

Court File No. CV-22-00692309-00CL

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

B E T W E E N:

PRICEWATERHOUSECOOPERS INC.

(solely in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and
certain related entities and investment funds)

Applicant

- and -

**2305145 ONTARIO INC. (formerly SKYMARK FINANCE CORPORATION)
and MERK INVESTMENTS LTD.**

Respondents

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

**THIRD REPORT OF THE RECEIVER
FEBRUARY 15, 2024**

TABLE OF CONTENTS

1.0	INTRODUCTION	2
2.0	TERMS OF REFERENCE AND DISCLAIMER	7
3.0	BACKGROUND.....	9
4.0	THE MAHAL AND GOLDEN MILES LOANS & THE ORR SETTLEMENT.....	13
5.0	THE INDUSTRIAL ROAD LOAN	18
6.0	THE UK PROPERTY LOAN	20
7.0	THE 258 LOAN	22
8.0	ORR LITIGATION & PRODUCTION ORDER.....	25
9.0	CONSUMER PORTFOLIO SALE TRANSACTION UPDATE	27
10.0	RECEIVER'S ACTIVITIES SINCE THE DATE OF THE SECOND REPORT	30
11.0	PROFESSIONAL FEES	33
12.0	RECEIVER'S RECEIPTS AND DISBURSEMENTS	35
13.0	CONCLUSION AND RECOMMENDATION.....	37

INDEX TO APPENDICES

Appendix A – Second Report of the Receiver dated September 15, 2023

Confidential

Appendix B – Orr Settlement Agreement and Release dated as of January 24, 2024

Confidential

Appendix C – FIJ Settlement Agreement and Release dated as of February 14, 2024

Appendix D – Bridging Assignment Agreement dated as of February 15, 2024

Appendix E – Responding Production Order

Appendix F – Affidavit of Greg Karpel sworn February 13, 2024

Appendix G – Affidavit of Dylan Chochla sworn February 14, 2024

1.0 INTRODUCTION

- 1.1 This third report (“**Third Report**”) is filed by Alvarez & Marsal Canada Inc. (“**A&M**”) in its capacity as Court-appointed receiver and manager (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties (the “**Property**”, or the “**Assets**”) of each of 2305145 Ontario Inc. (formerly Skymark Finance Corporation) (“**Skymark**”) and Merk Investments Ltd. (“**Merk**”, and together with Skymark, the “**Companies**”).
- 1.2 Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated March 6, 2023 (the “**Appointment Order**”), A&M was appointed Receiver of the Property.
- 1.3 The first report of the Receiver dated May 17, 2023 (the “**First Report**”) was filed in support of the Receiver’s motion seeking an order, among other things, approving a sale and investment solicitation process (the “**SISP**”) to market for sale all or a portion of the Assets of Skymark, which Assets included its portfolio of loans and leases to consumer borrowers for home renovations, water systems, HVAC systems and smart home improvements (the “**Consumer Portfolio**”).
- 1.4 On May 25, 2023, the Court issued an order (the “**SISP Approval Order**”), among other things, approving and authorizing the SISP and authorizing and directing the Receiver to perform its obligations thereunder, both as detailed in the sale process attached as Schedule “A” to the SISP Approval Order filed previously with this Court.

1.5 The second report of the Receiver dated September 15, 2023 (the “**Second Report**”), without appendices is attached hereto as **Appendix “A”**. The Second Report was filed in support of the Receiver’s motion seeking:

- a) an order (the “**Approval and Vesting Order**”), among other things:
 - i. approving a sale transaction (the “**Sale Transaction**”) for the Consumer Portfolio and certain related assets (collectively, the “**Purchased Assets**”), and authorizing and approving the execution of an asset purchase agreement dated as of August 23, 2023 (the “**APA**”) by the Receiver and 5051802 Ontario Inc. (the “**Purchaser**”);
 - ii. vesting in the Purchaser the right, title and interest of the Receiver and Skymark in and to the Purchased Assets, free and clear of and from any and all claims and encumbrances, upon delivery by the Receiver of a Receiver’s certificate to the Purchaser confirming that all conditions to closing in the APA have either been satisfied or waived by the Receiver (the “**Receiver’s Certificate**”);
 - iii. authorizing and directing the Receiver, upon filing the Receiver’s Certificate, to complete, execute and file articles of amendment on behalf of Skymark to change the name of Skymark to 2305145 Ontario Inc.; and
 - iv. sealing Confidential Appendices “C” and “E” to the Second Report subject to further order of the Court; and
- b) an order (the “**Ancillary Relief Order**”), among other things:

- i. approving the Second Report and the conduct and activities of the Receiver described therein;
- ii. approving the Receiver's statement of receipts and disbursements for the period March 6 to September 8, 2023, as set out in the Second Report; and
- iii. approving the fees and disbursements of the Receiver and its legal counsel Fasken Martineau DuMoulin LLP ("**Fasken**") as set out in the Affidavit of Greg Karpel sworn September 15, 2023, and the Affidavit of Stuart Brotman affirmed September 15, 2023, respectively.

1.6 On September 26, 2023, the Court issued the Approval and Vesting Order and the Ancillary Relief Order.

1.7 This third report of the Receiver (the "**Third Report**") is filed in support of the Receiver's motion (the "**Settlement Approval Motion**") seeking an order (the "**Settlement Approval Order**"), among other things:

- a) approving the Orr Settlement (as defined herein) as agreed to in minutes of settlement dated as of January 24, 2024 (the "**Orr Settlement Agreement**") and the accompanying mutual full and final release (the "**Orr Release**");
- b) approving the Industrial Road Loan Settlement (as defined herein) as agreed to in minutes of settlement dated as of February 14, 2024 (the "**FIJ Settlement Agreement**") and the accompanying mutual full and final release (the "**FIJ Release**");

- c) approving the Bridging Assignment (as defined herein) as agreed to in an assignment and assumption agreement dated as of February 15, 2024 (the “**Bridging Assignment Agreement**”) pursuant to which the Receiver has agreed to assign its interest in a loan made by Skymark to 2581150 Ontario Inc. (“**258**”) to the Bridging Receiver (as defined herein), in consideration of a release from the Bridging Receiver of claims it has against Skymark in respect of a substantially similar loan that Bridging advanced to Skymark;
- d) sealing, subject to further order of the Court, copies of the Orr Settlement Agreement, the Orr Release, the FIJ Settlement Agreement, and the FIJ Release, which will be filed as **Confidential Appendices “B”** and **“C”** to this Third Report, respectively;
- e) declaring that the Receiver shall be entitled to payment of its reasonable fees and disbursements in connection with complying with an order sought by 7539088 Canada Inc. and 1989474 Ontario Inc. (together, the “**Orr Plaintiffs**”) to lift the stay of proceedings in this receivership to require the Receiver, on a best efforts basis, to produce certain documents and records of Skymark and Merk to be used by the Orr Plaintiffs in an action they have commenced against Skymark, Merk, and other defendants, in the Ontario Superior Court of Justice (Commercial List) bearing court file number CV-22-00686234-00CL (the “**Orr Action**”), and a related action bearing Court File No. CV-23-00702641-00CL (the “**Related Action**”);

- f) approving this Third Report and the conduct and activities of the Receiver described herein;
- g) approving the Receiver's statement of receipts and disbursements for the period March 6, 2023 to February 5, 2024, as set out in this Third Report;
- h) approving the fees and disbursements of the Receiver and Fasken as set out in the Karpel and Chochla Affidavits (both defined herein); and
- i) such further and other relief as this Court may deem just.

2.0 TERMS OF REFERENCE AND DISCLAIMER

- 2.1 In preparing this Third Report, the Receiver has relied upon unaudited financial information, books and records and other documents provided by the Companies and discussion with management (collectively, the “**Information**”).
- 2.2 The Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CASs**”) pursuant to the *Chartered Professional Accountants Canada Handbook*, and accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CASs in respect of the Information.
- 2.3 Future-oriented financial information referred to in this Third Report was prepared based on estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections. Even if the assumptions materialize, the variations in such future-oriented financial information could be significant.
- 2.4 This Third Report has been prepared to provide the Court with general information and an update regarding these receivership proceedings (the “**Proceedings**”) and to assist the Court in deciding whether to grant the Settlement Approval Order. This Third Report should not be relied upon for any other purpose or by any other person. The Receiver shall not be held

responsible for any losses or liability incurred as a result of the circulation, publication, reproduction or use of this Third Report contrary to the provisions of this paragraph.

- 2.5 Unless otherwise stated, all monetary amounts contained in this Third Report are expressed in Canadian dollars.

3.0 BACKGROUND

- 3.1 The background in respect of the Companies, as well as a description of the activities and circumstances leading to the appointment of the Receiver are contained in the application record filed by PricewaterhouseCoopers Inc. (“**PWC**”) as receiver and manager (in such capacity, the “**Bridging Receiver**”) of Bridging Finance Inc. and certain related entities and investment funds (collectively “**Bridging**”), in particular, the affidavit of Christine Sinclair (the “**Sinclair Affidavit**”) which was filed by PWC in support of its application to appoint the Receiver (collectively, the “**PWC Application Record**”).
- 3.2 The primary business of Skymark was providing financing and leasing to consumer borrowers for home renovations, water systems, HVAC systems and smart home improvements. Each of these loans and leases comprising the Consumer Portfolio were generally secured by a Notice of Security Interest (“**NOSI**”) registered by Skymark on title against the real property on which the financed/leased equipment is located.
- 3.3 In addition to the Consumer Loans, the known assets of Skymark include ‘non-core’ loans made to third-parties outside of Skymark’s primary business. These non-core loans are categorized and described as follows:
- a) **The Mahal Loans** – consisting of three loans with a combined principal value of approximately \$20 million that Skymark advanced to Mahal Venture Capital Inc. (“**MVCI**”) to purchase real property municipally known as 155 Adams Boulevard, Brantford ON (the “**Mahal Property**”) as well as the construction of a flour mill (collectively, the “**Mahal Loans**”). The Mahal Loans are each secured by

mortgages on the Mahal Property. While Skymark continued to administer the mortgages, it transferred portions of the participating interests in the mortgages to various other lenders. As described below, the Mahal Loans are the subject of another receivership proceeding defined herein as the MVCI/Golden Miles Receivership Proceedings;

- b) **The Golden Miles Loans** – comprised of five loans (the “**Golden Miles Loans**”) made by Skymark to Golden Miles Food Corporation (“**Golden Miles**”), a company related to MVCI, to finance the purchase of equipment required in the operation of the above referenced flour mill. The combined principal amount of the Golden Miles Loans is \$8,481,950. The Golden Miles Loans are secured against the financed equipment and two of them are also secured by a mortgage on the Mahal Property. As described below, the Golden Miles Loans are the subject of another receivership proceeding defined herein as the MVCI/Golden Miles Receivership Proceedings;
- c) **The Industrial Road Loan** – \$1.2 million advanced by Skymark (the “**Industrial Road Loan**”) to third-party borrowers (the “**Industrial Road Borrowers**”) to fund a standby letter of credit to be issued to the Ontario Ministry of Finance (the “**Ministry**”) as security in favour of the Ministry for Tobacco Tax Registration Certificates and ongoing tax obligations, to be drawn upon in the event that the Industrial Road Borrowers failed to make payment to the Ministry of required taxes or permit fees. The Industrial Road Loan was secured by liens in respect of certain

farm equipment and a mortgage in respect of real property located on Industrial Road in Delhi, Ontario (the “**Industrial Road Property**”);

- d) **The UK Property Loan** – in July 2018, Skymark advanced a loan in the amount of GBP 780,000 (CAD 1.365 million) (the “**UK Property Loan**”) to one of the directors of Skymark and his spouse (together, the “**UK Borrowers**”) for the purpose of acquiring a property located in Reading, United Kingdom (the “**UK Property**”). The UK Property Loan is secured by a mortgage in favour of Skymark against the UK Property (the “**UK Mortgage**”). The UK Property Loan and the UK Mortgage are governed by English law; and
- e) **The 258 Loan** – a loan (the “**258 Loan**”) made pursuant to the terms of a letter agreement dated as of July 7, 2017 (as may have been amended, supplemented, restated, replaced or otherwise modified, the “**258 Credit Agreement**”) by Skymark to 258, a company related to Skymark. The 258 Loan was made in connection with the acquisition by 258 of certain assets of Thomas Canning (Maidstone) Limited and 692194 Ontario Limited (together, the “**Thomas Canning Entities**”). The 258 Loan is secured by, among other security, mortgages registered in favour of Skymark on title to certain real property that 258 acquired from the Thomas Canning Entities.

3.4 Each of the above listed non-core loans, as well as the Receiver’s recovery efforts related to same, is described in further detail below.

- 3.5 Additional background information regarding the Companies, the Assets and the Companies' obligations to Bridging and other creditors is provided in the First Report and the Second Report.
- 3.6 The PWC Application Record, the First Report, the Second Report and other Court-filed documents, notices and orders in these Proceedings have been posted to the Receiver's case website at www.alvarezandmarsal.com/skymark (the "**Case Website**").

4.0 THE MAHAL AND GOLDEN MILES LOANS & THE ORR SETTLEMENT

Background

- 4.1 As the Receiver has discussed in its previous Court reports, on application by Skymark and pursuant to an order issued on October 1, 2021, the Court appointed KSV Restructuring Inc. (“**KSV**”) as receiver and manager (the “**Mahal Receiver**”) of the assets, undertakings and properties of MVCI and Golden Miles owned or used in connection with a flour mill located on the Mahal Property (the “**MVCI/Golden Miles Receivership Proceedings**”).
- 4.2 On November 15, 2021, the Mahal Receiver filed an assignment in bankruptcy on behalf of MVCI and Golden Miles under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, pursuant to which KSV was appointed as the trustee in bankruptcy of MVCI and Golden Miles (the “**Bankruptcy**”).
- 4.3 On April 11, 2022, the Court granted an order approving the sale of all or substantially all of the assets of MVCI and Golden Miles to 12175622 Canada Inc. That sale (the “**Mahal Transaction**”) closed on May 18, 2022, for aggregate net proceeds of \$18.47 million.
- 4.4 As outlined in the Fifth Report to Court of the Mahal Receiver dated August 15, 2023, after accounting for accrued costs, the Mahal Receiver was holding \$16.7 million of proceeds from the Mahal Transaction. Approximately \$15 million of this was allocated to the Mahal Property (the “**Mahal Net Proceeds**”) and approximately \$1.7 million was allocated to the personal property owned by Golden Miles (the “**Personal Property Net Proceeds**”).
- 4.5 On August 23, 2023, the Mahal Receiver obtained an order (the “**Mahal Distribution Order**”) authorizing certain distributions to creditors from the Mahal Net Proceeds and the

Personal Property Net Proceeds, including the following distribution to the Receiver (on behalf of Skymark) totaling \$5,364,556 comprised of: (a) \$5,097,556 from the Mahal Net Proceeds; (b) \$247,000 from the Personal Property Net Proceeds; and (c) \$20,000 in respect of Skymark's costs in connection with a priority dispute in respect of the Personal Property Net Proceeds that was decided in favour of the Mahal Receiver and Skymark. The distribution was remitted to the Receiver on August 24, 2023.

- 4.6 The Mahal Distribution Order also contemplated various holdback amounts that are the subject of priority disputes involving Skymark, including: (a) \$3,650,000 (the “**198Co Holdback**”) in respect of amounts 1989474 Ontario Inc. (“**198Co**”) alleges should be paid to it, in priority to Skymark, as a result of a purported trust declaration pursuant to which 198Co alleges Merk and/or Skymark agreed to hold a portion of a mortgage that Skymark held against the Mahal Property in trust for 198Co (the “**Orr Priority Claim**”); and (b) \$1,047,826 (the “**KLN Holdback**”) in respect of amounts KLN Holdings Inc. (“**KLN**”) alleges should be paid to it, in priority to Skymark, as a result of an alleged transfer of a portion of a mortgage that Skymark held against the Mahal Property to KLN.

The 198Co Holdback and the Proposed Orr Settlement

- 4.7 198Co is a company owned or controlled by Michael Orr. As described in the Second Report, in addition to the Orr Priority Claim, 198Co and 7539188 Canada Inc. (together, the “**Orr Plaintiffs**”) are plaintiffs in the Orr Action and Related Action commenced against Skymark and Merk, among other defendants, including the principals of the Companies, asserting various claims in respect of a number of mortgages that were purportedly held in trust by Skymark or Merk for the Orr Plaintiffs (the “**Orr Claim**”).

- 4.8 The Receiver and its legal counsel have held numerous meetings with the Orr Plaintiffs' legal counsel with respect to the alleged trust claims being advanced by the Orr Plaintiffs and the possible resolution of those claims. Those discussions have culminated in a settlement agreement (the "**Orr Settlement**") in respect of the 198Co Holdback, whereby the Receiver (on behalf of Skymark and Merk) and the Orr Plaintiffs have agreed to settle all issues, claims and counterclaims existing between them, including, without limiting the generality of the foregoing, the matters raised in the Orr Priority Claim, the Orr Claim, or any related priority claim that may be asserted in these Proceedings and any possible claims for interest, costs, taxes or set-off amounts.
- 4.9 The terms of the Orr Settlement Agreement are confidential. A copy of each of the Orr Settlement Agreement and the Orr Release are provided in **Confidential Appendix "B"**. The Receiver is seeking an order sealing the Confidential Appendix in the Court file.
- 4.10 The effectiveness of the Orr Settlement is subject to Court approval in these Proceedings, as well all as the issuance of a Court order in the MVCI/Golden Miles Receivership Proceedings approving the respective distributions from the 198Co Holdback to the Orr Plaintiffs and the Receiver in the amounts specified in the Orr Settlement Agreement.
- 4.11 The Receiver has advised the Mahal Receiver of the settlement and understands that, in due course, the Mahal Receiver will be seeking an order in MVCI/Golden Mile Receivership Proceedings approving the distribution of the 198Co Holdback to the Receiver and the Orr Plaintiffs as contemplated in the Orr Settlement Agreement.

4.12 In the Receiver's view, the Orr Settlement represents a reasonable compromise among the Orr Plaintiffs and the Receiver, which will result in funds flowing to the estate and a resolution of all claims that the Orr Plaintiffs have asserted against Skymark and Merk, including those claims asserted in the Orr Claim. The Receiver understands that the Orr Plaintiffs will continue to pursue the Orr Claim against the other defendants in the Orr Action and Related Action.

The KLN Holdback

4.13 On a number of occasions, Skymark transferred to KLN portions of mortgages it had registered on title to the Mahal Property as security for loans that KLN made to Skymark. In the days prior to the Mahal Receiver seeking the Mahal Distribution Order, the former principals of Skymark provided the Receiver with certain documents and records which suggest, on the face of the documents, that funds allegedly advanced by KLN to Skymark in respect of one of the mortgage transfers had been repaid by Skymark.

4.14 The former principals of Skymark have asserted that the transfer of a portion of the mortgage to KLN should not have been registered on title to the Mahal Property as the underlying debt obligation had been repaid. KLN denies that this payment was connected to the transfer of the mortgage at issue and has asserted that it relates to a different loan that existed among the parties. As a result of these developments, the Mahal Receiver agreed to hold back the funds at issue from its distribution, which is defined herein as the KLN Holdback.

4.15 The Receiver and its legal counsel have requested that KLN's legal counsel provide it with documents in support of its position that the amounts advanced in respect of the mortgage

transfer remain outstanding. To date, the Receiver has not received any relevant supporting documents in response to its request.

- 4.16 While the Receiver intends to continue its discussions with KLN in the hopes of reaching a consensual resolution of the KLN Holdback issue, there is a possibility that the parties will be unable to reach an agreement. For this reason, the Receiver's counsel, the Mahal Receiver's counsel and counsel to KLN are in the process of confirming their availability for a hearing in April to determine the entitlement to the KLN Holdback.

The Remaining Personal Property Net Proceeds

- 4.17 Following the distributions authorized by the Mahal Distribution Order, the Mahal Receiver continues to hold approximately \$1.3 million of the Personal Property Net Proceeds which are unencumbered, and which the Receiver understands will be subject to a distribution in the Bankruptcy by the Trustee. The Trustee has advised that it will provide the Receiver with a proof of claim package in due course.

5.0 THE INDUSTRIAL ROAD LOAN

- 5.1 As described in the First and Second Reports, in May 2016, the Industrial Road Borrowers defaulted on the Industrial Road Loan. Skymark subsequently commenced mortgage enforcement proceedings (the “**Mortgage Action**”) resulting in the sale of the Industrial Road Property under power-of-sale for net proceeds of approximately \$425,000. Those proceeds were paid to Skymark and applied to reduce the outstanding balance under the Industrial Road Loan to approximately \$775,000, excluding accrued interest which remained outstanding as of the date of the Appointment Order.
- 5.2 In July 2017, Skymark commenced an action (the “**Damages Action**”) seeking damages from the Industrial Road Borrowers and their legal counsel and Skymark’s legal counsel in the Mortgage Action, alleging, among other things, negligence in the disbursement of funds to the Industrial Road Borrowers, which funds were supported by a letter of credit that otherwise formed part of Skymark’s security in respect of the Industrial Road Loan and which Skymark alleged should have been paid to it.
- 5.3 Skymark, through its legal counsel in the Damages Action (“**Damages Counsel**”), negotiated a settlement with one of the defendants in the Mortgage Action and the Damages Action for the purpose of allowing Skymark to initiate power of sale proceedings to sell the Industrial Road Property.
- 5.4 Subsequently counsel for the defendants in the Damages Action brought a motion to stay the Damages Action alleging that the settlement of the Mortgage Action was not disclosed in a

timely manner. The motion was granted and the Damages Action was stayed. The order staying the Damages Action against those defendants was upheld on appeal.

- 5.5 The Receiver and its legal counsel have been in contact with the insurer for Damages Counsel in respect of these matters related to the Industrial Road Loan and Skymark's potential claim in respect of the remaining unrealized balance of same.
- 5.6 The Receiver has agreed to a settlement of its claims against Damages Counsel and has entered into the FIJ Settlement Agreement and FIJ Release. The settlement is conditional upon approval of the Court.
- 5.7 The terms of the FIJ Settlement Agreement are confidential. A copy of each of the FIJ Settlement Agreement and the FIJ Release are provided in **Confidential Appendix "C"**. The Receiver is seeking an order sealing the Confidential Appendix in the Court file.
- 5.8 In the Receiver's view, the Industrial Road Settlement represents a reasonable compromise of the claims against Damages Counsel, and will result in a recovery to the estate without the costs or risks associated with pursuing an action against Damages Counsel through the courts.

6.0 THE UK PROPERTY LOAN

- 6.1 As described above, in July 2018, Skymark advanced a loan to one of the UK Borrowers for the purpose of acquiring the UK Property.
- 6.2 The Receiver has calculated that, excluding the non-cash adjustments and including interest from inception, the outstanding balance of the UK Property Loan as at July 25, 2023 was CAD 1,926,271 (GBP 1,138,524). The Receiver has determined, based on its review of the accounting records of Skymark, that: (a) the UK Borrowers have defaulted on the UK Property Loan; (b) the UK Borrowers have not made any of their required monthly payments since the inception of the UK Property Loan (although three (3) lump sum payments totaling CAD 82,500 were made during the two-month period leading up to these Proceedings); and (c) all other amounts that were purportedly applied to reduce the balance of the UK Property Loan were non-cash accounting adjustments.
- 6.3 In discussions with the Receiver, the UK Borrowers have claimed that the amount owing under the UK Property Loan has been repaid in full, primarily through intercompany transfers, forgiveness of shareholder loans, and set-off for services provided by one of the borrowers (a director of Skymark) to Skymark.
- 6.4 The Receiver has engaged legal counsel in the United Kingdom, Blake Morgan LLP (“**Blake Morgan**”) to assist in enforcing amounts owing under the UK Property Loan agreement.
- 6.5 On July 26, 2023, on behalf of the Receiver, Blake Morgan issued a formal demand (“**Demand**”) under the UK Property Loan requiring re-payment in full of the outstanding

balance by August 2, 2023, failing which the Receiver would exercise its enforcement rights under the UK Property Loan agreement.

6.6 Since the issuance of the Demand, the Receiver and/or Blake Morgan have had numerous communications with the UK Borrowers and their UK legal counsel; however, the disagreement between the parties in respect of whether non-cash adjustments constitute repayments under the UK Property Loan agreement remains.

6.7 Accordingly, the Receiver has instructed Blake Morgan to bring a dispute in the United Kingdom under Part 8 of the Civil Procedure Rules to determine the limited issue of whether the UK Property Loan has been varied to allow repayment by set-off as is alleged by the UK Borrowers and, consequently, whether the UK Property Loan remains outstanding.

6.8 As of the date of this Third Report, Blake Morgan, with the Receiver's assistance, is in the process of preparing the necessary documents to bring the Part 8 Dispute.

6.9 The Receiver is also engaged in discussions with the UK Borrowers to explore whether a consensual resolution to the dispute may be available. As of the date hereof, those discussions are ongoing.

7.0 THE 258 LOAN

- 7.1 As summarized in the Second Report, pursuant to a term sheet dated as of July 7, 2017, Bridging advanced a loan in the aggregate principal amount of \$21 million (the “**Additional Loan**”) to Skymark, the purpose of which was to fund the 258 Loan.
- 7.2 As security for its obligations under the Additional Loan, Skymark executed and delivered a security agreement to Bridging pursuant to which it granted to Bridging a security interest over all of its personal property.
- 7.3 As guarantor of the 258 Loan (the “**Guarantor**”), Santokh Mahal issued a promissory note dated as of June 2, 2017, in favour of Skymark (the “**258 Promissory Note**”) which, together with other security documents issued by 258 under the 258 Loan, are referred to herein collectively as the “**258 Security Documents**”.
- 7.4 As reported in the Second Report, the Additional Loan, the 258 Loan, 258’s acquisition of assets from the Thomas Canning Entities, and the various obligations under the relevant loan and security agreements, are the subject of multi-party litigation among Bridging, 258, the Thomas Canning Entities, and Skymark.
- 7.5 As set forth in the Sinclair Affidavit and in the recitals to the Bridging Assignment Agreement, the Bridging Receiver understands from: (a) discussions with Paul Millar (the sole director of the Borrower and a director of Skymark) and certain former employees of Bridging; (b) the books and records of Bridging; and (c) the course of conduct of Bridging, Skymark, and 258 (including the historical payments made by 258 directly to Bridging under the 258 Credit Agreement) that the 258 Credit Agreement and 258 Security Documents

(together, the “**Assigned Documents**”) were assigned by Skymark to Bridging prior to the appointment of the Bridging Receiver and the Receiver (the “**Original Assignment**”).

- 7.6 Based on the foregoing, the Bridging Receiver has formed the view that: (a) the Assigned Documents and all indebtedness evidenced thereby constitute Property (as defined in the Bridging Appointment Orders) of Bridging; (b) 258 is directly indebted to Bridging under the Assigned Documents (not to Skymark); and (c) Skymark has no continuing indebtedness or obligations to Bridging under the Additional Loan or the Assigned Documents.
- 7.7 The books and records of Bridging and Skymark do not contain a written agreement reflecting the Original Assignment. As such, the Bridging Receiver and the Receiver wish to enter into an agreement whereby the Receiver will sell and assign its interest in the 258 Loan to the Bridging Receiver (the “**Bridging Assignment**”) pursuant to the terms and conditions of the Bridging Assignment Agreement in order to document and formalize the Original Assignment. The Bridging Assignment Agreement is attached hereto as **Appendix “D”**.
- 7.8 The Receiver is of the view that even if the Original Assignment was not made, or was not valid and enforceable for any reason, the Bridging Assignment is a desirable outcome and should be entered into because of its positive impact on the estate; specifically:
- a) the Bridging Assignment Agreement provides, among other things, that the Receiver will assign, and the Bridging Receiver will assume, Skymark’s rights and obligations under the 258 Credit Agreement and 258 Security Documents (together, the “**Assigned Documents**”), and the Bridging Receiver will in turn

release the Receiver from all of Skymark's indebtedness and obligations under the Additional Loan;

- b) in essence, rather than have the Receiver enforce the 258 Loan and remit those proceeds to Bridging in repayment of amounts owing under the Additional Loan, the parties have agreed that it would be more efficient to simply assign Skymark's rights under the 258 Loan and the 258 Security to the Bridging Receiver so that it can take carriage of the enforcement; and
- c) the impact to the Skymark estate is neutral because the Bridging Receiver has agreed to release its claims against Skymark for amounts owing under the Additional Loan.

7.9 The effectiveness of the Bridging Assignment Agreement is conditional upon approval of the Court.

7.10 As previously reported, the Receiver has obtained an opinion from its legal counsel that, subject to customary assumptions and qualifications, the security held by Bridging is valid and enforceable.

8.0 ORR LITIGATION & PRODUCTION ORDER

- 8.1 As described in the First Report and Second Report, prior to the Appointment Order, Justice Osborne issued an order, among other things, requiring the defendants in the Orr Claim to provide certain documentary productions to the Orr Plaintiffs (the “**Production Order**”). The Production Order was appended to the First Report.
- 8.2 While the Orr Claim is stayed against Skymark and Merk as a result of the Appointment Order, and is to be released as against Skymark and Merk pursuant to the Orr Settlement, the underlying litigation in the Orr Action and Related Action against the other defendants will continue.
- 8.3 The Receiver and its legal counsel have continued to engage with legal counsel for the Orr Plaintiffs to develop the appropriate process for the Receiver to provide the Orr Plaintiffs with certain documents they seek under the Production Order. The Receiver and the Orr Plaintiffs have agreed to a form of order (the “**Responding Production Order**”) which provides: (a) that the Receiver will, on a best-efforts basis, provide to the Orr Plaintiffs copies of all Skymark and Merk bank statements available to the Receiver for the period from December 1, 2014 to August 31, 2022; and (b) for the lifting of the stay in these Proceedings as it applies to the Orr Plaintiffs for the purpose of permitting the relief sought in the Responding Production Order. A copy of the Responding Production Order is attached as **Appendix “E”**.

- 8.4 The Receiver understands that the Orr Plaintiffs will bring a motion, returnable on the date of the Receiver's motion, to seek the Responding Production Order. The Receiver has confirmed that it is prepared to consent to the Orr Plaintiffs' motion.
- 8.5 While the Receiver and the Orr Plaintiffs have agreed to substantially all of the provisions in the Responding Production Order, they have been unable to agree on which party will bear the cost of complying with the Responding Production Order.
- 8.6 In the Receiver's view, the costs associated with complying with the Responding Production Order should be borne by the Orr Plaintiffs, rather than the estate. The production request is for the sole benefit of the Orr Plaintiffs and, in the Receiver's view, is not a cost that should be passed along to the other creditors.
- 8.7 The Receiver and the Orr Plaintiffs will seek the Court's assistance in resolving this limited issue.

9.0 CONSUMER PORTFOLIO SALE TRANSACTION UPDATE

Background

9.1 During the summer of 2023, the Receiver conducted a Court-approved SISP for the Skymark business. Ultimately, the Receiver entered into an APA for the sale of the Consumer Portfolio and related assets, and the Sale Transaction was approved by the Court on September 26, 2023.

Closing of the Sale Transaction

9.2 The Sale Transaction closed effective September 29, 2023 (“**Closing**”). On Closing, the Receiver delivered the Receiver’s Certificate to the Purchaser and subsequently filed it with the Court.

9.3 On Closing, the Purchaser remitted the amounts required to be paid under the APA to be credited towards the minimum amounts payable under the Vendor Take-Back Note (as defined herein) for the first three (3) months following Closing.

9.4 The Purchaser did not assume any of Skymark’s employees. Accordingly, all of Skymark’s employees have been terminated.

Post-Closing Activities Related to the Sale Transaction

9.5 To ensure an orderly transition of the business to the Purchaser with minimal disruption, and to assist the Purchaser in completing the reporting and payment requirements contemplated by the APA, the Receiver carried out certain transition related activities at the request of the Purchaser, including:

- a) maintaining Skymark's bank account at The Toronto-Dominion Bank (the "**TD Bank Account**") for the purpose of reporting and collecting monthly lease and loan payments (the "**Consumer Loan Payments**") made by consumer debtors through automated electronic funds transfers ("**EFTs**") during a transition period to allow for the uninterrupted collection of EFT payments while the Purchaser made the necessary arrangements with its bank;
- b) preparing and submitting the bi-monthly billing reports for loans and leases in respect of which EFT payments are made by consumer debtors for the post-Closing period up to November 20, 2023; and
- c) continuing to collect amounts from Enbridge in respect of payments made by consumer debtors with accounts administered by Enbridge on behalf of Skymark (net of administration fees) in the Receiver's trust account and reconciling, reporting and remitting such payments to the Purchaser while the Purchaser worked with Enbridge to arrange for a transition. The final Enbridge deposit for the benefit of the Purchaser was made to the Receiver's trust account on December 4, 2023.

9.6 The Purchaser has now made the necessary arrangements to facilitate the continued collection of the monthly lease and loan payments, and the Receiver's transition-related activities are no longer required.

Purchaser Reporting and Ongoing Remittances

9.7 As described in the Second Report, pursuant to the terms of the APA, the Purchaser acquired the Consumer Portfolio in exchange for an interest free promissory note (the "**Vendor Take-Back Note**") with payment terms over a forty-eight (48) month term.

- 9.8 The APA provides for, among other things, certain monthly and other regular reporting to the Receiver in respect of collections and the Consumer Portfolio. Monthly payments against the outstanding balance of the Vendor Take-Back Note are to be calculated in accordance with the methodology outlined in the APA (the “**Payment Methodology**”) and remitted to the Receiver.
- 9.9 The Payment Methodology also provides for payments to be made against a segregated interest-bearing account in the Receiver’s name (including interest thereon, the “**Reserve Account**”) established to fund any shortfall in the Threshold Amount (the minimum monthly payment amount required under the APA) in months in which collections are less than the Threshold Amount.
- 9.10 As at the date of this Third Report, the Purchaser is in compliance with all of the reporting and payment obligations under the APA and Vendor Take-Back Note. Payments made by the Purchaser to date in respect of the Vendor Take-Back Note and the Reserve Account balance are provided in Section 12.0.

10.0 RECEIVER'S ACTIVITIES SINCE THE DATE OF THE SECOND REPORT

General Overview

10.1 In addition to those activities described throughout this Third Report, the Receiver's activities since the date of the Second Report have included the following:

- attending the Court hearing held on September 26, 2023, regarding the motion seeking the Approval and Vesting Order and Ancillary Relief Order;
- continuing to carry out the Receiver's duties and responsibilities in accordance with the Appointment Order, including overseeing the Companies' operations and addressing customer and vendor issues until the Closing of the Sale Transaction, and controlling the receipts and disbursements;
- working with its legal counsel to file upon Closing, all necessary amendments, security interests, notices of security interest, registrations and other interests filed in any land registry, land titles or governmental registry system relating to Skymark's interest in respect of any outstanding loans or accounts receivable that are not Purchased Assets, and other documents associated with the name change provisions of the APA;
- engaging with the Receiver's legal counsel on various receivership matters;
- managing employee related matters, including convening employee meetings at the Companies' premises, communicating with the employee health benefits provider, issuing termination notices, and preparing and filing T4s;

- attending at the Companies' Premises on a regular basis until the Closing, and as required thereafter;
- filing and remitting payment for HST (as applicable) and source deductions as required and communicating with CRA and providing documents to CRA in respect of an HST audit;
- attending at a third-party offsite storage facility to review and document certain historical files in storage related to the Consumer Portfolio and to arrange for destruction or retention of same, as appropriate;
- communicating with the Applicant to provide status updates in respect of these Proceedings;
- monitoring the MVCI/Golden Miles Receivership Proceedings and the Bankruptcy, and liaising with the Mahal Receiver and its legal counsel in respect of status updates on the Mahal Receivership;
- drafting this Third Report and the motion materials in respect of the Settlement Approval Motion;
- coordinating the development of and posting of relevant documents to the Case Website;
- responding to enquiries from stakeholders and others; and
- addressing all other matters pertaining to the administration of these Proceedings.

10.2 In addition to the matters set out above, the Receiver has also spent time assessing and addressing various claims that have been asserted against Skymark and/or Merk.

11.0 PROFESSIONAL FEES

- 11.1 Pursuant to paragraphs 18 and 19 of the Appointment Order, the Receiver and its legal counsel shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and the Receiver and its legal counsel shall pass their accounts from time to time before the Court.
- 11.2 Attached hereto as **Appendix “F”** is the Affidavit of Greg Karpel sworn February 13, 2024 (the “**Karpel Affidavit**”), attesting to the fees and disbursements of the Receiver for the period from September 1, 2023 to January 31, 2024 in respect of these Proceedings in the aggregate amount of \$259,979.69 comprised of fees of \$228,085.50, disbursements of \$1,985.02, and HST of \$29,909.17.
- 11.3 Attached hereto as **Appendix “G”** is the Affidavit of Dylan Chochla, a partner with Fasken, sworn February 14, 2024 (the “**Chochla Affidavit**”) attesting to the fees and disbursements of Fasken for the period from September 1, 2023 to January 31, 2024 in the aggregate amount of \$354,088.92, comprised of fees of \$311,362.00, disbursements of \$2,110.89, and HST of \$40,616.03.
- 11.4 The Receiver confirms that the fees and disbursements set out in Fasken’s invoices relate to advice sought by the Receiver and assistance provided in respect of these Proceedings, and that, in the Receiver’s view, Fasken’s fees and disbursements are properly chargeable, reasonable and appropriate.

- 11.5 Given that the assets and operations of Merk are comparatively limited, the Receiver further confirms that the majority of the fees and disbursements of the Receiver as well as those of Fasken were incurred in connection with the Skymark estate.
- 11.6 It is the Receiver's view that the fees and disbursements of the Receiver and its legal counsel described in the Karpel Affidavit and the Chochla Affidavit, respectively, are reasonable and appropriate in the circumstances having regard to the scope of activity undertaken in these Proceedings.

12.0 RECEIVER'S RECEIPTS AND DISBURSEMENTS

12.1 A summary of the Receiver's receipts and disbursements for the period from March 6, 2023 to February 5, 2024 (the "**Reporting Period**") related to Skymark is set out below:

Skymark Finance Corporation Receiver's Summary Receipts and Disbursements for the Period March 6, 2023 to February 5, 2024	
	Amount (CAD\$)
Receipts	
MVCI/Golden Miles Receivership - Distribution Proceeds	5,364,556
Consumer Portfolio collections (note 1)	2,020,075
Interest	128,356
Total Receipts	7,512,987
Disbursements	
Professional fees and disbursements	1,578,443
Wages, benefits and source deductions	186,777
HST, net	109,567
Rent and utilities	35,627
Other legal fees and disbursements	34,634
Paralegal and security discharge costs	29,203
General and administration	11,297
Total Disbursements	1,985,547
Net Cash Flows	5,527,440

1. Consumer Portfolio collections include: (i) amounts collected prior to Closing; and (ii) monthly VTBN payments.

12.2 The Skymark receipts for the Reporting Period are comprised predominantly of: (a) the proceeds (the "**Mahal Distribution Proceeds**") received from the Mahal Receiver in accordance with the Mahal Distribution Order described in the Second Report; and (b) Consumer Portfolio collections comprised of (i) monthly lease and loan payments (the "**Consumer Loan Payments**") collected in respect of the Consumer Portfolio during the Reporting Period, (ii) amounts remitted directly by consumer debtors who have chosen to pay out their Consumer Loan(s) in full prior to the maturity date (the "**Prepayments**"), and

(iii) monthly Vendor Take-Back Note payments through December 2023 (the January payment is due and payable at the end of February).

12.3 Disbursements during the Reporting Period include: (a) the professional fees of the Receiver and Fasken incurred in support of these Proceedings; (b) paralegal and other costs incurred in association with discharging NOSIs in cases where Prepayments were made during the Reporting Period; (c) other legal costs incurred in connection with the Mahal Distribution Proceeds; and (d) other costs incurred to operate the Consumer Loans business including, wages and benefits, rent, utilities and certain other general and administration costs.

12.4 As at February 5, 2023, the balance in (a) the Receiver's Skymark trust account was approximately \$5.5 million; (b) the Reserve Account established in accordance with the APA and described in Section 9.0 of this Third Report was approximately \$115,100; and (c) the Receiver's Merk trust account was approximately \$700.

12.5 There have been no cash flows generated by Merk during the Reporting Period as Merk is not operating, has no employees and has had no activity during the Reporting Period.

13.0 CONCLUSION AND RECOMMENDATION

13.1 The Receiver respectfully recommends that the Court make an order granting the relief sought in the Settlement Motion for the following reasons:

The Orr Settlement

- a) the Orr Settlement will result in a material realization to the Skymark estate and eliminate the costs and risk associated with complex and protracted litigation in respect thereof; and
- b) the Bridging Receiver (likely the sole economic stakeholder in these Proceedings) supports and has consented to the Orr Settlement;

The Industrial Road Settlement

- c) the Industrial Road Settlement represents a reasonable compromise of the claims against Damages Counsel and will result in a recovery to the Skymark estate without the costs or risk of pursuing an action against Damages Counsel through the courts; and
- d) the Bridging Receiver supports and has consented to the Industrial Road Settlement;

The Bridging Assignment

- e) the Bridging Receiver has formed the view that the obligations under the 258 Loan have previously been assigned to Bridging by Skymark, and as a result, the

Assigned Documents and all indebtedness evidenced thereby constitute Property (as defined in the Bridging Appointment Orders) of Bridging;

- f) in any event, even if the Assigned Documents had not previously been assigned to Bridging, the Bridging Assignment represents a practical and efficient way of dealing with the enforcement of the 258 Loan. Rather than having the Receiver enforce the 258 Loan and pay those funds over to the Bridging Receiver in repayment of amounts owing to Bridging under the Additional Loan, the parties have agreed that it would be more efficient to simply assign Skymark's rights under the 258 Loan and the 258 Security Documents to the Bridging Receiver so that it can take carriage of the enforcement of the 258 Loan in exchange for a release of the Bridging Receiver's claims to amounts owing under the Additional Loan; and
- g) the Bridging Receiver supports and has consented to the Bridging Assignment Agreement;

Other Relief Sought

- h) the Receiver and its legal counsel Fasken have been diligently attending to the administration of the Skymark estate; and
- i) as set out above, the fees and disbursements of the Receiver and its legal counsel described in the Karpel Affidavit and the Chochla Affidavit, respectively, are reasonable and appropriate in the circumstances having regard to the scope of activity undertaken in these Proceedings.

Sealing

- j) the Orr Settlement Agreement and the FIJ Settlement Agreement each contain a confidentiality provision which require that the agreements be kept confidential;
- k) the confidentiality provisions in each of the settlement agreements are material provisions upon which the counterparties in each case relied in executing such agreements;
- l) in the Receiver's experience, confidentiality provisions are typical in settlement agreements;
- m) while the Receiver is permitted to disclose the fact of the settlement (without disclosing its specific terms) it agreed to keep the agreements themselves confidential;
- n) the Receiver is therefore seeking a Court Order to seal **Confidential Appendices "B" and "C"** containing the settlement agreements and releases in the Court file; and
- o) the Receiver is not aware of any party that would be prejudiced if this information is sealed on the terms described above.

13.2 Based on the foregoing, the Receiver respectfully recommends that the Court make an order granting the relief sought on the Settlement Approval Motion and detailed in Section 1.7 of this Third Report.

All of which is respectfully submitted,

Alvarez & Marsal Canada Inc., solely in its capacity as court-appointed receiver and manager of 2305145 Ontario Inc. (formerly Skymark Finance Corporation) and Merk Investments Ltd. and not in its personal or corporate capacity.

DocuSigned by:

Greg Karpel

0C8B73192A3A446...

Per: Greg Karpel, Senior Vice-President

APPENDIX “A”

Court File No. CV-22-00692309-00CL

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

B E T W E E N:

PRICEWATERHOUSECOOPERS INC.

(solely in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and
certain related entities and investment funds)

Applicant

- and -

SKYMARK FINANCE CORPORATION and MERK INVESTMENTS LTD.

Respondents

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

**SECOND REPORT OF THE RECEIVER
SEPTEMBER 15, 2023**

TABLE OF CONTENTS

<u>1.0</u>	<u>INTRODUCTION</u>	2
<u>2.0</u>	<u>TERMS OF REFERENCE AND DISCLAIMER</u>	5
<u>3.0</u>	<u>BACKGROUND</u>	7
<u>4.0</u>	<u>THE SALE PROCESS</u>	8
<u>5.0</u>	<u>THE SALE PROCESS RESULTS</u>	11
<u>6.0</u>	<u>THE SALE TRANSACTION</u>	14
<u>7.0</u>	<u>STATUS OF THE NON-CORE LOANS</u>	21
<u>8.0</u>	<u>STATUS OF THE ORR LITIGATION</u>	29
<u>9.0</u>	<u>STATUS OF THE 258 LOAN</u>	30
<u>10.0</u>	<u>RECEIVER'S ACTIVITIES SINCE THE DATE OF THE FIRST REPORT</u>	33
<u>11.0</u>	<u>PROFESSIONAL FEES</u>	35
<u>12.0</u>	<u>RECEIVER'S RECEIPTS AND DISBURSEMENTS</u>	37
<u>13.0</u>	<u>CONCLUSION AND RECOMMENDATION</u>	39

INDEX TO APPENDICES

Appendix A – First Report to Court dated May 17, 2023

Appendix B – SISP Approval Order, dated May 25, 2023

Confidential

Appendix C – Bid Summary

Appendix D – Asset Purchase Agreement, Vendor Take-Back Note and Vendor Take-Back Security dated August 23, 2023 – redacted

Confidential

Appendix E – Asset Purchase Agreement, Vendor Take-Back Note and Vendor Take-Back Security dated August 23, 2023 – unredacted

Appendix F – Mahal Distribution Order, dated August 23, 2023

Appendix G – Affidavit of Greg Karpel Sworn September 15, 2023

Appendix H – Affidavit of Stuart Brotman Affirmed September 15, 2023

1.0 INTRODUCTION

- 1.1 This second report (“**Second Report**”) is filed by Alvarez & Marsal Canada Inc. (“**A&M**”) in its capacity as Court-appointed receiver and manager (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties (the “**Property**”, or the “**Assets**”) of each of Skymark Finance Corporation (“**Skymark**”) and Merk Investments Ltd. (“**Merk**”, and together with Skymark, the “**Companies**”).
- 1.2 Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated March 6, 2023 (the “**Appointment Order**”), A&M was appointed Receiver of the Companies’ Property.
- 1.3 The First Report to Court of the Receiver dated May 17, 2023 (the “**First Report**”), without appendices, is attached hereto as **Appendix “A”**. The purpose of the First Report was to, among other things:
- a) summarize the Receiver’s proposed sale and investment solicitation process (the “**SISP**”) which, upon Court approval, was to be undertaken to market for sale all or a portion of the Assets of Skymark, which Assets include its portfolio of loans and leases to consumer borrowers for home renovations, water systems, HVAC systems and smart home improvements (the “**Consumer Portfolio**”);
 - b) describe and summarize the status of four loans not associated with the Consumer Portfolio that Skymark has provided to third-party borrowers (collectively, the “**Non-Core Loans**”) and the 258 Loan (defined below); and

- c) provide a general description of the Receiver's activities and a summary of the receipts and disbursements up to the date of the First Report.

1.4 On May 25, 2023, the Court issued an order (the “**SISP Approval Order**”), among other things, approving and authorizing the SISP and authorizing and directing the Receiver to perform its obligations thereunder, both as detailed in the sale process attached as Schedule “A” to the SISP Approval Order. A copy of the SISP Approval Order is attached hereto as **Appendix “B”**.

1.5 This Second Report is filed in support of the Receiver's motion (the “**Sale Approval Motion**”) seeking, among other things:

- i. an order (the “**Approval and Vesting Order**”):
 - a) approving a sale transaction (the “**Sale Transaction**”) for the Consumer Portfolio and certain other related assets (collectively, the “**Purchased Assets**”) as set out and described in an asset purchase agreement dated August 23, 2023 (the “**APA**”) between the Receiver (the “**Vendor**”) and 5051802 Ontario Inc. (the “**Purchaser**”);
 - b) authorizing and approving the execution of the APA by the Receiver, and authorizing and directing the Receiver to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Sale Transaction and for the conveyance of the Purchased Assets to the Purchaser;

- c) vesting in the Purchaser the right, title and interest of the Receiver and Skymark in and to the Purchased Assets, free and clear of and from any and all claims and encumbrances, upon delivery by the Receiver of a Receiver's certificate to the Purchaser confirming that all conditions to closing in the APA have either been satisfied or waived by the Receiver (the "**Receiver's Certificate**");
 - d) authorizing and directing the Receiver, upon filing the Receiver's Certificate, to complete, execute and file articles of amendment on behalf of Skymark to change the name of Skymark to 2305145 Ontario Inc.; and
 - e) sealing Confidential Appendices "C" and "E" to this Second Report subject to further order of the Court; and
- ii. an order (the "**Ancillary Relief Order**"):
- a) approving this Second Report and the conduct and activities of the Receiver described herein;
 - b) approving the Receiver's statement of receipts and disbursements for the period March 6 to September 8, 2023 as set out in this Second Report;
 - c) approving the fees and disbursements of the Receiver and its legal counsel Fasken Martineau DuMoulin LLP ("**Fasken**") as set out in the Karpel and Brotman Affidavits, respectively (both defined below); and
 - d) such further and other relief as this Court may deem just.

2.0 TERMS OF REFERENCE AND DISCLAIMER

- 2.1 In preparing this Second Report, the Receiver has relied upon unaudited financial information, books and records and other documents provided by the Companies and discussion with management (collectively, the “**Information**”).
- 2.2 The Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CASs**”) pursuant to the *Chartered Professional Accountants Canada Handbook*, and accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CASs in respect of the Information.
- 2.3 Future-oriented financial information referred to in this Second Report was prepared based on management’s estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections. Even if the assumptions materialize, the variations in such future-oriented financial information could be significant.
- 2.4 This Second Report has been prepared to provide the Court with general information and an update regarding these receivership proceedings (the “**Proceedings**”) and to assist the Court in deciding whether to grant the SISP Approval Order and the Ancillary Relief Order. This Second Report should not be relied upon for any other purpose or by any other person. The Receiver shall not be held responsible for any losses or liability incurred as a result of

the circulation, publication, reproduction or use of this Second Report contrary to the provisions of this paragraph.

- 2.5 Unless otherwise stated, all monetary amounts contained in this Second Report are expressed in Canadian dollars.

3.0 BACKGROUND

- 3.1 The background in respect of the Companies, as well as a description of the activities and circumstances leading to the appointment of the Receiver are contained in the application record filed by PricewaterhouseCoopers Inc. (“**PWC**”) as receiver and manager (in such capacity, the “**Bridging Receiver**”) of Bridging Finance Inc. and certain related entities and investment funds (collectively “**Bridging**”), in particular, the affidavit of Christine Sinclair (the “**Sinclair Affidavit**”) which was filed by PWC in support of its application to appoint the Receiver (collectively, the “**PWC Application Record**”).
- 3.2 Additional background information regarding the Companies, the Assets, and the Companies’ obligations to Bridging and other creditors is provided in the First Report.
- 3.3 The PWC Application Record, the First Report, and other Court-filed documents and notices in these Proceedings have been posted to the Receiver’s case website at www.alvarezandmarsal.com/skymark (the “**Case Website**”).

4.0 THE SALE PROCESS

- 4.1 Capitalized terms used in this section and section 5.0 and not otherwise defined herein have the meaning ascribed to them in the SISP Approval Order.
- 4.2 The Court-approved SISP and its timelines were designed to balance the time necessary to administer a commercially reasonable sale process and the liquidity issues facing Skymark.
- 4.3 The Receiver commenced the Sale Process immediately following the issuance of the SISP Approval Order. A summary of the Sale Process is as follows:
- the Receiver arranged for the publication of notices (the “**Notices**”) of the SISP to be published in the *Globe & Mail (National Edition)* on June 12, 2023 and in the *Insolvency Insider* on June 12, 19, and 26, 2023 and July 4, and 10, 2023;
 - the Receiver prepared an interest solicitation letter (“**Teaser**”) detailing the opportunity to purchase or invest in all or part of the Consumer Portfolio and/or in any or all of Skymark’s Assets or Business (the “**Opportunity**”) that was circulated to 54 potentially interested parties, including parties who contacted the Receiver on an unsolicited basis, as well as potential strategic buyers and liquidators identified by the Receiver who the Receiver believed may have an interest in the opportunity (collectively “**Known Potential Bidders**”);
 - a form of non-disclosure agreement (“**NDA**”) was included with the Teaser. Upon execution of the NDA, Known Potential Bidders were provided access to an online data room set up by the Receiver (the “**Data Room**”). The NDA was executed by

16 Known Potential Bidders who were then provided an opportunity to commence diligence;

- over the course of the Sale Process, the Receiver facilitated diligence requests submitted by interested parties, updated the Data Room as required, and responded to inquiries from interested parties as appropriate;
- the Data Room included, among other things, a document summarizing the details of each of the leases and loans comprising the Consumer Portfolio, a schedule of leases/loans that were paid off during the Sale Process, and a sample of leases/loans and their respective terms and provisions, all of which were redacted to remove personal information of the consumer borrowers/lessees;
- Bids were required to be submitted to the Receiver by 5:00 pm (Toronto Time) on July 10, 2023 (the “**Bid Deadline**”); and
- among other things, Bids were requested to: (i) be submitted in the form of a duly authorized and executed definitive sale or investment agreement; (ii) be accompanied by a cash (certified cheque, or wire transfer) deposit of an amount not less than 10% of the aggregate consideration payable under the Bid; (iii) be accompanied by written evidence of a commitment for financing or other evidence of the Bidder’s ability to consummate the transaction contemplated by the Bid; and, (iv) not contain any contingency relating to due diligence, financing or any other material conditions precedent to the Bidder’s obligation to complete the transaction contemplated by the Bid.

- 4.4 The terms of the SISP expressly provided that the Receiver may consult with the Applicant throughout the SISP, but that if the Applicant were to submit a Bid, it shall not be entitled to any consultation or consent rights in favour of the Applicant provided for in the SISP, and shall not be entitled to review any of the other Bids received unless and until it has been notified by the Receiver that its Bid has not been selected as the Successful Bid.
- 4.5 The Applicant did not submit a Bid in the Sale Process and, as such, the Receiver has consulted with the Applicant throughout the SISP process.

5.0 THE SALE PROCESS RESULTS

Initial SISP Results

- 5.1 On or before the Bid Deadline, five (5) parties submitted Bids¹ for the Consumer Portfolio and one party submitted a Bid for the 258 Loan (as described below).²
- 5.2 On July 12, 2023, the Receiver convened conference calls with certain Bidders to review their Bids and highlight areas that required clarification and additional information.
- 5.3 The Receiver, in consultation with the Applicant, reviewed the Bids received and determined that three of the Bids (two of those in respect of the Consumer Portfolio, as well as the 258 Loan Bid) were not Qualified Bids and were unacceptable to the Receiver and the Applicant. On July 14, 2023 (the Bid Qualification Deadline, as defined in the SISP), the Receiver advised those Bidders that their Bid was not a Qualified Bid and thanked them for their participation in the SISP.
- 5.4 While the terms of the three remaining Bids (in respect of the Consumer Portfolio) varied greatly, the economic value of those Bids were within a similar range. The Receiver contacted the three remaining Bidders (the “**Remaining Bidders**”) to encourage them to improve the purchase price contemplated in their Bids and/or to clarify certain components

¹ One of these Bids was submitted by a party related to Skymark.

² The party that submitted a bid to acquire the 258 Loan has an interest in the 258 Loan and the related security.

of their Bids. On July 14, 2023, each of those Remaining Bidders submitted updated Bids reflecting revisions to their bids (the “**Revised Bids**”).

5.5 On July 14, 2023, the Receiver advised the Remaining Bidders that the Receiver was deferring the bid Qualification Deadline (the date by which each Remaining Bidder was to be notified as to whether its Bid constitutes a Qualified Bid) to July 19, 2023 in order to allow the Receiver, in consultation with the Applicant, sufficient time to conduct a thorough and fair evaluation of the Revised Bids.

5.6 On July 19, 2023, the Applicant advised the Receiver that the Revised Bids were not acceptable to it and were not within a range of value that warranted an Auction. Accordingly, the Receiver notified the Remaining Bidders that their Revised Bids had not been selected as the Successful Bid, that no Auction would be taking place, and that the Receiver was terminating the SISP.

Subsequent SISP Results

5.7 Subsequent to the termination of the SISP, one of the Remaining Bidders contacted the Receiver to discuss the possibility of an alternate bid structure with improved terms and consideration that might be acceptable to the Receiver and the Applicant. On July 24, 2023, this Remaining Bidder submitted a further revised offer outlining the terms of its proposal (the “**Further Revised Offer**”).

5.8 Upon receipt of the Further Revised Offer, the Receiver discussed the form of the Further Revised Offer with the Applicant and proceeded to clarify certain of the terms in the Further Revised Offer with the Remaining Bidder and its legal counsel. The Receiver, in

consultation with the Applicant, determined that the Further Revised Offer contained economic terms that were acceptable to the Applicant and the Receiver.

- 5.9 On August 8, 2023, the Receiver contacted the other Remaining Bidders to advise them that, after notifying the Remaining Bidders of the termination of the SISP, one of the Remaining Bidders submitted a revised bid to the Receiver which included a materially higher purchase price than those contained in the Revised Bids, and which was acceptable to the Receiver and the Applicant. To ensure that the process remained fair and open to the other Remaining Bidders, the Receiver provided those bidders with a final opportunity to submit their highest and best offer by no later than 5:00 p.m. Toronto Time on August 14, 2023, in order to determine whether an Auction was warranted.
- 5.10 On August 14, 2023, one of the Remaining Bidders submitted a revised offer with a purchase price materially lower than that contained in the Further Revised Offer, and which was not acceptable to the Receiver or the Applicant. The other Remaining Bidder advised the Receiver it would not be submitting a further revised offer.
- 5.11 Accordingly, the Receiver, in consultation with the Applicant and its legal counsel, determined to pursue the Further Revised Offer and to proceed to negotiate the terms of a definitive asset purchase agreement with that Bidder. The APA was ultimately accepted by the Receiver on August 23, 2023, subject to Court approval.
- 5.12 A summary of the Bids submitted to the Receiver is provided in the **Confidential Appendix “C”**, and the Receiver’s rationale for its request that this information be sealed at this time is provided in Section 13 of this Second Report.

6.0 THE SALE TRANSACTION

- 6.1 Capitalized terms used in this section and not otherwise defined herein have the meaning ascribed to them in the APA. A redacted version of the APA, including the Vendor Take-Back Note and the Vendor Take-Back Security (both defined below), is attached as **Appendix “D”**. An unredacted version of the APA, the Vendor Take-Back Note and the Vendor Take-Back Security is filed as **Confidential Appendix “E”**, and the Receiver’s rationale for its request that this information be sealed at this time is provided in Section 13 of this Second Report.
- 6.2 Pursuant to the terms of the APA, the Purchaser will acquire the Consumer Portfolio in exchange for an interest free promissory note with payment terms over a forty-eight (48) month term.
- 6.3 The key terms and conditions of the APA are summarized below. The description of the APA provided for herein is for summary purposes only and reference should be made to the APA for its actual terms:
- a) **Purchaser** – 5051802 Ontario Inc., a special purpose entity incorporated by [REDACTED] to be used solely for the purpose of effecting the Sale Transaction and the post-Closing process related to payment of the Purchase Price;
 - b) **Purchase Price** – The Purchase Price is to remain confidential for the reasons set out in Section 13 of this Second Report. Payment of the Purchase Price is to be satisfied as follows:

- i. an interest free promissory note with a forty-eight (48) month term (the “**Note Term**”) in favour of the Receiver (the “**Vendor Take-Back Note**”) and secured on a first ranking basis by a general security agreement, and pledge of shares of the Purchaser, each in favour of the Receiver (collectively, the “**Vendor Take-Back Security**”).
- ii. an amount to be paid on Closing and credited towards the minimum amounts payable under the Vendor Take-Back Note for the first three (3) months following Closing (the “**Note Prepayment**”).
- iii. the Vendor Take-Back Note is repayable monthly on the first Business Day of each month in the Threshold Amount (as specified and defined in the APA). For the first three (3) months following Closing such payments shall be satisfied by the Note Prepayment.
- iv. a segregated interest-bearing account in the Receiver’s name (including accrued interest thereon, the “**Reserve**”) is to be established to fund any shortfall in the Threshold Amount in months in which Collections are less than the Threshold Amount.
- v. in each month during the Note Term, the Purchaser shall contribute to the Reserve, twenty-five percent (25%) of all monthly Collections in excess of the Threshold Amount until a balance equal to three (3) times the Threshold Amount (the “**Reserve Target**”) is reached.
- vi. the Reserve funds will be applied to ensure that monthly payments, at minimum, equal the Threshold Amount. If the Reserve is depleted below

the Reserve Target, deposits through this mechanism are to resume until the Reserve Target has again been met.

- vii. in the event that Collections and the Reserve together are insufficient to fund a monthly Threshold Amount payment, the Purchaser shall remit the funds available from Collections and the Reserve, less a \$10,000 reserve for payroll and operating costs, and will have thirty (30) days in which to remit the remaining balance of such payment. Any remaining outstanding Threshold Amount payment will be added to the next monthly payment. In the event that the Purchaser fails to repay any overdue Threshold Amount within the timeframe provided for in the APA, the Receiver, in its sole discretion may enforce the Vendor Take-Back Security;
 - viii. in the event that aggregate Collections in any given month exceed a certain threshold (in each period, the “**Profit Cap**”), such amount exceeding the Profit Cap shall be paid to the Receiver as early partial repayment of the Vendor Take-Back Note (collectively, “**Excess Profit Repayments**”) in addition to any amounts otherwise due and payable to the Receiver and the Note Term shall be reduced accordingly.
- c) **Purchased Assets** – The Purchased Assets consist of the Consumer Portfolio, including all Customer Contracts, and related assets including, without limitation:
- i. all Collections in respect of the Consumer Portfolio collected or received by Skymark or the Receiver on or after September 20, 2023;

- ii. all Rental Units;
- iii. all Lien Interests;
- iv. all rights in contract or otherwise (including warranty claims), warranties and claims against suppliers, manufacturers, or distributors or third-party service providers of any Rental Units, parts and related or ancillary equipment which, rights, warranties and claims relate to periods from and after the Closing Date;
- v. those claims in small claims court related to Customer Contracts that are active on the books of Skymark and not expired, written off, or paid in full, whether Skymark is plaintiff or defendant, including, without limitation, those listed in Schedule “E” to the APA (the “**Purchased Small Claims Court Claims**”);
- vi. Goodwill;
- vii. all Assumed Contracts listed on Schedule “A” to the APA;
- viii. all accounts receivable and other amounts due, owing or accruing due to Skymark in connection with the Consumer Portfolio as of the Closing Date, except for any those related to the Excluded Assets or Excluded Liabilities;
- ix. Business Names;
- x. Intellectual Property;
- xi. Skymark telephone and facsimile numbers and web domains including all those listed on the Consumer Portfolio contracts;
- xii. prepaid items and deposits; and

- xiii. contracts, data, databases, customer lists and Consumer Portfolio paper backup files.

d) **Excluded Assets** – The following assets of Skymark are specifically excluded from the Sale Transaction:

- i. employment agreements and any employee benefit plans;
- ii. accounts receivable and any other amounts owing to Skymark and not expressly included in the Purchased Assets, including, those in respect of the 258 Loan or the Non-Core Loans;
- iii. all claims against third parties (i.e. Persons other than Customers) related to the Business or the Consumer Portfolio;
- iv. any Customer Contracts relating to Excluded Liabilities;
- v. any lease to the real property at 46 Village Centre Place, 3rd Floor, Mississauga, Ontario;
- vi. insurance contracts, policies and plans, and insurance proceeds receivable (if any);
- vii. Books and Records required to be retained by the Receiver, provided that the Receiver, on request by the Purchaser, makes such Books and Records reasonably available to the Purchaser;
- viii. tax refunds, tax loss carry-forwards and investment and other tax credits;
- ix. cash and cash equivalents; and
- x. Equipment.

- e) **Employees** – The Purchaser is not assuming any of the five (5) employees or associated obligations.
- f) **Assumed Obligations** – The Purchaser will assume any obligation or liability of the Receiver or Skymark under the Assumed Contracts or Customer Contracts included in Purchased Assets and arising in connection with the Purchased Small Claims Court claims.
- g) **Excluded Obligations** – Other than the Assumed Obligations, the Purchaser will not assume any liabilities or obligations of the Receiver or Skymark, including those claims in small claims courts or superior courts related to the Business, Consumer Portfolio, or Customer Contracts naming Skymark as defendant listed in Schedule “F” to the APA.
- h) **Closing Date** – The Target Closing Date for the Sale Transaction is three (3) Business Days after the Court has issued the Approval and Vesting Order, or as the parties may otherwise agree to in writing. If Closing does not occur on the Target Closing Date, the parties shall use commercially reasonable efforts to close the Sale Transaction by no later than October 2, 2023, or such other date as the parties may agree to in writing.
- i) **Post Closing Registrations and Filings** – the Purchaser will, at its own expense, file all necessary amendments, transfers, assignments, discharges or financing change statements in respect of the NOSIs and any court pleadings or filings made in Purchased Small Claims Court Claims proceedings.

j) **Reporting** – The Purchaser is to provide certain monthly and other regular reporting in respect of Collections and the Consumer Portfolio to the Receiver as specified in the APA, or as requested by the Receiver.

k) **Material Conditions** – The material conditions precedent to closing are:

- i. payment of the Purchase Price will have been made by delivery of the Vendor Take-Back Note, the Vendor Take-Back Security and the Note Prepayment;
- ii. there shall be no action or proceeding pending to restrain or prohibit the completion of the Sale Transaction; and
- iii. the Court shall have issued the Approval and Vesting Order.

6.4 The Receiver and the Purchaser will enter into an assignment and assumption agreement in respect of the Assumed Contracts and the Customer Contracts included in the Purchased Assets (the “**Assignment and Assumption Agreement**”). In connection with this, the Receiver’s legal counsel has engaged in communications with Enbridge to arrange for the assignment of agreements between Skymark and Enbridge which are to be assigned to the Purchaser upon Closing of the Sale Transaction. As of the date of this Second Report, the negotiations with Enbridge are ongoing. The Receiver has also been communicating with the service providers in respect of a software license and certain other services that are also contemplated to be assigned to the Purchaser on Closing of the Sale Transaction.

7.0 STATUS OF THE NON-CORE LOANS

- 7.1 Since the date of the First Report, the Receiver has continued its review and investigation in respect of the Non-Core Loans and provides a further update in respect of each below.

The Industrial Road Loan

- 7.2 As described in the First Report, on November 1, 2015, Skymark made a loan (the “**Industrial Road Loan**”) to third-party borrowers (the “**Industrial Road Borrowers**”) for the purpose of funding a standby letter of credit (the “**LC**”) to be issued to the Ontario Ministry of Finance and secured by certain equipment liens and a mortgage (the “**Mortgage**”) in respect of real property located on Industrial Road in Delhi, Ontario (the “**Industrial Road Property**”). The principal amount of the Industrial Road Loan was \$1.2 million, bearing interest at 14.95% per annum.
- 7.3 The Industrial Road Borrowers defaulted on the Industrial Road Loan and, in May 2016, Skymark commenced mortgage enforcement proceedings (the “**Mortgage Action**”).
- 7.4 In July 2017, Skymark also commenced an action (the “**Damages Action**”) seeking damages from the Industrial Road Borrowers and their legal counsel, and Skymark’s legal counsel in the Mortgage Action, in relation to their alleged negligence in the disbursement to the Industrial Road Borrowers of funds supporting the LC that otherwise formed part of Skymark’s security in respect of the Industrial Road Loan and which Skymark alleges should have been paid to it.

- 7.5 As a result of the negligence claims Skymark asserted in the Damages Action against its legal counsel, Skymark engaged new legal counsel to represent it in both the Mortgage Action and the Damages Action.
- 7.6 Skymark, through its new legal counsel, negotiated a settlement with one of the defendants in the Mortgage Action and the Damages Action for the purpose of allowing Skymark to initiate power of sale proceedings to sell the Industrial Road Property.
- 7.7 In or around March 2020, the Industrial Road Property was sold under power-of-sale, resulting in net proceeds to Skymark of approximately \$425,000.
- 7.8 Skymark's new legal counsel failed to disclose the existence of the above-referenced settlement agreement in the Damages Action. Upon learning of the existence of the settlement agreement, certain of the defendants in the Damages Action sought and obtained an order permanently staying the Damages Action against them on the basis of an abuse of process as a result of the failure to disclose the settlement. The order staying the Damages Action against those defendants was upheld on appeal.
- 7.9 The Receiver and its legal counsel are investigating options in respect of recovering the remaining balance of approximately \$775,000 (excluding accrued interest) outstanding under the Industrial Road Loan.
- 7.10 The Receiver and its legal counsel have contacted the insurer for Skymark's lawyer that negotiated the settlement that resulted in the stay of the Damages Action to advise of the Receiver's investigation into various matters related to the Industrial Road Loan, the

Damages Action, the settlement of the Mortgage Action, and the resulting stay of the Damages Action.

- 7.11 The Receiver and the insurer have entered into a standstill and tolling agreement which, among other things, provides for the suspension of any limitation periods that may be applicable to any claims Skymark may have against its former lawyer in the Damages Action and the Mortgage Action. The purpose of the tolling agreement is to allow each party to investigate the nature of the claims and to discuss a process for adjudicating or resolving those claims, as necessary.

The UK Property Loan

- 7.12 As described in the First Report, in July 2018, Skymark advanced a loan in the amount of GBP 780,000 (CAD\$1.365 million) (the “**UK Property Loan**”) to one of the Directors of Skymark and his spouse (together, the “**UK Borrowers**”) for the purpose of acquiring a property located in Reading, United Kingdom (the “**UK Property**”).
- 7.13 As also described in the First Report, the UK Property Loan requires monthly payments of GBP 5,200, bears interest at a rate of 8% p.a. if any monthly payments are missed, and is secured by a mortgage in favour of Skymark against the UK Property (the “**UK Mortgage**”). The UK Property Loan and the UK Mortgage are governed by English Law.
- 7.14 The Receiver has held various discussions with the UK Borrowers who claim that the amount owing under the UK Property Loan has been repaid in full, primarily through intercompany transfers, forgiveness of shareholder loans, and set-off for services provided by one of the borrowers (a Director of Skymark) to Skymark. The Receiver requested that

the UK Borrowers provide it with all documents in support of their claim that the amount owing under the UK Property Loan has been repaid.

- 7.15 The accounting records of Skymark, among other things show that: (i) none of the required monthly payments have been made, (ii) the only “cash” repayments were three (3) lump sum payments that amounted to CAD \$82,500, and (iii) all other amounts that were purportedly applied to reduce the balance of the UK Property Loan were non-cash accounting adjustments.
- 7.16 The Receiver has retained Blake Morgan LLP (“**Blake Morgan**”) as its legal counsel in the United Kingdom to consider issues in respect of the enforcement of the UK Mortgage. The Receiver, Blake Morgan and Fasken have reviewed the various documents that the UK Borrowers provided to the Receiver to substantiate their claims that the amounts owing under the UK Property Loan were repaid.
- 7.17 Pursuant to the terms of the UK Property Loan agreement, set-off is not permitted and only “cash” payments are considered valid repayments.
- 7.18 The Receiver has calculated that, excluding the non-cash adjustments and including interest from inception, the outstanding balance of the UK Property Loan as at July 25, 2023 was CAD \$1,926,271 (GBP 1,138,524).
- 7.19 On July 26, 2023, on behalf of the Receiver, Blake Morgan issued a formal demand (“**Demand**”) under the UK Property Loan. The Demand required payment in full of the outstanding balance by August 2, 2023, failing which the Receiver would exercise any or all of its enforcement rights under the UK Property Loan agreement.

- 7.20 Since the issuance of the Demand, the Receiver and/or Blake Morgan have had numerous communications with the UK Borrowers and their UK legal counsel, however the disagreement in respect of whether non-cash adjustments constitute repayments under the UK Property Loan agreement remains.
- 7.21 As of the date of this Second Report, the Receiver has instructed Blake Morgan to continue the process of enforcing the UK Mortgage under UK law.

The Mahal Loans and The Golden Miles Loans

- 7.22 As described in the First Report, the Mahal Loans consist of three loans with combined principal amounts totaling approximately \$20 million advanced by Skymark to Mahal Venture Capital Inc. (“**MVCI**”) to purchase real property municipally known as 155 Adams Boulevard, Brantford, Ontario (the “**Mahal Property**”) and to finance the construction of a flour mill on the Mahal Property (collectively, the “**Mahal Loans**”). The Mahal Loans are each secured by mortgages on the Mahal Property.
- 7.23 As also described in the First Report, a series of loans (the “**Golden Miles Loans**”) with an aggregate principal amount of \$8,481,950 were advanced by Skymark to Golden Miles Food Corporation (“**Golden Miles**”), a company related to MVCI, to finance the purchase of equipment required in the operation of the flour mill. The Golden Miles Loans are secured against the financed equipment, and two of them are also secured by a mortgage on the Mahal Property.
- 7.24 By order issued October 1, 2021, the Court appointed KSV Restructuring Inc. (“**KSV**”) as receiver and manager (the “**Mahal Receiver**”) of the assets, undertakings and properties

of MVCI and Golden Miles owned or used in connection with the flour mill located on the Mahal Property (the “**MVCI/Golden Miles Receivership Proceedings**”), and on November 15, 2021, the Mahal Receiver filed an assignment in bankruptcy on behalf of MVCI and Golden Miles pursuant to which KSV was appointed as the trustee in bankruptcy (in such capacity, the “**Trustee**”) of MVCI and Golden Miles (the “**Bankruptcy**”).

- 7.25 Detailed information with respect to the MVCI/Golden Miles Receivership Proceedings and the Bankruptcy can be found on the Mahal Receiver’s website at: <https://www.ksvadvisory.com/experience/case/mahal-venture-capital-inc.>
- 7.26 On April 11, 2022, the Court granted an order approving the sale of all or substantially all of the assets of MVCI and Golden Miles to 12175622 Canada Inc. (the “**Mahal Purchaser**”).
- 7.27 The sale to the Mahal Purchaser (the “**Mahal Transaction**”) closed on May 18, 2022. The aggregate net proceeds totaled \$18.47 million and, as outlined in the Fifth Report to Court of the Mahal Receiver dated August 15, 2023 (the “**Mahal Receiver’s Fifth Report**”) after accounting for accrued costs, the Mahal Receiver was holding \$16.7 million of remaining proceeds from the Mahal Transaction, approximately \$15 million of which was allocated to the Mahal Property (the “**Mahal Net Proceeds**”) and \$1.7 million of which was allocated to the personal property owned by Golden Miles (the “**Personal Property Net Proceeds**”).

- 7.28 On August 23, 2023, the Mahal Receiver sought and obtained an order (the “**Mahal Distribution Order**”) authorizing certain distributions from the Mahal Net Proceeds and the Personal Property Net Proceeds to creditors in accordance with their priority, and authorizing the Mahal Receiver to holdback certain amounts that are the subject of various priority disputes. Attached hereto as **Appendix “F”** is a copy of the Mahal Distribution Order.
- 7.29 Pursuant to the Mahal Distribution Order, the Mahal Receiver was authorized to distribute the following amounts to the Receiver (on behalf of Skymark): (i) \$247,000 from the Personal Property Net Proceeds; (ii) \$20,000 in respect of Skymark’s costs in connection with a priority dispute in respect of the Personal Property Net Proceeds that was decided in favour of the Mahal Receiver and Skymark; and (iii) \$5,097,556 from the Mahal Net Proceeds.
- 7.30 The Mahal Receiver remitted these amounts (totaling \$5,365,556) to the Receiver on August 24, 2023, which are included in the Receiver’s receipts and disbursements described in Section 12 of this Second Report.
- 7.31 The Mahal Distribution Order also contemplates various holdbacks in respect of priority disputes that involve Skymark, including: (i) \$1,047,826 in respect of amounts KLN Holdings Inc.(“**KLN**”) alleges should be paid to it in priority to Skymark as a result of an alleged transfer of a portion of a mortgage that Skymark held against the Mahal Property to KLN; and (ii) \$3,650,000 in respect of amounts 1989474 Ontario Inc. (“**198 Co**”) alleges should be paid in priority to Skymark as a result of a trust declaration pursuant to which

Merk and/or Skymark allegedly agreed to hold a portion of a mortgage that Skymark held against the Mahal Property in trust for 198Co.

- 7.32 198Co is a company owned or controlled by Michael Orr. As discussed in the First Report (and as further discussed in greater detail below in Section 8), 198Co and 7539188 Canada Inc. (“**753 Co**”, and collectively with 198Co, the “**Orr Plaintiffs**”) are plaintiffs in an action commenced against Skymark and Merk, among other defendants, asserting various claims in respect of a number of mortgages that were purportedly held in trust by Skymark or Merk for the Orr Plaintiffs (the “**Orr Claim**”).
- 7.33 The Receiver and its legal counsel have held discussions with legal counsel to both KLN and 198Co with respect to the facts underlying the holdback amounts, and a process for adjudicating or resolving the entitlement to those amounts.
- 7.34 Following the distributions authorized by the Mahal Distribution Order, the Mahal Receiver will continue to hold approximately \$1.3 million of the Personal Property Net Proceeds which are unencumbered, and which the Receiver understands will be subject to a distribution in the Bankruptcy by the Trustee. The Trustee has advised that it will provide the Receiver with a proof of claim package in due course.

8.0 STATUS OF THE ORR LITIGATION

- 8.1 As referenced in Section 7 above, the Orr Plaintiffs have commenced the Orr Claim in which Skymark and Merk are defendants, among other parties.
- 8.2 The Orr Claim asserts, among other allegations, that the Orr Plaintiffs advanced funds to Merk and Skymark for the purpose of making investments in various mortgages that Merk and/or Skymark were offering to borrowers. The Orr Plaintiffs further claim that the amounts they advanced are held in trust by Merk and/or Skymark pursuant to various trust declarations. The Orr Plaintiffs allege that the defendants caused the mortgages to be discharged without notice to the Orr Plaintiffs and that Merk and/or Skymark failed to repay the investment that the Orr Plaintiffs made in those mortgages. Additional background information in respect of the Orr Claim is provided in the First Report.
- 8.3 As also referenced in the First Report, prior to the Appointment Order, Justice Osborne issued an order, among other things, requiring the defendants in the Orr Claim to provide certain documentary productions to the Orr Plaintiffs (the “**Production Order**”). The Production Order was appended to the First Report.
- 8.4 The Orr Plaintiffs have been in contact with the Receiver since the date of the First Report to request that the Receiver provide it with the documents set out in the Production Order. The Receiver and its legal counsel continue to engage with legal counsel to the Orr Plaintiffs to determine the appropriate process for the Receiver to provide the Orr Plaintiffs with the documents they seek under the Production Order, while minimizing the cost to the estate of doing so. These discussions are ongoing.

9.0 STATUS OF THE 258 LOAN

- 9.1 As discussed in the First Report, pursuant to a term sheet dated July 7, 2017, Bridging advanced a loan in the aggregate principal amount of \$21 million (the “**Additional Loan**”) to Skymark, the purpose of which was to fund a subsequent loan (the “**258 Loan**”) made by Skymark to 2581150 Ontario Inc. (“**258**”), a company owned by one of the directors of Skymark, in connection with the acquisition by 258 of certain assets of Thomas Canning (Maidstone) Limited and 692194 Ontario Limited (together, the “**Thomas Canning Entities**”).
- 9.2 As security for its obligations under the Additional Loan, Skymark executed and delivered a security agreement to Bridging pursuant to which it granted to Bridging a security interest over all of its personal property.
- 9.3 The obligations of 258 to Skymark under the 258 Loan are secured by, among other security, mortgages registered in favour of Skymark on title to certain real property that 258 acquired from the Thomas Canning Entities. The mortgages in favour of Skymark remain registered on title to the lands, and the Receiver has caused the Appointment Order to be registered on title to provide notice of the Receiver’s interest in the Skymark mortgages.
- 9.4 On or about April 4, 2019, the Thomas Canning Entities, among other plaintiffs, commenced an action against Bridging in respect of loans that Bridging had allegedly made to the Thomas Canning Entities, and the subsequent acquisition by 258 of certain assets of the Thomas Canning Entities. On or about June 16, 2022, the plaintiffs amended the

statement of claim to add Skymark and 258 as defendants, among others, and to seek an order setting aside the mortgages granted by 258 to Skymark and registered on title to the lands that 258 acquired from the Thomas Canning Entities (among other relief). The Thomas Canning Entities have also registered a certificate of pending litigation on title to the lands at issue.

9.5 As outlined in the Sinclair Affidavit, 258 has taken the position that the 258 Loan and the security granted thereunder was assigned by Skymark to Bridging, such that the 258 Loan is repayable directly to Bridging and not Skymark. The Bridging Receiver has indicated that the books and records of Bridging do not include any written agreement that gives effect to this arrangement.

9.6 On December 30, 2022, the Bridging Receiver issued a Notice of Action, and on January 23, 2023 filed a Statement of Claim (the “**Statement of Claim**”) against Skymark and 258 in respect of, among other things, the 258 Loan. The Statement of Claim has not been served on Skymark. The Bridging Receiver has indicated that it intends to pursue the alleged claim against Skymark in the context of these Proceedings. The Receiver continues to investigate the terms of the 258 Loan, the security granted thereunder and Skymark’s recourse in respect of same.

9.7 As is evident from the above, the facts and circumstances surrounding the Additional Loan, the 258 Loan, 258’s acquisition of assets from the Thomas Canning Entities, and the various obligations under the relevant loan and security agreements, is the subject of multi-party litigation among Bridging, 258, the Thomas Canning Entities, and Skymark. The Receiver understands that there are ongoing negotiations among the

Bridging Receiver and the Thomas Canning Entities with respect to certain issues related to the 258 Loan and related security. The Receiver has exchanged correspondence with legal counsel to the Thomas Canning Entities and has confirmed that it will not take steps to market, sell, or otherwise realize upon the 258 Loan and related security without advance notice to the Thomas Canning Entities, in order to allow those negotiations to progress.

10.0 RECEIVER'S ACTIVITIES SINCE THE DATE OF THE FIRST REPORT

General Overview

10.1 In addition to those activities described throughout this Second Report, the Receiver's activities since the date of the First Report have included the following:

- attending the Court hearing held on May 25, 2023 regarding the motion seeking the SISP Approval Order;
- continuing to carry out the Receiver's duties and responsibilities in accordance with the Appointment Order, including overseeing the Companies' operations, controlling the receipts and disbursements, and addressing customer and vendor issues;
- engaging with the Receiver's legal counsel on various receivership matters;
- managing employee related matters, including convening employee meetings at the Companies' premises, communicating with the employee health benefits provider, and issuing termination notices where applicable;
- attending at the Companies' Premises on a regular basis;
- communicating with the Applicant to provide status updates in respect of these Proceedings;
- monitoring the MVCI/Golden Miles Receivership Proceedings and the Bankruptcy, and liaising with the Mahal Receiver in respect of status updates on the Mahal

Receivership, including attending at the motion to seek the Mahal Distribution Order;

- drafting this Second Report and the motion materials in respect of the Sale Approval Motion;
- coordinating the development of and posting of relevant documents to the Case Website;
- filing and remitting payment for HST and source deductions as required and, as referenced in the First Report, continuing an ongoing review of historical HST obligations in order to determine whether the Companies' pre-receivership HST arrears may be overstated;
- responding to stakeholder and other enquiries; and
- addressing all other matters pertaining to the administration of these Proceedings.

10.2 In addition to the matters set out above, the Receiver has also spent time assessing and addressing various claims that have been asserted against Skymark and/or Merk.

11.0 PROFESSIONAL FEES

- 11.1 Pursuant to paragraphs 18 and 19 of the Appointment Order, the Receiver and its legal counsel shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and the Receiver and its legal counsel shall pass their accounts from time to time before the Court.
- 11.2 Attached hereto as **Appendix “G”** is the Affidavit of Greg Karpel sworn September 15, 2023 (the “**Karpel Affidavit**”), attesting to the fees and disbursements of the Receiver for the period December 23, 2022 to August 31, 2023 in respect of these Proceedings in the aggregate amount of \$810,544.89 comprised of fees of \$701,735.50, disbursements of \$15,566.54, and HST of \$93,242.85.
- 11.3 Attached hereto as **Appendix “H”** is the Affidavit of Stuart Brotman, a partner with Fasken, affirmed September 15, 2023 (the “**Brotman Affidavit**”) attesting to the fees and disbursements of Fasken, for the period December 23, 2022 to August 31, 2023 in the aggregate amount of \$465,548.06, comprised of fees of \$408,507.50, disbursements of \$3,620.80, and taxes of \$53,420.55.
- 11.4 The Receiver confirms that the fees and disbursements set out in Fasken’s invoices relate to advice sought by the Receiver and assistance provided in respect of these Proceedings, and that, in the Receiver’s view, Fasken’s fees and disbursements are properly chargeable, reasonable and appropriate.

- 11.5 Given that the assets and operations of Merk are comparatively limited, the Receiver further confirms that substantially all of the fees and disbursements of the Receiver as well as those of Fasken were incurred in connection with the Skymark estate.
- 11.6 It is the Receiver's view that the fees and disbursements of the Receiver and its legal counsel described in the Karpel Affidavit and the Brotman Affidavit, respectively, are reasonable and appropriate in the circumstances having regard to the scope of activity undertaken in these Proceedings.

12.0 RECEIVER'S RECEIPTS AND DISBURSEMENTS

- 12.1 A summary of the Receiver's receipts and disbursements for the period from March 6 to September 8, 2023 (the "**Reporting Period**") is set out below:

Skymark Finance Corporation Receiver's Summary Receipts and Disbursements for the Period March 6 to September 8, 2023	
	Amount (CAD\$)
Receipts	
MVCI/Golden Miles Receivership - Distribution Proceeds	5,364,556
Consumer loan/lease monthly payments	842,294
Consumer loan/lease prepayments	710,904
Interest	15,858
Total Receipts	6,933,612
Disbursements	
Professional fees and disbursements	578,854
Wages, benefits and source deductions	163,922
HST, net	54,371
Paralegal and security discharge costs	25,340
Rent and utilities	21,543
General and administration	8,845
Total Disbursements	852,875
Net Cash Flows	6,080,737

- 12.2 The Skymark receipts for the Reporting Period are comprised predominantly of: (a) the proceeds received from the Mahal Receiver in accordance with the Mahal Distribution Order described in Paragraph 7.31 above; (b) monthly lease and loan payments (the "**Consumer Loan Payments**") collected in respect of the Consumer Portfolio during the Reporting Period; and (c) amounts remitted directly by consumer debtors who have chosen to pay out their Consumer Loan(s) in full prior to the maturity date (the "**Prepayments**").

- 12.3 As described in the First Report, Consumer Loan Payments are collected: (a) by Enbridge, on Skymark's behalf from Skymark's consumer debtors which then remits the funds collected to Skymark, net of administration fees; and (b) directly from consumer debtors through automated electronic funds transfers into Skymark's original TD Bank account from which the Receiver then transfers those funds to the Receiver's trust account.
- 12.4 Disbursements during the Reporting Period include: (i) the professional fees of the Receiver and Fasken in association with activities undertaken in support of these Proceedings; (ii) paralegal and other costs incurred in association with discharging NOSIs where Prepayments have been made during the Reporting Period; and (iii) other costs incurred to operate the Consumer Loans business including, wages and benefits, rent, utilities and certain other general and administration costs.
- 12.5 As at September 8, 2023, the balance in the Receiver's Skymark trust account was approximately \$6.08 million. The balance in the Receiver's Merk trust account was approximately \$700.
- 12.6 There have been no cash flows generated by Merk during the Reporting Period as Merk is not operating, has no employees and has had no activity during the Reporting Period.

13.0 CONCLUSION AND RECOMMENDATION

The Sale Transaction

13.1 The Receiver respectfully recommends that the Court make an order granting the relief sought in the Sale Approval Motion and approve the Sale Transaction for the following reasons:

- a) the Sale Process was carried out in accordance with the terms of the SISP Approval Order. The Receiver is of the view that the Sale Process was commercially reasonable, including the timelines, the extent of the canvassing of the market and information made available to interested parties;
- b) it is the Receiver's view that the duration of the Sale Process was sufficient to allow prospective purchasers to perform diligence and submit Bids;
- c) as discussed above, while the offer contained in the Sale Transaction was technically received after the Receiver terminated the SISP, the Receiver provided all of the other Revised Bidders with an opportunity to submit a revised offer to ensure that the process was fair and reasonable to all involved;
- d) the Bridging Receiver supports and has consented to the Sale Transaction notwithstanding that it is projected to incur a substantial shortfall on the amounts owing to it by the Companies; and
- e) the Receiver is of the view that the Consumer Portfolio was broadly marketed, and that further time spent marketing the Consumer Portfolio would not result in a superior transaction.

Ancillary Relief

13.2 The Receiver respectfully recommends that the Court make an order granting the relief sought in the Ancillary Relief Order. The Receiver and its legal counsel Fasken have been diligently attending to the administration of the Skymark estate.

13.3 The Sale Transaction represents a critical milestone in this Proceeding and is expected to result in material realizations for the benefit of Skymark's creditors.

13.4 As set out above, the fees and disbursements of the Receiver and its legal counsel described in the Karpel Affidavit and the Brotman Affidavit, respectively, are reasonable and appropriate in the circumstances having regard to the scope of activity undertaken in these Proceedings.

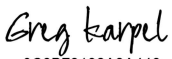
Sealing

13.5 The Receiver recommends that the Bid summary and the APA be filed with the Court on a confidential basis and remain sealed until further order of the Court. Disclosure of this commercially sensitive information and/or the identities of the other Bidders and the terms of their Bids could negatively affect any future transactions for the Consumer Portfolio if the Sale Transaction does not close for any reason. The Receiver is not aware of any party that would be prejudiced if this information is sealed on the terms described above.

13.6 Based on the foregoing, the Receiver respectfully recommends that the Court make an order granting the relief sought on the Sale Approval Motion and detailed in Section 1.5 of this Second Report.

All of which is respectfully submitted,

**Alvarez & Marsal Canada Inc.,
in its capacity as Receiver and Manager of
Skymark Finance Corporation and Merk Investments Ltd.
and not in its personal capacity.**

DocuSigned by:

0C8B73192A3A446...

Per: Greg Karpel, Senior Vice-President

CONFIDENTIAL
APPENDIX “B”

CONFIDENTIAL
APPENDIX “C”

APPENDIX “D”

ASSIGNMENT AND ASSUMPTION AGREEMENT
(the “Agreement”)

THIS AGREEMENT is dated as of February 15, 2024.

CONTEXT:

- A. Bridging Finance Inc. (“**BFI**”), as agent for Bridging Income Fund LP (formerly, Sprott Bridging Income Fund LP) (the “**Bridging Lender**”) made certain credit facilities available to 2305145 Ontario Inc. (formerly, Skymark Finance Corporation) (the “**230 Lender**”) pursuant to a letter agreement dated as of July 7, 2017 (as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof, the “**Bridging Credit Agreement**”).
- B. The 230 Lender used funds advanced pursuant to the Bridging Credit Agreement to make certain credit facilities available to 2581150 Ontario Inc. (the “**Borrower**”) pursuant to the terms of a letter agreement dated as of July 7, 2017 (as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof, the “**230 Credit Agreement**”), which credit facilities were in the same principal amounts and advanced on substantially similar terms as the facilities made available to the 230 Lender under the Bridging Credit Agreement.
- C. The Borrower and Santokh Mahal (the “**Guarantor**”, and together with the Borrower, the “**Obligors**”) delivered a number of other documents in connection with the 230 Credit Agreement including, without limitation, a promissory note dated as of June 2, 2017 made by the Guarantor in favour of the 230 Lender (as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof, the “**230 Promissory Note**”) and certain security documents including, without limitation, those set forth on **Exhibit “A”** hereto (as each may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof, collectively, the “**230 Security Documents**”, and together with the 230 Credit Agreement and 230 Promissory Note, the “**Assigned Documents**”).
- D. Pursuant to the orders of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated April 30, 2021, May 3, 2021, and May 14, 2021 (the “**Bridging Appointment Orders**”), PricewaterhouseCoopers Inc. was appointed as the receiver and manager (in such capacity, the “**Bridging Receiver**”) of BFI and certain related entities and investment funds (collectively, “**Bridging**”), including the Bridging Lender.
- E. Pursuant to an order of the Court dated March 6, 2023, made on the application of the Bridging Receiver, Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as receiver and manager (in such capacity, the “**230 Receiver**”) of the 230 Lender and an affiliated entity.
- F. The Bridging Receiver understands from: (i) discussions with Paul Millar (the sole director of the Borrower and a director of the 230 Lender) and certain former employees of BFI; (ii) the books and records of Bridging; and (iii) the course of conduct of the Bridging Lender, the 230 Lender, and the Borrower, including the historical payments made by the

Borrower directly to the Bridging Lender under the 230 Credit Agreement, that the Assigned Documents were assigned by the 230 Lender to the Bridging Lender prior to the appointment of the Bridging Receiver, with the result that the Assigned Documents and all indebtedness evidenced thereby constitute Property (as defined in the Bridging Appointment Orders) of Bridging, the Borrower is directly indebted to the Bridging Lender under the Assigned Documents (not the 230 Lender) and the 230 Lender has no continuing indebtedness or obligations to the Bridging Lender under the Bridging Credit Agreement or the Assigned Documents (the “**Original Assignment**”).

- G. According to the books and records of the Bridging Lender, as of February 14, 2024, the Borrower is indebted to the Bridging Lender in the aggregate principal amount of CAD\$21 million under the Assigned Documents.
- H. The books and records of Bridging and the 230 Lender do not contain a written agreement reflecting the Original Assignment. As such, the Bridging Receiver and the 230 Receiver have agreed to enter into this Agreement to document the terms of the Original Assignment, including, without limitation, the assignment by the 230 Receiver, and the assumption by the Bridging Receiver, of all of the 230 Lender’s rights and obligations under the Assigned Documents, and a release by the Bridging Receiver in favour of the 230 Receiver of all of the 230 Lender’s indebtedness and obligations under the Bridging Credit Agreement and related documents as set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for the sum of CAD \$1.00 paid to the Assignor (as defined below), and for other good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged, the parties hereto agree as follows:

- 1. The 230 Receiver as the assignor hereunder (in such capacity, the “**Assignor**”) hereby sells and assigns to the Bridging Receiver as the assignee hereunder (in such capacity, the “**Assignee**”), and the Assignee hereby purchases and assumes from the Assignor (collectively, the “**Assigned Assets**”):
 - (a) a one-hundred percent (100%) interest in and to all of the Assignor’s rights and obligations under the 230 Credit Agreement and the 230 Promissory Note as of the Effective Date (as defined below); and
 - (b) a one-hundred percent (100%) interest in and to all of the Assignor’s rights and obligations under the 230 Security Documents and each of the liens granted in favour of the Assignor in connection therewith as being secured thereby (collectively, the “**230 Liens**”) including, without limitation, each of the liens set forth on **Exhibit “B”** hereto.
- 2. The Assignor (i) represents and warrants that this Agreement constitutes a legal, valid, and binding obligation on its part which is enforceable by the Assignee against the Assignor in accordance with its terms; (ii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Obligors or the performance or observance by the Obligors of any of their respective obligations under the Assigned Documents or any other instrument or document furnished pursuant thereto; (iii) represents and warrants that, subject to obtaining the 230 Approval Order (as defined below), it has

full power and authority, and has taken all necessary action, to execute and deliver this Agreement and to consummate the transactions contemplated hereby; (iv) covenants and agrees that, upon and after the Effective Date, if the Assignor receives any payments of principal, interest or other amounts from the Obligors or any other party on behalf of the Obligors in respect of the Assigned Assets, it will hold such amounts in trust for the benefit of the Assignee and remit such amounts to the Assignee as soon as practicable.

3. The Assignee (i) represents and warrants that this Agreement constitutes a legal, valid, and binding obligation on its part which is enforceable by the Assignor against the Assignee in accordance with its terms, (ii) represents and warrants that, pursuant to the Bridging Appointment Orders, it has full power and authority, and has taken all necessary action, to execute and deliver this Agreement and to consummate the transactions contemplated hereby, and (iii) represents and warrants that the Assignee has relied on its own diligence and has satisfied itself with respect to all things relating to the Assigned Assets, subject to the Assignor's representations and warranties contained in paragraph 2 of this Agreement.
4. The effective date of this Agreement (the "**Effective Date**") shall be the date on which both of the following events have occurred:
 - (a) a fully executed copy of this Agreement has been delivered to the Assignor and the Assignee; and
 - (b) the Court in the receivership proceedings concerning the 230 Lender and bearing court file number CV-22-00692309-00CL shall have issued an order approving this Agreement, which order shall have been issued and entered, and the operation and effect of such order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) and no notices of the foregoing shall have been filed (the "**230 Approval Order**").
5. As of the Effective Date (i) the Assignee shall, in addition to any rights and obligations under the Assigned Documents held by it immediately prior to the Effective Date, have the rights and obligations under the Assigned Documents that have been assigned to it pursuant to this Agreement and (ii) the Assignor shall, to the extent provided in this Agreement, relinquish its rights and be released from its obligations under the Assigned Documents in accordance with paragraph 7 of this Agreement.
6. The Assignee hereby agrees that (i) the sale and assignment of Assignor's right, title, estate and interest in and to the Assigned Assets are and shall be without recourse to the Assignor; (ii) the Assignor is assigning, and the Assignee is accepting, the Assigned Assets on an "as is, where is" basis as they exist on the Effective Date and, with the exception of the representations and warranties contained in paragraph 2, the Assignor is not making, and the Assignee is not relying on, any representations, warranties or other statements of any kind whatsoever, whether oral or written, express or implied, statutory or otherwise, as to any matter concerning the Assignor, the 230 Lender or its business, the Assigned Assets, the Assigned Documents, the 230 Liens, this Agreement, or the accuracy or completeness of any information provided to (or otherwise acquired by) the Assignee or any of its officers, directors, partners, members, shareholders, employees, advisors, representatives or agents and, without limiting the generality of the foregoing, any and all conditions or

warranties, expressed or implied, pursuant to any legislation or law of any applicable jurisdiction concerning the sale of goods generally will not apply and are hereby waived by the Assignee to the fullest extent permitted by applicable law.

7. As of the Effective Date, the Assignee hereby releases and forever discharges the Assignor and A&M and its affiliates, successors, and assigns, and all officers, directors, partners, members, shareholders, employees, advisors, representatives and agents of each of them, and the estate of the 230 Lender (collectively, the “**Released Parties**”), from all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions, or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, actual or potential, contractual, legal or equitable, including loss of value, professional fees, including fees and disbursements of legal counsel on a full indemnity basis, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing (collectively, the “**Claims**”) which Assignee had, has or may in the future have relating to:
- (a) the Assigned Documents;
 - (b) the Assigned Assets;
 - (c) the 230 Liens;
 - (d) the Bridging Credit Agreement and any other document delivered pursuant to or in connection with the Bridging Credit Agreement including, without limitation, those set forth on Exhibit “C” (collectively, the “**Bridging Documents**”);

provided that, notwithstanding anything else set out in this Agreement, nothing herein shall in any way release: (i) any of the parties hereto from their respective obligations under this Agreement; (ii) any of the Obligors from any of their respective obligations under the Assigned Documents; (iii) any of the affiliates, successors, and assigns, and all officers, directors, partners, members, shareholders, employees, advisors, representatives and agents of any of the Obligors; (iv) any of Bridging’s or the Bridging Receiver’s claims against the Borrower including, without limitation, the Borrower’s obligations under that certain Assumption Agreement Re: Bridging Indebtedness dated as of July 7, 2017 and any related security or other documents; or (v) the 230 Lender or any of its affiliates, successors, and assigns, and all officers, directors, partners, members, shareholders, employees, advisors, representatives and agents of each of them from any of their respective obligations or liabilities other than the release of the estate of the 230 Lender and its successors and assigns as expressly set forth in Section 7(a)-(d) of this Agreement, including, without limitation, any such obligations arising under the Loan Agreement, the Loans, the Skymark GSA, the Merk GSA, or the Guarantees (each as defined in the Affidavit of Christine Sinclair sworn December 30, 2022).

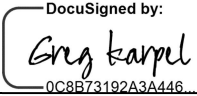
8. The Assignor and Assignee shall make all appropriate adjustments in payments (if any) under the 230 Credit Agreement and the 230 Promissory Note for periods prior to the Effective Date directly between themselves.

9. Time is of the essence of each provision of this Agreement.
10. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein except for any choice of law principles which would refer such matters to another jurisdiction.
11. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same agreement, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart. Transmission of a copy of an executed signature page of this Agreement by facsimile transmission or e-mail in portable document format (PDF) by parties hereto, shall be as effective as delivery of an original manually executed counterpart hereof to each other party hereto.

[Remainder of Page Intentionally Left Blank]

TO WITNESS THEIR AGREEMENT, the parties have duly executed this Agreement on the date first written above.

ALVAREZ & MARSAL CANADA INC.,
solely in its capacity as court-appointed receiver
and manager of 2305145 Ontario Inc. (formerly,
Skymark Finance Corporation) and not in any
personal or other capacity

Per: 
Name: Greg Karpel
Title: Senior Vice-President
*Signing as an authorized signatory of
Alvarez & Marsal Canada Inc. and not in
my personal capacity*

PRICEWATERHOUSECOOPERS INC.,
solely in its capacity as court-appointed receiver
and manager of Bridging Finance Inc. and
certain related entities and investment funds and
not in any personal or other capacity

Per: 
Name: Christine Sinclair
Title: Vice-President
*Signing as an authorized signatory of
PricewaterhouseCoopers Inc. and not in
my personal capacity*

EXHIBIT “A”
230 SECURITY DOCUMENTS

1. General security agreement dated as of July 7, 2017, made by 2581150 Ontario Inc. in favour of 2305145 Ontario Inc. (formerly, Skymark Finance Corporation) as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof.
2. Limited recourse guarantee agreement dated as of July 7, 2017, made by Santokh Mahal in favour of 2305145 Ontario Inc. (formerly, Skymark Finance Corporation) as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof.
3. Securities pledge agreement dated as of July 7, 2017, made by Santokh Mahal in favour of 2305145 Ontario Inc. (formerly, Skymark Finance Corporation) as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof.
4. Assignment of insurance policies agreement dated July 7, 2017, made by 2581150 Ontario Inc. in favour of 2305145 Ontario Inc. (formerly, Skymark Finance Corporation) as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof.
5. Mortgage/charge dated July 7, 2017, made by 2581150 Ontario Inc. in favour of 2305145 Ontario Inc. (formerly, Skymark Finance Corporation) as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof.
6. Assignment of rents dated July 7, 2017, made by 2581150 Ontario Inc. in favour of 2305145 Ontario Inc. (formerly, Skymark Finance Corporation) as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof.
7. Notice of security interest in intellectual property dated July 7, 2017, made by 2581150 Ontario Inc. in favour of 2305145 Ontario Inc. (formerly, Skymark Finance Corporation) as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof.
8. Postponement of interest, as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof.

**EXHIBIT “B”
230 LIENS**

Personal Property Liens:

JURISDICTION	DEBTOR NAME	SECURED PARTY NAME(S)	FILE NUMBER/ REGISTRATION NUMBERS	EXPIRY DATE
Ontario	2581150 ONTARIO INC.	2305145 ONTARIO INC.	502370991/ 20240131 1719 1590 8948	January 31, 2029

Real Property Liens:

JURISDICTION	DEBTOR NAME	SECURED PARTY NAME(S)	REGISTRATION NUMBER	REGISTRATION DATE
LRO 12 (Essex)	2581150 ONTARIO INC.	SKYMARK FINANCE CORPORATION	Charge/Mortgage CE780575	July 7, 2017
LRO 12 (Essex)	2581150 ONTARIO INC.	SKYMARK FINANCE CORPORATION	Notice Of Assignment Of Rents-General CE780582 (relates to registration number(s)CE780575)	July 7, 2017

EXHIBIT “C”
BRIDGING DOCUMENTS

1. Credit agreement dated as of July 7, 2017 made between Bridging Finance Inc., as agent for Bridging Income Fund LP (formerly, Sprott Bridging Income Fund LP), and 2305145 Ontario Inc. (formerly, Skymark Finance Corporation), as borrower, as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof.
2. Promissory note dated as of June 5, 2017 made by 2305145 Ontario Inc. (formerly, Skymark Finance Corporation) in favour of Bridging Finance Inc., as agent for Bridging Income Fund LP (formerly, Sprott Bridging Income Fund LP), as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof.
3. General security agreement dated as of July 7, 2017 made by 2305145 Ontario Inc. (formerly, Skymark Finance Corporation) in favour Bridging Finance Inc., as agent for Bridging Income Fund LP (formerly, Sprott Bridging Income Fund LP), as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof.
4. Collateral assignment agreement dated as of July 7, 2017 made by 2305145 Ontario Inc. (formerly, Skymark Finance Corporation) in favour Bridging Finance Inc., as agent for Bridging Income Fund LP (formerly, Sprott Bridging Income Fund LP), as may have been amended, supplemented, restated, replaced or otherwise modified prior to the date hereof.

APPENDIX “E”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

*IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c. C.43, as amended,
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as
amended*

THE HONOURABLE) MONDAY, THE ____ DAY
JUSTICE _____) OF _____, 2024

B E T W E E N:

PRICEWATERHOUSECOOPERS INC.
(solely in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and
certain related entities and investment funds)

Applicant

- and -

2305145 ONTARIO INC. and MERK INVESTMENTS LTD.

Respondents

ORDER

THIS MOTION, made by 7539088 Canada Inc. and 1989474 Ontario Inc. (together, the “Orr Plaintiffs”), on consent of Alvarez & Marsal Canada Inc., solely in its capacity as court-appointed receiver and manager (in such capacity, the “Receiver”), without security, of all of the assets, undertakings, and properties of each of 2305145 Ontario Inc. (formerly known as Skymark Finance Corporation and defined herein as “Skymark”) and Merk Investments Ltd. (“Merk”), for an order lifting the stay of proceedings provided for in paragraphs 9 and 10 of the order Justice Penny dated March 6, 2023 made in this proceeding (the “Appointment Order”) as it applies to the

Orr Plaintiffs, for the limited purpose set out below and subject to the terms and conditions set forth herein, was heard this day at 330 University Avenue, Toronto, Ontario by judicial videoconference.

ON READING the Consent of the Receiver and the materials filed by the Orr Plaintiffs, including the order of Justice Osborne dated December 2, 2022 (the “Production Order”) in the Ontario Superior Court of Justice (Commercial List) action bearing court file number CV-22-00686234-00CL (the “Orr Action”) attached as Appendix “A”, and on hearing the submissions of counsel for the Receiver and the Orr Plaintiffs and counsel for the other parties listed on the counsel slip, no one appearing for any other person on the service list although duly served as appears from the affidavit of service of [●] sworn [●], filed:

1. THIS COURT ORDERS that the stay of proceedings provided for in paragraphs 9 and 10 of the Appointment Order is hereby lifted for the limited purpose of permitting the relief provided in this order, including the terms and conditions set forth herein.
2. THIS COURT ORDERS that the Receiver, on a best-efforts basis, will provide to the Orr Plaintiffs copies of all Merk and Skymark bank statements available to the Receiver for the period beginning December 1, 2014 and ending August 31, 2022 which are responsive to subparagraph 1(c) or 1(d) of the Production Order.
3. THIS COURT ORDERS that this Order is without prejudice to the Receiver’s or the Orr Plaintiffs’ right or ability to seek further directions in respect of the provision of additional Skymark or Merk records to the Orr Plaintiffs, including, but not limited to, those records detailed in the Production Order, or to take any other steps to obtain records relevant to the Orr Action or any other proceeding.

4. THIS COURT ORDERS that the Receiver will use best efforts to comply with paragraph 2 of this Order by [●] and, if unable to do so, will so advise the Orr Plaintiffs and, in that case, will comply with paragraph 2 as soon as possible thereafter, taking into account the Receiver's obligations to the other stakeholders in this proceeding.
5. THIS COURT ORDERS that the Orr Plaintiffs' use or reliance on any records produced by the Receiver in connection with this Order shall be in strict compliance with the deemed undertaking rule set forth in Rule 30.1 of the Rules of Civil Procedure, and, without limiting the generality of the foregoing, shall be limited to use or reliance in this proceeding, the Orr Action and the Commercial List action related to the Orr Action bearing Court File No. CV-23-00702641-00CL (the "Related Action").
6. THIS COURT ORDERS that nothing in this Order will result in the Receiver being deemed a party in the Orr Action or the Related Action, or becoming subject to any obligation that ordinarily applies to a party to litigation, including, without limitation, oral or documentary discovery obligations. For clarity, the Receiver will have no obligation arising from this Order except as expressly set forth herein.
7. THIS COURT ORDERS that the Receiver and its affiliates, partners, directors, employees, advisors, agents, counsel, and controlling persons (collectively, the "Assistants") shall have no liability with respect to any and all losses, claims, damages, or liabilities of any nature or kind to any person in connection with or as a result of performing their obligations under this Order, except to the extent that such losses, claims, damages, or liabilities are a direct result of the gross negligence or willful misconduct of the Receiver as determined by this

Court, and nothing in this Order shall modify or derogate from the protections provided to the Receiver in the Appointment Order or any other order made in this proceeding.

The Receiver and the Orr Plaintiffs are not in agreement in respect of paragraph 8 of this Order, with their respective positions on that paragraph being as follows:

8. [Receiver] THIS COURT ORDERS that the Receiver's fees and expenses (including, without limitation, the fees and expenses of its legal counsel Fasken Martineau DuMoulin LLP ("Fasken")) reasonably incurred in connection with this motion and compliance with this Order shall be paid by the Orr Plaintiffs who shall be jointly and severally liable for all such fees and expenses. The Receiver and Fasken may, in connection with this paragraph, render their respective accounts on a monthly basis or from time to time as they deem appropriate, and the Orr Plaintiffs shall, upon receipt of such accounts, remit payment in full to the Receiver or Fasken (as applicable) within five (5) business days of such receipt.
8. [The Orr Plaintiffs] THIS COURT ORDERS that the Receiver's fees and expenses (including, without limitation, the fees and expenses of its legal counsel Fasken Martineau DuMoulin LLP) reasonably incurred in connection with this motion and compliance with this Order shall be paid from the Property as defined in paragraph 2 of the Appointment Order and secured by the Receiver's Charge as defined in paragraph 18 of the Appointment Order.
9. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Receiver and its Assistants are hereby authorized and permitted to disclose and transfer to the Orr Plaintiffs and their advisors personal information of identifiable individuals that may be contained in the

records produced to comply with paragraph 2 of this Order, but only to the extent desirable or required to comply with this Order. The Orr Plaintiffs shall maintain and protect the privacy of such information and limit the use of such information as set out above in paragraph 5 of this Order.

10. THIS COURT ORDERS that the Receiver may from time to time apply to this Court to amend, vary, or supplement this Order or to seek advice or directions regarding the discharge of its powers and duties under this Order.

IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 C. C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, C. B-3, as amended

PRICEWATERHOUSECOOPERS INC.

-and-

(solely in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and certain related entities and investment funds)

SKYMARK FINANCE CORPORATION and MERK
INVESTMENTS LTD.

Applicant

Respondents
Court File No. CV-22-00692309-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

ORDER

BENNETT JONES LLP
3400 One First Canadian Place
P.O. Box 130
Toronto ON M5X 1A4

Lincoln Caylor (#37030L)
Email: caylorl@bennettjones.com
Telephone: 416.777.6121

Nathan J. Shaheen (#60280U)
Email: shaheenn@bennettjones.com
Telephone: 416.777.7306

Andrew N. Sahai (#80460D)
Email: sahaia@bennettjones.com
Telephone: 416.777.6249

Lawyers for the Moving Parties

APPENDIX “F”

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

*IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended,
and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3,
as amended*

BETWEEN:

**PRICEWATERHOUSECOOPERS INC.
(solely in its capacity as court-appointed receiver and manager of Bridging Finance Inc.
and certain related entities and investment funds)**

APPLICANT

- and -

SKYMARK FINANCE CORPORATION and MERK INVESTMENTS LTD.

RESPONDENTS

**AFFIDAVIT OF GREG KARPEL
(Sworn February 13, 2024)**

I, Greg Karpel, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND
SAY:**

1. I am a Senior Vice-President at Alvarez & Marsal Canada Inc. (“**A&M**”), the Court-appointed receiver and manager of the assets, undertakings and properties of the Respondents, in these proceedings (in such capacity, the “**Receiver**”). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.
2. A&M was appointed as Receiver pursuant to an Order (the “**Appointment Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on March 6, 2023. The

Receiver retained Fasken Martineau DuMoulin LLP (“**Fasken**”) as its counsel in these proceedings.

3. Pursuant to paragraph 18 of the Appointment Order, the Receiver and its legal counsel are to be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of the Appointment Order. Pursuant to paragraph 19 of the Appointment Order, the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to the Court.
4. Attached hereto and marked as **Exhibit “A”** to this Affidavit is a summary of the invoices rendered by A&M (the “**A&M Accounts**”) in respect of these proceedings for the period from September 1, 2023 to January 31, 2024 (the “**A&M Application Period**”). As well, attached hereto and marked as **Exhibit “B”** to this Affidavit are copies of the A&M Accounts, which have been redacted to address matters of confidentiality or privilege.
5. A&M expended a total of 279.2 hours in connection with this matter during the A&M Application Period, giving rise to fees and disbursements totalling \$259,979.69, comprised of fees of \$228,085.50, disbursements of \$1,985.02 and HST of \$29,909.17.
6. Attached hereto and marked as **Exhibit “C”** to this Affidavit is a summary of the hours incurred and standard hourly rates of the A&M personnel involved in this matter.
7. To the best of my knowledge, A&M’s rates and disbursements are consistent with those in the market for these types of matters and the hourly billing rates charged by A&M are comparable to the rates charged by A&M for services rendered in similar proceedings. A&M has had its rates and disbursements, including the rates of various professionals who provided services in these proceedings, approved by this Court in respect of similar services provided in a number of insolvency and restructuring files.
8. This Affidavit is sworn in connection with a motion for the approval of the fees and disbursements of the Receiver and its legal counsel.

SWORN BEFORE ME over
videoconference on this 13th day of
February, 2024. The affiant was located in
the City of Toronto, in the Province of
Ontario and the Commissioner was located
in the City of Toronto, Province of Ontario.
in accordance with O. Reg. 431/20,
Administering Oath or Declaration
Remotely

DocuSigned by:

Mitch Stephenson

7411077E9D494C2...

A Commissioner for taking affidavits
Name: Mitch Stephenson

DocuSigned by:

Greg Karpel

0C8B73192A3A446...

GREG KARPEL

This is Exhibit “A” referred to in the
affidavit of Greg Karpel
sworn before me, this 13th
day of February, 2024.

DocuSigned by:

Mitch Stephenson

7111077E9D494C2...

A Commissioner for Taking Affidavits

EXHIBIT "A"
ALVAREZ & MARSAL CANADA INC. COURT-APPOINTED RECEIVER OF
SKYMARK FINANCE CORPORATION AND MERK INVESTMENTS LTD.
(September 1, 2023 to January 31, 2024)

Invoice No.	Invoice Date	Invoice Period / Description	Total Hours	Fees	Disbursements	HST	Invoice Total
Inv #7	October 12, 2023	September 1, 2023 to September 30, 2023	114.1	\$ 90,957.00	\$ 506.85	\$ 11,890.30	\$ 103,354.15
Inv #8	November 28, 2023	October 1, 2023 to October 31, 2023	47.3	37,275.50	1,315.47	5,016.83	43,607.80
Inv #9	January 9, 2024	November 1, 2023 to November 30, 2023	22.6	18,712.00	128.26	2,449.23	21,289.49
Inv #10	January 15, 2024	December 1, 2023 to December 31, 2023	26.9	22,474.00	34.44	2,926.10	25,434.54
Inv #11	February 8, 2024	January 1, 2024 to January 31, 2024	68.3	58,667.00	-	7,626.71	66,293.71
TOTAL			279.2	\$ 228,085.50	\$ 1,985.02	\$ 29,909.17	\$ 259,979.69

This is Exhibit “B” referred to in the
affidavit of Greg Karpel
sworn before me, this 13th
day of February, 2024.

DocuSigned by:

Mitch Stephenson

7111077E9D494C2...

A Commissioner for Taking Affidavits



Alvarez & Marsal Canada Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900, P.O. Box 22
Toronto, ON M5J 2J1
Phone: +1 416 847 5200
Fax: +1 416 847 5201

October 12, 2023

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION. (the "Company")
INVOICE #7 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period September 1 to 30, 2023.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	26.1	\$920	\$24,012.00
M. MacKenzie, Senior Director	75.7	\$825	62,452.50
R. Wu, Senior Associate	6.6	\$400	2,640.00
A. Singels-Ludvik, Manager	5.7	\$325	1,852.50
	<u>114.1</u>		<u>\$90,957.00</u>
Add: Out of pocket expenses – case website maintenance charges and courier charges			<u>506.85</u>
			<u>\$91,463.85</u>
Add: HST @ 13%			<u>11,890.30</u>
TOTAL INVOICE			<u>\$103,354.15</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: 5519970
Reference #: Skymark Finance – Inv #7 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – September 1 to 30, 2023

<u>G. Karpel</u>	<u>Hrs.</u>
Sept 6 Review various correspondence related to file matters and internal discussion regarding same.	0.3
Sept 7 Review various correspondence related to file matters.	0.4
Sept 10 Review draft Second Report to Court of the Receiver (“Second Report”), provide comments regarding same; internal emails regarding various matters.	2.6
Sept 12 Review Fasken’ comments [REDACTED]; review draft Orders; correspondence with Fasken [REDACTED]; and internal correspondence regarding various matters.	1.7
Sept 13 Review revised draft Second Report; internal discussions and correspondence regarding various file matters; discussions with Purchaser regarding matters related to the closing (“Closing”) of the sale transaction; review correspondence from Fasken; review Closing documents; review draft Fee Affidavit; and attend to various file matters.	2.8
Sept 14 Review revised draft Second Report and provide comments regarding same; and internal correspondence regarding various file matters.	2.9
Sept 15 Review comments on draft Second Report; correspondence with Fasken and internal communications regarding same and draft Motion Materials; review Notice of Motion; and finalize Second Report.	2.3
Sept 18 Review correspondence from [REDACTED] assignment; call with Fasken [REDACTED] other file matters; correspondence with Fasken regarding Court materials and other file matters; and internal call to discuss file matters and preparation for Closing.	1.7
Sept 19 Review email correspondence regarding offsite file storage provider; prepare for and attend call with Purchaser and counsel regarding Enbridge; and internal discussions regarding file matters and Closing logistics.	1.4
Sept 20 Review draft correspondence from Fasken [REDACTED]; review email correspondence from Purchaser and Fasken [REDACTED].	0.9
Sept 21 Review correspondence from Blake Morgan including letter from opposing counsel [REDACTED]; review draft Supplement to the Second Report; review updated consumer portfolio document and provide comments regarding same; and various internal discussions.	2.1



Skymark Finance Corporation – 844471
DETAILED SUMMARY – September 1 to 30, 2023

Sept 22	Internal communications regarding various Closing related matters; review [REDACTED]; review draft factum and provide comments regarding same; and correspondence with Fasken regarding various Closing related matters.	2.0
Sept 23	Review revised Closing related documents; and review and execute various transaction documents.	0.5
Sept 25	Correspondence with Fasken regarding file matters.	0.3
Sept 26	Attend at Court hearing, follow-up call with Fasken regarding same; and internal call to discuss Closing and other file matters.	1.2
Sept 27	Internal correspondence regarding various matters; review updated schedules [REDACTED]; and attend to other file matters.	0.6
Sept 28	Correspondence with Fasken regarding Closing related matters; review and execute documents; correspondence with Fasken [REDACTED]; review tax documents and correspondence regarding same; and internal correspondence regarding various matters.	1.3
Sept 29	Attend to various Closing related matters; internal correspondence and discussions regarding Closing related matters; and correspondence with PWC regarding Closing.	1.1
TOTAL – G. Karpel		26.1 hrs.

M. MacKenzie

Hrs.

Sept 5	Communications with Skymark personnel in respect of [REDACTED]; various communications to address customer inquiries; internal communications in respect of certain [REDACTED] and certain loan/lease billing related matters; review bi-weekly payroll and submit same for payment; communications with file storage facility; and attend to various other related matters.	2.0
Sept 6	Status update call with G. Karpel; work on Second Report; internal communications in respect of bi-weekly payroll; review numerous paralegal invoices and related communications; communications with Fasken [REDACTED]; communications with Fasken and internally [REDACTED] and review [REDACTED] letter provided by Fasken; and internal communications in respect of the payment of certain legal fees.	3.8



Skymark Finance Corporation – 844471
DETAILED SUMMARY – September 1 to 30, 2023

Sept 7	Attend at the Companies' offices; [REDACTED] follow-up call and communications with Fasken, and review various related correspondence and supporting documents; review letter sent by Blake Morgan in respect of the [REDACTED]; provide information requested by Fasken in association with [REDACTED]; communications with Fasken and related internal communications [REDACTED]; and communications with file storage facility.	4.5
Sept 8	Communications with Skymark staff [REDACTED]; review [REDACTED] arrange to open trust bank account contemplated in the provisions of the [REDACTED] and related internal communications; work on draft Second Report; and attend to various other related matters.	6.0
Sept 11	Work on remaining sections of draft Second Report; work on draft Fee Affidavit; review receipts and disbursements schedule and provide comments in respect of same; communications with TD bank; internal communications regarding data room access; and attend to various other related matters.	4.3
Sept 12	Communications with Skymark management [REDACTED] and review information provided in respect of same; review draft closing agenda in respect of the Sale Transaction; review [REDACTED] and internal comments in respect of same; internal communications and communications with Fasken in [REDACTED]; work on draft Second Report and provide same to Fasken for comment; and communications with Fasken [REDACTED]	4.0
Sept 13	Internal communications in respect of Closing related matters and communications with Purchaser in respect of same; review various communications from Skymark personnel in respect of certain consumer loans/leases; review and provide comments in respect of Closing related documents and related internal communications; internal communications and communications with Fasken regarding [REDACTED]; communications with PWC [REDACTED] revisions to Second Report, related internal discussions and circulate same to Fasken for comment; and draft Fee Affidavit and associated schedules and related internal communications.	6.3

Skymark Finance Corporation – 844471
DETAILED SUMMARY – September 1 to 30, 2023

Sept 14	Communications with Fasken in respect of Closing related preparation and [REDACTED]; internal communications to coordinate hard copy file transfer to Purchaser on Closing; internal communications regarding receipts and disbursements and banking related matters; call with PWC; and communications with Fasken [REDACTED].	2.3
Sept 15	Attend at Companies' offices; communications with benefits provider to arrange for termination of benefit plan at the end of September; communications with M. Slattery regarding various matters; review further revised draft Second Report, provide remaining comments to Fasken and related internal communications; prepare and submit bi-monthly EFT billings in respect of Consumer Portfolio; assemble appendices to Second Report and provide same to Fasken; and summarize [REDACTED] [REDACTED]	6.0
Sept 18	Attend at Companies' offices; coordinate packing of files in preparation for the closing of the Sale Transaction; meet with P. Millar to discuss various matters; prepare and issue employee termination notices; review and arrange for payment of bi-weekly payroll; various communications from and call with Fasken [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] internal communications and communications with PWC regarding the payment of outstanding invoices for Skymark's legal counsel in respect of the [REDACTED]; review and summarize invoices and submit same for payment; review communications [REDACTED] and related communications with Fasken; and communications with Skymark personnel regarding certain consumer loans/leases.	5.0
Sept 19	Communications with the Purchaser to address various Closing related logistics and follow-up in respect of same; review emails regarding [REDACTED], related call with Fasken and Purchaser, and related call with Fasken and PWC; [REDACTED] and [REDACTED] and communications with Skymark staff regarding [REDACTED] in dispute and related practices, review relevant sections of [REDACTED] and related internal communications.	3.5
Sept 20	Communications with Fasken [REDACTED]; and attend to various file related matters.	1.3

Skymark Finance Corporation – 844471
DETAILED SUMMARY – September 1 to 30, 2023

Sept 21	<p>Various correspondence with Blake Morgan [REDACTED] and related communications with Fasken; review and update rolled forward Consumer Portfolio analysis, prepare variance analysis as compared to prior version and related internal communications; communications with Fasken in [REDACTED]; review draft Supplement to Second Report, provide comments and related internal communications; and attend to various other file related matters.</p>	4.0
Sept 22	<p>Various calls with the Purchaser and with a third-party consultant [REDACTED] [REDACTED] communications with Fasken; communications in respect of the [REDACTED]; review draft Factum; review and consider certain logistics related to Closing and preparation in respect of same; and attend to various other related matters.</p>	4.0
Sept 25	<p>Review summary payment runs for August 15th and September 1st and associated credit card payments and provide same to purchaser in preparation for Closing and various associated communications with Purchaser; internal communications regarding various matters; coordinate the posting of certain documents to the case website; and consider Skymark mortgage and PPSA registrations, related communications with Skymark management, summarize same [REDACTED]</p>	2.8
Sept 26	<p>Internal calls regarding Court attendance and various closing related matters; internal communications in respect of closing preparation; call with Fasken to discuss certain closing related matters; call with third-party consultant to make closing related arrangements; prepare and file HST returns; and attend to various other file related matters.</p>	3.0
Sept 27	<p>Attend at the Company's offices; review accounting records to extract data required to complete Schedules to the APA on Closing; retrieve and [REDACTED]; various calls with the Purchaser to discuss matters related to Closing; various calls with third-party IT consultant in respect of Closing related matters; respond to inquiries from certain Company staff; prepare Addendum to Schedule B to the APA for Closing and circulate same along with current version of Schedule B; various internal discussions to provide status updates and discuss certain matters in respect of Closing; review schedule of consumer loans/leases recorded [REDACTED] [REDACTED] and records and extract those that are in [REDACTED] to prepare Schedule E to APA; review TD bank statement to date to determine [REDACTED] Purchaser; and attend to various other file related matters.</p>	4.8

Skymark Finance Corporation – 844471
DETAILED SUMMARY – September 1 to 30, 2023

Sept 28	Review customer data downloaded from Quick Books in conjunction with core Consumer Portfolio Data and set up for presentation purposes as a Schedule to the APA; similarly, review and format [REDACTED] provided by third-party consultant; numerous communications with Fasken [REDACTED]; [REDACTED] [REDACTED]; communications in respect of the [REDACTED] and attend to various other file related matters.	4.3
Sept 29	Attend at the Companies' offices; prepare and submit the bi-monthly EFT billings; review UK property related documents; attend to various matters in association with the closing of the Sale Transaction, and meet with the Purchaser to review, discuss and attend to various logistics and related matters in association with same.	3.8
TOTAL – M. MacKenzie		75.7 hrs.

R. Wu

Hrs.

Sept 5	Review communications in respect of consumer loan/lease billing related matters and certain litigation related documents, and related internal communications.	0.4
Sept 11	Review data room access as compared to schedule of parties that had executed an [REDACTED] and related internal communications.	0.6
Sept 18	Communications with Skymark personnel regarding customer payouts, and review and update Consumer Portfolio analysis accordingly.	0.5
Sept 19	Further update Consumer Portfolio analysis as at September 18, 2023, update redacted version of the same and related internal communications.	1.3
Sept 24	Review and redact Motion Material and Second Report, arrange for same to be posted to the Case Website; and attend to general inquiries.	1.0
Sept 25	Update Case Website to arrange for Factum, Service List and certain other documents to be posted and follow-up in respect of same; communications with a vendor regarding prefiling service invoice and continuity of service.	1.2
Sept 26	Review data room access rights and running access history report in association with Sale Transaction closing preparation, and related internal communications.	0.2



Skymark Finance Corporation – 844471
DETAILED SUMMARY – September 1 to 30, 2023

Sept 27	Review and update Case Website to arrange for posting of Approval and Vesting Order, Ancillary Relief Order, Endorsement, and updated Service List; and communications with vendor regarding prefiling matters.	1.1
Sept 28	Review updates to Case Website and related communications with service provider.	0.1
Sept 29	Internal communications regarding data room access; and upload Schedule C to APA to data room.	0.2
TOTAL – R. Wu		6.6 hrs.

<u>A. Singels-Ludvik</u>		<u>Hrs.</u>
Sept 5	Process payroll cheques and update Schedule of Receipts and Disbursements (“R&D”).	1.2
Sept 8	Review bank activity to date [REDACTED]; and reconcile Receiver’s trust account to date.	1.2
Sept 14	Process/prepare wire forms to pay professional fees and update R&D accordingly.	0.4
Sept 19	Process payroll cheques and review/pay invoices for payment and update R&D accordingly.	2.4
Sept 22	Review bank activity to date [REDACTED]; and reconcile Receiver’s trust account to date.	0.5
TOTAL – A. Singels-Ludvik		5.7 hrs.





Alvarez & Marsal Canada Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900, P.O. Box 22
Toronto, ON M5J 2J1
Phone: +1 416 847 5200
Fax: +1 416 847 5201

November 28, 2023

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION. (the "Company")
INVOICE #8 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period October 1 to 31, 2023.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	9.4	\$920	\$8,648.00
M. MacKenzie, Senior Director	32.5	\$825	26,812.50
R. Wu, Senior Associate	0.8	\$400	320.00
A. Singels-Ludvik, Manager	4.6	\$325	1,495.00
	<u>47.3</u>		<u>\$37,275.50</u>
Add: Out of pocket expenses – case website maintenance charges, courier charges and redirection of mail at Canada Post.			<u>1,315.47</u>
			<u>\$38,590.97</u>
Add: HST @ 13%			<u>5,016.83</u>
TOTAL INVOICE			<u>\$43,607.80</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: 5519970
Reference #: Skymark Finance – Inv #8 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – October 1 to 31, 2023

<u>G. Karpel</u>	<u>Hrs.</u>
Oct 2 Review draft Order [REDACTED] and correspondence with Fasken regarding same; internal discussions regarding file matters.	0.6
Oct 3 Prepare for and attend call with Fasken regarding [REDACTED].	0.5
Oct 4 Review draft correspondence to PWC and provide comments regarding same; discussions with Fasken.	0.8
Oct 10 Review of correspondence from Fasken; internal discussions regarding various file matters.	0.4
Oct 11 Correspondence with Fasken regarding [REDACTED]; review of various file materials and internal discussions regarding same.	0.5
Oct 12 Prepare for and attend update call with PWC, TGF and Faskens; and internal follow-up discussions regarding same.	1.0
Oct 13 Review of disbursements.	0.2
Oct 15 Review of S. 246(2) Notices and provide comments regarding same.	0.9
Oct 16 Review of disbursements.	0.2
Oct 17 Review [REDACTED] [REDACTED] [REDACTED] [REDACTED]; and attend to various file matters	0.5
Oct 18 Prepare for and attend call with Fasken [REDACTED] [REDACTED] and related follow-up discussions with Fasken; and review various correspondence.	0.8
Oct 20 Internal discussions regarding file matters and updates.	0.5
Oct 23 Internal discussions regarding [REDACTED]; and further review of S. 246(2) Notices and provide comments regarding same.	0.8
Oct 24 Review materials related to [REDACTED]; and prepare for meeting with M. Slattery and his legal counsel.	0.5
Oct 25 Review correspondence regarding [REDACTED].	0.3
Oct 26 Internal discussions regarding various matters.	0.2
Oct 27 Review S. 246(2) Notices and internal correspondence regarding same.	0.4



Skymark Finance Corporation – 844471
DETAILED SUMMARY – October 1 to 31, 2023

Oct 31	Internal discussions regarding various file matters.	0.3
TOTAL – G. Karpel		9.4 hrs.

M. MacKenzie

Hrs.

Oct 2	Review correspondence from Fasken summarizing the status of various matters; communications with the Purchaser in the Sale Transaction for the Consumer Portfolio; arrange for the Companies' mail to be redirected to the Receiver's office; review draft Order related to the [REDACTED] [REDACTED] [REDACTED] communications with Fasken regarding [REDACTED]; internal discussions and attend to various other file related matters.	2.3
Oct 3	Prepare for and attend call with Fasken to discuss options in respect of [REDACTED]; review Skymark bi-weekly payroll and arrange for payment of same; and communications with Skymark personnel regarding various file related matters.	1.3
Oct 4	Review draft Order in respect of the [REDACTED]; communications regarding [REDACTED] recently paid out; and attend to various other file related matters.	1.0
Oct 5	Prepare draft S. 246(2) Notices in respect of each of the Companies together with statements of receipts and disbursement ("R&D") for each; and internal status update call.	3.2
Oct 6	Review correspondence from Fasken regarding [REDACTED]; and call with Purchaser regarding various matters.	0.5
Oct 10	Review PPSA registrations in association with the closing of the Sale Transaction and related communications; internal communications regarding updating case website introduction in respect of the name change; communications with third-party file storage site; call with Purchaser; internal discussions and attend to various other file related matters.	1.5
Oct 11	Email from Bennett Jones [REDACTED] [REDACTED]; communications from Fasken, Blakes and KSV regarding [REDACTED]; and internal status update call.	0.8



Skymark Finance Corporation – 844471
DETAILED SUMMARY – October 1 to 31, 2023

Oct 13	Communications with Fasken regarding the [REDACTED] [REDACTED] [REDACTED] communications with Purchaser and provide certain requested information related to the Purchased Assets; communications with TD bank and review statement information provided; communications with Skymark staff to follow-up in respect of support for certain invoices received; and review and summarize invoices and submit same for payment.	2.5
Oct 14	Attend at Companies' offices to retrieve various records [REDACTED] [REDACTED] [REDACTED].	2.0
Oct 16	Communications with Purchaser regarding various post-closing matters; communications with Fasken [REDACTED] [REDACTED] [REDACTED]; internal communications regarding R&D.	2.0
Oct 17	Review correspondence from Blake Morgan regarding [REDACTED] matter; and review and summarize additional invoices, submit same for payment and related internal communications.	1.3
Oct 20	Call with M. Slattery regarding various administrative matters; and internal update call.	0.8
Oct 22	Prepare final payroll calculations for remaining employees and arrange for payment of same; review and summarize invoices and submit same for payment; review and update schedule of R&D; and revise draft S. 246(2) Notices for each of Skymark and Merk.	2.5
Oct 23	Internal communications regarding [REDACTED] related matters; internal status update call; prepare and send letter to TD Bank; and communications with Purchaser regarding various issues in preparation for month-end reporting.	1.8
Oct 26	Prepare information in support of HST return; various communications with Purchaser in preparation for month-end reporting; respond to inquiries from various borrowers under the [REDACTED] and creditors; internal discussions and attend to various other related matters.	2.0
Oct 27	Revise draft Interim Report of the Receiver for each of Skymark and Merk, [REDACTED] [REDACTED]; communications with TD Bank; call with Purchaser's agent in respect of certain matters related to the closing of the sale transaction; prepare schedule of cheques received for the benefit of the Purchaser and reconcile transactions in the TD bank statement; and attend to various other related matters.	3.5

Skymark Finance Corporation – 844471
DETAILED SUMMARY – October 1 to 31, 2023

Oct 30	Communications with the Purchaser regarding various matters; [REDACTED] [REDACTED]; and various related communications.	0.5
Oct 31	Attend at Companies' premises, meet with M. Slattery to discuss various matters, copy certain files from system, and retrieve certain documents; communications with Purchaser regarding month-end; reconcile post-closing collections to determine amounts to be remitted to the Purchaser; internal status update call; and attend to various other related matters.	3.0
TOTAL – M. MacKenzie		32.5 hrs.

<u>R. Wu</u>		<u>Hrs.</u>
Oct 3	Modify user access rights to the data room.	0.1
Oct 10	Update case website to reflect changes post-sale and review of same. same.	0.3
Oct 11	Review correspondence from Paralegal, related invoices [REDACTED] [REDACTED] [REDACTED]	0.3
Oct 17	Correspondence [REDACTED] [REDACTED].	0.1
TOTAL – R. Wu		0.8 hrs.

<u>A. Singels-Ludvik</u>		<u>Hrs.</u>
Oct 4	Process payroll cheques and update R&D; prepare cheque to CRA for source deductions and arrange payment at RBC.	1.6
Oct 17	Review bank activity to date [REDACTED]; and reconcile Receiver's trust account to date; review email from M. MacKenzie regarding payments and process/prepare cheques regarding same and update R&D.	1.8
Oct 25	Process/prepare final payroll cheques and review bank activity to date [REDACTED]; and reconcile Receiver's trust account to date.	1.2
TOTAL – A. Singels-Ludvik		4.6 hrs.





Alvarez & Marsal Canada Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900, P.O. Box 22
Toronto, ON M5J 2J1
Phone: +1 416 847 5200
Fax: +1 416 847 5201

January 9, 2024

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION (the "Company")

INVOICE #9 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period November 1 to 30, 2023.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	8.6	\$920	\$7,912.00
M. MacKenzie, Senior Director	12.5	\$825	10,312.50
A. Singels-Ludvik, Manager	1.5	\$325	487.50
	<u>22.6</u>		<u>\$18,712.00</u>
Add: Out of pocket expenses – case website maintenance charges, courier charges and telephone costs.			<u>128.26</u>
			<u>\$18,840.26</u>
Add: HST @ 13%			<u>2,449.23</u>
TOTAL INVOICE			<u>\$21,289.49</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: 5519970
Reference #: Skymark Finance – Inv #9 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – November 1 to 30, 2023

<u>G. Karpel</u>	<u>Hrs.</u>
Nov 1 Review various correspondence [REDACTED] [REDACTED].	0.3
Nov 2 Review correspondence and internal discussions regarding file matters.	0.2
Nov 3 Review post-closing cash reconciliation and provide comments regarding same.	0.5
Nov 7 Internal discussions regarding file matters.	0.2
Nov 8 Prepare for and attend call with Bennett Jones LLP (“Bennett Jones”) [REDACTED] [REDACTED].	0.5
Nov 13 Review financial information [REDACTED] [REDACTED].	0.6
Nov 15 Review correspondence from Blake, Cassels & Graydon LLP (“Blakes”) [REDACTED] [REDACTED]; and review correspondence received from Bennett Jones [REDACTED] [REDACTED].	1.1
Nov 20 Review of correspondence from [REDACTED], and correspondence with Fasken LLP (“Fasken”) [REDACTED].	0.4
Nov 23 Review various correspondence; correspondence with Fasken regarding various matters; and attend to various file matters.	0.5
Nov 27 Review draft email to PWC and provide comments regarding same; review [REDACTED] and provide comments regarding same.	1.0
Nov 28 Prepare for and attend call with Bennett Jones [REDACTED] [REDACTED]; and attend to various file matters.	1.8
Nov 29 Review correspondence from Bennett Jones [REDACTED] [REDACTED]; correspondence with Fasken.	1.1
Nov 30 Discussions with Fasken [REDACTED] [REDACTED] attend to various file matters.	0.4
TOTAL – G. Karpel	8.6 hrs.



Skymark Finance Corporation – 844471
DETAILED SUMMARY – November 1 to 30, 2023

<u>M. MacKenzie</u>	<u>Hrs.</u>
Nov 1 Provide post-closing cash reconciliation to purchaser of consumer portfolio ("Purchaser") and related communications; internal communications regarding banking related matters; review correspondence from Blake Morgan and Fasken [REDACTED]; and review correspondence regarding [REDACTED].	1.1
Nov 2 Internal communications regarding file matters.	0.2
Nov 3 Update post-closing cash reconciliation, related internal communications and communications with Purchaser; and prepare and file HST return.	1.5
Nov 7 Internal discussions regarding file matters.	0.2
Nov 8 Call with Fasken regarding [REDACTED]; prepare for and attend call with Fasken [REDACTED].	1.1
Nov 12 Prepare analysis in respect of the [REDACTED] and [REDACTED], and related internal communications.	1.0
Nov 15 Review information provided by M. Slattery [REDACTED] letter from Bennett Jones [REDACTED] and related internal communications and communications with Fasken; and review correspondence from Blakes.	1.3
Nov 20 Attend at Companies' offices; prepare and submit bi-monthly billing reports; call with M. Slattery to discuss various matters; and communications with Purchaser.	2.5
Nov 22 Respond to inquiries from various stakeholders.	0.8
Nov 24 Prepare T4s and T4 summary for the pre and post receivership periods, submit same and send T4s to former employees, and related communications.	2.0
Nov 28 Review and respond to information requests from Fasken [REDACTED]; prepare for and attend call with Fasken [REDACTED].	0.8
TOTAL – M. MacKenzie	12.5 hrs.



Skymark Finance Corporation – 844471
DETAILED SUMMARY – November 1 to 30, 2023

<u>A. Singels-Ludvik</u>		<u>Hrs.</u>
Nov 1	Update Schedule of Receipts and Disbursements ("R&D") for receipts.	0.3
Nov 6	Process invoice for payment; prepare wire request to RBC regarding same; and update R&D.	0.2
Nov 20	Update R&D regarding [REDACTED] [REDACTED] [REDACTED] email M. MacKenzie regarding same.	0.2
Nov 21	Process invoice for payment; prepare wire request to RBC regarding same; and update R&D.	0.2
Nov 22	Process invoice for payment; arrange mailing of cheque regarding same; and update R&D.	0.2
Nov 23	Process invoice for payment; prepare wire request to RBC regarding same; and update R&D.	0.2
Nov 30	Update R&D regarding [REDACTED] [REDACTED] [REDACTED] email M. MacKenzie regarding same.	0.2
TOTAL – A. Singels-Ludvik		1.5 hrs.





Alvarez & Marsal Canada Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900, P.O. Box 22
Toronto, ON M5J 2J1
Phone: +1 416 847 5200
Fax: +1 416 847 5201

January 15, 2024

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION (the "Company")
INVOICE #10 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period December 1 to 31, 2023.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	7.7	\$920	\$7,084.00
M. MacKenzie, Senior Director	18.3	\$825	15,097.50
A. Singels-Ludvik, Manager	0.9	\$325	292.50
	<u>26.9</u>		<u>\$22,474.00</u>
Add: Out of pocket expenses – courier charges			<u>34.44</u>
			<u>\$22,508.44</u>
Add: HST @ 13%			<u>2,926.10</u>
TOTAL INVOICE			<u>\$25,434.54</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: 5519970
Reference #: Skymark Finance – Inv #10 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – December 1 to 31, 2023

<u>G. Karpel</u>	<u>Hrs.</u>
Dec 1 Prepare for and attend call with PWC [REDACTED] [REDACTED]; internal discussion regarding consumer portfolio and other file matters.	1.3
Dec 6 Internal discussions regarding file matters.	0.3
Dec 8 Review of [REDACTED] and correspondence regarding same; review of [REDACTED] [REDACTED] and provide comments regarding same; call with Fasken regarding [REDACTED]; and internal discussions and correspondence regarding various matters.	1.5
Dec 11 Attend call with M. Slattery and P. Millar regarding [REDACTED]; internal discussions regarding various matters including post-closing accounting in respect of the sale of the consumer proposal, tax matters, HST audit, [REDACTED] and various other matters.	1.4
Dec 13 Review information [REDACTED] [REDACTED] [REDACTED].	0.5
Dec 14 Correspondence with Fasken regarding various file matters.	0.3
Dec 20 Review of response from counsel to [REDACTED] and related correspondence with Fasken; and internal discussions regarding various matters and updates.	1.2
Dec 22 Attend to various file matters.	0.4
Dec 29 Review correspondence from Fasken.	0.3
Dec 31 Review mutual and final release [REDACTED] [REDACTED] [REDACTED] and provide comments regarding same.	0.5
TOTAL – G. Karpel	7.7 hrs.

<u>M. MacKenzie</u>	<u>Hrs.</u>
Dec 1 Call with Fasken [REDACTED] [REDACTED]; internal status update call; communications with TD Bank; and reconcile funds collected for the benefit of the Purchaser of the consumer portfolio and related communications with Purchaser.	1.8
Dec 3 Call with purchaser of consumer portfolio regarding various post-closing related matters.	0.5



Skymark Finance Corporation – 844471
DETAILED SUMMARY – December 1 to 31, 2023

Dec 5	Communications with Scotiabank; [REDACTED]; further communications with Fasken and internal communications regarding [REDACTED].	1.3
Dec 7	Review letter from [REDACTED], related communications from Fasken and internal communications; review draft minutes of settlement and various related internal communications and communications with Fasken.	1.8
Dec 8	Internal communications and communications with Fasken regarding settlement of [REDACTED], review draft response in respect of same and other related communications.	0.5
Dec 11	Prepare and file HST return; call with the Purchaser to review first monthly post-closing report and discuss various other matters; call with CRA regarding source deductions, HST and corporate taxes of the Companies; review information [REDACTED], related emails and internal discussion, and call with P. Millar and M. Slattery in respect of same.	4.3
Dec 12	Review additional support provided by P. Millar and M. Slattery [REDACTED] related communications with Fasken; review mail received belonging to the Purchaser and arrange for same to be delivered; and attend to various other related matters.	2.0
Dec 14	Review draft response [REDACTED] prepared by Fasken and related internal communication.	0.5
Dec 18	Review APA mechanics around monthly reporting, review October report submitted by Purchaser and prepare alternate report to correct treatment and amount of various line items, provide comprehensive email to Purchaser in respect of same and various related communications; and communications with TD bank.	3.0
Dec 20	Review [REDACTED] and related internal discussions and communications with Fasken; communications with bank; and prepare draft framework of court report.	2.1
Dec 21	Communications with consumer portfolio purchaser regarding reconciliation of post-closing amounts.	0.5
TOTAL – M. MacKenzie		18.3 hrs.

Skymark Finance Corporation – 844471
DETAILED SUMMARY – December 1 to 31, 2023

<u>A. Singels-Ludvik</u>		<u>Hrs.</u>
Dec 4	Update Schedule of Receipts and Disbursements (“R&D”) for [REDACTED] [REDACTED].	0.2
Dec 20	Process invoices for payment and update R&D.	0.5
Dec 22	Process invoice for payment and update R&D.	0.2
TOTAL – A. Singels-Ludvik		0.9 hrs.





Alvarez & Marsal Canada Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900, P.O. Box 22
Toronto, ON M5J 2J1
Phone: +1 416 847 5200
Fax: +1 416 847 5201

February 8, 2024

Skymark Finance Corporation
c/o Alvarez & Marsal Canada Inc.
Court-appointed Receiver and Manager
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
PO Box 22
Toronto, ON M5J 2J1

SKYMARK FINANCE CORPORATION (the "Company")
INVOICE #11 – 844471

For professional services rendered in connection with our appointment as Receiver and Manager of the Company pursuant to the Order granted by the Ontario Superior Court of Justice (Commercial List) on March 6, 2023, for the period January 1 to 31, 2024.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
G. Karpel, Managing Director	16.2	\$1,015	\$16,443.00
M. MacKenzie, Senior Director	44.9	\$880	39,512.00
E. Krieger, Analyst	6.4	\$380	2,432.00
A. Singels-Ludvik, Manager	0.8	\$350	280.00
	<u>68.3</u>		<u>\$58,667.00</u>
Add: HST @ 13%			<u>7,626.71</u>
TOTAL INVOICE			<u>\$66,293.71</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: 5519970
Reference #: Skymark Finance – Inv #11 (844471)
HST#: 83158 2127 RT0001

Skymark Finance Corporation – 844471
DETAILED SUMMARY – January 1 to 31, 2024

<u>G. Karpel</u>	<u>Hrs.</u>
Jan 4 Review correspondence and calculations with respect to the consumer loan portfolio ("Consumer Portfolio").	0.5
Jan 5 Internal discussions regarding various file matters including file storage, consumer portfolio reconciliation and other matters.	0.8
Jan 8 Review Consumer Portfolio reconciliation and asset purchase agreement, discussions regarding same; attend to various other file matters.	1.2
Jan 9 Review revised [REDACTED], correspondence with Fasken regarding same; review of various other correspondence.	0.5
Jan 10 Correspondence regarding various file matters.	0.3
Jan 11 Correspondence with PWC regarding file matters; internal discussions regarding Consumer Portfolio reporting; review draft of [REDACTED] and provide comments regarding same; correspondence with Fasken [REDACTED].	2.5
Jan 12 Call with potential purchaser of [REDACTED] calls and correspondence with Fasken regarding [REDACTED]; prepare for and attend at call with TGF, Blaney McMurtry LLP and Fasken regarding [REDACTED].	1.4
Jan 14 Review [REDACTED], correspondence with Fasken regarding same.	0.4
Jan 15 Internal call with respect to various matters; correspondence with PWC [REDACTED]; prepare for and attend call with counsel to LawPro [REDACTED]; follow-up call with Fasken; prepare for and attend call with Blakes and KSV [REDACTED].	2.8
Jan 16 Correspondence with Fasken; [REDACTED] and valuation, internal discussions regarding same; review of disbursements and summary of same.	1.2
Jan 17 Attend to file matters and correspondence.	0.3
Jan 22 Internal correspondence with respect to various file matters and updates.	0.3
Jan 24 Internal discussions regarding various file matters.	0.4



Skymark Finance Corporation – 844471
DETAILED SUMMARY – January 1 to 31, 2024

Jan 25	Correspondence with Fasken regarding file matters.	0.3
Jan 27	Review draft statement of receipts and disbursements (“R&D”), provide comments regarding same; review November reporting on Consumer Portfolio and provide comments regarding same; draft note to PWC [REDACTED] [REDACTED]	1.4
Jan 28	Finalize draft update note to PWC.	0.5
Jan 29	Review December Consumer Portfolio reporting; review of proposed settlement [REDACTED].	0.6
Jan 30	Call with Fasken [REDACTED]; review draft email to PWC [REDACTED]; correspondence regarding various file matters.	0.8
TOTAL – G. Karpel		16.2 hrs.

M. MacKenzie

Hrs.

Jan 4	Communications with storage facility regarding retrieval of files held in storage and related internal communications; communications with purchaser of Consumer Portfolio (“Purchaser”) regarding availability of certain related information; call with Purchaser to review monthly reporting logistics, reconcile reporting provided and follow-up in respect of same; and review communications from Fasken [REDACTED].	4.5
Jan 5	Attend storage facility to review and organize files in storage and to segregate those to be retained, make arrangements for destruction as appropriate and related internal communications.	4.0
Jan 9	Review draft Release and related communications, and various other file related correspondence.	0.8
Jan 10	Review and summarize status of the non-core loans; review and summarize status of various post-Closing activities; prepare Report and review various other matters; internal correspondence regarding file matters.	6.8



Skymark Finance Corporation – 844471
DETAILED SUMMARY – January 1 to 31, 2024

Jan 11	Prepare letter to TD Bank and related call; internal status update call; review and update categorization of various items included in the R&D; prepare and file November HST return; review October post-closing collections report, prepare a schedule of funds collected by the Receiver on behalf of the Purchaser, related email to Purchaser to discuss reconciliation and payment of balances and related matters, and related internal discussion; and attend to various other file related matters.	4.8
Jan 12	Review various communications from CRA; assemble information requested by CRA in respect of HST audit and related discussions with CRA; call with Fasken [REDACTED]; internal discussion regarding various file related matters; and revisions to Report.	3.8
Jan 15	Call with legal counsel to LawPro [REDACTED] loan and related internal follow-up discussions; call with Fasken, [REDACTED] related follow-up discussions; communications with TD Bank; and review emails [REDACTED].	1.5
Jan 16	Internal discussion regarding [REDACTED] related matters; correspondence with CRA and prepare various information requested in association with HST audit; communications with Fasken regarding various matters; and attend to various other file related matters.	3.0
Jan 18	Review Fasken communications regarding [REDACTED]; communications with Fasken [REDACTED] attend at TD Bank to retrieve bank draft and close TD Bank account; and call with CRA regarding HST audit and related internal discussion regarding submission of information requested.	1.5
Jan 19	Communications with Purchaser regarding status of finalizing October and November post-closing Consumer Portfolio reporting.	0.3
Jan 22	Communications with Purchaser regarding determination of the October post-closing collections report, and reconciliation of collections up to December 31, 2023, internal communications regarding wire transfers in respect same, and related discussions internally and with Purchaser; and internal discussions regarding retrieval of files for storage.	1.8
Jan 24	Internal discussions regarding various file matters.	0.4



Skymark Finance Corporation – 844471
DETAILED SUMMARY – January 1 to 31, 2024

Jan 25	Review November post-closing collections report submitted by the Purchaser including supporting schedules and bank statements and related communications to follow-up with Purchaser in respect of certain items included therein; internal status update call; call with Fasken; calls with Purchaser regarding various issues; prepare schedule of R&D for the period up to January 22, 2024, and related internal communications; review [REDACTED].	3.6
Jan 26	Reconcile and revise summary of R&D, format same for reporting and related internal communications; and attend to various correspondence regarding file related matters.	2.0
Jan 27	Further revision to R&D summary; review revised November post-closing collections report and related communications with Purchaser.	1.0
Jan 28	Review and provide comments in respect of correspondence to PWC; and further review and communications with Purchaser regarding November and December post-closing collections reports.	1.3
Jan 29	Review and revise December post-closing collections report submitted by the Purchaser including supporting schedules and bank statements, related communications with Purchaser and related internal communications, and communications [REDACTED]; communications with Fasken [REDACTED]; and various communications with Fasken [REDACTED].	3.8
TOTAL – M. MacKenzie		44.9 hrs.

E. Krieger

Hrs.

Jan 5	Travel to and attend at storage facility to review and organize files in storage and segregate those to be retained, assist in arranging for destruction as appropriate, and related internal discussion regarding preparation of a memo to file to document details in respect of same.	4.6
Jan 14	Create and edit memo to file regarding attendance and activity at storage facility to sort boxes of Skymark files.	1.1
Jan 22	Coordinate with storage facility management and courier regarding pick-up of documents for long-term storage.	0.7

TOTAL – E. Krieger **6.4 hrs.**



Skymark Finance Corporation – 844471
DETAILED SUMMARY – January 1 to 31, 2024

A. Singels-Ludvik

Hrs.

Jan 15 Process invoices for payment and update schedule of R&D.

0.5

Jan 22 Process invoice for payment and update schedule of R&D.

0.3

TOTAL – A. Singels-Ludvik

0.8 hrs.



This is Exhibit “C” referred to in
the affidavit of Greg Karpel
sworn before me, this 13th
day of February, 2024.

DocuSigned by:

Mitch Stephenson

7111077E9D494C2...

A Commissioner for Taking Affidavits

EXHIBIT "C"
ALVAREZ & MARSAL CANADA INC. COURT-APPOINTED RECEIVER OF
SKYMARK FINANCE CORPORATION AND MERK INVESTMENTS LTD.
(September 1, 2023 to January 31, 2024)

Staff Member	Title	Total Hours	Rate (\$CAD)	Amount Billed (\$CAD)
Karpel, Greg	Managing Director	51.8	\$ 920.00	\$ 47,656.00
Karpel, Greg	Managing Director	16.2	1,015.00	16,443.00
MacKenzie, Melanie	Senior Director	139.0	825.00	114,675.00
MacKenzie, Melanie	Senior Director	44.9	880.00	39,512.00
Wu, Ryan	Associate	7.4	400.00	2,960.00
Krieger, Ethan	Analyst	6.4	380.00	2,432.00
Singels-Ludvik, Audrey	Senior Associate	12.7	325.00	4,127.50
Singels-Ludvik, Audrey	Senior Associate	0.8	350.00	280.00
Total Fees (excl. Disbursements and HST)		279.2	Avg Rate \$ 816.93	\$ 228,085.50

* The above is reflective of an increase in hourly rates effective January 1, 2024.

	ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) Proceeding commenced at Toronto
	FEE AFFIDAVIT OF GREG KARPEL SWORN FEBRUARY 13, 2024
	FASKEN MARTINEAU DuMOULIN LLP Barristers and Solicitors 333 Bay Street, Suite 2400 Bay Adelaide Centre, Box 20 Toronto ON M5H 2T6 Dylan Chochla (LSO: 62137I) dchochla@fasken.com Tel: 416 868 3425 Mitch Stephenson (LSO: 73064H) mstephenson@fasken.com Tel: 416 868 3502 Montana Licari (LSO: 85097G) mlicari@fasken.com Tel: 416 868 3450 Lawyers for the Receiver, Alvarez & Marsal Canada Inc.

APPENDIX “G”

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

B E T W E E N:

PRICEWATERHOUSECOOPERS INC.

(solely in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and certain related entities and investment funds)

Applicant

- and -

2305145 ONTARIO INC. and MERK INVESTMENTS LTD.

Respondents

**AFFIDAVIT OF DYLAN CHOCHLA
(SWORN FEBRUARY 14, 2024)**

I, Dylan Chochla, of the City of Toronto, in the Province of Ontario, MAKE OATH AND
SAY:

1. I am a Partner at the law firm of Fasken Martineau DuMoulin LLP (“**Fasken**”), legal counsel to Alvarez & Marsal Canada Inc. (“**A&M**”), the court-appointed receiver and manager (in such capacity, the “**Receiver**”) without security, of all of the assets, undertakings, and properties of 2305145 Ontario Inc. (formerly Skymark Finance Corporation) and Merk Investments Ltd. (collectively, the “**Respondents**”). I have personal knowledge of the matters discussed herein.

2. Attached as **Exhibit “A”** is a table (the “**Account Summary**”) summarizing the statements of account (the “**Statements of Account**”) in respect of services rendered to the Receiver for the period from September 1, 2023 to January 31, 2024 (the “**Period**”).

3. Copies of the Statements of Account are attached as **Exhibit “B”**. The Receiver claims solicitor-client privilege in respect of the Statements of Account, and privileged information has been redacted therefrom.

4. During the Period, Fasken incurred legal fees of \$311,362 plus disbursements of \$2,110.89 (both exclusive of HST), as set forth in detail in the Account Summary and Statements of Account.

5. Attached as **Exhibit “C”** is a summary of hours worked by, and hourly rates of, the billing professionals at Fasken who have provided services in connection with these receivership proceedings (the “**Timekeeper Summary**”). As set out in the Timekeeper Summary, during the Period, Fasken incurred total hours of 418.3 at an average hourly rate of \$744.35.

6. The hourly rates reflected in the Statements of Account and Timekeeper Summary do not include HST applied to Fasken’s accounts.

7. The activities detailed in the Statements of Account accurately reflect the services provided by Fasken to, and at the instruction of, the Receiver, and the rates charged are at the standard hourly rates of Fasken’s billing professionals at the time such hours were incurred.

SWORN by Dylan Chochla of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on February 14, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Mitch Stephenson

7111077E9D494C2...

Commissioner for Taking Affidavits

MITCH STEPHENSON

DocuSigned by:

Dylan Chochla

F8C31A70D208483...

DYLAN CHOCHLA

This is Exhibit "A" referred to in the Affidavit of Dylan Chochla sworn by Dylan Chochla at the City of Toronto, in the Province of Ontario, before me on February 14, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Mitch Stephenson

7111077E9D494C2

Commissioner for Taking Affidavits (or as may be)

MITCH STEPHENSON

Alvarez & Marsal Canada Inc. / 285937.00015

Invoice Number	Invoice Date	Invoice Amount	Total Fees	Total Disbursements	Total HST
1903889	18/10/2023	\$ 225,603.58	\$ 198,319.00	\$ 1,405.65	\$ 25,878.93
1915276	17/11/2023	\$ 57,649.18	\$ 50,585.00	\$ 463.49	\$ 6,600.69
1930505	18/12/2023	\$ 20,338.40	\$ 17,970.50	\$ 29.00	\$ 2,338.90
1943806	31/12/2023	\$ 9,984.68	\$ 8,831.50	\$ 4.50	\$ 1,148.68
1950090	09/02/2024	\$ 40,513.08	\$ 35,656.00	\$ 208.25	\$ 4,648.83
Totals:		\$ 354,088.92	\$ 311,362.00	\$ 2,110.89	\$ 40,616.03

This is Exhibit “B” referred to in the Affidavit of Dylan Chochla sworn by Dylan Chochla at the City of Toronto, in the Province of Ontario, before me on February 14, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Mitch Stephenson

7111077E9D494C2

Commissioner for Taking Affidavits (or as may be)

MITCH STEPHENSON

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813

fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

October 18, 2023
Invoice #: 1903889

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through September 30, 2023 as described in the attached memorandum.

Total Fees	\$ 198,319.00
Total Taxable Disbursements	749.70
Total Non Taxable Disbursements	655.95
Total Disbursements	1,405.65
Total Taxes	25,878.93
Total Fees, Disbursements and Taxes	225,603.58
Total Amount Owing This Bill	CAD \$ 225,603.58

Tax Summary

HST	25,878.93
Total Taxes Included in This Bill	25,878.93

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

Fasken does not alter its payment instructions.
If you receive new payment instructions in relation to your payment to Fasken, please disregard and notify us immediately.

SCOTIABANK, 44 King Street West, Toronto, Ontario, Canada M5H 1H1
Account Name: Fasken Martineau DuMoulin LLP
CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

Please send a payment notice to credits@fasken.com

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813
fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

October 18, 2023
Invoice #: 1903889

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

FEE MEMORANDUM

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

09/01/2023	Reviewing and revising draft letter to Paul Millar re: [REDACTED]; email correspondence with Mitch Stephenson re: court materials. Dylan Chochla	1.10 hrs.	975.00/hr	\$ 1,072.50
09/01/2023	Reviewing comments from Dylan Chochla re: [REDACTED]; reviewing and revising fee approval motion materials; emails with Dylan Chochla and Montana Licari re: same; reviewing issue tracking table; email to Dylan Chochla and Montana Licari re: same. Mitch Stephenson	5.00 hrs.	715.00/hr	\$ 3,575.00
09/01/2023	Telephone call with Mitch Stephenson re: status and outstanding items. Montana Licari	0.20 hrs.	495.00/hr	\$ 99.00
09/01/2023	Review emails re: transaction; consider timing issues and other deal points; discussion re: same. Reid Crombie	0.70 hrs.	825.00/hr	\$ 577.50
09/05/2023	Email correspondence with Nathan Shaheen (Bennett Jones) re: Orr claim issues; email correspondence with client re: same; email correspondence with Montana Licari re: [REDACTED] Dylan Chochla	0.30 hrs.	975.00/hr	\$ 292.50
09/05/2023	Reviewing the Orr claim; researching [REDACTED] preparing a memorandum re: same; email correspondence with Dylan Chochla re: same. Montana Licari	6.90 hrs.	495.00/hr	\$ 3,415.50
09/05/2023	Review emails from Fasken team re: closing items. Reid Crombie	0.20 hrs.	825.00/hr	\$ 165.00
09/06/2023	Emails with Dylan Chochla regarding the notice of termination to employees; drafting notice of termination letter. Christian Paquette	0.60 hrs.	875.00/hr	\$ 525.00
09/06/2023	Reviewing memo from Montana Licari re: [REDACTED]; considering issues re: same and reviewing [REDACTED]; email to Montana Licari re: further research; considering client inquiry re: [REDACTED]; email to Christian Paquette re: same; phone call with client re: draft receiver's report; email correspondence with Nathan Shaheen (Bennett Jones) re: call to discuss Orr claims. Dylan Chochla	2.20 hrs.	975.00/hr	\$ 2,145.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

09/06/2023	Corresponding with Rachel Charney. Gabrielle Motuz	0.20 hrs.	600.00/hr	\$ 120.00
09/06/2023	Emails re [REDACTED]. Katerina Ignatova	0.20 hrs.	495.00/hr	\$ 99.00
09/06/2023	Emails with Rachel Charney; revise finalized APA; email instructions to Katerina Ignatova and Puyang Zhao. Kevin H. Yip	0.30 hrs.	1,200.00/hr	\$ 360.00
09/06/2023	Drafting memorandum re: [REDACTED]; email correspondence with Dylan Chochla re: same; updating issues tracker. Montana Licari	2.90 hrs.	495.00/hr	\$ 1,435.50
09/06/2023	Corresponding with Reid Crombie, tax specialist and banking specialist on closing documents; drafting closing documents. Rachel Charney	1.20 hrs.	715.00/hr	\$ 858.00
09/06/2023	Discussions with Fasken team re: closing items; consider various issues; emails re: outstanding documents and open deal points. Reid Crombie	1.40 hrs.	825.00/hr	\$ 1,155.00
09/06/2023	Corresponding with Rachel Charney regarding materials required for the Alvarez Marsal Canada transaction; preparing directors resolution of ALVAREZ & MARSAL CANADA INC. approving an agreement of purchase and sale. Stephen Wightman	1.10 hrs.	390.00/hr	\$ 429.00
09/07/2023	Preparing for and attending conference call with client, Lincoln Caylor and Nathan Shaheen (Bennett Jones) re: Orr claim and related issues; office conference with Montana Licari [REDACTED]; email correspondence with client [REDACTED]; drafting letter [REDACTED]; follow-up email to Enbridge re: assignment of contract; email [REDACTED]; email correspondence with Reid Crombie and Rachel Charney re: closing transaction. Dylan Chochla	3.60 hrs.	975.00/hr	\$ 3,510.00
09/07/2023	Corresponding with Reid Crombie and Rachel Charney regarding the banking deliverables and related matters. Gabrielle Motuz	0.30 hrs.	600.00/hr	\$ 180.00
09/07/2023	Drafting [REDACTED]. Katerina Ignatova	1.10 hrs.	495.00/hr	\$ 544.50
09/07/2023	Review draft [REDACTED]; provide comments and email with Katerina Ignatova. Kevin H. Yip	0.40 hrs.	1,200.00/hr	\$ 480.00
09/07/2023	Emailing Melanie MacKenzie re: service list contact information; emailing Tanya Holtom re: [REDACTED]; reviewing outstanding issues and background; emails with Dylan Chochla re: action items and issue tracker; revising order for approvals, affidavit of Stuart Brotman and service list; drafting the notice of motion; meeting with Dylan Chochla re: motion materials. Montana Licari	6.40 hrs.	495.00/hr	\$ 3,168.00

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

09/07/2023	Corresponding with Reid Crombie and Dylan Chochla on closing documents; corresponding with banking specialist. Rachel Charney	0.40 hrs.	715.00/hr	\$ 286.00
09/07/2023	Calls with client and Fasken team re: various issues for closing and post-closing; consider same and preparation for same. Reid Crombie	1.40 hrs.	825.00/hr	\$ 1,155.00
09/07/2023	Continued preparing directors resolution [REDACTED] [REDACTED]; preparing shareholder resolution [REDACTED] Stephen Wightman	3.30 hrs.	390.00/hr	\$ 1,287.00
09/07/2023	Obtain copies of registered documents for Montana Licari. Tanya Holtom	0.50 hrs.	455.00/hr	\$ 227.50
09/08/2023	Reviewing and revising draft orders and service list; email to client enclosing same; email to Matt Gottlieb (Lax O'Sullivan) re: Orr claim; email correspondence with Natalia Sidlar (Fogler) re: same; email correspondence with Rachel Charney re: closing documents; reviewing redactions to APA. Dylan Chochla	1.80 hrs.	975.00/hr	\$ 1,755.00
09/08/2023	Drafting tax elections; emails with Kevin Yip re same. Katerina Ignatova	1.50 hrs.	495.00/hr	\$ 742.50
09/08/2023	Emails with Katerina Ignatova and Puyang Zhao regarding tax elections. Kevin H. Yip	0.20 hrs.	1,200.00/hr	\$ 240.00
09/08/2023	Redacting financial terms of the Asset Purchase Agreement and email [REDACTED] [REDACTED] updating service list; emailing Newmarket Court to confirm matter is not in queue for dismissal; reviewing transfer of charges and claims summary in the Receiver's Fifth Report. Montana Licari	3.40 hrs.	495.00/hr	\$ 1,683.00
09/08/2023	Review APA and prepare [REDACTED] emails with Fasken team re: same. Puyang Zhao	0.90 hrs.	795.00/hr	\$ 715.50
09/08/2023	Drafting closing documents. Rachel Charney	0.40 hrs.	715.00/hr	\$ 286.00
09/08/2023	Emails with Rachel Charney re: closing documents; consider issues in transaction and discussions re: same. Reid Crombie	0.70 hrs.	825.00/hr	\$ 577.50
09/08/2023	Corresponding with the Ontario Business Registry regarding "position" field of the SKYMARK FINANCE CORPORATION articles of amendment. Stephen Wightman	0.20 hrs.	390.00/hr	\$ 78.00
09/11/2023	Various email correspondence from Sam Babe (Aird & Berlis), Reid Crombie and Rachel Charney re: closing documents; phone call with client [REDACTED] Dylan Chochla	0.50 hrs.	975.00/hr	\$ 487.50
09/11/2023	Preparing comments on the draft Closing Agenda; corresponding with Reid Crombie and Rachel Charney regarding the draft Closing Agenda and Limited Recourse Pledge Agreement. Gabrielle Motuz	1.30 hrs.	600.00/hr	\$ 780.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

09/11/2023	Emails with Rachel Charney [REDACTED] Katerina Ignatova	0.30 hrs.	495.00/hr	\$ 148.50
09/11/2023	Emails [REDACTED]; review APA; send email regarding Kevin H. Yip	0.40 hrs.	1,200.00/hr	\$ 480.00
09/11/2023	Reviewing closing agenda prepared by Purchaser's counsel; corresponding with Reid Crombie on closing deliverables; corresponding on tax filings; incorporating banking comments into closing agenda markup. Rachel Charney	2.30 hrs.	715.00/hr	\$ 1,644.50
09/11/2023	Emails with Rachel Charney and Fasken team re: issues; consider same; review documents and APA for transaction planning. Reid Crombie	1.20 hrs.	825.00/hr	\$ 990.00
09/11/2023	Research and respond to inquiries from Montana Licari re [REDACTED] Robin P. Roddey	5.40 hrs.	1,200.00/hr	\$ 6,480.00
09/12/2023	Emails with Dylan Chochla and Montana Licari re: sale approval court materials. Daniel Richer	0.40 hrs.	665.00/hr	\$ 266.00
09/12/2023	Reviewing and revising draft report; email to client enclosing comments on same; email correspondence with client working group re: closing documents; email correspondence with Montana Licari re: factum in connection with sale approval; reviewing client comments on draft orders and revised report and email correspondence with client re: same. Dylan Chochla	5.90 hrs.	975.00/hr	\$ 5,752.50
09/12/2023	Corresponding with Dylan Chochla, Rachel Charney and Reid Crombie. Gabrielle Motuz	0.90 hrs.	600.00/hr	\$ 540.00
09/12/2023	Emails with Rachel Charney and Kevin Yip re information required for tax elections. Katerina Ignatova	0.30 hrs.	495.00/hr	\$ 148.50
09/12/2023	Emails regarding tax elections. Kevin H. Yip	0.10 hrs.	1,200.00/hr	\$ 120.00
09/12/2023	Researching and analyzing [REDACTED]; emailing Dylan Chochla re: outstanding documents for the motion; reviewing the Second Report of the Receiver for the motion. Montana Licari	2.00 hrs.	495.00/hr	\$ 990.00
09/12/2023	Reviewing and revising closing agenda and circulating same; corresponding on tax filings; corresponding on name change. Rachel Charney	0.80 hrs.	715.00/hr	\$ 572.00
09/12/2023	Preparations for closing; review agenda and other closing documents; comments re: same; review PPSA registrations. Reid Crombie	1.00 hrs.	825.00/hr	\$ 825.00
09/12/2023	Correspond with Ontario Business Registry and Rachel Charney regarding signature block on Skymark Finance Corporation articles of amendment. Stephen Wightman	0.10 hrs.	390.00/hr	\$ 39.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

09/13/2023	Reviewing revised draft of receiver's report; office conference with Montana Licari re: court materials; email correspondence with client re: same; email to Sam Babe (Aird & Berlis) enclosing draft orders and service list; email correspondence with client re: [REDACTED] follow-up email to Shakeel Arshed (Enbridge) re: assignment of agreement. Dylan Chochla	1.10 hrs.	975.00/hr	\$ 1,072.50
09/13/2023	Telephone call with Dylan Chochla re: outstanding motion materials; emails with Dylan Chochla, Greg Karpel and Melanie MacKenzie [REDACTED]; emailing Sam Babe redacted asset purchase agreement for review; reviewing Melanie MacKenzie's changes to the receiver's second report and confirming changes. Montana Licari	1.40 hrs.	495.00/hr	\$ 693.00
09/13/2023	Drafting Vendors direction and receipt; circulating closing documents to client and purchaser's counsel. Rachel Charney	0.60 hrs.	715.00/hr	\$ 429.00
09/13/2023	Discussion with Rachel Charney re: closing; review and revise closing documents. Reid Crombie	0.80 hrs.	825.00/hr	\$ 660.00
09/13/2023	Continue corresponding with Ontario Business Registry regarding "position" in signature block of Skymark Finance Corporation articles of amendment. Stephen Wightman	0.10 hrs.	390.00/hr	\$ 39.00
09/14/2023	Meeting with Montana Licari re: sale approval materials. Daniel Richer	0.20 hrs.	665.00/hr	\$ 133.00
09/14/2023	Attending to issues re: finalizing court materials. Dylan Chochla	0.90 hrs.	975.00/hr	\$ 877.50
09/14/2023	Emails [REDACTED] Kevin H. Yip	0.10 hrs.	1,200.00/hr	\$ 120.00
09/14/2023	[REDACTED] compiling affidavit of Greg Karpel and emails with Greg Karpel and Melanie MacKenzie re: same; drafting and editing notice of motion and correspondence with Dylan Chochla re: same; emails with Robin Roddey re: [REDACTED]; updating [REDACTED]. Montana Licari	5.20 hrs.	495.00/hr	\$ 2,574.00
09/14/2023	Reviewing articles of amendment (name change); reviewing and revising closing agenda; circulating closing documents to Purchaser's counsel and revising bring down certificate; corresponding on wire instructions; corresponding with Reid Crombie on closing deliverables. Rachel Charney	1.00 hrs.	715.00/hr	\$ 715.00
09/14/2023	Review purchase agreement for closing conditions; consider same and various other issues. Reid Crombie	0.60 hrs.	825.00/hr	\$ 495.00
09/14/2023	Review law on [REDACTED] respond to inquiry from Montana Licari. Robin P. Roddey	1.20 hrs.	1,200.00/hr	\$ 1,440.00
09/14/2023	Correspond with Ontario Business Registry and Rachel Charney regarding character limits and work-arounds for the signature block on the articles of amendment of Skymark Finance; update signature block in articles of amendment. Stephen Wightman	0.60 hrs.	390.00/hr	\$ 234.00

Matter Number: 285937.00015

Invoice #: 1903889

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

09/14/2023	Obtain copy of registered transfer of charge for Montana Licari. Tanya Holtom	0.40 hrs.	455.00/hr	\$ 182.00
09/15/2023	Reviewing and revising draft report; reviewing and revising draft notice of motion; finalizing all court materials and attending to service of same; follow-up email to Katie James re: [REDACTED] [REDACTED] follow-up email to Enbridge re: assignment; email correspondence with Jordan Redlin (Concorde) re: same. Dylan Chochla	3.20 hrs.	975.00/hr	\$ 3,120.00
09/15/2023	Drafting [REDACTED] Katerina Ignatova	0.70 hrs.	495.00/hr	\$ 346.50
09/15/2023	Emails [REDACTED] Kevin H. Yip	0.20 hrs.	1,200.00/hr	\$ 240.00
09/15/2023	[REDACTED]; editing the second report; emailing Dylan Chochla re: same; updating the motion record of the receiver; updating the affidavit of Stuart Brotman [REDACTED]; commissioning affidavit of Stuart Brotman; emails with Melanie MacKenzie and Greg Karpel [REDACTED] [REDACTED] compiling, editing and reviewing the motion record; telephone calls with Dylan Chochla re: same; emailing the motion record to the service list. Montana Licari	7.60 hrs.	495.00/hr	\$ 3,762.00
09/15/2023	Emails with Fasken team [REDACTED] Puyang Zhao	0.30 hrs.	795.00/hr	\$ 238.50
09/15/2023	Reviewing articles of amendment (name change); reviewing and revising closing agenda; circulating closing documents to Purchaser's counsel and revising bring down certificate; corresponding on wire instructions; corresponding with Reid Crombie on closing deliverables. Rachel Charney	0.10 hrs.	715.00/hr	\$ 71.50
09/15/2023	Correspondence with deal team. Reid Crombie	0.30 hrs.	825.00/hr	\$ 247.50
09/15/2023	Respond to inquiry from M. Licari re [REDACTED] Robin P. Roddey	0.40 hrs.	1,200.00/hr	\$ 480.00
09/16/2023	Email correspondence with Sam Babe (Aird & Berlis) re: receiver's report; considering issues re: same. Dylan Chochla	0.20 hrs.	975.00/hr	\$ 195.00
09/16/2023	Emailing Dylan Chochla [REDACTED]; preparing affidavit of service to be filed with the motion record. Montana Licari	0.40 hrs.	495.00/hr	\$ 198.00
09/18/2023	Considering issues re: [REDACTED] phone call with client re: same; email correspondence and phone call with Sam Babe (Aird & Berlis) re: same; considering email from Don Macintosh (Dentons) [REDACTED]; email correspondence and phone call with client re: same; [REDACTED] phone call with Don Macintosh re: same; email to Sam Babe and Jordan Redlin (Concorde) re: same. Dylan Chochla	3.10 hrs.	975.00/hr	\$ 3,022.50
09/18/2023	Corresponding with Dylan Chochla, Rachel Charney and Reid Crombie [REDACTED] [REDACTED] Gabrielle Motuz	1.60 hrs.	600.00/hr	\$ 960.00

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

09/18/2023	Emails with client and internal working group [REDACTED]; meeting with Montana Licari [REDACTED]; call with lawyers for Robert Provins re: application against Skymark; email to client [REDACTED] emails with client [REDACTED]; email to Paul Millar re: same; email to Montana Licari [REDACTED]; call with client [REDACTED] email to Sam Babe re: Provins application; coordinating filing of motion record; emails with Rachel Charney re: closing items; emails with Dylan Chochla [REDACTED] commencing review [REDACTED]. Mitch Stephenson	5.90 hrs.	715.00/hr	\$ 4,218.50
09/18/2023	Emailing Dylan Chochla and MITch Stephenson re: issue tracker table, affidavit of service, and next steps; emailing Scott Jones and Jordan Katz requesting an update re: [REDACTED]; emailing Mitch Stephenson re: motion record. Montana Licari	0.40 hrs.	495.00/hr	\$ 198.00
09/18/2023	Corresponding with Gabrielle Motuz [REDACTED] corresponding with Reid Crombie on closing deliverables; corresponding with Mitch Stephenson on closing deliverables; drafting email to Purchaser's counsel setting out all documents that we need to receive in advance of closing; corresponding with client or [REDACTED] Rachel Charney	2.00 hrs.	715.00/hr	\$ 1,430.00
09/18/2023	Meeting with Fasken team re: closing conditions and procedures; consider issues and revise closing documents and purchase agreement re: same; emails re: agenda and other closing items. Reid Crombie	1.80 hrs.	825.00/hr	\$ 1,485.00
09/19/2023	Considering strategy [REDACTED]; multiple emails and phone calls with client, Sam Babe (Aird & Berlis), Jordan Redlin (Concorde), and PwC team re: same; various email correspondence with client working group re: closing documents and mechanics; attending to issues re: filing motion record; [REDACTED] email correspondence and phone call with Don Macintosh (Dentons) re: assignment and termination of Enbridge agreement; preparing for closing and sale approval hearing. Dylan Chochla	4.30 hrs.	975.00/hr	\$ 4,192.50
09/19/2023	Reviewing and responding to correspondence from Rachel Charney. Gabrielle Motuz	0.20 hrs.	600.00/hr	\$ 120.00
09/19/2023	Attending to filing of the Receiver's motion record; emails with Aird & Berlis re: same; emails with Spencer Farias re: pending application and adjournment; emails with Aird & Berlis re: same; [REDACTED]; emails with Dylan Chochla and client [REDACTED] call with PwC, client, and Dylan Chochla re: transaction and Enbridge agreement; call with Dylan Chochla, Reid Crombie, and Rachel Charney [REDACTED] emails with client and Rachel Charney re: [REDACTED]; emails and phone call with Dylan Chochla [REDACTED] [REDACTED]; drafting [REDACTED]; emails with Dylan Chochla and Montana Licari [REDACTED]. Mitch Stephenson	7.20 hrs.	715.00/hr	\$ 5,148.00
09/19/2023	Emails with legal support services team re: filing of the motion record; emailing Rachel Charney re: service list; correspondence with Mitch Stephenson [REDACTED] Montana Licari	0.40 hrs.	495.00/hr	\$ 198.00
09/19/2023	Reviewing purchaser closing documents and providing comments on same; reviewing [REDACTED] call with Dylan Chochla and Reid Crombie [REDACTED] Rachel Charney	4.20 hrs.	715.00/hr	\$ 3,003.00

09/19/2023	Emails and discussions with Fasken deal team [REDACTED]; review requirements [REDACTED]; call with Rachel Charney re: documents. Reid Crombie	2.50 hrs.	825.00/hr	\$ 2,062.50
09/20/2023	Considering strategy [REDACTED] phone call with Stuart Brotman re: [REDACTED] reviewing and revising [REDACTED]; email to client [REDACTED]; drafting email to Don Macintosh (Dentons) re: [REDACTED]; email to client, Sam Babe (Aird & Berlis) and Jordan Redlin (Concorde) re: same; email correspondence with client [REDACTED] multiple emails with client working group [REDACTED] Dylan Chochla	3.10 hrs.	975.00/hr	\$ 3,022.50
09/20/2023	Reviewing and responding to correspondence from Rachel Charney; reviewing and preparing comments on the draft purchaser officer certificate. Gabrielle Motuz	0.50 hrs.	600.00/hr	\$ 300.00
09/20/2023	Meeting with Rachel Charney re closing logistics and next steps; call with Rachel Charney re [REDACTED] Janelle Douthwright	0.40 hrs.	495.00/hr	\$ 198.00
09/20/2023	Creating a confidential appendix brief [REDACTED] correspondence with Mitch Stephenson and making changes to the brief as needed; various correspondence [REDACTED] Manpreet Kaur Deol	1.00 hrs.	360.00/hr	\$ 360.00
09/20/2023	Reviewing sale approval motion materials; drafting and revising supplement to second report of the receiver; emails with Dylan Chochla re: same; emails with internal working group re: closing documents; emails with Montana Licari re: factum; emails with Manpreet Deol re: confidential appendix brief. Mitch Stephenson	5.30 hrs.	715.00/hr	\$ 3,789.50
09/20/2023	Drafting factum re: sale approval motion; correspondence with Mitch Stephenson re: same. Montana Licari	5.60 hrs.	495.00/hr	\$ 2,772.00
09/20/2023	Drafting side agreement and amending agreement and corresponding with Reid Crombie on same; corresponding with Janelle Douthwright on signature packages. Rachel Charney	4.50 hrs.	715.00/hr	\$ 3,217.50
09/20/2023	Review and revise draft documents [REDACTED]; consider same and discussions re: same; review email correspondence and update team on same; discuss strategy and consider same. Reid Crombie	2.20 hrs.	825.00/hr	\$ 1,815.00
09/20/2023	Conference with Dylan Chochla [REDACTED] Stuart Brotman	0.40 hrs.	1,250.00/hr	\$ 500.00
09/21/2023	Reviewing client revisions [REDACTED]; reviewing and commenting [REDACTED]; multiple emails with client working group [REDACTED] email correspondence with client working group [REDACTED] phone call and email correspondence with Don Macintosh (Dentons) re: Enbridge consent to assignment: email to Sam Babe (Aird & Berlis) and Jordan Redlin (Concorde) re: same; email to PwC and TGF working group re: same. Dylan Chochla	3.90 hrs.	975.00/hr	\$ 3,802.50
09/21/2023	Corresponding with Dylan Chochla, Rachel Charney and Reid Crombie regarding preparation of the draft financing statements and finalization of the security documents. Gabrielle Motuz	0.10 hrs.	600.00/hr	\$ 60.00

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

09/21/2023	Reviewing first amendment to the agreement of purchase and sale; email to Rachel Charney re same. Janelle Douthwright	0.70 hrs.	495.00/hr	\$ 346.50
09/21/2023	Drafting a confidential appendix brief [REDACTED] [REDACTED] Manpreet Kaur Deol	1.20 hrs.	360.00/hr	\$ 432.00
09/21/2023	Attending to filing of confidential appendix brief; emails with client [REDACTED] drafting and revising factum re: sale approval motion; reviewing case law [REDACTED]; reviewing and revising draft materials [REDACTED]; email with Rachel Charney re: same; reviewing correspondence between Dylan Chochla and client [REDACTED] Mitch Stephenson	6.10 hrs.	715.00/hr	\$ 4,361.50
09/21/2023	Editing draft factum and emailing a copy to Mitch Stephenson for review; reviewing emails re: [REDACTED] Montana Licari	2.50 hrs.	495.00/hr	\$ 1,237.50
09/21/2023	Drafting [REDACTED] Rachel Charney	3.60 hrs.	715.00/hr	\$ 2,574.00
09/21/2023	Review and revise [REDACTED]; consider issues and discussions with Rachel Charney re: same; emails and discussions with Fasken team re: other issues and closing items. Reid Crombie	3.00 hrs.	825.00/hr	\$ 2,475.00
09/22/2023	Receipt of instructions from Mitch Stephenson re CaseLines; review of motion record and hyperlinking of all indices and exhibit references; Anna Martelli	1.70 hrs.	490.00/hr	\$ 833.00
09/22/2023	Attending to settling all documents in preparation for closing; reviewing [REDACTED] multiple emails with client working group [REDACTED] reviewing and commenting upon draft factum. Dylan Chochla	1.70 hrs.	975.00/hr	\$ 1,657.50
09/22/2023	Reviewing and responding to correspondence from Rachel Charney. Gabrielle Motuz	0.10 hrs.	600.00/hr	\$ 60.00
09/22/2023	Call with Reid Crombie and Rachel Charney re status of closing agenda and next steps; correspondence from Fasken team re outstanding closing items. Janelle Douthwright	0.90 hrs.	495.00/hr	\$ 445.50
09/22/2023	Drafting Schedule A and B of factum; emailing and calling Montana Licari re: same. Katlin Abrahamson	0.90 hrs.	360.00/hr	\$ 324.00
09/22/2023	Reviewing and revising draft factum; researching case law [REDACTED] email to the court re: CaseLines; attending to hyperlinking of court materials; emails with Dylan Chochla, Montana Licari, and client [REDACTED] emails with internal working group [REDACTED] emails with client [REDACTED] email to Aird & Berlis re: same; attending to service and filing of factum. Mitch Stephenson	9.90 hrs.	715.00/hr	\$ 7,078.50

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

09/22/2023	Emails with Mitch Stephenson, Dylan Chochla, Greg Karpel and Melanie MacKenzie re: factum for sale approval motion; adding citations and references to the motion record in the draft factum; editing draft factum; preparing book of authorities for the factum; reviewing emails [REDACTED] [REDACTED]	Montana Licari	2.50 hrs.	495.00/hr	\$ 1,237.50
09/22/2023	Reviewing and revising [REDACTED] revising assignment and assumption agreement [REDACTED]; corresponding with Reid Crombie [REDACTED]; corresponding with Greg Karpel [REDACTED]; corresponding with Purchaser's counsel on closing deliverables. Rachel Charney	Rachel Charney	4.50 hrs.	715.00/hr	\$ 3,217.50
09/22/2023	Prepare closing documents and revisions [REDACTED]; emails with purchaser counsel re: same and Fasken team re: same; review other closing items and discussions re: same. Reid Crombie	Reid Crombie	2.60 hrs.	825.00/hr	\$ 2,145.00
09/22/2023	Update Skymark Finance name change documents [REDACTED] corresponding with Rachel Charney regarding the same. Stephen Wightman	Stephen Wightman	0.30 hrs.	390.00/hr	\$ 117.00
09/23/2023	Correspondence with legal support services and Mitch Stephenson re: filing factum. Montana Licari	Montana Licari	0.20 hrs.	495.00/hr	\$ 99.00
09/23/2023	Corresponding with purchaser's counsel on comments on closing documents; Rachel Charney	Rachel Charney	0.50 hrs.	715.00/hr	\$ 357.50
09/24/2023	Correspondence with Rachel Charney re signature packages. Janelle Douthwright	Janelle Douthwright	0.20 hrs.	495.00/hr	\$ 99.00
09/24/2023	Review various documents re: closing and emails re: same; discussion with Janelle Douthwright re: same. Reid Crombie	Reid Crombie	1.30 hrs.	825.00/hr	\$ 1,072.50
09/25/2023	Reviewing court materials in preparation for court hearing; drafting submissions. Dylan Chochla	Dylan Chochla	1.50 hrs.	975.00/hr	\$ 1,462.50
09/25/2023	Reviewing and responding to correspondence from Rachel Charney. Gabrielle Motuz	Gabrielle Motuz	0.30 hrs.	600.00/hr	\$ 180.00
09/25/2023	Emails to Greg Karpel and Purchaser's counsel with Enbridge Consent for execution; correspondence with Reid Crombie re same. Janelle Douthwright	Janelle Douthwright	0.30 hrs.	495.00/hr	\$ 148.50
09/25/2023	Drafting [REDACTED] Katerina Ignatova	Katerina Ignatova	0.30 hrs.	495.00/hr	\$ 148.50
09/25/2023	Call with Reid Crombie [REDACTED]; review chart and title details and begin draft [REDACTED]; email to Mitch Stephenson [REDACTED] Kelly Yateman	Kelly Yateman	1.00 hrs.	490.00/hr	\$ 490.00
09/25/2023	Email from Katerina Ignatova [REDACTED] Kevin H. Yip	Kevin H. Yip	0.20 hrs.	1,200.00/hr	\$ 240.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

09/25/2023	Attending to hyperlinking materials on CaseLines; emails with client and Dylan Chochla re: revisions to approval and vesting order; emails with Aird & Berlis re: same; revising and finalizing orders and uploading same to CaseLines; emails with Reid Crombie [REDACTED]; emails with client [REDACTED] serving revised orders on service list; reviewing correspondence re: [REDACTED]; emails with Rachel Charney [REDACTED]	Mitch Stephenson	4.50 hrs.	715.00/hr	\$ 3,217.50
09/25/2023	Emails with Mitch Stephenson and Toshni Poonai re: hyperlinking factum on Caselines; emails with Mitch Stephenson [REDACTED].	Montana Licari	0.20 hrs.	495.00/hr	\$ 99.00
09/25/2023	Corresponding on closing documents.	Rachel Charney	0.40 hrs.	715.00/hr	\$ 286.00
09/25/2023	Review and revise draft documents [REDACTED]; consider same and discussions with Fasken team re: same; emails with client, purchaser counsel and Enbridge re: same.	Reid Crombie	2.30 hrs.	825.00/hr	\$ 1,897.50
09/25/2023	Receipt and review of email correspondence from Montana Licari regarding hyperlinking of factum; various email exchanges with Montana Licari and Mitch Stephenson regarding Caselines matter; review factum and complete hyperlinks; email instructions to assistant regarding hyperlinks; report to Montana Licari and Mitch Stephenson.	Toshni Poonai	1.60 hrs.	365.00/hr	\$ 584.00
09/26/2023	Preparing for and attending motion to approve sale; reviewing order and endorsement approving sale; email to PwC and TGF teams enclosing same; phone call and email correspondence with client [REDACTED] multiple emails with client working group [REDACTED]	Dylan Chochla	6.10 hrs.	975.00/hr	\$ 5,947.50
09/26/2023	Reviewing and responding to correspondence from the Fasken team regarding closing deliverables [REDACTED]	Gabrielle Motuz	1.50 hrs.	600.00/hr	\$ 900.00
09/26/2023	Meeting with Rachel Charney to discuss review [REDACTED]; correspondence from Rachel Charney re closing deliverables; compiling executed agreements; reviewing [REDACTED] emails to Rachel Charney re same; correspondence from Fasken team re closing deliverables.	Janelle Douthwright	1.90 hrs.	495.00/hr	\$ 940.50
09/26/2023	Review chart and title details and respond to email from Mitch Stephenson [REDACTED]	Kelly Yateman	1.30 hrs.	490.00/hr	\$ 637.00
09/26/2023	Preparing for and attending hearing of sale approval motion; correspondence with internal working group re: outstanding closing items; emails with client [REDACTED] emails with Montana Licari [REDACTED]; reviewing [REDACTED]	Mitch Stephenson	3.70 hrs.	715.00/hr	\$ 2,645.50

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

09/26/2023	Preparing court participant form for motion re: sale approval and ancillary relief; emails with Dag McGann and Mitch Stephenson re: same; emails with Mitch Stephenson, Jennifer Oliver and Commercial List re: issuance and entrance of the sale approval and ancillary relief orders; updating the service list. Montana Licari	0.50 hrs.	495.00/hr	\$ 247.50
09/26/2023	Corresponding on closing documents and closing agenda; preparing for closing. Rachel Charney	2.60 hrs.	715.00/hr	\$ 1,859.00
09/26/2023	Prepare for closing and emails and discussions re: same; review various [REDACTED]; consider same. Reid Crombie	2.20 hrs.	825.00/hr	\$ 1,815.00
09/26/2023	Receipt of signed Skymark Finance Corporation articles of amendment; prepare filing package of documents and correspondence with Rachel Charney regarding the same. Stephen Wightman	0.20 hrs.	390.00/hr	\$ 78.00
09/27/2023	Attending to various issues re: preparing for closing. Dylan Chochla	1.00 hrs.	975.00/hr	\$ 975.00
09/27/2023	Reviewing and responding to correspondence from Rachel Charney and Wendy Padilla Bermudez (Assistant). Gabrielle Motuz	0.50 hrs.	600.00/hr	\$ 300.00
09/27/2023	Attending to filing of confidential appendix brief under seal; emails with internal working group re: outstanding closing items; emails with client re: same; reviewing and revising draft order [REDACTED]; emails with Dylan Chochla re: same; emails with internal working group re: Schedule E. Mitch Stephenson	3.00 hrs.	715.00/hr	\$ 2,145.00
09/27/2023	Preparing hard copy of confidential appendices to be filed with the court, drafting letter to the court re: same, correspondence with Mitch Stephenson and Frank Temprie re: same; emails with Melanie MacKenzie [REDACTED]; emailing orders and endorsement to the service list; emails re: proof of filing. Montana Licari	2.30 hrs.	495.00/hr	\$ 1,138.50
09/27/2023	Reviewing schedules prepared by Melanie Mackenzie; corresponding on Schedule E; reviewing and revising closing agenda and corresponding with Purchaser's counsel on same. Rachel Charney	0.80 hrs.	715.00/hr	\$ 572.00
09/27/2023	Prepare for closing and emails and discussions re: same; consider issues and prepare for same. Reid Crombie	1.20 hrs.	825.00/hr	\$ 990.00
09/28/2023	Phone call with client working group re: status of closing items; multiple emails with client working group re: same in preparation for closing; reviewing and revising [REDACTED]; email to Mitch Stephenson enclosing [REDACTED]; email to client [REDACTED] Dylan Chochla	2.50 hrs.	975.00/hr	\$ 2,437.50
09/28/2023	Corresponding with the Fasken Corporate Team and Wendy Padilla Bermudez (Assistant) regarding preparation of the draft financing statements and related matters. Gabrielle Motuz	0.70 hrs.	600.00/hr	\$ 420.00
09/28/2023	Correspondence from Rachel Charney re status of closing items; call with Fasken team and Purchaser's counsel to discuss outstanding closing items; compiling executed documents. Janelle Douthwright	2.90 hrs.	495.00/hr	\$ 1,435.50

Matter Number: 285937.00015

Invoice #: 1903889

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

09/28/2023	Drafting [REDACTED] emails with Fasken team [REDACTED] Katerina Ignatova	1.70 hrs.	495.00/hr	\$ 841.50
09/28/2023	Emails [REDACTED]; calls and emails with Katerina Ignatova; emails from Puyang Zhao; [REDACTED] follow-up emails; emails with Katerina Ignatova. Kevin H. Yip	0.70 hrs.	1,200.00/hr	\$ 840.00
09/28/2023	Researching case law [REDACTED]; email to client re: PPSA registrations. Mitch Stephenson	2.20 hrs.	715.00/hr	\$ 1,573.00
09/28/2023	Researching [REDACTED] [REDACTED] emails with Mitch Stephenson and Dylan Chochla re: same; emails with Melanie Mackenzie [REDACTED] Montana Licari	0.60 hrs.	495.00/hr	\$ 297.00
09/28/2023	Emails with Katerina Ignatova and Rachel Charney [REDACTED]; consider issues [REDACTED] Puyang Zhao	1.40 hrs.	795.00/hr	\$ 1,113.00
09/28/2023	Extensively engaged in preparing for closing. Rachel Charney	4.00 hrs.	715.00/hr	\$ 2,860.00
09/28/2023	Prepare for closing and emails and discussions re: same; discussions on potential issues and other closing processes; review same; review and revise agenda and confirm items are complete. Reid Crombie	2.60 hrs.	825.00/hr	\$ 2,145.00
09/28/2023	Preparing draft Ontario PPSA registrations, sending same to Wendy Padilla Bermudez; revise draft PPSA registration; filing Ontario PPSA registrations, circulating evidence of same; ordering post- searches. Safa Darwich	0.70 hrs.	300.00/hr	\$ 210.00
09/29/2023	Attending to various issues re: closing. Dylan Chochla	1.50 hrs.	975.00/hr	\$ 1,462.50
09/29/2023	Reviewing and responding to correspondence from the Fasken team regarding the PPSA registrations and post-registration matters. Gabrielle Motuz	0.30 hrs.	600.00/hr	\$ 180.00
09/29/2023	Compiling closing documents; correspondence with Rachel Charney re same. Janelle Douthwright	1.10 hrs.	495.00/hr	\$ 544.50
09/29/2023	5051802 ONTARIO INC. Jordan Graeme Redlin Jennifer Law	0.40 hrs.	300.00/hr	\$ 120.00
09/29/2023	[REDACTED] instructions to corporate team [REDACTED] Katerina Ignatova	0.30 hrs.	495.00/hr	\$ 148.50
09/29/2023	Extensively engaged in closing. Rachel Charney	2.30 hrs.	715.00/hr	\$ 1,644.50
09/29/2023	Emails and discussions with client and Fasken team re: closing. Reid Crombie	2.00 hrs.	825.00/hr	\$ 1,650.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

09/29/2023	Arranging for the filing of the Skymark Finance Corporation articles of amendment to be filed with the Ontario Business Registry; corresponding with Rachel Charney regarding the same. Stephen Wightman	0.20 hrs.	390.00/hr	\$ 78.00
09/30/2023	Correspondence from Rachel Charney re: post-closing items. Janelle Douthwright	0.10 hrs.	495.00/hr	\$ 49.50
09/30/2023	Email to Dylan Chochla re: closing book. Mitch Stephenson	0.10 hrs.	715.00/hr	\$ 71.50
09/30/2023	Addressing post-closing matters. Rachel Charney	0.20 hrs.	715.00/hr	\$ 143.00

Professional Summary

Professional	Title	Rate	Hours	Fees
Brotman, Stuart	Partner	1,250.00	0.40	500.00
Chochla, Dylan	Partner	975.00	49.50	48,262.50
Paquette, Christian	Partner	875.00	0.60	525.00
Roddey, Robin P.	Partner	1,200.00	7.00	8,400.00
Yip, Kevin H.	Partner	1,200.00	2.60	3,120.00
Crombie, Reid	Partner	825.00	32.00	26,400.00
Motuz, Gabrielle	Partner	600.00	8.50	5,100.00
Charney, Rachel	Associate	715.00	36.40	26,026.00
Douthwright, Janelle	Associate	495.00	8.50	4,207.50
Ignatova, Katerina	Associate	495.00	6.40	3,168.00
Licari, Montana	Associate	495.00	51.60	25,542.00
Richer, Daniel	Associate	665.00	0.60	399.00
Stephenson, Mitch	Associate	715.00	52.90	37,823.50
Zhao, Puyang	Associate	795.00	2.60	2,067.00
Abrahamson, Katlin	Student	360.00	0.90	324.00
Kaur Deol, Manpreet	Student	360.00	2.20	792.00
Darwich, Safa	Paralegal / Law Clerks	300.00	0.70	210.00
Holtom, Tanya	Paralegal / Law Clerks	455.00	0.90	409.50
Law, Jennifer	Paralegal / Law Clerks	300.00	0.40	120.00
Martelli, Anna	Paralegal / Law Clerks	490.00	1.70	833.00
Poonai, Toshni	Paralegal / Law Clerks	365.00	1.60	584.00
Wightman, Stephen	Paralegal / Law Clerks	390.00	6.10	2,379.00
Yateman, Kelly	Paralegal / Law Clerks	490.00	2.30	1,127.00
Total			276.40	CAD \$ 198,319.00

Our Fees

\$ 198,319.00

Net Fees	198,319.00
HST	25,781.47
Total Fees Including Taxes	<u>\$ 224,100.47</u>

Disbursements

Non-Taxable

08/03/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20230803 ONCORP	8.00
08/03/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Certificate - Dtd 20230803 ONCORP	8.00
08/08/2023	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20230808 ONCORP	8.00
08/08/2023	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20230808 ONCORP	8.00
08/09/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20230809 ONCORP	8.00
08/09/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Certificate - Dtd 20230809 ONCORP	8.00
08/29/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20230829 ONCORP	8.00
08/29/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20230829 ONCORP	8.00
08/29/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Certificate - Dtd 20230829 ONCORP	8.00
08/29/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Certificate - Dtd 20230829 ONCORP	8.00
09/21/2023	LICARI, MONTANA - Licari, Montana, Credit Card expense for filing fee for a Motion Record from Montana to MAG-CIVIL EFILING dated 09/20/23., 09/20/2023	339.00
09/22/2023	ONCORP DIRECT INC. - 10274 - EDD BC Corporation Profile - Dtd 20230922 ONCORP	8.50
09/25/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_09/25/2023_Parcel register, key LRO_12089-0041	9.20
09/25/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_09/25/2023_Parcel register, key LRO, add'l pages_12089-0041	4.60
09/26/2023	ELDOR-WAL REGISTRATION (1987) LTD. - Eldor-Wal Inv# EW410239 - 9/25/2023 - 9/29/2023 - WENDY PADILLA BERMUDEZ -	27.00
09/26/2023	ELDOR-WAL REGISTRATION (1987) LTD. - Eldor-Wal Inv# EW410159 - 9/25/2023 - 9/29/2023 - WENDY PADILLA BERMUDEZ -	18.00
09/26/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_09/26/2023_Writs name search, other County_SKYMARK FINANCE CORPORATION	12.65
09/28/2023	ONCORP DIRECT INC. - 10274 - ON PPR Registration - Form 1C - Dtd 20230928 ONCORP	40.00
09/28/2023	ONCORP DIRECT INC. - 10274 - ON PPR Registration - Form 1C - Dtd 20230928 ONCORP	40.00
09/28/2023	ELDOR-WAL REGISTRATION (1987) LTD. - Eldor-Wal Inv# EW411063 - 9/25/2023 - 9/29/2023 - WENDY	45.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

	PADILLA BERMUDEZ -	
09/29/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20230929 ONCORP	8.00
09/29/2023	ONCORP DIRECT INC. - 10274 - ON PPR Post Search - Certificate - Dtd 20230929 ONCORP	8.00
09/29/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20230929 ONCORP	8.00
09/29/2023	ONCORP DIRECT INC. - 10274 - ON PPR Post Search - Certificate - Dtd 20230929 ONCORP	8.00
<u>Taxable</u>		
08/03/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR eSummary - Dtd 20230803 ONCORP	25.00
08/03/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20230803 ONCORP	7.00
08/03/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Certificate - Dtd 20230803 ONCORP	7.00
08/08/2023	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20230808 ONCORP	7.00
08/08/2023	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20230808 ONCORP	7.00
08/09/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20230809 ONCORP	7.00
08/09/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Certificate - Dtd 20230809 ONCORP	7.00
08/16/2023	ONCORP DIRECT INC. - 10274 - EDD ON Toronto Litigation or Bulk Sales - Dtd 20230816 ONCORP	20.00
08/17/2023	ONCORP DIRECT INC. - 10274 - EDD ON Hamilton-Wentworth Litigation or Bulk Sales - Dtd 20230817 ONCORP	20.00
08/17/2023	ONCORP DIRECT INC. - 10274 - EDD ON Durham Litigation or Bulk Sales - Dtd 20230817 ONCORP	20.00
08/17/2023	ONCORP DIRECT INC. - 10274 - EDD ON York Litigation or Bulk Sales - Dtd 20230817 ONCORP	20.00
08/17/2023	ONCORP DIRECT INC. - 10274 - EDD ON Halton Litigation or Bulk Sales - Dtd 20230817 ONCORP	20.00
08/17/2023	ONCORP DIRECT INC. - 10274 - EDD ON Peel Litigation or Bulk Sales - Dtd 20230817 ONCORP	20.00
08/22/2023	ONCORP DIRECT INC. - 10274 - EDD ON Durham Small Claims Court Search - Dtd 20230822 ONCORP	20.00
08/22/2023	ONCORP DIRECT INC. - 10274 - EDD ON Toronto Small Claims Court Search - Dtd 20230822 ONCORP	20.00
08/22/2023	ONCORP DIRECT INC. - 10274 - EDD ON York Small Claims Court Search - Dtd 20230822 ONCORP	20.00
08/29/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Certificate - Dtd 20230829 ONCORP	7.00
08/29/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20230829 ONCORP	7.00
08/29/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Certificate - Dtd 20230829 ONCORP	7.00
08/29/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20230829 ONCORP	7.00
09/06/2023	Printing: Black & White	3.00
09/07/2023	Printing: Black & White	1.00
09/07/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_9/7/2023_Image - Download	3.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

	Instrument_BR192372	
09/07/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_9/7/2023_Image - Download Instrument_BR189328	3.00
09/14/2023	Printing: Black & White	14.75
09/14/2023	Printing: Black & White	10.50
09/14/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_09/14/2023_Image - Download Instrument_BC311800	3.00
09/15/2023	Printing: Black & White	10.75
09/18/2023	Printing: Black & White	23.50
09/18/2023	Printing: Black & White	106.25
09/19/2023	Printing: Black & White	0.75
09/21/2023	Printing: Black & White	0.25
09/22/2023	ONCORP DIRECT INC. - 10274 - EDD BC Corporation Profile - Dtd 20230922 ONCORP	10.00
09/25/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_09/25/2023_Parcel register, key LRO_12089- 0041	23.00
09/25/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_09/25/2023_Parcel register, key LRO, add'l pages_12089-0041	4.60
09/25/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_09/25/2023_Image - Download Instrument_AT6035083	3.00
09/26/2023	Printing: Black & White	28.50
09/26/2023	ELDOR-WAL REGISTRATION (1987) LTD. - Eldor-Wal Inv# EW410159 - 9/25/2023 - 9/29/2023 - WENDY PADILLA BERMUDEZ -	36.00
09/26/2023	ELDOR-WAL REGISTRATION (1987) LTD. - Eldor-Wal Inv# EW410239 - 9/25/2023 - 9/29/2023 - WENDY PADILLA BERMUDEZ -	54.00
09/26/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_09/26/2023_Writs name search, other County_SKYMARK FINANCE CORPORATION	3.45
09/27/2023	Printing: Black & White	3.00
09/28/2023	ONCORP DIRECT INC. - 10274 - ON PPR Registration - Form 1C - Dtd 20230928 ONCORP	7.00
09/28/2023	ONCORP DIRECT INC. - 10274 - ON PPR Registration - Form 1C - Dtd 20230928 ONCORP	7.00
09/28/2023	ELDOR-WAL REGISTRATION (1987) LTD. - Eldor-Wal Inv# EW411063 - 9/25/2023 - 9/29/2023 - WENDY PADILLA BERMUDEZ -	90.00
09/29/2023	ONCORP DIRECT INC. - 10274 - ON PPR Post Search - Certificate - Dtd 20230929 ONCORP	5.70
09/29/2023	ONCORP DIRECT INC. - 10274 - ON PPR Post Search - Certificate - Dtd 20230929 ONCORP	5.70
09/29/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20230929 ONCORP	7.00
09/29/2023	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20230929 ONCORP	7.00
Total Disbursements		1,405.65
HST		97.46

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 20
Invoice #: 1903889

Total Disbursements Including Taxes	<hr/>	\$ 1,503.11
-------------------------------------	-------	-------------

Total Fees, Disbursements and Taxes	<hr/>	CAD \$ 225,603.58
--	-------	--------------------------

Tax Summary

HST	<hr/>	25,878.93
Total Taxes Included in This Bill	<hr/>	25,878.93

Outstanding Invoice History as of 10/18/2023

Balance of Invoice # 1893582 Dated 2023-09-15

152,241.62

Total

\$ 152,241.62

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813
fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

October 18, 2023
Invoice #: 1903889

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

REMITTANCE COPY Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through September 30, 2023 as described in the attached memorandum.

Total Fees	\$ 198,319.00
Total Taxable Disbursements	749.70
Total Non Taxable Disbursements	655.95
Total Disbursements	1,405.65
Total Taxes	25,878.93
Total Fees, Disbursements and Taxes	225,603.58
Total Amount Owning This Bill	CAD \$ 225,603.58

Tax Summary

HST	25,878.93
Total Taxes Included in This Bill	25,878.93

Your payment via EFT, Wire, On Line Bank Pay or Credit Card is appreciated.
Our Banking Details are below. For credit card payments please contact your Fasken office directly.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

Fasken does not alter its payment instructions.
If you receive new payment instructions in relation to your payment to Fasken, please disregard and notify us immediately.

SCOTIABANK, 44 King Street West, Toronto, Ontario, Canada M5H 1H1
Account Name: Fasken Martineau DuMoulin LLP
CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

Please send a payment notice to credits@fasken.com

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813

fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

November 17, 2023
Invoice #: 1915276

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through October 31, 2023 as described in the attached memorandum.

Total Fees	\$ 50,585.00
Total Taxable Disbursements	189.54
Total Non Taxable Disbursements	273.95
Total Disbursements	463.49
Total Taxes	6,600.69
Total Fees, Disbursements and Taxes	57,649.18
Total Amount Owning This Bill	CAD \$ 57,649.18

Tax Summary

HST	6,600.69
Total Taxes Included in This Bill	6,600.69

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

Fasken does not alter its payment instructions.
If you receive new payment instructions in relation to your payment to Fasken, please disregard and notify us immediately.

SCOTIABANK, 44 King Street West, Toronto, Ontario, Canada M5H 1H1
Account Name: Fasken Martineau DuMoulin LLP
CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

Please send a payment notice to credits@fasken.com

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813
fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

November 17, 2023
Invoice #: 1915276

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

FEE MEMORANDUM

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

10/02/2023	Attending to various post-closing issues; email correspondence with client working group re: same. Dylan Chochla	0.80 hrs.	975.00/hr	\$ 780.00
10/02/2023	Compiling closing documents; email to purchaser's counsel with same; preparing closing book; correspondence with Rachel Charney re same. Janelle Douthwright	1.00 hrs.	495.00/hr	\$ 495.00
10/02/2023	Circulate verification statements. Jennifer Law	0.20 hrs.	300.00/hr	\$ 60.00
10/02/2023	Complete schedule and register Application to Change Name - Instruments and circulate to group. Kelly Yateman	0.30 hrs.	490.00/hr	\$ 147.00
10/02/2023	Attending to delivery of notices re: change of Skymark's name; following up with [REDACTED] emails with client re: same; reviewing and commenting on letter to court and email re: corporate name change. Mitch Stephenson	1.00 hrs.	715.00/hr	\$ 715.00
10/02/2023	Drafting letter to the court re: name change and amendment to title of proceedings; drafting email to the service list re: same; emailing Dylan Chochla, Mitch Stephenson, Melanie MacKenzie and Greg Karpel re: same; emails with Mitch Stephenson and Jennifer Oliver re: filing receiver's certificate. Montana Licari	1.00 hrs.	495.00/hr	\$ 495.00
10/02/2023	Corresponding on closing book and articles of amendment; reviewing closing book index. Rachel Charney	0.80 hrs.	715.00/hr	\$ 572.00
10/02/2023	Discussions with Fasken team re: [REDACTED] Reid Crombie	0.70 hrs.	825.00/hr	\$ 577.50
10/02/2023	Receipt of the certificate and articles of amendment for 2305145 Ontario Inc.; providing same to Rachel Charney. Stephen Wightman	0.20 hrs.	390.00/hr	\$ 78.00

10/03/2023	Phone call with client and Mitch Stephenson re: [REDACTED]; revising draft order [REDACTED]; email to Nathan Shaheen and Lincoln Caylor (Bennett Jones) enclosing revised draft order; considering issues [REDACTED] Dylan Chochla	2.20 hrs.	975.00/hr	\$ 2,145.00
10/03/2023	Corresponding with Rachel Charney. Gabrielle Motuz	0.10 hrs.	600.00/hr	\$ 60.00
10/03/2023	Preparing closing book; email to Rachel Charney re same. Janelle Douthwright	1.50 hrs.	495.00/hr	\$ 742.50
10/03/2023	Reviewing and revising letter to court re: corporate name change; call with client and Dylan Chochla [REDACTED] Mitch Stephenson	0.90 hrs.	715.00/hr	\$ 643.50
10/03/2023	Emails with Jennifer Oliver, Rachel Charney and Janelle Douthwright re: filed receiver's certificate; sending letter to the court re: name change and emails with Mitch Stephenson re: same. Montana Licari	0.30 hrs.	495.00/hr	\$ 148.50
10/03/2023	Corresponding on closing book and post-closing PPSA filings. Rachel Charney	0.20 hrs.	715.00/hr	\$ 143.00
10/03/2023	Post-closing items. Reid Crombie	0.30 hrs.	825.00/hr	\$ 247.50
10/03/2023	Downloading and vetting PPSA searches, sending same to Wendy Padilla Bermudez; preparing draft Ontario PPSA amendments, sending same to Wendy Padilla Bermudez. Safa Darwich	0.50 hrs.	300.00/hr	\$ 150.00
10/04/2023	Reviewing memo from Montana Licari re: [REDACTED]; phone call with Robin Roddey re: [REDACTED] email correspondence with Montana Licari and Robin Roddey [REDACTED] drafting general update email to PwC and TGF teams; email correspondence with client [REDACTED] Dylan Chochla	3.70 hrs.	975.00/hr	\$ 3,607.50
10/04/2023	Emails to Rachel Charney and Mitch Stephenson re outstanding post-closing items; uploading the closing book to OneDrive; email to clients with link to same. Janelle Douthwright	0.60 hrs.	495.00/hr	\$ 297.00
10/04/2023	Emails and discussion with Dylan Chochla and Robin Roddey re: [REDACTED] Montana Licari	0.50 hrs.	495.00/hr	\$ 247.50
10/04/2023	Reviewing closing book and corresponding on closing matters. Rachel Charney	0.40 hrs.	715.00/hr	\$ 286.00
10/04/2023	Calls and emails with Rachel Charney re: various items; consider same. Reid Crombie	0.40 hrs.	825.00/hr	\$ 330.00
10/04/2023	Call with Dylan Chochla to discuss further research [REDACTED] Robin P. Roddey	0.40 hrs.	1,200.00/hr	\$ 480.00
10/04/2023	Filing Ontario PPSA amendments, circulating evidence of same; ordering post-searches. Safa Darwich	0.30 hrs.	300.00/hr	\$ 90.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

10/05/2023	Reviewing transfer of charge from Merk to Skymark; email correspondence with Montana Licari re: same. Dylan Chochla	0.20 hrs.	975.00/hr	\$ 195.00
10/05/2023	Emails with Tanya Holtom and Dylan Chochla re: transfer of charge and underlying agreements for same. Montana Licari	0.40 hrs.	495.00/hr	\$ 198.00
10/05/2023	Receipt of original hard copy of 5051802 Ontario Inc. share certificate, power of attorney, and promissory note; [REDACTED] Stephen Wightman	1.20 hrs.	390.00/hr	\$ 468.00
10/05/2023	Obtain copy of registered title document for Montana Licari. Tanya Holtom	0.30 hrs.	455.00/hr	\$ 136.50
10/06/2023	Email correspondence with client working group re: [REDACTED] Dylan Chochla	0.20 hrs.	975.00/hr	\$ 195.00
10/06/2023	Reviewing earlier correspondence with Jennifer Lillie re: Joshi claim; email to client [REDACTED] reviewing correspondence from PwC re: next steps. Mitch Stephenson	0.50 hrs.	715.00/hr	\$ 357.50
10/06/2023	Downloading, saving and vetting verification statements and post-searches, sending same to Wendy Padilla Bermudez. Safa Darwich	0.30 hrs.	300.00/hr	\$ 90.00
10/09/2023	Email to Jennifer Lillie re: transfer of matter to small claims court. Mitch Stephenson	0.10 hrs.	715.00/hr	\$ 71.50
10/10/2023	Email correspondence with client working group re: post-closing issues; reviewing PPSA financing statements. Dylan Chochla	0.20 hrs.	975.00/hr	\$ 195.00
10/10/2023	Locating [REDACTED]; correspondence with Rachel Charney [REDACTED] Janelle Douthwright	0.20 hrs.	495.00/hr	\$ 99.00
10/10/2023	Emails to Sam Babe and James Cooke re: [REDACTED]. Mitch Stephenson	0.10 hrs.	715.00/hr	\$ 71.50
10/10/2023	Corresponding on PPSA registrations. Rachel Charney	0.10 hrs.	715.00/hr	\$ 71.50
10/10/2023	Post-closing matters; discussions with R. Charney re: same. Reid Crombie	0.50 hrs.	825.00/hr	\$ 412.50
10/11/2023	Review memo prepared by Montana Licari; research [REDACTED] [REDACTED] Robin P. Roddey	2.10 hrs.	1,200.00/hr	\$ 2,520.00
10/12/2023	Preparing for and attending update call with client and PwC/TGF teams; email to Katie James re: [REDACTED]; email to Chris Burr re: Mahal receivership claims; considering [REDACTED] [REDACTED] Dylan Chochla	2.60 hrs.	975.00/hr	\$ 2,535.00

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

10/12/2023	Preparing for and attending meeting with client, internal Fasken team, PwC, and TGF re: [REDACTED] [REDACTED]; emails with client re: [REDACTED]. Mitch Stephenson 1.30 hrs. 715.00/hr \$ 929.50
10/12/2023	Reviewing correspondence between Robin Roddey and Dylan Chochla re: [REDACTED]. Montana Licari 0.20 hrs. 495.00/hr \$ 99.00
10/12/2023	Research [REDACTED] [REDACTED] draft email to Dylan Chochla and Montana Licari. Robin P. Roddey 2.70 hrs. 1,200.00/hr \$ 3,240.00
10/13/2023	Emails with client and Dylan Chochla re: Orr litigation; reviewing correspondence from Blakes and KSV re: [REDACTED]. Mitch Stephenson 0.70 hrs. 715.00/hr \$ 500.50
10/16/2023	Considering issues re: Orr trust claims; email correspondence with client re: same. Dylan Chochla 0.40 hrs. 975.00/hr \$ 390.00
10/16/2023	Researching [REDACTED] [REDACTED] Montana Licari 1.10 hrs. 495.00/hr \$ 544.50
10/17/2023	Reviewing letters from Katie James (Blake Morgan) re: [REDACTED]; email correspondence with client re: same. Dylan Chochla 0.20 hrs. 975.00/hr \$ 195.00
10/17/2023	Researching [REDACTED] [REDACTED] drafting memorandum re: same; emailing Dylan Chochla and Mitch Stephenson re: same. Montana Licari 7.10 hrs. 495.00/hr \$ 3,514.50
10/18/2023	Preparing for and attending meeting with Lincoln Caylor and Nathan Shaheen (Bennett Jones), client, and Mitch Stephenson [REDACTED]; phone call with client [REDACTED] email correspondence with Natalia Sidlar and Milton Davis (Fogler) re: meeting with Slattery and Millar to discuss Orr issues; email correspondence with Don Macintosh (Dentons) re: Enbridge transition; email correspondence with Katie James (Blake Morgan) re: [REDACTED]. Dylan Chochla 1.80 hrs. 975.00/hr \$ 1,755.00
10/18/2023	Further research [REDACTED] [REDACTED] completing memorandum re: same; email correspondence with Dylan Chochla and Mitch Stephenson [REDACTED] Montana Licari 2.40 hrs. 495.00/hr \$ 1,188.00
10/19/2023	Email correspondence with Don Macintosh (Dentons) re: Enbridge transition; email correspondence with Katie James (Blake Morgan) re: [REDACTED]; email correspondence with Natlia Sidlar (Foglers) re: meeting to discuss Orr claims; reviewing memo on [REDACTED] [REDACTED] Dylan Chochla 1.00 hrs. 975.00/hr \$ 975.00
10/20/2023	Email correspondence with Mitch Stephenson re: [REDACTED]; email correspondence with client [REDACTED]; email to Natalia Sidlar (Foglers) re: same. Dylan Chochla 0.10 hrs. 975.00/hr \$ 97.50
10/20/2023	Emails with Dylan Chochla re: [REDACTED]. Mitch Stephenson 0.10 hrs. 715.00/hr \$ 71.50

10/23/2023	Preparing for meeting [REDACTED] Dylan Chochla	0.60 hrs.	975.00/hr	\$ 585.00
10/24/2023	Continuing to consider issues [REDACTED]; reviewing parcel identified for [REDACTED] [REDACTED]; instructions to Mitch Stephenson re: (Foglers) re: Orr claim; further email correspondence with Robin Roddey re: [REDACTED] Dylan Chochla	2.70 hrs.	975.00/hr	\$ 2,632.50
10/24/2023	Attending to assembling document brief [REDACTED]; meeting with Dylan Chochla [REDACTED] emails with Dentons re: [REDACTED]; emails with client [REDACTED] emails with client [REDACTED]. Mitch Stephenson	1.20 hrs.	715.00/hr	\$ 858.00
10/24/2023	Reviewing correspondence between Dylan Chochla and Robin Roddey re: [REDACTED]. Montana Licari	0.20 hrs.	495.00/hr	\$ 99.00
10/24/2023	Research and respond to inquiries from Dylan Chochla re [REDACTED] [REDACTED]. Robin P. Roddey	1.90 hrs.	1,200.00/hr	\$ 2,280.00
10/24/2023	Conduct a subsearch of title for Dylan Chochla. Tanya Holtom	0.30 hrs.	455.00/hr	\$ 136.50
10/25/2023	Email to client re: [REDACTED]. Dylan Chochla	0.10 hrs.	975.00/hr	\$ 97.50
10/26/2023	Reviewing and revising [REDACTED]; reviewing background documents [REDACTED] Mitch Stephenson	4.70 hrs.	715.00/hr	\$ 3,360.50
10/27/2023	Considering comments from Mitch Stephenson [REDACTED]. Dylan Chochla	0.20 hrs.	975.00/hr	\$ 195.00
10/27/2023	Reviewing and revising [REDACTED]; reviewing and revising draft receiver's report [REDACTED] [REDACTED] emails with client [REDACTED] email to UK counsel [REDACTED] Mitch Stephenson	4.60 hrs.	715.00/hr	\$ 3,289.00
10/30/2023	Considering email from Natalia Sidlar (Fogler) [REDACTED] preparing list of questions and email correspondence with client [REDACTED]; email correspondence from Mitch Stephenson re: [REDACTED]. Dylan Chochla	0.40 hrs.	975.00/hr	\$ 390.00
10/30/2023	Reviewing and revising [REDACTED]; email to client [REDACTED]; call with Melanie MacKenzie [REDACTED]; emails with Dylan Chochla and client [REDACTED] Mitch Stephenson	2.40 hrs.	715.00/hr	\$ 1,716.00
10/31/2023	Email to Natalia Sidlar (Fogler) re: questions about Orr trust declarations; email correspondence with client [REDACTED]; email to Lincoln Caylor and Nathan Shaheen (Bennett Jones) re: rescheduling meeting to discuss Orr trust claim. Dylan Chochla	0.30 hrs.	975.00/hr	\$ 292.50

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 7
Invoice #: 1915276

Professional Summary

Professional	Title	Rate	Hours	Fees
Chochla, Dylan	Partner	975.00	17.70	17,257.50
Roddey, Robin P.	Partner	1,200.00	7.10	8,520.00
Crombie, Reid	Partner	825.00	1.90	1,567.50
Motuz, Gabrielle	Partner	600.00	0.10	60.00
Charney, Rachel	Associate	715.00	1.50	1,072.50
Douthwright, Janelle	Associate	495.00	3.30	1,633.50
Licari, Montana	Associate	495.00	13.20	6,534.00
Stephenson, Mitch	Associate	715.00	17.60	12,584.00
Darwich, Safa	Paralegal / Law Clerks	300.00	1.10	330.00
Holtom, Tanya	Paralegal / Law Clerks	455.00	0.60	273.00
Law, Jennifer	Paralegal / Law Clerks	300.00	0.20	60.00
Wightman, Stephen	Paralegal / Law Clerks	390.00	1.40	546.00
Yateman, Kelly	Paralegal / Law Clerks	490.00	0.30	147.00
Total			66.00	CAD \$ 50,585.00

Our Fees

\$ 50,585.00

Net Fees	50,585.00
HST	6,576.05
Total Fees Including Taxes	<u>\$ 57,161.05</u>

Disbursements

Non-Taxable

10/04/2023	ONCORP DIRECT INC. - 10274 - Paper Filing - Dtd 20231004 ONCORP	150.00
10/04/2023	ONCORP DIRECT INC. - 10274 - ON PPR Registration - Form 2C - Dtd 20231004 ONCORP	12.00
10/04/2023	ONCORP DIRECT INC. - 10274 - ON PPR Registration - Form 2C - Dtd 20231004 ONCORP	12.00
10/05/2023	TERAVIEW - registration fees, Inv. CE1154149, 10/02/2023, 20817, 050039015890	69.00
10/05/2023	ONCORP DIRECT INC. - 10274 - ON PPR Post Search - Certificate - Dtd 20231005 ONCORP	8.00
10/05/2023	ONCORP DIRECT INC. - 10274 - ON PPR Post Search - Certificate - Dtd 20231005 ONCORP	8.00
10/24/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_10/24/2023_Parcel register, other LRO, add'l pages_32281-0309 285937.00015	5.75
10/24/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_10/24/2023_Parcel register, other LRO_32281-0309 285937.00015	9.20

Taxable

10/03/2023	BLIZZARD COURIER SERVICE LTD. - 330 University Ave	13.34
10/03/2023	Printing: Black & White	0.75
10/04/2023	ONCORP DIRECT INC. - 10274 - Paper Filing - Dtd 20231004 ONCORP	28.80
10/04/2023	Printing: Black & White	2.50
10/04/2023	ONCORP DIRECT INC. - 10274 - ON PPR Registration - Form 2C - Dtd 20231004 ONCORP	7.00
10/04/2023	ONCORP DIRECT INC. - 10274 - ON PPR Registration - Form 2C - Dtd 20231004 ONCORP	7.00
10/05/2023	TERAVIEW - registration fees, Inv. CE1154149, 10/02/2023, 20817, 050039015890	11.50
10/05/2023	ONCORP DIRECT INC. - 10274 - ON PPR Post Search - Certificate - Dtd 20231005 ONCORP	5.70
10/05/2023	ONCORP DIRECT INC. - 10274 - ON PPR Post Search - Certificate - Dtd 20231005 ONCORP	5.70
10/05/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_10/5/2023_Image - Download Instrument_BC386710 285937.00015	3.00
10/14/2023	RELIABLE PROCESS SERVERS INC. - FILING OF CONFIDENTIAL BRIEF OF APPENDICES, Inv. 106523, 09/30/2023, 22225, 050039152150	58.50
10/19/2023	Printing: Black & White	4.75
10/24/2023	Printing: Black & White	1.25
10/24/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_10/24/2023_Parcel register, other LRO_32281-	23.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

0309 285937.00015		
10/24/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_10/24/2023_Parcel register, other LRO, add'l pages_32281-0309 285937.00015	5.75
10/24/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_10/24/2023_Display parcel map (by PIN)_32281-0309 285937.00015	5.00
10/24/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_10/24/2023_Image - Download Instrument_BC276347 285937.00015	3.00
10/24/2023	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_10/24/2023_Image - Download Instrument_BC322175 285937.00015	3.00
Total Disbursements		463.49
HST		24.64
Total Disbursements Including Taxes		\$ 488.13

Total Fees, Disbursements and Taxes**CAD \$ 57,649.18****Tax Summary**

HST	6,600.69
Total Taxes Included in This Bill	6,600.69

Outstanding Invoice History as of 11/17/2023

Balance of Invoice # 1903889 Dated 2023-10-18

225,603.58

Total

\$ 225,603.58

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813

fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

November 17, 2023
Invoice #: 1915276

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

REMITTANCE COPY Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through October 31, 2023 as described in the attached memorandum.

Total Fees	\$ 50,585.00
Total Taxable Disbursements	189.54
Total Non Taxable Disbursements	273.95
Total Disbursements	463.49
Total Taxes	6,600.69
Total Fees, Disbursements and Taxes	57,649.18
Total Amount Owning This Bill	CAD \$ 57,649.18

Tax Summary

HST	6,600.69
Total Taxes Included in This Bill	6,600.69

Your payment via EFT, Wire, On Line Bank Pay or Credit Card is appreciated.
Our Banking Details are below. For credit card payments please contact your Fasken office directly.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

Fasken does not alter its payment instructions.
If you receive new payment instructions in relation to your payment to Fasken, please disregard and notify us immediately.

SCOTIABANK, 44 King Street West, Toronto, Ontario, Canada M5H 1H1
Account Name: Fasken Martineau DuMoulin LLP
CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

Please send a payment notice to credits@fasken.com

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813
fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

December 18, 2023
Invoice #: 1930505

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through November 30, 2023 as described in the attached memorandum.

Total Fees	\$ 17,970.50
Total Taxable Disbursements	21.00
Total Non Taxable Disbursements	8.00
Total Disbursements	29.00
Total Taxes	2,338.90
Total Fees, Disbursements and Taxes	20,338.40
Total Amount Owing This Bill	CAD \$ 20,338.40

Tax Summary

HST	2,338.90
Total Taxes Included in This Bill	2,338.90

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

Fasken does not alter its payment instructions.
If you receive new payment instructions in relation to your payment to Fasken, please disregard and notify us immediately.

SCOTIABANK, 44 King Street West, Toronto, Ontario, Canada M5H 1H1
Account Name: Fasken Martineau DuMoulin LLP
CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

Please send a payment notice to credits@fasken.com

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813
fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

December 18, 2023
Invoice #: 1930505

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

FEE MEMORANDUM

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

11/01/2023	Email correspondence with Katie James re [REDACTED]; email correspondence with Chris Burr re: [REDACTED]; email correspondence with Nathan Shaheen re: Orr trust claim. Dylan Chochla	0.60 hrs.	975.00/hr	\$ 585.00
11/01/2023	Email to Scott Jones re: assessment of [REDACTED]. Mitch Stephenson	0.10 hrs.	715.00/hr	\$ 71.50
11/02/2023	Reviewing defence to Orr claim; email correspondence with Katie James re: [REDACTED] issues. Dylan Chochla	0.30 hrs.	975.00/hr	\$ 292.50
11/02/2023	Emails to UK counsel re: [REDACTED]. Mitch Stephenson	0.20 hrs.	715.00/hr	\$ 143.00
11/07/2023	Reviewing [REDACTED]; email to Mitch Stephenson [REDACTED] Dylan Chochla	1.10 hrs.	975.00/hr	\$ 1,072.50
11/07/2023	Reviewing comments from Dylan Chochla re: [REDACTED]; emails with Dylan Chochla re: [REDACTED] Mitch Stephenson	0.30 hrs.	715.00/hr	\$ 214.50
11/08/2023	Arranging for due diligence reports regarding [REDACTED]; correspondence regarding same. Diana Lauria	0.30 hrs.	325.00/hr	\$ 97.50
11/08/2023	Reviewing Skymark/Merk statement of defence to Orr claim; [REDACTED] [REDACTED]; phone call with client [REDACTED] preparing for and attending conference call with Lincoln Caylor and Nathan Shaheen (Bennett Jones), client and Mitch Stephenson re: Orr claim. Dylan Chochla	3.20 hrs.	975.00/hr	\$ 3,120.00
11/08/2023	Reviewing statement of defence re: Orr trust claims; preparing for and attending call with client and Dylan Chochla [REDACTED] attending call with Bennett Jones, client, and Dylan Chochla re: same. Mitch Stephenson	1.20 hrs.	715.00/hr	\$ 858.00

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

11/10/2023	Emailing Newmarket Court [REDACTED]; emailing Dylan Chochla and Mitch Stephenson re: same. Montana Licari	0.20 hrs.	495.00/hr	\$ 99.00
11/13/2023	Reviewing comments from Mitch Stephenson re: [REDACTED]; email to client re: same; email correspondence with Chris Burr (Blakes) [REDACTED] Dylan Chochla	0.60 hrs.	975.00/hr	\$ 585.00
11/13/2023	Reviewing and revising draft [REDACTED]; email to client [REDACTED]; emails with UK counsel [REDACTED] Mitch Stephenson	1.90 hrs.	715.00/hr	\$ 1,358.50
11/15/2023	Considering email from Chris Burr (Blakes) re: [REDACTED] Dylan Chochla	0.20 hrs.	975.00/hr	\$ 195.00
11/15/2023	Emails to client re: [REDACTED]; email to client [REDACTED] email to Jennifer Lillie re: same. Mitch Stephenson	0.30 hrs.	715.00/hr	\$ 214.50
11/17/2023	Reviewing email from Chris Burr (Blakes) and enclosure; email to TGF and PwC teams enclosing same; email to Chris Burr confirming instructions. Dylan Chochla	0.50 hrs.	975.00/hr	\$ 487.50
11/20/2023	Reviewing letters from Lincoln Caylor (Bennett Jones) re: Orr claim and Equity Shoppe mortgages; email to client [REDACTED] Dylan Chochla	0.60 hrs.	975.00/hr	\$ 585.00
11/21/2023	Email correspondence with Nathan Shaheen (Bennett Jones) re: Orr claim issues; email correspondence with Eric Sabbah re: request to disclose consumer portfolio transaction terms. Dylan Chochla	0.30 hrs.	975.00/hr	\$ 292.50
11/21/2023	Emails with Dylan Chochla and Montana Licari [REDACTED] Mitch Stephenson	0.20 hrs.	715.00/hr	\$ 143.00
11/21/2023	Responding to Eric Sabbah's request for information; emails with Dylan Chochla and Mitch Stephenson [REDACTED] Montana Licari	0.20 hrs.	495.00/hr	\$ 99.00
11/22/2023	Considering email from Kelly Hou (KRMCC) re: surplus proceeds from power of sale on real estate and writ registered against title; email correspondence with Mitch Stephenson [REDACTED] Dylan Chochla	0.20 hrs.	975.00/hr	\$ 195.00
11/22/2023	Drafting response to counsel for Scotia Mortgage Corporation re: potential surplus; reviewing and considering purchase agreement; emails with Melanie MacKenzie [REDACTED] Mitch Stephenson	0.60 hrs.	715.00/hr	\$ 429.00
11/23/2023	Phone call with client [REDACTED] phone call and email correspondence with Nathan Shaheen (Bennett Jones) re: Orr claim and meeting to discuss settlement; considering status of various work streams and drafting update email to PwC/TGF teams re: same; email to client [REDACTED] Dylan Chochla	1.20 hrs.	975.00/hr	\$ 1,170.00

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

11/23/2023	Emails with Dylan Chochla and Mitch Stephenson [REDACTED] Montana Licari	0.10 hrs.	495.00/hr	\$ 49.50
11/24/2023	Email correspondence with Chris Burr (Blakes) [REDACTED] Dylan Chochla	0.10 hrs.	975.00/hr	\$ 97.50
11/24/2023	Reviewing and considering letter from Bennett Jones and various document attached thereto; email to Dylan Chochla [REDACTED]. Mitch Stephenson	2.50 hrs.	715.00/hr	\$ 1,787.50
11/25/2023	Reviewing Concorde purchase agreement and Silko writ of execution and payout statement; email to Dylan Chochla and Montana Licari [REDACTED] Mitch Stephenson	0.80 hrs.	715.00/hr	\$ 572.00
11/27/2023	Email from client re: update report to PwC/TGF teams; considering comments from client [REDACTED] [REDACTED] email correspondence from Mitch Stephenson [REDACTED] Dylan Chochla	0.30 hrs.	975.00/hr	\$ 292.50
11/27/2023	Emails with client re: [REDACTED]; emails with client re: [REDACTED] reviewing comments from client on [REDACTED]; reviewing and revising [REDACTED]; email to UK counsel re: same. Mitch Stephenson	1.00 hrs.	715.00/hr	\$ 715.00
11/27/2023	Emailing Melanie McKenzie re: Joseph Silko. Montana Licari	0.10 hrs.	495.00/hr	\$ 49.50
11/28/2023	Email correspondence [REDACTED]; reviewing and revising update email to PwC/TGF and attending to delivery of same; preparing for and attending conference call with client, Nathan Shaheen and Lincoln Caylor (Bennett Jones) and Mitch Stephenson. Dylan Chochla	1.10 hrs.	975.00/hr	\$ 1,072.50
11/28/2023	Email to counsel for Joshi re: consent to transfer; emails with client and Dylan Chochla [REDACTED] preparing for and attending meeting with Bennett Jones re: Orr claims. Mitch Stephenson	1.30 hrs.	715.00/hr	\$ 929.50
11/30/2023	Considering [REDACTED] email and phone call to client [REDACTED] Dylan Chochla	0.10 hrs.	975.00/hr	\$ 97.50

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 5
Invoice #: 1930505

Professional Summary

Professional	Title	Rate	Hours	Fees
Chochla, Dylan	Partner	975.00	10.40	10,140.00
Licari, Montana	Associate	495.00	0.60	297.00
Stephenson, Mitch	Associate	715.00	10.40	7,436.00
Lauria, Diana	Paralegal / Law Clerks	325.00	0.30	97.50
Total			21.70	CAD \$ 17,970.50

Our Fees

\$ 17,970.50

Net Fees	17,970.50	
HST	2,336.17	
Total Fees Including Taxes		\$ 20,306.67

Disbursements

Non-Taxable

11/08/2023	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20231108 ONCORP	8.00
------------	--	------

Taxable

11/02/2023	Printing: Black & White	8.25
11/08/2023	Printing: Black & White	0.50
11/08/2023	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20231108 ONCORP	7.00
11/23/2023	Printing: Black & White	5.25
Total Disbursements		29.00
HST		2.73
Total Disbursements Including Taxes		\$ 31.73

Total Fees, Disbursements and Taxes

CAD \$ 20,338.40

Tax Summary

HST	2,338.90
Total Taxes Included in This Bill	2,338.90

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813

fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

December 18, 2023
Invoice #: 1930505

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

REMITTANCE COPY Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through November 30, 2023 as described in the attached memorandum.

Total Fees	\$ 17,970.50
Total Taxable Disbursements	21.00
Total Non Taxable Disbursements	8.00
Total Disbursements	29.00
Total Taxes	2,338.90
Total Fees, Disbursements and Taxes	20,338.40
Total Amount Owning This Bill	CAD \$ 20,338.40

Tax Summary

HST	2,338.90
Total Taxes Included in This Bill	2,338.90

Your payment via EFT, Wire, On Line Bank Pay or Credit Card is appreciated.
Our Banking Details are below. For credit card payments please contact your Fasken office directly.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

Fasken does not alter its payment instructions.
If you receive new payment instructions in relation to your payment to Fasken, please disregard and notify us immediately.

SCOTIABANK, 44 King Street West, Toronto, Ontario, Canada M5H 1H1
Account Name: Fasken Martineau DuMoulin LLP
CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

Please send a payment notice to credits@fasken.com

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813

fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

December 31, 2023
Invoice #: 1943806

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through December 31, 2023 as described in the attached memorandum.

Total Fees	\$ 8,831.50
Total Taxable Disbursements	4.50
Total Disbursements	4.50
Total Taxes	1,148.68
Total Fees, Disbursements and Taxes	9,984.68
Total Amount Owing This Bill	CAD \$ 9,984.68

Tax Summary

HST	1,148.68
Total Taxes Included in This Bill	1,148.68

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

Fasken does not alter its payment instructions.
If you receive new payment instructions in relation to your payment to Fasken, please disregard and notify us immediately.

SCOTIABANK, 44 King Street West, Toronto, Ontario, Canada M5H 1H1
Account Name: Fasken Martineau DuMoulin LLP
CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

Please send a payment notice to credits@fasken.com

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813
fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

December 31, 2023
Invoice #: 1943806

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

FEE MEMORANDUM

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

12/01/2023	Preparing for and attending conference call with PwC and TGF teams and client re: [REDACTED]; follow-up call with client [REDACTED] to Chris Burr (Blakes) and Mitch Vininsky (KSV) re: same and next steps, Dylan Chochla	0.90 hrs.	975.00/hr	\$ 877.50
12/04/2023	Email correspondence with Chris Burr (Blakes) and Mitch Vininsky (KSV) [REDACTED] considering strategy [REDACTED] email correspondence with client [REDACTED] email to Lincoln Caylor (Bennett Jones) confirming agreement to settlement on terms. Dylan Chochla	0.40 hrs.	975.00/hr	\$ 390.00
12/05/2023	Considering issues re: [REDACTED]; email to client [REDACTED] drafting minutes of settlement; follow-up email to Rob Winterstein re: KLN holdback. Dylan Chochla	2.10 hrs.	975.00/hr	\$ 2,047.50
12/07/2023	Continuing to draft minutes of settlement; email to client [REDACTED] reviewing letter from Rob Winterstein (Gardiner Roberts) re: KLN holdback; email to client [REDACTED] follow-up email to Katie James (Blake Morgan) re: [REDACTED]. Dylan Chochla	0.70 hrs.	975.00/hr	\$ 682.50
12/07/2023	Reviewing [REDACTED]. Mitch Stephenson	0.20 hrs.	715.00/hr	\$ 143.00
12/08/2023	Phone call with client re: [REDACTED]; finalizing draft minutes and email to Lincoln Caylor and Nathan Shaheen (Bennett Jones) re: same. Dylan Chochla	0.80 hrs.	975.00/hr	\$ 780.00
12/08/2023	Reviewing and considering minutes of settlement re: Orr claims. Mitch Stephenson	0.40 hrs.	715.00/hr	\$ 286.00
12/13/2023	Reviewing email from client enclosing analysis [REDACTED]; considering [REDACTED] Dylan Chochla	0.30 hrs.	975.00/hr	\$ 292.50
12/14/2023	Reviewing email from Rob Winterstein (Gardiner Roberts); [REDACTED] email to client [REDACTED] email to Rob Winterstein [REDACTED] Dylan Chochla	0.60 hrs.	975.00/hr	\$ 585.00

12/18/2023	Reviewing letter from Chris Burr (Blakes) re: section 38 and litigation claims in Mahal receivership. Dylan Chochla	0.10 hrs.	975.00/hr	\$ 97.50
12/19/2023	Follow-up email to Nathan Shaheen and Lincoln Caylor (Bennett Jones) re: draft minutes of settlement. Dylan Chochla	0.10 hrs.	975.00/hr	\$ 97.50
12/20/2023	Reviewing comments on minutes of settlement from Bennett Jones; email to client [REDACTED] [REDACTED] email to PwC/TGF teams enclosing same and providing update; email correspondence with Nathan Shaheen (Bennett Jones) re: same and next steps. Dylan Chochla	0.50 hrs.	975.00/hr	\$ 487.50
12/26/2023	Reviewing revisions from Nathan Shaheen (Bennett Jones) to minutes of settlement; drafting release; email to Jesse Harper enclosing [REDACTED]; email to client [REDACTED] Dylan Chochla	1.00 hrs.	975.00/hr	\$ 975.00
12/27/2023	Reviewing email from Jesse Harper [REDACTED] phone call [REDACTED] Dylan Chochla	0.30 hrs.	975.00/hr	\$ 292.50
12/27/2023	Review release and minutes of settlement; consider potential issues re: [REDACTED] [REDACTED]; email to Dylan Chochla and Mitch Stephenson; call with Dylan Chochla. Jesse Harper	0.80 hrs.	875.00/hr	\$ 700.00
12/29/2023	Email to client [REDACTED] Dylan Chochla	0.10 hrs.	975.00/hr	\$ 97.50

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 4
Invoice #: 1943806

Professional Summary

Professional	Title	Rate	Hours	Fees
Chochla, Dylan	Partner	975.00	7.90	7,702.50
Harper, Jesse	Partner	875.00	0.80	700.00
Stephenson, Mitch	Associate	715.00	0.60	429.00
Total			9.30	CAD \$ 8,831.50

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 5
Invoice #: 1943806

Our Fees

\$ 8,831.50

Net Fees	8,831.50	
HST	1,148.09	
Total Fees Including Taxes		\$ 9,979.60

Disbursements

Taxable

12/13/2023 Printing: Black & White	4.50	
Total Disbursements	4.50	
HST	0.58	
Total Disbursements Including Taxes		\$ 5.08

Total Fees, Disbursements and Taxes

CAD \$ 9,984.68

Tax Summary

HST	1,148.68
Total Taxes Included in This Bill	1,148.68

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813

fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

December 31, 2023
Invoice #: 1943806

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

REMITTANCE COPY Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through December 31, 2023 as described in the attached memorandum.

Total Fees	\$ 8,831.50
Total Taxable Disbursements	4.50
Total Disbursements	4.50
Total Taxes	1,148.68
Total Fees, Disbursements and Taxes	9,984.68
Total Amount Owning This Bill	CAD \$ 9,984.68

Tax Summary

HST	1,148.68
Total Taxes Included in This Bill	1,148.68

Your payment via EFT, Wire, On Line Bank Pay or Credit Card is appreciated.
Our Banking Details are below. For credit card payments please contact your Fasken office directly.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

Fasken does not alter its payment instructions.
If you receive new payment instructions in relation to your payment to Fasken, please disregard and notify us immediately.

SCOTIABANK, 44 King Street West, Toronto, Ontario, Canada M5H 1H1
Account Name: Fasken Martineau DuMoulin LLP
CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

Please send a payment notice to credits@fasken.com

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813

fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

February 09, 2024
Invoice #: 1950090

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.

For Professional Services rendered through January 31, 2024 as described in the attached memorandum.

Total Fees	\$ 35,656.00
Total Taxable Disbursements	104.25
Total Non Taxable Disbursements	104.00
Total Disbursements	208.25
Total Taxes	4,648.83
Total Fees, Disbursements and Taxes	40,513.08
Total Amount Owing This Bill	CAD \$ 40,513.08

Tax Summary

HST	4,648.83
Total Taxes Included in This Bill	4,648.83

Fasken Martineau DuMoulin LLP



This account has been reviewed, verified and approved by
Dylan Chochla who has authorized the signing and rendering
of this account.
E. & O.E.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

Fasken does not alter its payment instructions.
If you receive new payment instructions in relation to your payment to Fasken, please disregard and notify us immediately.

SCOTIABANK, 44 King Street West, Toronto, Ontario, Canada M5H 1H1
Account Name: Fasken Martineau DuMoulin LLP
CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

Please send a payment notice to credits@fasken.com

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813
fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

February 09, 2024
Invoice #: 1950090

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

FEE MEMORANDUM

Matter Number: 285937.00015

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

01/03/2024	Reviewing revisions to draft production order from Bennett Jones; emails with Dylan Chochla re: same. Mitch Stephenson	0.70 hrs.	825.00/hr	\$ 577.50
01/04/2024	Email from Lincoln Caylor (Bennett Jones) re: status of settlement; email to client [REDACTED] Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
01/07/2024	Email to Scott Jones re: [REDACTED] Mitch Stephenson	0.10 hrs.	825.00/hr	\$ 82.50
01/08/2024	Email correspondence with Alexandra Teodorescu (Blaney McMurtry) re: Thomas Canning property. Dylan Chochla	0.10 hrs.	1,025.00/hr	\$ 102.50
01/09/2024	Reviewing and revising draft release [REDACTED]; email to client [REDACTED] email to Lincoln Caylor and Nathan Shaheen (Bennett Jones) enclosing same; email correspondence with Chris Burr (Blakes) re: distribution motion; follow-up email to Rob Winterstein (Gardiner Roberts) re: KLN holdback. Dylan Chochla	1.30 hrs.	1,025.00/hr	\$ 1,332.50
01/09/2024	Email to Dylan Chochla re: [REDACTED] Mitch Stephenson	0.30 hrs.	825.00/hr	\$ 247.50
01/09/2024	Emails with [REDACTED] Mitch Stephenson	0.10 hrs.	825.00/hr	\$ 82.50
01/10/2024	Phone call with client [REDACTED] Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
01/12/2024	Reviewing purchase agreement for Thomas Canning lands and related documents; phone call with client [REDACTED] phone call with purchaser counsel; phone call with Grant Moffatt and Adam Driedger (TGF) re: same; reviewing parcel identifier and Skymark charge; considering issues. Dylan Chochla	1.10 hrs.	1,025.00/hr	\$ 1,127.50
01/12/2024	Obtain copies of title documents [REDACTED] Tanya Holtom	0.40 hrs.	485.00/hr	\$ 194.00

Matter Number: 285937.00015

Invoice #: 1950090

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

01/15/2024	Email correspondence with client [REDACTED] [REDACTED] email to Nathan Shaheen (Bennett Jones) re: same and timing for hearing to approve settlement; preparing for and attending conference call with Gavin Tighe (Gardiner Roberts), client and Mitch Stephenson re: possible settlement of LawPro claim in connection with discharge of Delhi mortgage; preparing for and attending conference call with Chris Burr (Blakes), Mitch Vininsky and Murtaza Tallat (KSV), client and Mitch Stephenson re: timing for distribution motion and related issues; reviewing draft hearing request form. Dylan Chochla	2.00 hrs.	1,025.00/hr	\$ 2,050.00
01/15/2024	Preparing for and attending meeting with [REDACTED] [REDACTED] preparing for and attending meeting with KSV and Blakes re: joint hearing for settlement approval and distribution; emails with Bennett Jones and Blakes re: same. Mitch Stephenson	1.50 hrs.	825.00/hr	\$ 1,237.50
01/15/2024	Emails with Dylan Chochla [REDACTED] Montana Licari	0.10 hrs.	600.00/hr	\$ 60.00
01/16/2024	Reviewing information provided by Slattery and Millar re: KLN holdback; email to client [REDACTED] [REDACTED] email to Rob Winterstein re: KLN holdback and distribution hearing in the Mahal receivership; considering response re: same; email correspondence with Chris Burr (Blakes) re: strategy and next steps; email correspondence with client [REDACTED] phone call with client [REDACTED] [REDACTED] email to client [REDACTED] Dylan Chochla	0.90 hrs.	1,025.00/hr	\$ 922.50
01/17/2024	Email correspondence with client [REDACTED]; email correspondence with Nathan Shaheen (Bennett Jones) re: same; email to Chris Burr (Blakes) re: same. Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
01/17/2024	Emails with Connie Deng re: motion materials. Montana Licari	0.20 hrs.	600.00/hr	\$ 120.00
01/18/2024	Email correspondence with Mitch Stephenson [REDACTED] instructions to Montana Licari [REDACTED] Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
01/18/2024	Drafting notice of motion, affidavit of Dylan Chochla, order, and motion record; emails with Mitch Stephenson and Dylan Chochla [REDACTED] Montana Licari	1.80 hrs.	600.00/hr	\$ 1,080.00
01/19/2024	Drafting motion record materials. Montana Licari	2.70 hrs.	600.00/hr	\$ 1,620.00
01/20/2024	Updating mutual release and minutes of settlement; emails with Dylan Chochla and Mitch Stephenson [REDACTED] Montana Licari	0.60 hrs.	600.00/hr	\$ 360.00
01/22/2024	Email correspondence from Court scheduling office re: booking hearing to approve settlement; email correspondence with Chris Burr re: same and scheduling hearing in Mahal receivership to approve distributions; email to client [REDACTED] Dylan Chochla	0.20 hrs.	1,025.00/hr	\$ 205.00
01/22/2024	Attending to scheduling of settlement and fee approval motion; emails with client [REDACTED] Mitch Stephenson	0.40 hrs.	825.00/hr	\$ 330.00

Matter Number: 285937.00015

Invoice #: 1950090

Matter: Receivership of Skymark Finance Inc.

Responsible Professional: Dylan Chochla

01/23/2024	Finalizing minutes and release; email to Lincoln Caylor and Nathan Shaheen (Bennett Jones) enclosing execution versions of same; considering issues [REDACTED] Dylan Chochla	0.50 hrs.	1,025.00/hr	\$ 512.50
01/23/2024	Emails with Bennett Jones re: scheduling production motion; reviewing practice directions re: same. Mitch Stephenson	0.40 hrs.	825.00/hr	\$ 330.00
01/24/2024	Reviewing [REDACTED] [REDACTED] instructions to Mitch Stephenson re: drafting same; finalizing settlement agreements with Orr plaintiffs; phone call with Nathan Shaheen (Bennett Jones) re: process for production motion; email correspondence with client [REDACTED] email correspondence with court scheduling office re: same. Dylan Chochla	1.60 hrs.	1,025.00/hr	\$ 1,640.00
01/24/2024	Reviewing loan and security documents [REDACTED] emails with Dylan Chochla [REDACTED] [REDACTED] emails with Dylan Chochla and Montana Licari and client [REDACTED] [REDACTED] emails with Dylan Chochla and Nathan Gates [REDACTED] [REDACTED] Mitch Stephenson	1.90 hrs.	825.00/hr	\$ 1,567.50
01/24/2024	Sending minutes of settlement and mutual full and final release to Greg Karpel for signature; emails re: same; finalizing execution versions and emailing to Lincoln Caylor and Nathan Shaheen; phone call with Mitch Stephenson re: same. Montana Licari	0.70 hrs.	600.00/hr	\$ 420.00
01/24/2024	Exchange correspondence with Mitch Stephenson [REDACTED] [REDACTED] Nathan Gates	0.20 hrs.	775.00/hr	\$ 155.00
01/25/2024	Email correspondence with Mitch Stephenson and Nathan Gates [REDACTED] [REDACTED]; email to Adam Driedger (TGF) re: same; phone call with client [REDACTED] Dylan Chochla	0.60 hrs.	1,025.00/hr	\$ 615.00
01/25/2024	Organizing loan and security documents [REDACTED] emails with Nathan Gates [REDACTED] email to client [REDACTED] Mitch Stephenson	0.60 hrs.	825.00/hr	\$ 495.00
01/25/2024	Review existing security agreements and discuss same with Mitch Stephenson. Nathan Gates	0.20 hrs.	775.00/hr	\$ 155.00
01/26/2024	Review existing loan and security documents circulated by Mitch Stephenson; prepare draft assignment agreement and circulate same to Mitch Stephenson for review; telephone call with Mitch Stephenson to discuss next steps in matter. Nathan Gates	2.60 hrs.	775.00/hr	\$ 2,015.00
01/27/2024	Exchange correspondence with Mitch Stephenson regarding next steps in matter and timeline for same. Nathan Gates	0.20 hrs.	775.00/hr	\$ 155.00
01/29/2024	Correspondence with Mitch Stephenson regarding Skymark Finance Inc.; conducting additional due diligence searches on SKYMARK FINANCE CORPORATION et al. for same. Adam Simon	0.60 hrs.	350.00/hr	\$ 210.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

01/29/2024	Arranging for due diligence reports regarding 2305145 Ontario Inc. for Jennifer Law; correspondence regarding same. Diana Lauria	0.30 hrs.	350.00/hr	\$ 105.00
01/29/2024	Reviewing letter re: terms of settlement from Gavin Tighe (Gardiner Roberts); email to client [REDACTED] Dylan Chochla	0.30 hrs.	1,025.00/hr	\$ 307.50
01/29/2024	Correspondence with Nathan Gates; prepare PPSA registration. Jennifer Law	0.70 hrs.	320.00/hr	\$ 224.00
01/29/2024	Reviewing and revising assignment and assumption agreement; reviewing loan and security documents re: 258 loan; emails with Nathan Gates re: assignment and assumption agreement; emails with client [REDACTED] Mitch Stephenson	4.50 hrs.	825.00/hr	\$ 3,712.50
01/29/2024	Request PPSA searches from Jennifer Law; review comments circulated by Mitch Stephenson on draft documents and discuss next steps in matter. Nathan Gates	0.50 hrs.	775.00/hr	\$ 387.50
01/30/2024	Arranging for ON PPSA search on 2581150 Ontario Inc. for Jennifer Law; correspondence with same. Adam Simon	0.20 hrs.	350.00/hr	\$ 70.00
01/30/2024	Phone call with client and Mitch Stephenson regarding: [REDACTED]; reviewing and revising draft assignment agreement; email to Mitch Stephenson and Nathan Gates enclosing comments. Dylan Chochla	1.10 hrs.	1,025.00/hr	\$ 1,127.50
01/30/2024	Considering issues re: [REDACTED]; drafting reporting email to PwC/TGF teams re: same; email to client [REDACTED] Dylan Chochla	0.70 hrs.	1,025.00/hr	\$ 717.50
01/30/2024	Order search; correspondence with Nathan Gates. Jennifer Law	0.40 hrs.	320.00/hr	\$ 128.00
01/30/2024	Call with Nathan Gates; [REDACTED] Kelly Yateman	0.30 hrs.	520.00/hr	\$ 156.00
01/30/2024	Reviewing and revising assignment and assumption agreement and various emails and meetings with Dylan Chochla and Nathan Gates re: same and related matters. Mitch Stephenson	2.00 hrs.	825.00/hr	\$ 1,650.00
01/30/2024	Review comments provided by Mitch Stephenson on draft assignment agreement and provide follow up comments on same; review search results provided by Jennifer Law and incorporate reference to same in draft assignment agreement; request assistance from Kelly Yateman. Nathan Gates	1.70 hrs.	775.00/hr	\$ 1,317.50
01/31/2024	Arranging for ON Profile Reports on 2581150 ONTARIO INC. et al. for Jennifer Law; correspondence with same. Adam Simon	0.30 hrs.	350.00/hr	\$ 105.00

Matter Number: 285937.00015**Matter: Receivership of Skymark Finance Inc.****Responsible Professional: Dylan Chochla**

01/31/2024	Review of assignment provision; email to Mitch Stevenson re same; review and confirm process for transferring charges with Mark Brennan. Allyson Roy	0.20 hrs.	950.00/hr	\$ 190.00
01/31/2024	Email correspondence with Rob Winterstein (Gardiner Roberts) and Chris Burr (Blakes) re: hearing to address KLN holdback; reviewing revised draft of assignment agreement; email correspondence with internal working group re: same. Dylan Chochla	1.20 hrs.	1,025.00/hr	\$ 1,230.00
01/31/2024	Comparing terms under loan agreements and summarizing in a table. Julia (Yun Ji) Chung	1.30 hrs.	385.00/hr	\$ 500.50
01/31/2024	Updating assignment agreement [REDACTED] [REDACTED] Julia (Yun Ji) Chung	0.10 hrs.	385.00/hr	\$ 38.50
01/31/2024	Drafting and revising assignment and assumption agreement [REDACTED] [REDACTED] Mitch Stephenson	1.90 hrs.	825.00/hr	\$ 1,567.50
01/31/2024	Exchange correspondence with Mitch Stephenson regarding draft assignment agreement and timeline for next steps in matter; review emails regarding existing debt; provide instructions to Jennifer Law regarding next steps in matter; review revised assignment agreement circulated by Jennifer Law and provide comments on same. Nathan Gates	1.40 hrs.	775.00/hr	\$ 1,085.00
01/31/2024	Review of assignment agreement; correspondence with Allyson Roy re the same. Ruby Cammarano	0.50 hrs.	635.00/hr	\$ 317.50

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 7
Invoice #: 1950090

Professional Summary

Professional	Title	Rate	Hours	Fees
Chochla, Dylan	Partner	1,025.00	12.30	12,607.50
Roy, Allyson	Partner	950.00	0.20	190.00
Stephenson, Mitch	Partner	825.00	14.40	11,880.00
Cammarano, Ruby	Associate	635.00	0.50	317.50
Gates, Nathan	Associate	775.00	6.80	5,270.00
Licari, Montana	Associate	600.00	6.10	3,660.00
Chung, Julia (Yun Ji)	Student	385.00	1.40	539.00
Holtom, Tanya	Paralegal / Law Clerks	485.00	0.40	194.00
Lauria, Diana	Paralegal / Law Clerks	350.00	0.30	105.00
Law, Jennifer	Paralegal / Law Clerks	320.00	1.10	352.00
Simon, Adam	Paralegal / Law Clerks	350.00	1.10	385.00
Yateman, Kelly	Paralegal / Law Clerks	520.00	0.30	156.00
Total			44.90	CAD \$ 35,656.00

Our Fees

\$ 35,656.00

Net Fees	35,656.00
HST	4,635.28
Total Fees Including Taxes	<u>\$ 40,291.28</u>

Disbursements

Non-Taxable

01/29/2024	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20240129 ONCORP	8.00
01/29/2024	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20240129 ONCORP	8.00
01/29/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240129 ONCORP	8.00
01/29/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240129 ONCORP	8.00
01/29/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240129 ONCORP	8.00
01/30/2024	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20240130 ONCORP	8.00
01/31/2024	ONCORP DIRECT INC. - 10274 - ON PPR Registration - Form 1C - Dtd 20240131 ONCORP	40.00
01/31/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240131 ONCORP	8.00
01/31/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240131 ONCORP	8.00

Taxable

01/12/2024	TERANET COLLATERAL MANAGEMENT SOLUTIONS - Teraview_1/12/2024_Image - Download Instrument_CE780575 285937.00015	3.00
01/24/2024	Printing: Black & White	14.00
01/24/2024	Printing: Black & White	24.25
01/29/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240129 ONCORP	7.00
01/29/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240129 ONCORP	7.00
01/29/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240129 ONCORP	7.00
01/29/2024	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20240129 ONCORP	7.00
01/29/2024	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20240129 ONCORP	7.00
01/30/2024	ONCORP DIRECT INC. - 10274 - EDD ON PPR Search - Electronic - Dtd 20240130 ONCORP	7.00
01/31/2024	ONCORP DIRECT INC. - 10274 - ON PPR Registration - Form 1C - Dtd 20240131 ONCORP	7.00
01/31/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240131 ONCORP	7.00
01/31/2024	ONCORP DIRECT INC. - 10274 - Entity Profile Report - Dtd 20240131 ONCORP	7.00

Total Disbursements	<u>208.25</u>
HST	13.55

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

Page 9
Invoice #: 1950090

Total Disbursements Including Taxes	<hr/>	\$ 221.80
-------------------------------------	-------	-----------

Total Fees, Disbursements and Taxes	<hr/>	CAD \$ 40,513.08
	<hr/>	

Tax Summary

HST	<hr/>	4,648.83
Total Taxes Included in This Bill	<hr/>	4,648.83
	<hr/>	

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813

fasken.com

Alvarez & Marsal
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto ON M5J 2J1

February 09, 2024
Invoice #: 1950090

GST/HST#: 87937 6127
QST#: 1023151835

Attention: Greg Karpel

REMITTANCE COPY Please return with your payment

Matter Number: 285937.00015
Matter: Receivership of Skymark Finance Inc.
Responsible Professional: Dylan Chochla

For Professional Services rendered through January 31, 2024 as described in the attached memorandum.

Total Fees	\$ 35,656.00
Total Taxable Disbursements	104.25
Total Non Taxable Disbursements	104.00
Total Disbursements	208.25
Total Taxes	4,648.83
Total Fees, Disbursements and Taxes	40,513.08
Total Amount Owing This Bill	CAD \$ 40,513.08

Tax Summary

HST	4,648.83
Total Taxes Included in This Bill	4,648.83

Your payment via EFT, Wire, On Line Bank Pay or Credit Card is appreciated.
Our Banking Details are below. For credit card payments please contact your Fasken office directly.

Terms: payment due upon receipt. Pursuant to the *Solicitors Act*, interest will be charged at the rate of 5.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered. Any disbursement not posted to your account on the date of this statement will be billed later.

Fasken does not alter its payment instructions.
If you receive new payment instructions in relation to your payment to Fasken, please disregard and notify us immediately.

SCOTIABANK, 44 King Street West, Toronto, Ontario, Canada M5H 1H1
Account Name: Fasken Martineau DuMoulin LLP
CAD\$ Account No: 476961041614, Transit No. 47696 Bank ID: 002
SWIFT code: NOSCCATT

Please send a payment notice to credits@fasken.com

This is Exhibit “C” referred to in the Affidavit of Dylan Chochla sworn by Dylan Chochla at the City of Toronto, in the Province of Ontario, before me on February 14, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Mitch Stephenson

7111077E9D494C2

Commissioner for Taking Affidavits (or as may be)

MITCH STEPHENSON

Time Keeper Summary

Name	Position	Hourly Rate	Total Hours	Amount Billed
Roddey, Robin P.	Partner	1200	14.1	\$ 16,920.00
Brotman, Stuart	Partner	1250	0.4	\$ 500.00
Yip, Kevin H.	Partner	1200	2.6	\$ 3,120.00
Holtom, Tanya	Paralegal / Law Clerks	455	1.5	\$ 682.50
Holtom, Tanya	Paralegal / Law Clerks	485	0.4	\$ 194.00
Chochla, Dylan	Partner	975	85.5	\$ 83,362.50
Chochla, Dylan	Partner	1025	12.3	\$ 12,607.50
Crombie, Reid	Partner	825	33.9	\$ 27,967.50
Paquette, Christian	Partner	875	0.6	\$ 525.00
Stephenson, Mitch	Partner	715	81.5	\$ 58,272.50
Stephenson, Mitch	Partner	825	14.4	\$ 11,880.00
Richer, Daniel	Associate	665	0.6	\$ 399.00
Yateman, Kelly	Paralegal / Law Clerks	490	2.6	\$ 1,274.00
Yateman, Kelly	Paralegal / Law Clerks	520	0.3	\$ 156.00
Zhao, Puyang	Associate	795	2.6	\$ 2,067.00
Motuz, Gabrielle	Regular Partner	600	8.6	\$ 5,160.00
Wightman, Stephen	Paralegal / Law Clerks	390	7.5	\$ 2,925.00
Martelli, Anna	Paralegal / Law Clerks	490	1.7	\$ 833.00
Poonai, Toshni	Paralegal / Law Clerks	365	1.6	\$ 584.00
Phillips, Rachel	Regular Partner	715	37.9	\$ 27,098.50
Ignatova, Katerina	Associate	495	6.4	\$ 3,168.00
Licari, Montana	Associate	495	65.4	\$ 32,373.00
Licari, Montana	Associate	600	6.1	\$ 3,660.00
Douthwright, Janelle	Associate	495	11.8	\$ 5,841.00
Law, Jennifer	Paralegal / Law Clerks	300	0.6	\$ 180.00
Law, Jennifer	Paralegal / Law Clerks	320	1.1	\$ 352.00
Abrahamson, Katlin	Student	360	0.9	\$ 324.00
Kaur Deol, Manpreet	Student	360	2.2	\$ 792.00
Darwich, Safa	Paralegal / Law Clerks	300	1.8	\$ 540.00
Lauria, Diana	Paralegal / Law Clerks	325	0.3	\$ 97.50
Lauria, Diana	Paralegal / Law Clerks	350	0.3	\$ 105.00
Simon, Adam	Paralegal / Law Clerks	350	1.1	\$ 385.00
Roy, Allyson	Partner	950	0.2	\$ 190.00
Cammarano, Ruby	Associate	635	0.5	\$ 317.50
Chung, Julia (Yun Ji)	Student	385	1.4	\$ 539.00
Gates, Nathan	Associate	775	6.8	\$ 5,270.00
Harper, Jesse	Partner	875	0.8	\$ 700.00
		TOTALS:	418.3	\$ 311,362.00

PRICEWATERHOUSECOOPERS INC. (solely in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and certain related entities and investment funds)	-and- 2305145 ONTARIO INC. et al.	Respondents
Applicant		Court File No. CV-22-00692309-00CL
		ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)
		Proceeding commenced at Toronto
		AFFIDAVIT OF DYLAN CHOCHLA (SWORN FEBRUARY 14, 2024)
		FASKEN MARTINEAU DuMOULIN LLP Barristers and Solicitors 333 Bay Street, Suite 2400 Bay Adelaide Centre, Box 20 Toronto ON M5H 2T6
		Dylan Chochla (LSO: 62137I) dchochla@fasken.com Tel: 416 868 3425
		Mitch Stephenson (LSO: 73064H) mstephenson@fasken.com Tel: 416 868 3502
		Montana Licari (LSO: 85097G) mlicari@fasken.com Tel: 416 868 3450
		Lawyers for the Receiver, Alvarez & Marsal Canada Inc.