158.91
Jason Ngo		25 Richmond St E	Toronto	Ontario	M5C 0A6	2,146.49
Divya Deep Dalotra		290 Esther Drive	Barrie	Ontario	L4N 0G1	2,076.96
Jose Francisco Rosales Herandez		#223 Contoy Street	Queretaro		76226	1,500.00
Torin Johnson		122 Tuscany Vally Drive NW	Calgary	Alberta	T3L 2C1	1,125.00
Corrine Pelletier		2211 Tuscarora Manor NW	Calgary	Alberta	T3L 2J9	1,102.50
Violeta Elise Garcia Jaramillo		#3428 Sierra Nevada	Chihuahua		31123	1,031.82
Jorge Luis Castillo Armendariz		Calle Western #204	Chihuahua		33620	900.00
Carlos David Flores Lopez		#10 de Junio 4901	Chihuahua		31210	681.82
Samuel Chavez Sierra		5807 104 St NW	Edmonton	Alberta	T6H 2K4	564.82
Revenue Quebec		C.P. 2500 Succursale Place-Desjardin	Montreal	Quebec	H5B 1A3	516.21
GWL Realty Advisors Inc.		700 9 Ave SW	Calgary	Alberta	T2P 3V4	420.00
Ilyas Sadebekov		5807 104 St NW	Edmonton	Alberta	T6H 2K4	211.49
Lloyd Worth		5807 104 St NW	Edmonton	Alberta	T6H 2K4	37.59
Daniel Scheibe		5807 104 St NW	Edmonton	Alberta	T6H 2K4	36.83
Daniel Jukes	Miles Davison LLP	517 10 Ave SW #900	Calgary	Alberta	T2R 0A8	1.00
Borden Ladner Gervais LLP		1900-520 3 Ave SW	Calgary	Alberta	T2P 0R3	1.00
RBC Royal Bank		P.O. Box 57100	Etobicoke	Ontario	M8Y 3Y2	1.00
Alberta Finance	Alberta Innovates	9811-109 Street	Edmonton	Alberta	T5K 2L5	1.00
Ceridian Power Pay		3311 East Old Shakopee Road	Minneapolis	Minnesota	55425-1640	1.00
Gustavo Ross		5807 104 St NW	Edmonton	Alberta	T6H 2K4	1.00
Peninsula Employment Services		200-123 Front St W	Toronto	Ontario	M5J 2M2	1.00
Avease Corp.		200 191 Saskatchewan Drive	Regina	Saskatchewan	S4P 4H2	1.00
Force One Marketing Corp.		215 Spadina Ave 4th Floor	Toronto	Ontario	M5T 2C7	1.00
Employees		5807 104 St NW	Edmonton	Alberta	T6H 2K4	208,753.15